East Bellevue Community Council
Summary Minutes of Special Meeting

November 26, 2012
10:00 a.m.

Senate Hearing Room #1
J.A. Cherberg Building
Olympia, Washington

PRESENT: Chair Kasner, Vice Chair Seal, and Councilmembers Capron and Hughes
ABSENT: Councilmember Gooding

The East Bellevue Community Council's purpose for this Special Meeting is to provide testimony to the Junior Taxing Districts, Municipal Corporation & Local Government Finance Joint Select Committee related to the Committee's consideration of the consolidation of certain junior taxing districts and municipal corporations into the cities or counties in which they reside.

State Representative Springer, Chair of the Committee, opened the meeting at 10:00 AM, noting the absence of Committee members Hatfield, Fraser and Erickson.

Mr. Chuck Pfeil, State Auditor's Office, provided an audit summary for public development authorities & public facilities districts and local government financial condition. He reviewed the recommendations of the State Auditor's Office as they relate to public development authorities & public facilities districts, and responded to questions of the Committee.

The following stakeholders provided their perspective on the matter of consolidation, prior to the testimony given by representatives of the Houghton and East Bellevue Community Councils:

1. Mark Foutch, Capital Area Regional Public Facilities Districts – Opposes consolidation.
2. John Halgrenson answered questions of the Committee related to public facilities districts.
3. Joe Daniels, Washington State Association of Sewer and Water Districts, supports continuation under current statutes and recommends reform to the assumption statute to provide a vote in those cases where there is a hostile assumption effort. He responded to Committee questions.
4. Bill Clarke, Washington PUD Association, provided brief overview of PUD issues generally and spoke in support of retaining statutory authority.
5. Ann Spangler, General Counsel with Snohomish PUD, she provide overview of services provided. She explained the regulatory environment under which the PUD operates.
6. Doug Quinn, Water Services Manager for Clark Public Utilities, focused his comments on water and infrastructure related issues for PUDs. And, explained the benefits of the economy of scale and past consolidation of utility districts. He stated providing adequate loan and grant financing for acquisition, rehabilitation of water systems allows PUDs and other local governments to consolidate, to acquire, and rehabilitate failing systems. And, although there is statutory authority for such programs, it lacks a dedicated funding source.

7. Mike Brown, Washington Fire Chiefs Association, noted some of the fiscal challenges for fire districts funded by property taxes. He noted the additional financial impacts of the large volumes of public records requests received with no ability to offset those costs. Mr. Brown provided a history of fire district consolidations and noted a few examples. He asked the Legislature to continue to support the current revenue sources; to consider a reduction in the super majority vote requirement for some of the alternative funding sources; and, to consider review of the EMS Levy costs. He discouraged any legislative changes to the current fire district format.
8. Greg Markley, State Council of Firefighters, explained the different funding mechanisms for fire & rescue districts and the challenges created by decreasing property values.
9. Ryan Spiller, Washington Fire Commissioners, stated history of proposed legislation to increase efficiencies and effectiveness. In past ten years, over 100 mergers, annexations and RFAs created, pointing to the reality that one size in fire service does not fit all.

The Committee next moved to the Community Council Municipal Corporation testimony.

Rick Whitney, Houghton Community Council, stated the Houghton Community Municipal Corporation was formed as a condition for the citizens of the City of Houghton to approve a merger with the City of Kirkland in 1968. The vote on the proposed merger had failed on three previous occasions before it was finally approved with the provision for the creation of the Houghton Council. That was the critical inducement for an entire city to abandon its autonomy. The Houghton Council enables the residents of Houghton to retain some influence over the character of its community by having authority to disapprove land use decisions within its boundaries. The Council has no taxing authority, cannot vote on any legislation or decisions outside of its boundaries. The Council also has no ability to introduce legislation or be proactive in any way, even within its boundaries. Unlike most special purpose districts, the community municipal corporations have a sunset mechanism built into the existing statutes. RCW 35.14 requires an affirmative public vote every four years for the community council's continued existence. Of the four community municipal corporations formed under this statute only two remain. He stated to his knowledge there has never been any concerted effort to influence the public vote to terminate the Houghton Council. This Council has worked very effectively with Kirkland City Council and staff for over 40 years. Meetings are scheduled jointly with the Kirkland Hearing Examiners and Planning Commission whenever feasible to assure the Houghton Council's involvement in the land use decision process is efficient and timely. Mr. Whitney stated his Council understands its responsibilities with regard to Regulatory Reform Act and the Growth Management Act and work diligently to comply He stated his belief that the service and benefits provided by the Council's volunteer efforts far outweigh its operational costs. In closing, he reiterated that the state should not abrogate agreements that were the critical inducements for the City of Houghton to abandon its autonomy and merger with Kirkland and for the East Bellevue community to annex into the City of Bellevue. Those agreements deserve to be honored and if they should ever be changed, it should be by the will of the parties involved not imposed by the will of the state.

John Kappler, Houghton Community Council, stated the Community Council does have a special condition and it is not an unfair condition. This condition gives our community a voice per RCW

35.14. The law as written and intended is working. He provided examples that illustrate how the Houghton Council has worked with the City of Kirkland.
Representatives of both Community Councils responded to Committee questions.

Steve Kasner, East Bellevue Community Council, stated that he has been active in various capacities in the City of Bellevue for the past twenty years. He provided a map depiction of Bellevue's annexation history. In the 1960's as Bellevue started to expand, there were many annexations done and residents of East Bellevue did not believe enough commonalities existed with the City to approve annexation until the ability to form a community council. When East Bellevue and Sammamish areas successfully annexed into the City they brought with them a population that more than doubled the existing population of Bellevue. For 42 years the Community Council has worked very hard to serve the needs of East Bellevue citizens and work with the City to provide sensible and responsible development and growth. He reiterated the current sunset provision include in RCW 35.14. He stated the Community Council's role of providing a forum for community discussion to plan responsibly for land use. Under the model of open and transparent government, he stated he believed that the Community Councils have served well.

William Capron, East Bellevue Community Council, related his personal experience prior to his participation on the East Bellevue Community Council. He explained, as a business owner in the East Bellevue area he had occasion to come before the Community Council and plead his case when the City attempted to rezone his property to professional office which would have eventually damaged his ability to successfully operate his service station. Having persuaded the Community Council of his plight, the rezone was rejected. He is in business today because of the intervention and protection the East Bellevue Community Council afforded him.

Mr. Kasner provided one more example of collaboration. When he was chair of the Bellevue Parks Board, he came before the Community Council to discuss the installation of domes of four of Bellevue's tennis courts. The Community Council at that time was firm that the parking and infrastructure of Robinswood Park would not support four tennis courts. After some review, the Community Council approved two covered tennis courts to meet recreational needs while protecting the neighborhoods from the unintended consequences of traffic and off street parking. He noted that the Community Council in partnership with the City of Bellevue will be hosting a Comprehensive Plan update public meeting in February.

With the Community Council's testimony concluded, the Special Meeting of November 26, 2012 adjourned at 11:45 AM

The Committee thanked the participants and continued their hearing, listening next to testimony from the airport districts.

Michelle Murphy, CMC
Deputy City Clerk