

MINUTES  
Special Streets Sustainability Committee Meeting  
Meeting #4: 1:00 p.m. Tuesday, July 20, 2021

ATTENDANCE:

*Committee Members:*

1. Lance Beck
2. Cal Coblentz
3. Robin DeRuew
4. Tom Dingus
5. Kyle England - *absent*
6. Matt Ewers - *absent*
7. Mike Frucci
8. Kelly Fukai - *absent*
9. Jesse Granado - *absent*
10. Todd Henry - *absent*
11. Chris Moan
12. Karl Otterstrom - *absent*
13. Kevin Person
14. Greg Repetti -*absent*
15. Melanie Rose
16. Ben Small
17. Cheryl Stewart - *absent*
18. Frank Tombari
19. Joe Tortorelli
20. Kevin Wallace
21. Diana Wilhite
22. Kathe Williams

*Internal Staff:*

1. Adam Jackson, Planning/Grants Engineer
2. Chelsie Taylor, Finance Director
3. Bill Helbig, City Engineer
4. Chris Bainbridge, City Clerk

*External Staff:*

1. Joy York, Whitworth University, Moderator
2. Linda Pierce, NCE Engineering, Consulting Engineer

1. Introduction & Overview – Joy York

Ms. York welcomed everyone and explained that the focus today is to revisit some committee goals and process as to where we were, where we are, and where we are headed and have more in-depth discussion of funding options and their pros and cons. Ms. York again reminded everyone of some of the considerations; said today we will have just one break-out session to last about 40 minutes, then come back for a de-brief; said the goal is to hear multiple perspectives. She also noted that members of the community who are observing today's meeting, to please not comment during the meeting, but any comments can be emailed later to [streetsolutions@spokanevalley.org](mailto:streetsolutions@spokanevalley.org).

2. Revisit Committee Goals & Process

Ms. York remarked that we are now half-way through the process, and she noted the three main goals: evaluate citizen's interest and support for maintaining city streets and suggesting pavement condition goals; identify preference for maintaining city streets, types of treatments used, and long-term levels of service; and investigate current revenues and potential future funding sources for maintaining city streets at the recommended level of service. She also mentioned that there will be a report to City Council around those three particular issues. She said that one part of the conversation is how do we meet those goals; do we have special meetings, or through media releases and/or community surveys, or other means to bring these issues and the entire conversation forward in order to hear how people feel about this issue.

Ms. Pierce said there is a lot of information that goes into the development of any type of management system; but that it must be data-driven and for any identified pavement needs, we will need to know when it will need to be done and how to fund it, and then keep in mind what can be done within the available

budget; that the purpose of this group is to understand and assist the city in resolving this issue; and she added that she hopes the results of this committee will be adopted in whole or in part.

Mr. Jackson said that the last three meetings skimmed the surface of funding options, but today's meeting is what he termed the 'heavy lift' as today's meeting will further evaluate and get each member's perspective on the pros and cons of different funding options; i.e. the property tax banked capacity, levy lid lift, transportation benefit district (TBD), or utility taxes. In response to a question about the banked capacity, City Finance Director Taylor explained that would be a one-time use, but it would permanently increase the tax amount; said other options could be temporary or permanent and would depend on how each would be structured or placed on a ballot; that it would be a council manic change up to a statutory rate; if it were to go to the voter, it would be an informational vote and would be optional. Ms. Taylor also noted that a TBD would not have a sunset clause, but would be permanent unless or until dissolved.

### 3. Breakout Funding Discussion

At 1:25 p.m. Committee members broke out into three groups. The groups reconvened at 2:07 p.m. and Ms. York asked to hear the pros and cons of each group's funding option.

#### *Property Tax Banked Capacity*

Group 1: reported there wasn't large support for any of the tax options; one positive is that it is stable, but a pretty big negative is it would result in a large increase in taxes in order to generate enough money; they talked about doing a public vote but assume Council could move quicker.

Group 2: said it doesn't raise enough funds to make an impact; but none of the options do; a positive is doing it council-manic, but they more focused on local residents to pay for streets.

Group 3: said it would be easy to implement and every little bit counts; like it not requiring a public vote; the negative is it would have a larger effect on some lower income people; but generally the group is good with this option.

#### *Levy Lid Lift*

Group 1: said they didn't give it much thought; assumed it would not raise much money and would almost be a waste of time and create more problems and take more time to create; it would also force us to do a banked capacity before doing a levy lid lift; said the group felt it wasn't palatable.

Group 2: said they noted it and went a different direction and talked about the options as a whole then which one to favor.

Group 3: also mentioned having to do banked capacity before this so they saw this as a non-starter; they also questioned the timing as property taxes are going up so much now.

#### *TBD*

Group 1: for the **vehicle license tax**: they agreed with the idea if people use the roads, they should pay for it and thought it could be a significant portion of what is needed; however, they acknowledged it is not popular and that people hate it; said for lower income people it would be a highly regressive tax.

Group 2: said our community attracts a lot of shoppers from outside the area so this would be a missed opportunity for those people to contribute to fixing the roads; said people really don't like car tabs but would be easier to implement through council-manic; they think the sales tax would probably be more equitable so people from outside the area would help pay for the roads.

Group 3: agreed with the sentiments previously expressed; said we could do it but it would be tougher for people in lower incomes; and is an unpopular idea.

Group 3: for the **sales and use tax**: they feel this option gets people to participate who use our roads and live outside the community; voter approval would make this one more difficult.

Group 2: seems fair, equitable; those who can make purchases will bear the larger brunt; this is better than tab tax; to get passed by voters would need strong campaign.

Group 1: supportive as it includes visitors; not very reliable each year depending on economy, plus we compete with Idaho which has a lower tax.

Group 1: for the **excess property tax**: similar comments as others; would be a big effort for the amount of money; only good for a year so would have to fight the battle annually; takes some intestinal fortitude.

Group 2: didn't consider.

Group 3: didn't consider.

#### *Utility Taxes*

Group 3: spreads across the entire population, but asks if there can be different amounts for different utilities; mentioned Waste Management and that we don't require mandatory pickup; if sewer, it raises quite a bit of money so it would be possible to solve the problem in one fell swoop; would need to be clear communication to the public that this would be a city tax and not from the utility companies.

Group 2: question of whether streets are a utility; said this makes it difficult for those living on limited income; asked how do we help people best understand where the funds would go and how they will be used; said a utility tax doesn't seem to translate clearly.

Group 1: saw dramatic difference between City of Spokane and Spokane Valley; we don't charge those things so it might be a way to do things; mentioned those struggling to pay bills and keep current with their utility bills; said it doesn't equitably tax business and it might discourage investment in our community; said it could be a challenge.

#### 4. Update on Public Participation Process: Special Meetings

Mr. Jackson talked about the five videos, each lasting 15 to 20 minutes and that it would hard for the general public to consume; he then showed a two and a half-minute video; said next week or so the City's newsletter *View* will be delivered to people's mailboxes, and the newsletter will encourage people to take the survey, and he gave a very brief synopsis of what pavement management is and of the needed \$16 million to keep the streets, all 460 miles of roads, in their current condition. Mr. Jackson also explained a little about road maintenance options such as crack sealing, patching, grinding, and the most expensive, full reconstruction. He noted the survey will also get posted to our website. Mr. Jackson noted further public engagement strategies include virtual open houses, special meetings with community organizations, and use of the media, and told committee members if the opportunity arises, city staff would come talk to specific groups, and to let him know if there is any interest. Suggested organizations for city staff to give presentations, included the State Transportation Commission, and the Spokane Home Builders.

#### 5. Questions & Considerations Moving Forward

Mr. Jackson asked if there were any further questions, and none were submitted.

#### 6. Next Meeting: August 31, 2021, 1-3 p.m.

It was noted that the next meeting will be August 31, 2021, from 1-3 p.m.; and said the committee questionnaire will serve as the final homework assignment over these last two meetings, adding that the last meeting is scheduled for September 14.

Ms. York thanked everyone for attending today's meeting.

The meeting adjourned at 2:55 p.m.

Respectfully submitted,  
Chris Bainbridge  
Spokane Valley City Clerk