

THE ASSOCIATION OF WASHINGTON CITIES MAGAZINE

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FUTURE PERFECT

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CITYVISION MAGAZINE VOL. 16 / NO. 1

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The theme of this month's issue of Cityvision is "Envisioning the Future." When I think about what it means to envision the future. I think about what it means to envision that future together.

It's no secret that we live in divisive times-and in times of great change and challenge. It's only human for us all to feel uneasy about those changes and to wonder what future they will bring. However, I have witnessed the power of shared vision, where city leaders and their communities unite to address these anxieties. This process, often starting small and building on past successes, is a testament to our resilience and determination to shape our future together.

Our success in envisioning and creating a future that empowers everyone relies on our willingness to hear one another, listen, and meet people where they are. City leaders are working hard to help communities identify commonalities and build on those understandings until they produce solutions to our shared concerns.

As city officials, we are steeped in plans that help us create our future-strategic initiatives, comprehensive plans, and economic development strategies. Providing services for growing and vibrant communities will remain both a challenge and an opportunity. Our cities are creating paths for our communities to thrive. Our city leaders are up to this challenge!

Cities are built on the foundation of their past; their successes, challenges, and stories help to build fertile visions for the future. This edition of Cityvision magazine features stories about how Washington's cities envision their future with intentionality and imagination-often leading the nation by showing how to create a path forward that benefits us all.

As an AWC member, you have access to a wealth of resources that can support you as a city leader or official. Whether it's building relationships with your legislators outside of session, supporting cities through our pooling programs, or connecting you with your AWC board representatives for support and advice-we are here to help you thrive in your community.

I hope to see you at our Annual Conference in Vancouver in June and would love to hear about your vision for your city.

Betsy Wilkerson Council President, Spokane

Cle Elum Mayor Matthew Lundh: "We can retain the things we value most about this community as we grow." GROWTH MARGIN P. 9

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From controlling floods to managing drought: Cities get creative when planning for the challenges of tomorrow. And in our popular **NOTED** feature, we parse updated regulations for automated traffic safety cameras.

AWC board member and Cle Elum Mayor Matthew Lundh on how local leaders need to rely on each other, and leverage available resources, to better plan for the future.

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The cities of Tumwater and Richland take cues from their past in reinventing, and reinvigorating, local and regional economies BY ZOE SAYLER

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workshop.

Citybeat

Walking the Talk

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By circumnavigating the city on foot, Tacoma's Deputy Mayor seeks to reshape public perceptions and inspire civic pride—one block at a time.

JENNIFER KRAZIT

ACOMA DEPUTY MAYOR JOHN HINES has been battling negative stereotypes about his hometown his whole life. From juvenile jibes about the "aroma of Tacoma" to naysayers who refer to Washington's third most populous city as "Seattle's dirty backyard," he's heard it all. But having been born and raised in Tacoma, and having attended the local high school and college before becoming a football coach and public school teacher, Hines knows his city well–arguably better than almost anyone–and when it comes to talking about his hometown, he speaks only in superlatives.

"We live in a gorgeous part of the country, and when people come here, they realize it's amazing," says Hines. "So part of my goal is just getting people to see Tacoma for what it actually is."

Since joining the city council in 2019, Hines has championed a rebranding campaign to change perceptions about the city and build a community that is welcoming and comfortable to people of all ages. In July, he's literally putting rubber to the road, with a walkabout that will take him through every neighborhood and business district in the city. During the trip, which he expects will take about six days and

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Tidal Splurge

To combat recurring winter floods—and better serve its growing population—Port Orchard elevates its main street and re-envisions a downtown corridor for the future.

JENNIFER KRAZIT

MOST YEARS, COME NOVEMBER, when rainy weather coincides with king tides, downtown Port Orchard floods. Bay Street, the waterfront business district's primary thoroughfare, becomes undrivable, and local business owners rush to sandbag doorsteps and entryways in hopes of keeping water from flooding their shops, restaurants, and cafes. An inadequate stormwater system and the downtown area's low-lying, waterfront location make flooding in these not-uncommon conditions inevitable. It's a problem most climate change experts say will only worsen as sea levels continue to rise.

But after years of coping with these recurring floods, Port Orchard is embarking on a grand mission to not only prevent them from happening in the first place, but to build a downtown corridor that will better serve its booming population for decades to come. With the adoption of the Port Orchard Downtown Subarea Plan and an influx of public and private investment, the city is charting a new path forward. The revitalization master plan includes new sidewalks, street trees, an exterior remodel of City Hall, and rebuilding the Port of Bremerton's breakwater protecting the marina. In addition, the city plans to elevate a portion of Bay Street-the city's main street through the waterfront of downtown-by 1.5 feet to prevent future flooding.

City leaders have talked about reimagining downtown Port Orchard for years, according to Mayor Rob Putaansuu, who's lived in the city since 1970. "During my lifetime we've had multiple plans for the redevelopment of our downtown, but none were ever executed," he says. "Now we have a plan, a road map, and the funding to make it happen."

When he first joined the city council 18 years ago, Putaansuu recalls that Port Orchard was still a largely undiscovered gem, but that has changed. "This past year, whether we want to be or not, we were the sixth fastest-growing city in the state," he says.

The mayor attributes that growth to several factors, including a post-pandemic shift to remote work that brought an influx of new residents from Seattle and other cities who now telecommute from Port Orchard-a golf community with ample capacity for the development of single-family homes. Kitsap Transit also introduced regular passenger-only ferry service, which means residents can now get to downtown Seattle in just 30 minutes. This rapid growth makes it all the more important to finally implement the kind of updated downtown plan the city has long envisioned, says Putaansuu, who also notes that renovating and rebuilding the city's downtown only to have it flood year after year would be fruitless. So the city is moving forward with a plan to address that, too.

Port Orchard's renewed downtown will be anchored by a community centerhome to a library on the ground floor and an events and banquet space on the second floor-and a new headquarters for Kitsap Bank. Between the bank and the community center will sit Orchard Street Plaza, creating a permanent home for the town's farmers market and public events, which currently take place in parking lots, impacting downtown parking during these events. These and other projects are being funded with over \$160 million of private and public funds, including federal appropriations, federal and state transportation funds, and municipal and library funds.

"We're not a large city and for us to be able to gather more than \$160 million of funding for our downtown redevelopment is truly remarkable," says the mayor. "We got public and private entities to believe in what we're doing."

When it comes to future-proofing Port Orchard, with its Downtown Subarea Plan, the city is turning that belief into reality.



FUNDING The Future

Every year, AWC provides cities with the opportunity to contribute to our collective city data through the City Conditions Survey. Together, responses from the 143 Washington cities that participated in the 2023 survey made clear that fiscal pressures are top-of-mind for city leaders, along with public safety, infrastructure, workforce, housing, and behavioral health, as demonstrated by these excerpted results:

WHAT ARE THE MOST SIGNIFICANT FINANCIAL TRENDS AFFECTING YOUR CITY'S ABILITY TO GOVERN IN THE NEXT FIVE YEARS?



60% Costs and needs for workforce

51%

HOW IS YOUR CURRENT REVENUE OUTLOOK COMPARED TO YOUR EXPENDITURE OUTLOOK FOR 2024?

8% Revenues exceeding expenditures

41% Revenues generally keeping up with expenditures

51%

Revenues **falling short** of expenditures

HOW CAN THE STATE BEST SUPPORT YOUR CITY'S WORK?

Enhance state

funding for **public**

safety and criminal

justice

Increase state

investment in

community-based

crisis response and

behavioral health

resources

Source: 2023 AWC City

Conditions Survey



Increase state funding to cities for infrastructure and transportation



Increase current state-shared revenues



Revise the 1% property tax limit



MISSION CRITICAL

Moses Lake grapples with contamination, and a dwindling water supply, to secure its economic future.

JENNIFER KRAZIT

AS THE NATION'S LARGEST POTATO PRODUCER, Moses Lake's economy and identity remain firmly rooted in agriculture. But the city's access to inexpensive hydroelectric power, the availability of reasonably priced land, and its proximity to international ports via rail and air have attracted an influx of industrial investment over the last few decades.

Today, Moses Lake is home to three large chemical companies, a carbon fiber plant, an aviation fuel company, an algae producer, and a steel manufacturer. By 2025, Moses Lake will be firmly at the center of the state's cleantech revolution when Sila Nanotechnologies and Group14 begin producing cutting-edge battery materials for cell phones and electric vehicles. The Moses Lake facility will be one of the world's two largest such factories currently under construction, and once the factory is up and running, hundreds of new employees will need a place to live.

"We are building as rapidly as we can," says City Manager Kevin Fuhr, who estimates the city adds 250 to 300 new homes a year to its inventory. "We have developments going in all over the city."

Surrounded by the largest body of fresh water in Grant County, Moses Lake is running low on water. Since 2010, Moses Lake's population has increased by more than 27 percent, to nearly 26,000. Every year, levels in its ancient, deep-water wells decline. In addition, the East Low Canal, which was intended to bring irrigation water to farms in eastern Grant County and western Adams County, lost funding and was never completely built out, according to Fuhr. As a result, many farmers drilled deeper wells to irrigate crops, depleting the city's aquifer.

"The more straws and more people you have pulling water out of the aquifers, the quicker it's going to deplete," says Fuhr. Further exacerbating the problem, the discovery of PFAS (aka forever chemicals) in the water forced the city to shut down two of its wells.

Moses Lake is working to address the issue in several ways, starting with conservation. In March, the city council added a \$250 surcharge for households using more than 10,000 cubic of water in a billing cycle and implemented a citywide lawn-watering schedule. They also plan to encourage homeowners to try xeriscaping to conserve water. By 2025, the city hopes to have a water tower built and filtration systems installed that will allow it to address the contaminants and restart the closed wells, increasing supply.

To meet future demand, Moses Lake envisions building an updated filtration system and adding water lines to process about 10 million gallons of surface water a day from the local canal system, which will require as much as \$100 million and up to a decade to complete. The city has applied for funding from the Bureau of Reclamation and is working with congressional representatives to explore additional federal funding options. With the recent EPA announcement of new maximum contaminant levels for PFAS, that funding will be even more vital.

"It's critical that we provide the homes that are necessary for all this industry coming in," says Fuhr. "We've got to solve this."

The city's future, and Moses Lake's status as a clean-tech industrial hub, depends on it.



For more information: cityofml.com NOTED

City ordinances that reference or rely on RCW 46.63.170 may need to be reviewed and updated accordingly.

Cities with traffic safety camera programs in place prior to January I, 2024, are authorized to increase camera locations by up to 1090 and allocate revenues from those cameras as determined by the city.

If a traffic safety camera has not been moved within four years of placement, 2590 of infraction revenues must be remitted back to the Cooper Jones account.

People receiving public assistance or WIC may request and be granted a 50% reduction to the infraction.

ENGROSSED SUBSTITUTE HOUSE BILL 2384 EFFECTIVE DATE: JUNE 6, 2024

An act relating to automated traffic safety cameras; amending RCW 46.16A.120, 46.63.030, 46.63.180, 46.63.075, and 46.68.480; adding new sections to chapter 46.63 RCW; and repealing RCW 46.63.170.

NEW SECTION: Sec. 2

(2) Any city or county may authorize the use of automated traffic safety cameras and must adopt an ordinance authorizing such use through its local legislative authority.

(3) The local legislative authority must prepare an analysis of the locations within the jurisdiction where automated traffic safety cameras are proposed to be located before adding traffic safety cameras to a new location or relocating any existing camera to a new location within the jurisdiction.

(13)(a) Except as provided in (d) of this subsection, a county or a city may only use revenue generated by an automated traffic safety camera program as authorized under this section for:

 (i) Traffic safety activities related to construction and preservation projects and maintenance and operations purposes...

(ii) The cost to administer, install, operate, and maintain the automated traffic safety cameras, including the cost of processing infractions.

(b) Except as provided in (d) of this subsection:

(i) The automated traffic safety camera program revenue used by a county or city with a population of 10,000 or more <u>must include the use of revenue in census tracts</u> of the city or county that have household incomes in the lowest quartile <u>must</u> areas that experience rates of injury crashes that are above average for the city or county. Funding <u>must</u> be, at a minimum, proportionate to the share of the population <u>who</u> are residents of these low-income communities and communities experiencing high injury crash rates [and] must provide direct and meaningful traffic safety benefits to these communities...; and

(ii) The automated traffic safety camera program revenue used by a city or county with a population under 10,000 ...must be informed by the department of health's environmental health disparities map.

(c) Except as provided in (d) of this subsection, beginning four years after an automated traffic safety camera authorized under this section is initially placed and in use after the effective date of this section, 25 percent of the noninterest money received for infractions issued by such cameras in excess of the cost ...must be deposited into the Cooper Jones active transportation safety account created in RCW 46.68.480.

(15) Except as provided in this subsection, registered owners of vehicles who receive notices of infraction for automated traffic safety camera-enforced infractions and are recipients (15) of public assistance under Title 74 RCW or participants in the Washington women, infants, and children program, and who request reduced penalties for infractions detected through the use of automated traffic safety camera violations, must be granted reduced penalty amounts of 50 percent...

City work zones and state highways that function as city streets are now eligible locations for traffic safety cameras.

> Applies to new cameras that cities authorize after January 1, 2024.

In addition to restricting how the revenue is spent, the law directs where the revenue must be spent in proportion to population and crash data.

Appropriately trained and certified non-commissioned officers and public works/ transportation department employees may now review camera data and issue citations for traffic safety infractions. THE QUESTION

WHAT LESSONS DID YOU LEARN ON THE CAMPAIGN TRAIL THAT YOU HOPE TO USE AS YOU WORK WITH YOUR COMMUNITY TO FORM A VISION FOR THE FUTURE?



"Facing criticism wasn't entirely unexpected, but the volume and intensity were surprising. This experience taught me valuable lessons about resilience, the importance of surrounding oneself with trusted supporters, and staying focused on the community's needs. Despite the challenges, I remain energized by our shared vision and committed to creating positive change together."

> -HANAN AMER Councilmember, Auburn



"In the 2023 election, 53% of Sequim voters turned out to select their city councilmembers! This high voter turnout rate can be attributed to the organizing efforts of a local organization that promotes transparent government. While doorbelling during the campaign, I found that we all care deeply about living in a safe and beautiful city well poised for the future."

> -HARMONY RUTTER Councilmember, Sequim



"My city council campaign reinforced the adage, 'All politics is local.' While some wish to superimpose national politics onto local races, I found that most voters were not interested in rehashing those battles at the local level. We all care about our communities, we all wish to see real improvements in our neighborhoods, and we all want responsible financial stewardship. Those values are not partisan."

> -MARICELA SANCHEZ Councilmember, Prosser

AWC TRAININGS

ELECTED OFFICIALS ESSENTIALS WEBINAR SERIES

- Social Media 101
 SEPTEMBER 18 | ONLINE
- Tribal Government Relations 101
 OCTOBER 17 | ONLINE
- Human Resources 101
 NOVEMBER 7 | ONLINE

MAYORS EXCHANGE OCTOBER 4 | ELLENSBURG

MEMBER EXPO OCTOBER 9 & 10 | CHELAN

2025 AWC ANNUAL CONFERENCE JUNE 24–27 I KENNEWICK

CANDIDATE FORUM

SEPTEMBER 12 | TACOMA

AWC's Candidate Forum will feature the candidates for governor, attorney general, and public lands commissioner. Plan to be part of this excellent opportunity to learn more about each candidate's vision, and how they see cities and the state working together to benefit all of Washington's residents.

MUNICIPAL BUDGETING AND FISCAL MANAGEMENT WORKSHOP AUGUST 1 & 2 | WENATCHEE

This popular annual workshop is an opportunity for local elected officials and staff who have a role in developing or implementing the budget to learn more about the basics of budgeting for both small and large cities. Take your budgeting skills to the next level, enhance your city's budget, and be sure city priorities reflect those of the greater community.





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www.fcsgroup.com 425.867.1802

Citybeat

Walking the Talk continued from page 3

span roughly 50 miles of walking, Hines will stop at libraries, a community center, regional parks, and coffee shops. He'll end one of his daily sojourns by taking in a Tacoma Rainiers minor league baseball game. Along the way, he'll meet with constituents over coffee. And he'll be inviting colleagues, other elected officials, and community members to join him as well. Hines hopes the walk will help Tacoma residents regain some of the community engagement, involvement, and connection that got lost during the COVID-19 pandemic, as well alleviate misconceptions about public safety.

"Part of this is getting out and walking around and showing that you trust the neighborhood," says Hines.

It also ties into his broader vision for the city and some of the initiatives he's actively involved in. One is Tidy-Up Tacoma, which he and Tacoma Mayor Victoria Woodards started in 2021. On its face, it's a city-wide campaign to clean up litter and graffiti. But Hines believes this kind of beautification work has a deeper impact—helping overcome negative stereotypes about Tacoma and building confidence with the public. Tidy-Up Tacoma was initially kicked off with federal ARPA funding, and in 2023, the city instituted an excise tax on solid waste to support it going forward as well as to help organize the robust network of volunteers who do cleanup around the city.

Another initiative, Home in Tacoma, is a major rezoning effort designed to help the city prepare for a growing population by building new-and different types of-housing. As part of that process, the city council has convened outreach meetings with residents at community centers to better understand what they find special about their neighborhoods, so those things don't get lost as the city grows and changes. Increasing housing density while maintaining a city's unique charms is a challenge that many growing cities face. But for Hines, it comes back to the idea that he wants Tacoma to be a city that is a beautiful, comfortable place where residents can live-and flourish-from childhood through their senior years. That means more housing options, more public spaces, safe streets for walking and biking, and easy access to community centers, libraries, and childcare and senior centers.

"Everyone understands that children are our future, but no one likes to think about the fact we'll all get old," says Hines, who hopes his walkabout will encourage residents to follow his lead, think about their vision for the future of the city, and take small steps toward making it a reality. C



Citysope

Mayor Lundh with his son, Sören, at Cle Elum City Park



Growth Margin

AWC board member and Cle Elum Mayor Matthew Lundh on how local leaders need to rely on each other, and leverage available resources, to better plan for the future

INTERVIEW BY JENNIFER KRAZIT

Cityscope





You grew up in Seattle. What brought you to Cle Elum?

My wife, Taryn, and I moved here in 2017 soon after having our first child. I always joke that Cle Elum is everyone's rest stop, because we're halfway to everywhere and the first services you come to after you come over Snoqualmie Pass. When we lived in Seattle, we stopped here a lot on our way to visit my wife's family in the Spokane area. We always thought it would be a nice place to live, so we decided to make it our home. We now have a 5-year-old son and a 7-year-old daughter.

You served on the Cle Elum planning commission and council before being elected mayor in January of this year. What prompted you to run for office?

I started going to city council meetings right after moving here, because I'm a government nerd. I decided to run for city council mostly because I have a heart for service. I door-knocked every voter in the city that year. I felt it was important for me, being new to the city, to introduce myself and hear what people were concerned about. Then when I ran for mayor and knocked on every door again, people remembered that I had come and knocked on their door four years prior.

You also joined the local Rotary Club soon after moving to Cle Elum. What prompted that?

I grew up with a grandfather who'd been in Rotary for 60 years. I always respected it and wanted to join once I settled somewhere longterm, and one of the first things I did in Cle Elum was join Rotary. It's an amazing organization that makes a tremendous impact in Cle Elum through projects big and small. This year we'll give away almost \$130,000 in scholarships, supporting about half the high school's graduating class. We raised almost \$300,000 to complete the first phase of a new skate park, and now we're raising another \$400,000 to build the second phase.

In February, you were appointed to the Association of Washington Cities board. Why did you want to get involved with AWC? AWC is important because becoming a local elected official isn't something people train for. A lot of people decide they want to give back to the

WE'RE A GATEWAY TO RECREATION, AND WE'RE UNIQUELY SITUATED FOR PEOPLE TO STOP FOR GAS, GROCERIES, OR BEER. THE FIRST STREET DOWNTOWN REVITALIZATION PROJECT WAS DESIGNED TO MAKE FIRST STREET A PLACE PEOPLE WANT TO HANG OUT AND WALK AND EXPLORE.

community in a deeper way, and running for city council or office is a way to do that. But there's a lot to learn. Some cities are really good about providing resources and training-Cle Elum wasn't. AWC helped me learn more about the job I'd been elected to do. It was a good way to meet other officials so I could learn from and bounce ideas off them as I undertook this important position. AWC affords those opportunities unlike any other organization I know of.

As an AWC board member, you represent District 4, comprising 19 cities and towns in Kittitas and Yakima counties. What's your focus and goal in that position, and what resources does AWC provide to help you succeed? As a resource for local elected officials in those cities, my goal as a board member is to make sure that I'm available for people to call and just be a sounding board or a free therapist. Some questions seem like they should be easy to answer but aren't always. I got to go to my first Mayors Exchange, which is an event AWC does twice a year so mayors can get together and learn from each other. There are very few people in this state who currently hold the title of mayor; it's a pretty small group of people who understand the unique challenges of having that job. Having the chance to get together and collaborate is so helpful.

In addition to being Cle Elum's mayor, what do you do for a living?

I own a marketing and advertising agency working primarily with local governments, campaigns, and nonprofits. Most of the work we do is in Washington state. I generally work with candidates at the county and local levels because that's what I'm passionate about.

What does that experience bring to your role as mayor and AWC board member?

I think it gives me a different perspective. As local leaders, we avoid getting into "big P" politics. But as far as "small P" politics go, there is a political cost to the decisions you make. Sometimes you have to make an unpopular decision in the court of public opinion because it is the right thing to do for your city. It's helpful to be able to foresee those things and mitigate them. Having dealt with elected officials across the state has helped me avoid some of those land-mines that are easily avoidable.

You mentioned that many visitors consider Cle Elum to be a stopover town. Why is that?

We're a gateway to recreation, and we're uniquely situated for people to stop for gas, groceries, or beer. There used to be a sign as you entered town that said "Cle Elum: Easy through access." We want people to stop and experience our great businesses and all the city has to offer, but our main street is a state highway, and our downtown is many blocks long. It's hard to get people to get out of their cars and walk if you don't have attractive sidewalks, outdoor restaurant seating, or space for businesses to showcase their wares. The First Street Downtown Revitalization Project was designed to make First Street

a place people want to hang out and walk and explore.

How specifically?

We're putting in wider sidewalks with bulb-outs on corners and midstreet crosswalks to improve pedestrian safety. We installed a stormwater system and created more parking by switching to angle parking. New light poles have better lighting and allow us to put big banners across First Street and decorate with lights at Christmas. We added street trees and benches, all those things you need to make it a place where people want to get out and explore. One of the really nice things is that these changes have a natural calming effect on speed and traffic.

After six years, the First Street Downtown Revitalization Project is nearly complete. How did Cle Elum do that so quickly?

The city took out a loan in 2016 to fund the complete design of a project that was shovel-ready, and that was a really smart decision. It allowed us to raise \$15 million in grant funding from 22 different agencies. We've done it in a phased approach so we could tackle new sections as we got funding. We started at one end of downtown in 2018, then we did the other end and worked inward from there. Late last year, we learned of surplus federal funds that the state could distribute for shovel-ready projects. Since we had that design ready to

CONTINUED ON P.12 ►

Cityscope



go, we were able to get \$6.4 million of federal funding in a matter of weeks, and the final phase began in early April.

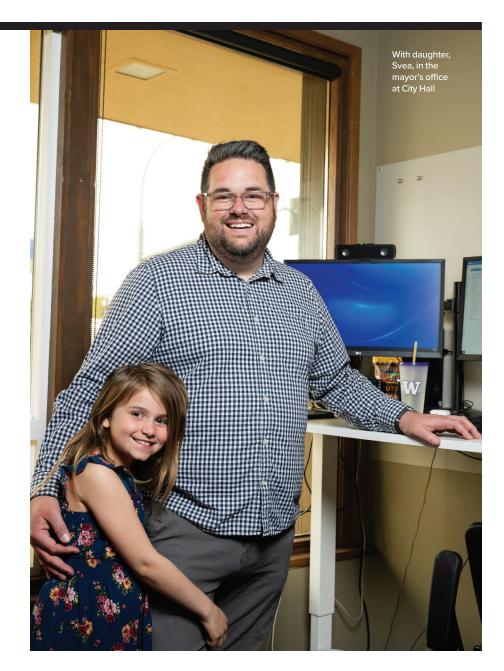
Your advice to small cities seeking to fast-track a downtown revitalization project? Maintain good relationships with your legislators and members of Congress. Invest in going out for grants. There's a lot of money out there, and small communities often have a leg up in the process. It's hard because grants are expensive to write. But one of the best investments a small city can make is to hire someone to write those grants. It's a small investment that can net you hundreds of thousands of dollars.

More than a decade ago, Cle Elum entered into two agreements that would double or triple its size. Where do those stand?

Two large portions of the city are under long-term development agreements. One was approved in 2011 and calls for up to 962 dwelling units on 358 acres. Dealing with a really old agreement has been a tumultuous process that has caused a lot of litigation. Another agreement, from 2002, calls for 1,334 dwelling units plus 50 units of affordable housing and a 75-acre business park, with about half of the property remaining open space. These will significantly increase the size of the town.

Lessons learned?

Development is hard, and people don't like to see the places they love change. Both



of the affected areas are places where locals recreated as kids. One bright spot is that one of those agreements calls for 12 acres to be given to the city to create a community recreation center. We're planning a center that will have aquatic facilities, gyms, party rooms, and things that the public really needs.

When looking at development agreements, make sure you have the right people on your team to review these contracts. They have big implications, so it's important that you're considering the mitigations and protections you can put in place. And if you ever see the words "binding arbitration" in a contract, run away.

Your advice to local leaders when it comes to planning for the future?

Really think long and hard about what your community values about your community. I hear people say, "Oh, Cle Elum is ruined because it's grown so much." My thought is that growth is inevitable. It's going to happen. We can participate in it and retain the things we value most about this community as we grow, but that requires us all engaging and deciding what makes Cle Elum, Cle Elum. So, as you deal with growth, be mindful of what attributes maintain that feeling so that the character and heritage of the community are retained for the future. **G**

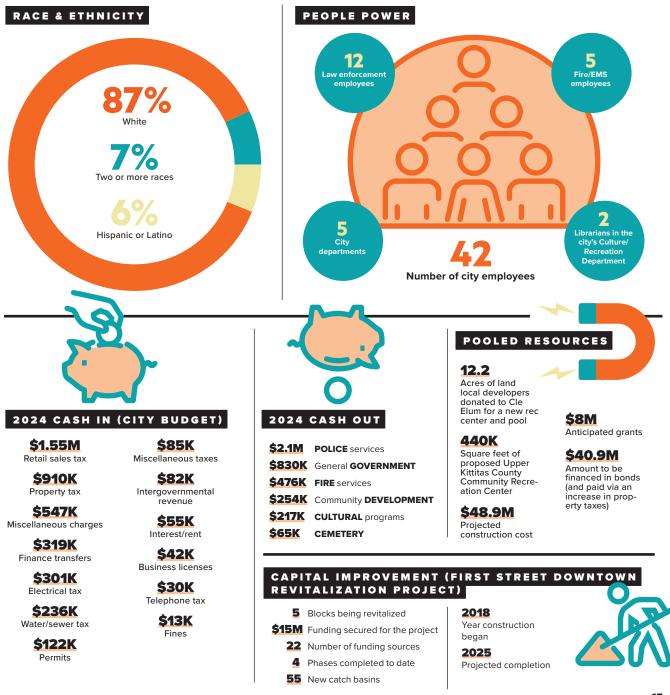
Cle Elum

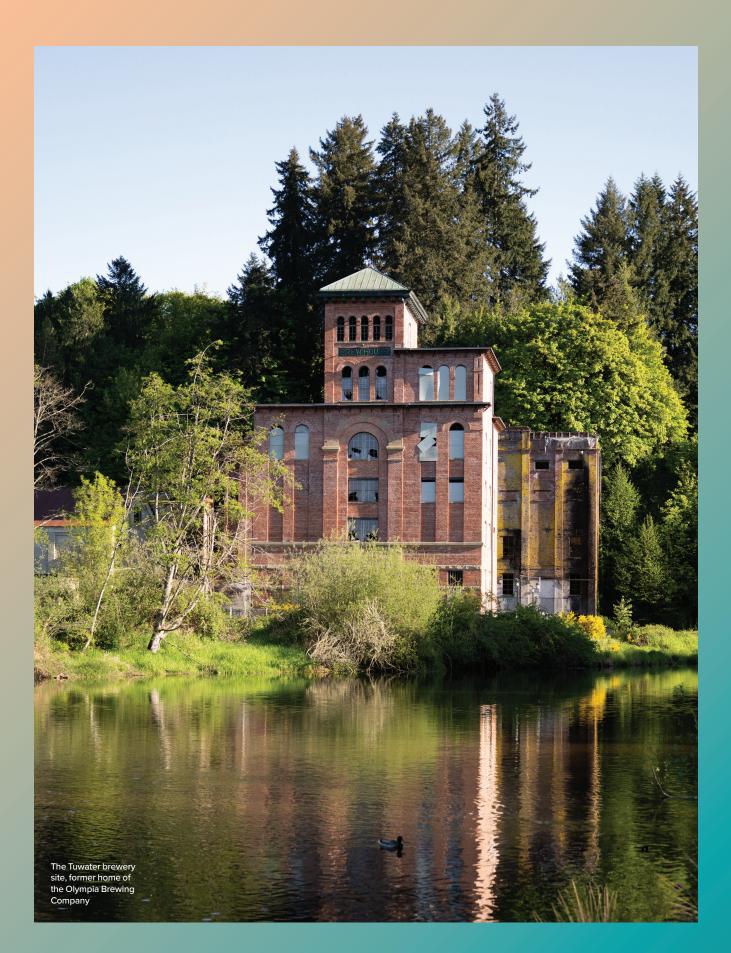
A look at how the City of Cle Elum budgets for the future.

POPULATION

SOURCES: U.S. CENSUS BUREAU; CITY OF CLE ELUM

1,871 * 2,157 *** 15%**







TWO CITIES DEMONSTRATE ECONOMIC REVIVAL BY EMBRACING THE PAST.

STORY BY ZOE SAYLER >>> PHOTOS BY CHONA KASINGER

TUMWATER STILL HEARS THE ECHOES OF THE WHISTLE BLOW

that marked the end of the final Olympia Brewery workday on June 20, 2003: The last bottle of Olympia beer brewed with that famous artesian well water had officially been sealed, and the business that once defined Tumwater closed for good. With a brief exception during Prohibition, the bustling brewery had been an icon of the small Puget Sound city since 1896 and so intertwined with its identity that, in the old days, "when the city was running low on water, well, the brewery would just turn the valve," and divert its supply to where it was needed, recalls John Doan, who served as Tumwater city administrator from 2010 to 2023. The Olympia Brewing Company was the city's largest employer for decades. "We always described it, in many ways, as the heart of Tumwater."

 \bigcirc

THANKS TO THE TENACITY OF CITY OFFICIALS, A COALITION OF SUPPORTERS THAT SPANS THE STATE OVER, AND RESIDENTS' UNRELENTING DEDICATION TO THEIR CITY'S HISTORY, EFFORTS TO LEVERAGE TUMWATER'S LEGACY AS A WAY TO BUILD ITS FUTURE HAVE ALREADY BEGUN.

Over the past 21 years, as anyone who has driven through Tumwater on I-5 can attest, the plant that once buzzed with hundreds of blue-collar workers on just about any weekday of the 20th century has now become a broken-windowed bingo card of urban blight: vandalism, vagrancy, fires so massive they required over a million gallons of that once-precious water to snuff out. "Not just the heart went away," Doan says. "Watching those buildings deteriorate, and get vandalized, and spray-painted, and burned down...has just been really, really hard on Tumwater."

Still, the municipal leaders in Tumwater never quite resigned themselves to the brewery's apparent fate. At the end of 2023, the city received a \$500,000 grant from the Environmental Protection Agency's Brownfields Program to assess the extent of contamination on the land and to determine what cleanup resources might be required before it can be developed. And Tumwater won't rest on its laurels waiting for results that could either make or defer the city's dreams for the site. Thanks to the tenacity of city officials, a coalition of supporters that spans the state over, and residents' unrelenting dedication to their city's history, efforts to leverage Tumwater's legacy as a way to build its future have already begun. Mayor Debbie Sullivan has championed redevelopment as a unifier that could energize stakeholders and bring the people of Tumwater together in the town center they have sorely missed since I-5 tore through in the 1950s. "The owners are enthusiastic, the partners are enthusiastic, and the public is really enthusiastic," she says.

Gifted the older, brick brewery tower in 2016 by a private property developer and bolstered by community members willing to donate time and money toward saving the 1906 industrial building, Tumwater revamped the city's logo last year—for the first time since the 1980s—to feature a simple line drawing of the brewhouse flanked by the cascade of Tumwater Falls. "Once you start seeing visual things, it makes a huge difference," adds Mayor Sullivan.

In the three-story, 28,000-square-foot College Heritage Building, a freshly minted development that architecturally echoes the old brewery nearby on Capitol Boulevard, students at South Puget Sound Community College (SPSCC) take classes in business and fermentation microbiology as part of the nation's first degree in craft alcohol production. Meanwhile, across the parking lot at the Market Building, a newly constructed 17,000-square-foot commercial space with 30-foot-high ceilings, food trucks vie for prime positions out front, and the smell of waffle cones from Sweetlee's Ice Cream beckons visitors down the airy concourse. Echoes of conversations from the satellite taprooms of Aberdeen's Mount Olympus Brewing, Tumwater's Percival Creek Brewing (a collaboration with the students in the SPSCC program) and Chimacum's Finnriver Cidery float past. Nearby, an amphitheater built to seat 1,500 awaits the performers that Mayor Sullivan plans to bring in as part of her efforts to expand Tumwater's cultural arts offerings. These are the beginnings of the Craft District, a vibrant, pedestrian-centric commercial area centered on Tumwater's legacy and established, in part, with dreams of bringing some fresh optimism to those tougher-to-handle brewery sites. "Don't be afraid to think big," says Lisa Parks, Tumwater's new city administrator. "The overall redevelopment of property in this area is very aspirational. It's not going to happen tomorrow, necessarily, but over time, it will be built."





"WE ARE DEVELOPING THE HIGHEST-TECH ECONOMY-PERHAPS IN THE WORLD-ON AN INDUSTRIAL BASE OF CLEAN ENERGY SYSTEMS."

- Washington Governor Jay Inslee

N THE EARLY 1940s, the City of Richland sprouted from the desert of Eastern Washington seemingly overnight: As a critical component of the federal government's secretive Manhattan Project, tens of thousands of newly relocated Richlanders united behind a common vision that some locals still firmly

believe saved the world. Employed at the first-ever large-scale nuclear production facility, the Hanford Site, they were tasked with producing the plutonium that would fuel the atomic bomb and, ultimately, help end World War II. "That was a very unique aspect in our history," says Mayor Theresa Richardson. "So it is something to be proud of."

But that legacy came at a cost. Though the Hanford Site had shut down all its reactors by the close of the Cold War, major contamination from the site persists: Around 11,000 specialists now work cleaning tanks of radioactive waste, 65 square miles of contaminated groundwater, and other toxic remnants of Hanford's relatively unregulated nuclear production. "That is still a very, very significant part of our economy," says Jon Amundson, Richland's city manager. "There's been a conversation over time. What do we do when the cleanup is over?" There wasn't much argument over the answer: Reinvent itself by embracing cutting-edge technology. That's what Richland has always done.

As the only nuclear commercial energy facility in the Northwest, Energy Northwest's Columbia Generating Station has been produc-

Clockwise from top: Distributing the Hanford Site newsletter in the 1940s; "Atomic Frontier Days" parade in Richland in 1954; an aerial view of the Hanford Site in 1960; the Hanford B Reactor; and the newly opened Uptown Shopping Center in 1951 ing electricity just outside of Richland since 1984. In recent years, spurred by the advent of climate change, nuclear power has taken a place at the center of discussions about sustainable energy production. While critics point to contamination and catastrophes like Three Mile Island and Chernobyl, proponents of the technology say that serious efforts toward achieving carbon neutrality ought to include a nuclear-driven zero-emission method. Amid his climate-centric bid in the 2020 presidential election, Governor Jay Inslee spoke clearly to both the urgency of climate change and the scale of the problem. He noted that he wanted to see more research, but seemed cautiously optimistic about the technology and its promise for the region's future.

"We are developing the highest-tech economy—perhaps in the world—on an industrial base of clean energy systems," Inslee said. "What is happening in Central Washington right now is a total transition from a rural-based economy, and a power-based in Tri-Cities, to a high-tech manufacturing center."

In a nod to this development, earlier this year, Inslee signed a state capital budget that earmarks \$25 million for piloting an emerging nuclear technology—small modular reactors—in the Richland area.

Small modular reactors simplify nuclear energy production in part because they can be assembled off-site and shipped to a permanent location, allowing facilities to adjust more easily to changes in demand, while their smaller evacuation zones tamp down the fear factor of the still-controversial power source.

Last July, Energy Northwest partnered with startup X-Energy Reactor Company (which was awarded \$1.2 billion by the U.S. Department of Energy in 2021 to develop, build, and demonstrate an operational advanced reactor and fuel fabrication facility in Richland by the end of the decade) to jointly produce up to a dozen small modular reactors for central Washington. The first of these reactors should be operational by 2030 and will serve as a carbon-neutral offset to the ebbs and flows of the solar, wind, and hydropower in the clean energy repertoire it already offers the region. Developing a scalable and reliable source of sustainable power looks especially desirable as the state plans to wean itself from fossil fuel facilities like Centralia's Big Hanaford coal plant, scheduled for closure by 2025.

And Richland's ambitions don't stop there. Partnering with the Port of Benton and the private sector, the city and neighboring municipalities have convened once again on a bold and uniting technological vision: It's not enough just to create jobs and develop a robust economy around clean energy. Richland wants to make a difference on a global scale once again. Given the United States' recent pledge to triple nuclear power capacity by 2050, "this is not just a Tri-Cities interest," says Sean O'Brien, executive director of



"THIS COMMUNITY IS KNOWN TO RALLY BEHIND THE RIGHT PROJECTS AND HELP THEM FIND SUCCESS."

-Joe Schiessl, Richland deputy city manager

the Energy Forward Alliance, a nonprofit consortium advocating for the area's clean energy future. "We're talking about international scale now. And the role that the city of Richland plays in that is one that just really can't be overlooked."

Taking advantage of what leaders see as a pivotal opportunity for the region, the Tri-City Development Council (TRIDEC)which includes representatives from Richland, Kennewick, Pasco, and West Richland on its board of directors-formed the Energy Forward Alliance to bring key players together around a shared strategy for cementing the area's status as a clean energy hub. The Alliance harnesses a world-class combination of expertise: Energy Northwest runs the nuclear power plant (and with solar, wind, and hydroelectric plants around the region, produces carbon-neutral power for 28 public utilities serving 1.5 million customers). The new Washington State University Tri-Cities Institute for Northwest Energy Futures studies decarbonization plans and trains a workforce to realize them. The Department of Energy's cutting-edge Pacific Northwest National Laboratory, a Hanford Site contractor called the Central Plateau Cleanup Company, and a massive potato manufacturing company called Lamb Weston also have a seat at the table. "We have a vision of where we want to be in the future, and we're motivated," Mayor Richardson says. "We want to be the testbed for this kind of development."

That attitude earned the City of Richland an Innovation

Left to right: Richland Deputy City Manager Joe Schiessl, Mayor Theresa Richardson, and City Manager Jon Amundson in Richland's Howard Amon Park. in Economic Development Award from the Washington Economic Development Association (WEDA) in 2023 for its early adoption of Targeted Urban Areas (TUAs) property tax exemption created by the legislature to incentivize the construction of industrial and manufacturing facilities. Within a self-determined TUA, cities can offer 10 years of local property tax exemptions on improvements for businesses that meet a set of requirements, like creating at least 25 jobs and offering family wages. TUAs have existed in Washington since 2015, albeit with hyper-specific restrictions that essentially limited them to a few cities in Snohomish County. House Bill 1386, passed in 2021 with the support of AWC, made the tool available across Washington—and thanks to quick action and a watchful eye on the legislature, the City of Richland established the first TUA under the expanded law. "Oftentimes, we're not competing with other sites in Washington state. We're competing with sites in different states. And this is something that's helped level the playing field," says Richland City Manager Jon Amundson.

Already, the incentive has attracted some major players to spend big in and around the former Hanford Site, including French nuclear reactor business Framatome, which will expand its existing Richland plant, and Switzerland-based Atlas Agro, a groundbreaking green fertilizer manufacturer that plans to invest \$1.1 billion toward the construction of a new carbon-free facility. Atlas Agro will receive an estimated \$20 million in tax exemptions through the program, which will add 158 jobs and pump \$35.6 million into the local economy. "It doesn't take too much research to figure out that the payback is really pretty quick," especially given that the land likely would have developed more slowly or not at all without the exemption," Mayor Richardson says. "So it made a lot of sense."

But TUA tax incentives alone don't explain why global leaders like Framatome and Atlas Agro put down roots in Richland. Working together, stakeholders in the Tri-Cities have created a region rich with less-tangible value-addeds, from developing a highly skilled workforce to fostering an enthusiastic culture of collaboration between the city, the Port of Benton, TRIDEC, and beyond. "This community is known to rally behind the right projects and help them find success," says Joe Schiessl, Richland's deputy city manager. "We were founded as a town to solve a national crisis, to bring us out of war. And so it's kind of built into who we are."

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"WE'RE TALKING ABOUT INTERNATIONAL SCALE NOW. AND THE ROLE THAT THE CITY OF RICHLAND PLAYS IN THAT IS ONE THAT JUST REALLY CAN'T BE OVERLOOKED."

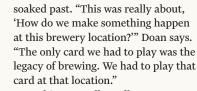
> - Sean O'Brien, executive director of the Energy Forward Alliance



OR TUMWATER, building on its legacy as a beer town didn't always seem like a viable option. When Miller Brewing abandoned Olympia Brewing in 2003, it left a covenant prohibiting future alcohol production on its former landholdings, making it nearly impossible to

jump-start economic activity there. "It's essentially a concrete building that's been built around a manufacturing process ... designed to make the beer," says former city administrator John Doan. The only type of business that could ostensibly make use of the specialized space had officially been banned from passing go. "Part of the transition that had to happen was the community coming to grips with the fact that Miller had left, and no one was coming back," Doan says.

After 10 years of disuse and impassioned pleas from those trying to sell the site, Miller finally lifted the restriction in 2013. For the buildings, it was too little, too late: Neglect and arson fires rendered whatever infrastructure remained unusable. But when Miller removed the covenant, it gave the rest of the brewery property a new lease on life. Even if the city couldn't restart the factory itself, it could spur the economic revival of the surrounding area as a commercial district devoted to Tumwater's sudsThe Energy Forward Alliance's Sean O'Brien at Richland's USS Triton Sail Park. Bottom right: A reproduction of Olympia Beer's iconic logo in Tumwater's Craft District



Looking to Walla Walla as an example, Tumwater worked with South Puget Sound Community College, the

Port of Olympia, and Washington's Community Economic Revitalization Board to determine the feasibility of creating a center of excellence for the craft brewing and distilling industries that mimics what the Eastern Washington city has done with wine. In conversations with industry leaders, the city found a wide opening for practical education in the field: Washington ranks fourth in the nation in the number of craft breweries and fifth in the number of craft distilleries, according to the Brewers Association and the American Craft Spirits Association. But without a school devoted to workforce development for their craft, many distilleries and breweries end up training employees on the job. "If they could get people who know what they're doing, and have those workforce skills at a practical level, then they were super excited," Doan says. Bolstered by its supportive college president, Dr. Timothy Stokes, the community college has awarded 30 twoyear degrees in its brewing and distilling program since 2018; this year, it added a four-year degree for

students aspiring to management roles.

But city officials knew that breweries and distilleries weren't the only ones who would benefit from the Tumwater hub. "We worked hard to build a sort of constituency of folks" who backed the idea, Doan says. "And what that brought was tremendous legislative support for this concept." He drove to Moxee to attend a meeting of the Washington State Hops Commission, which became a major advocate for the plan, bringing Eastern Washington lawmakers with it. Apple and wheat farmers hopped on board too—for cider and beer, respectively—and the Department of Agriculture followed suit. "You just sort of have to pound the pavement to go out and talk to people," Doan says. "Figure out who your partners are, who potentially has an interest in what your wishes and dreams are, and see if you can enlist those people's support."

Meanwhile in Richland, "cleanup to clean energy" has become a proud rallying cry for that region's economic rebirth. Coined by Washington State University Tri-Cities Chancellor Sandra Haynes to describe the transition from cleanup work at the Hanford Site toward a carbon-free future of small modular nuclear reactor development, the Department of Energy has adopted the term for its plan to turn former Manhattan Project sites into vast clean energy hubs. Just outside Richland, 30 square miles have been set aside for the purpose. "That's not something that happens every day for clean energy potential and clean energy development," Deputy Secretary of Energy David Turk said in an informational meeting last September. But Richland is no stranger to once-ina-lifetime undertakings. "Our community was on the very front lines of solving one of the world's largest challenges in history," O'Brien says. "There's a real linear nature to that storytelling."

Likewise in Tumwater, the story of Olympia Brewing runs artesian well deep. Some remember smelling hops as they drove down the freeway. Others remember visiting the brewery to sample free beer on Saturdays. People across Washington know what "It's the water" means. And anyone who was there to witness it remembers the devasting silence that remained after the brewery's whistle blew one last time. "It gave us something very visible to sell. People understood the story and the history, and they're like, yeah, we want to be part of this also," Doan says. "They wanted something they could be proud of. Because they were incredibly proud of the brewery."

And both cities have strong investment in reviving their stories—the ones that almost everyone knew by heart. C



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Citywise

Will the families that move here have parks to play in and shade trees to sit under?"

-CITY 101 P.26

26 PLANNING FOR YOUR CITY'S FUTURE WITH THE GROWTH MANAGEMENT ACT 28 ENVISIONING A BRAVE NEW AI WORLD FOR CITIES 30 TIF STRATEGIES FOR ECONOMIC GROWTH



GMA by the Numbers



TOMORROW, TODAY

Planning for your city's future with the GMA

OST CITIES AROUND the state are embarking on, or about to embark on, an exercise that might sound dry and boring to the uninitiated: the required periodic update to the city's comprehensive growth management plan. Planning under the Growth Management Act (GMA) is a crucial process that sets a city's future course and helps answer not only basic questions that face each community, but also a profound one-how and where will we grow? More importantly, it ensures that the public is empowered to help shape that growth, address its impacts, and engage in the overall work of becoming a vibrant and thriving city.

The legislature enacted the GMA in response to concerns that "uncoordinated and unplanned growth, together with a lack of common goals expressing the public's interest in the conservation and wise use of our lands, pose a threat to the environment, sustainable economic development, and the health, safety, and high quality of life enjoyed by the residents of this state."

Washingtonians value the natural beauty of the land that surrounds us all. How do we maintain and enhance our natural environment while accommodating more people into our cities? How can we support economic opportunity for all residents? How do we ensure that growth is carefully planned so that we preserve our natural areas while making it costeffective to provide essential services? Will the families that move here have parks to play in and shade trees to sit under?

Contrary to the planning in some other states, Washington's growth planning is designed to be bottom-up—originating from within the community—rather than top-down from the state. The framework identifies the categories jurisdictions must consider (e.g., housing, transportaIT'S NOT JUST ABOUT THE MANY DIFFICULT DECISIONS THAT YOUR CITY WILL MAKE AS IT GOES THROUGH THE PLANNING PROCESS. IT'S ALSO ABOUT ENSURING TRANSPARENCY AND WORKING WITH RESIDENTS TO INFLUENCE THOSE DECISIONS.

tion, and climate) and creates a responsibility for cities to seek public input about how to meet the goals of the GMA. This contrasts with other states, where both the "what" and the "how" of planning are dictated by the state.

By creating a comprehensive and bottom-up planning framework, Washington set the stage for regular, lively discussions about how to envision and prepare for the future. It is these community conversations that provide the means to balance many competing priorities. Perhaps it reflects Washington's history of decentralized decision-making, having been founded at a time when the national influence of railroad tycoons and other robber barons was top of mind for the framers of Washington's constitution. Whatever the motivation, the state's planning process insists on a prominent role for community input-including "early and continuous public participation."

A fundamental underpinning of good planning is to start with data, including realistic forecasts, and then use that data as a foundation to build a city's vision, goals, and policies. For instance, based on state demographic projections and regional negotiations, a city might be projected to grow by 15 percent over the next 20 years. The GMA provides tools to help the community consider where that growth might occur; how to accommodate new residents into existing neighborhoods; what infrastructure and transportation improvements will be needed to allow those residents to walk, bike, and drive to where they need to go; and how to pay for all these changes to the built environment. Is there adequate water and sewer service to an area? Are there physical characteristics to consider that will increase infrastructure costs? Are there other parts of the city where growth could be incentivized to reduce the costs of services or contribute other benefits?

In recent years, the state has provided even more detailed goals and instructions about accounting for the housing needs of city residents now and into the future. What decisions will need to be made in your city to ensure the accommodation of people from all income levels? How can each city be welcoming and facilitate housing for those who can afford market-rate housing, but also for those who cannot?

Most importantly, it's not just about the many difficult decisions that your city will make as it goes through the planning process. It's also about ensuring transparency and working with residents to influence those decisions. After all, they will live with the results.

Finally, at the conclusion of this process, all these interrelated decisions need to be internally consistent and work together across the region, and the vision needs to be specific enough to implement.

Creating the future blueprint for your city is not easy. But rest assured, you are in good company. Cities across the state continue to develop and share new tools and strategies to perfect this balancing act. Whether you are new to this process or a seasoned elected official, don't forget to lean on the experience of your peers around the state.



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We're all in this together

IN AUGUST 2023. AWC held an important conference session for members, led by Dr. Jevin West of UW's Center for an Informed Public (CIP). Dr. West is the author of a book, Calling BS: The Art of Skepticism in a Data-Driven World, which is itself a great resource (callingbull.org). His session was a deep dive into ways city leaders can learn to identify misinformation. A variety of useful articles, tips, and tools can be found online at CIP (cip.uw.edu), including play-based activities to help build resistance to misinformation as well as background information about Washington's deepfakes disclosure law.

Traversing the ocean of online information (and misinformation) can feel intimidating and at times overwhelming, but we can build a bright future bravely by taking thoughtful, consistent steps together.

ALL ABOUT AI

Envisioning a new world (for cities), bravely BY AWC STAFF

ECHNOLOGY CONTINUES to change the world exponentially. Finding ways to safely and wisely incorporate artificial intelligence (AI) into city governance represents an unprecedented challenge. AI can also evoke an emotional response for many. Having a foundational understanding of AI and pursuing thoughtful conversations can help ease concerns around this rapidly evolving field.

AI is a discipline of computer science that aims to create machines that can perform tasks that typically require human intelligence, such as visual perception, speech recognition, decision-making, and language translation. The two most common forms of AI in use today are machine learning and generative AI.

While thinking about (and overthinking about) AI can lead to existential questions, the bottom line is that AI is here now, and the sooner leaders can plot a path forward with that in mind, the better. Consider these two examples of how local governments are working toward thoughtful utilization of these new technologies.

The City of San Jose, Calif., has formed a Government AI Coalition it describes as being "composed of over 600 public servants from over 250 local, county, and state governments that represent over 150 million Americans across the nation, united in our mission to promote responsible and purposeful AI in the public sector." That work has led to a set of Generative AI Guidelines that may be useful to consider (available for download at sanjoseca.gov).

Washington's own largest city—Seattle—has also established a Responsible Artificial Intelligence Program (a synopsis is available at seattle.gov) and is involved WHILE THINKING ABOUT (AND OVERTHINKING ABOUT) AI CAN LEAD TO EXISTENTIAL QUESTIONS, THE BOTTOM LINE IS THAT AI IS HERE NOW, AND THE SOONER LEADERS CAN PLOT A PATH FORWARD, THE BETTER.

with several regional and national collaborations to "develop and evolve approaches for using AI in a responsible manner."

There are, of course, many things to consider when developing policies and procedures around AI, including privacy and transparency, public records, security, and harm reduction or bias. Taking time and care when crafting your city's process to explore and define these concerns as principles or guidelines can be illustrative. For example, the San Jose coalition includes equity as one of their guidelines:

EQUITY

AI system responses are based on patterns and relationships learned from large datasets derived from existing human knowledge, which may contain errors and is historically biased across race, sex, gender identity, ability, and many other factors. Users of generative AI need to be mindful that generative AI may make assumptions based on past stereotypes and need to be corrected. Establish guidelines to address equity as it relates to services in your department.

Tackling this elephant in the room will take all of us, and collaboration is a great way to put many minds to work on this pervasive and quickly evolving challenge.



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TIF 101

Understanding a key economic development tool

BY AWC STAFF

OR YEARS, CITY LEADERS

across Washington lamented the lack of a key economic development tool available almost everywhere else in the United States. Until 2021, Washington was one of only two states—Arizona being the other—that lacked a tax increment financing (TIF) tool, leaving it at a competitive disadvantage regarding economic development.

What is TIF?

At its most basic level, TIF is an economic development tool that allows growth to pay for itself. Under TIF, the incremental increase in property tax created by new development is used to pay for the infrastructure costs needed to make the new development possible.

Why didn't Washinton have TIF?

In the 1980s, Washington tried to adopt TIF, but the law was struck down as unconstitutional under our state's uniform taxing requirements. Instead of trying to design a property tax-based TIF that would pass constitutional muster, the state created a myriad of TIF-like grant programs that relied on a share of the state's sales tax. By 2021, however, all the programs were closed to new projects and there was little legislative appetite for sharing additional state sales tax.

TIF comes to Washington

In 2021, the stars aligned and—with the help of legislative champions and a huge coalition of cities, counties, ports, and business interests—the legislature finally passed a property tax-based TIF tool. Washington's TIF was carefully crafted to address concerns around the constitutional uniform taxation requirements, to ensure that TIF wasn't just a handout to private developers, and to protect other taxing districts from unintended harm.

Washington's TIF specifically includes a provision that the sponsoring jurisdiction (city, county, or port) find that the development wouldn't occur "but for" the use of TIF and that TIF funds can only be used for publicly owned infrastructure. Additionally, TIF requires a project analysis that includes reviewing impacts on other taxing districts, local fire services, affordable housing, and local businesses. TIF also requires that the sponsoring jurisdiction identify any needed fiscal mitigation.

New changes to the law adopted in the 2024 legislative session include requiring mitigation negotiations with fire and hospital districts, with the ability to enter arbitration if an agreement isn't reached, and additional notice requirements for other taxing districts.

Who is using TIF?

Almost immediately after TIF was adopted, Washington cities started using the new tool, with the City of Pasco as the vanguard. Now, roughly a dozen cities and about seven ports have submitted the required project analysis to the State Treasurer's office. Not all the proposed projects will move forward, but they demonstrate the pent-up interest in this versatile economic development tool. For several of them, TIF is just one part of the overall funding package but makes up a critical financing piece without which the project wouldn't occur. The potential impact of these TIF projects is significant, with projected estimates including the creation of over 14,000 housing units and 22,000 new jobs.

City of Pasco Broadmoor Tax Increment Financing Program

In 2017, Pasco started creating a master plan for the 1,600-acre Broadmoor area. The site has unprecedented potential for development and the ability to support the area's growth projections. The master planning effort involved an analysis of various land use designations, roadway alignments, and relevant best practices related to land use planning.

Over the last several years, the city has worked with the largest property owner in the Broadmoor area on a large-scale mixed-use development of 671 acres within the site. Both the city and Broadmoor Properties recognize that the development of this site represents a once-in-alifetime opportunity to provide significant housing, office, retail, and placemaking elements while also achieving the goals of the local community and region. Pasco officials anticipate the project will create over 1,000 jobs and 4,800 housing units.

City of Ridgefield Tax Increment Area (TIA)

The City of Ridgefield's proposed TIA is centered on the intersection of I-5 and SR 501/Pioneer Street and includes 942.2 acres of developable land. Development here is a vital element of the city's goal of becoming a regional employment center for Clark County and Southwest Washington that provides living-wage employment opportunities for residents.

While establishing the TIA, Ridgefield worked with the affected local special purpose districts and created a voluntary mitigation plan. A key part of the plan included creating an interlocal agreement with the city's fire district; the agreement was unanimously approved by Ridgefield's City Council and Fire Commission.

66

While TIF is a complex tool, it has the potential to support transformational change. Early community and stakeholder engagement is critical to the success of TIF projects."

To achieve the TIA's economic goals, Ridgefield must complete many significant infrastructure projects, estimated to cost \$97.5 million in nominal dollars, and TIF revenue from the proposed TIA would provide essential funding. The TIA is expected to generate substantial economic benefits for the local and regional economy, including \$3.4 million in state and local sales tax revenue. The total estimated economic impacts (direct, indirect, and induced) from the construction phase are roughly 2,300 ongoing jobs, 200 housing units, and \$700 million in private investment.

Storm clouds on the TIF horizon

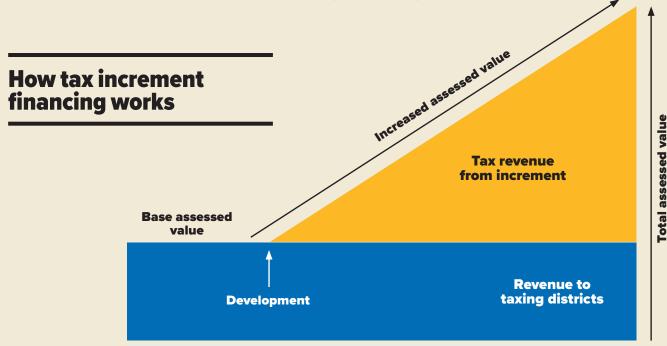
While cities worked for years to gain the ability to use TIF—and are using it for exciting projects that will benefit their communities for decades to come—some challenges have emerged. Earlier this year, significant objections were raised by other taxing districts, specifically fire districts and fire chiefs associations as well as public hospital and library districts. These special purpose districts argued that TIF would take away muchneeded revenue and impact their ability to provide services.

Even though TIF is specifically designed to limit impacts on taxing districts' existing revenue and, in the case of fire and hospital districts, to provide specific mitigation measures for new service demands, fire and hospital districts were so concerned that they proposed legislation that would have significantly curtailed the tool's effectiveness.

AWC worked out a compromise with these stakeholders to address their concerns about mitigation and timing of notice to impacted taxing districts. Despite these measures, worries persist, making it even more imperative that any city planning to use TIF work with the other impacted taxing districts to explain the tool and address concerns.

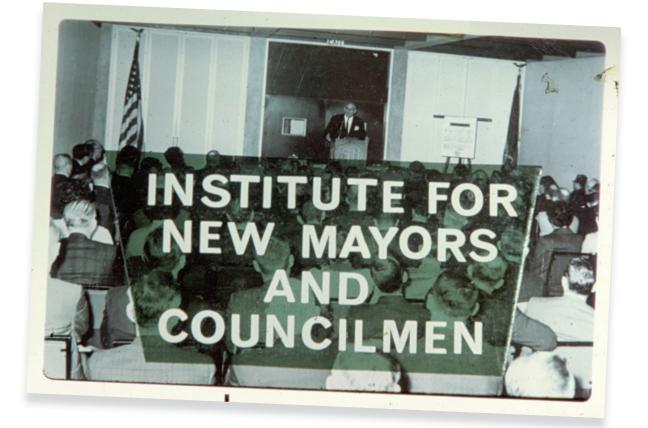
Is TIF right for your community?

While TIF is a complex tool, it has the potential to support transformational change. Early community and stakeholder engagement is critical to the success of TIF projects. Any city looking to use TIF should first consult with financial and bonding experts to ensure that project funding is appropriate. TIF may be new to Washington, but it is already positively affecting the economy, new developments, and our communities.





Cityscape



Looking to the past, for the future

The Institute for New Mayors and Councilmen was the 1950s precursor to today's Elected Officials Essentials workshop

IN THE 1950s, AWC established the Institute for New Mayors and Councilmen, a school offering a series of courses where newly elected mayors and councilmembers could learn about their new job responsibilities and how to tackle the most pressing concerns of the time, like problems with public utilities, land use, and city finances.

That early effort was the forerunner of today's Elected Officials Essentials workshop, held every December during odd-numbered years to coincide with municipal elections. By providing training and instruction in the best practices of good governance, the workshop helps newly electeds from across the state understand the roles and responsibilities that come with their positions, build connections with colleagues, and realize their potential.

At the 2023 Elected Officials Essentials workshop, held online and in nine locations statewide, AWC welcomed 400 attendees representing 65 percent of Washington's cities—the largest audience in the event's history. Participants learned how to address pressing issues, from establishing guidelines for public comments and rules of conduct for elected officials to building policies for diversity, equity, inclusion, and belonging.

For 90 years, AWC has provided local elected officials with practical tools, information, and support to manage the daily responsibilities of governing, while lifting up their visions for the future. Here's to 90 more! C

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(Above) PSE partnered with the City of Bonney Lake to install a solar array on a water reservoir

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