



# AGENDA

## Regular Meeting

### Intergovernmental Collaborative Group

Jefferson County Board of County Commissioners, Port Townsend City Council, Port of Port Townsend, and Jefferson County Public Utility District #1

**Thursday, February 20, 2025 at 5:00 p.m.**

**HYBRID MEETING: Virtual and in-person at 355 Hudson St. Port Townsend, WA 98368**

You can join this meeting by using the following methods:

<ul style="list-style-type: none"> <li>• <b>Zoom Meeting:</b> <a href="https://zoom.us/j/94250777040">https://zoom.us/j/94250777040</a> This option will allow you to join the meeting live. Participation will be up to the Chair and/or Clerk of the meeting.</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Audio-only:</b> Dial: 1-253-215-8782 and use Webinar ID: 942-5077-7040# This option will allow you to listen to the meeting live. Participation will be up to the Chair and/or Clerk of the meeting. Access for the hearing impaired and others can be accommodated using Washington Relay Service at 1-800-833-6384.</li> </ul>
<ul style="list-style-type: none"> <li>• <b>In-Person:</b> You are welcome to join the meeting in-person</li> </ul>

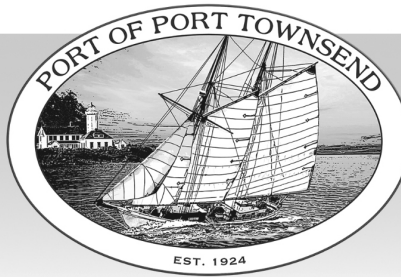
In the event of technical difficulties, at least one of the methods above will be accessible to the public. Please try all methods first before emailing [carolyn@co.jefferson.wa.us](mailto:carolyn@co.jefferson.wa.us) to report any issues.

**SUBMITTING PUBLIC COMMENTS FOR THIS ICG MEETING:** Elected officials and staff will have an opportunity to read and consider your comments before the meeting. Email your comments by 12:00 p.m. the day before the meeting, using this dedicated email address: [carolyn@co.jefferson.wa.us](mailto:carolyn@co.jefferson.wa.us)

To view meeting materials and any public comments received click here: [www.co.jefferson.wa.us](http://www.co.jefferson.wa.us) – Services – Laserfiche Web Portal (username and password is: public) – Board of Commissioners – Boards & Committees – Intergovernmental Collaborative Group – ICG 2025 – And then the month/date of meeting

- I. **WELCOME** (5 min)  
Call to order & framing by Rotating Chair Heidi Eisenhour
- II. **PUBLIC COMMENT PERIOD** (10 min)
- III. **APPROVAL OF MINUTES:** November 21, 2024
- IV. **PRESENTATION** re: EDC Team Jefferson update (30 min)
- V. **DISCUSSION** re: EDC Team Jefferson – plans for the future (20 min)
- VI. **DISCUSSION** re: Legislative check-in (10 min)
- VII. **AGENCY ROUNDTABLE** (40 min)  
Jurisdiction updates
  - City of Port Townsend
  - Jefferson County
  - Jefferson County Public Utility District #1
  - Port of Port Townsend
- VIII. **NEXT STEPS/FUTURE AGENDA ITEMS**
- IX. **ADJOURN** (7:00 p.m.)

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### NOTICE OF SPECIAL MEETING

NOTICE IS HEREBY GIVEN that the Port Commission of the Port of Port Townsend will participate in an Intergovernmental Collaborative Group (ICG) meeting. This Special Port Commission meeting will be held in-person and virtually. You can join the meeting at the link below.

**Thursday, February 20, 2025 at 5:00 PM**  
Hosted by the Port of Port Townsend  
355 Hudson Street, Port Townsend, Wa 98368

The meeting on February 15 will include:

WELCOME (5 min)

Call to order & framing by Rotating Chair Heidi Eisenhour (Jefferson County)

PUBLIC COMMENT PERIOD (10 min)

APPROVAL OF MINUTES from November 21, 2024

PRESENTATION: EDC Team Jefferson Update (30 min)

DISCUSSION re: EDC Team Jefferson – plans for the future (20 min)

DISCUSSION re: Legislative check-in (10 min)

UPDATE re: Jefferson County Emergency Management (15 min)

AGENCY ROUNDTABLE (40 min) Jurisdiction updates

City of Port Townsend

Jefferson County

Jefferson County Public Utility District #1

Port of Port Townsend

NEXT STEPS, FUTURE AGENDA ITEMS

ADJOURN (7:00 p.m.)

Please let Joanna Sanders ([joanna@portofpt.com](mailto:joanna@portofpt.com)) or Carolyn Galloway ([carolyn@co.jefferson.wa.us](mailto:carolyn@co.jefferson.wa.us)) know if you have any questions about this meeting.

- To join the meeting live, click on the link below and register:

**Zoom Meeting:** <https://zoom.us/j/94250777040>

DATED: February 19, 2025

By:   
Eron Berg, Executive Director

# OLYMPIC PENINSULA LEGISLATIVE PRIORITIES

## JEFFERSON COUNTY PRIORITIES:

### Budget Priorities

#### **Hwy 19/20 and Mill Road Gateway Intersections:**

- We are collaboratively requesting \$500K - \$1.79M for improving the gateway to Port Townsend. ***Delivered letters of support for this request from PTPM, EJFR. JHC letter coming.***

#### **Design funding for a mid-County Aquatic Center:**

- Jefferson County request \$250,000 to complete initial design work via a LCP request to Representative Tharinger. ***Greg sent 2/13 w/ Letters from Library and Habitat.***

#### **\$3M for completion of Phase 1 of the Port Hadlock Wastewater treatment system:**

- Expand collection system and complete customer connections. Funding from DOE and EPA for this is not enough to get all of the existing customers connected in this economically challenged area. ***LCP via Tharinger.***

#### **\$1.2M for Hoh Rainforest access preservation on the Upper Hoh Road:**

- ***So much work has occurred with Public Works, the State and Federal delegation on this and we are getting some traction.***

#### **\$1.9M appropriation via TLT for inclusion of Jefferson County's Cape George project:**

- Fully fund Governor Inslee and DNR's budget request for \$30 million through DNR's Trust Land Transfer program (TLT). ***Coalition working on the \$30M request.***

### Policy Priorities

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

##### **Some approaches to address these issues currently at play:**

- HB 1840 / SB 5471 - Authorizing middle housing in unincorporated growth areas and unincorporated urban growth areas, certain limited areas of more intensive rural development, and fully contained communities. ***WSAC Supporting. Tharinger sponsored HB. We sent comments for 2/13 hearing. Chapman sponsored SB.***
- Companion bills HB 1345, SB 5470 – Allowing for detached accessory dwelling units outside of urban growth areas. ***WSAC Supporting both. Both have passed out of policy committees, are in their respective budget committees. On the move!***

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

- HB 1480 – expands existing ability (via RCW 82.46.075 and 2002 c 343 s 1) to impose a real estate excise tax (REET) for the purpose of developing affordable housing, subject to the will of the voters, to all counties. ***Still hearing that there will be a committee day later in session to hear all similar bills. Policy cut-off 2/21.***

#### **Support a Local Option Sales Tax on Short Term Rentals:**

- Companion bills have been introduced – HB 1763 and SB 5576 – Levy and collect a special excise tax of six percent on each retail sale of the furnishing of lodging constituting a short-term rental. ***1763 has a hearing on 2/18, will likely be vehicle.***

**In creating producer responsibility in solid waste and recycling.** Ensure that new legislation includes opportunities for affordable, accessible recycling in rural counties outside the I-5 corridor.

- Two approaches currently still at play
  - HB 1071 / SB 5058 (Chapman sponsored) – proposes study of strategy to achieve higher recycling rates in WA. Doesn't solve current problems we have with the recycling stream. **Both are on the move.**
  - HB 1150 / SB 5284 – this is the improved upon WRAP / RE-WRAP act being supported by solid waste managers, including ours, because it has fixed their previous concerns and makes improvements. **Both are on the move.**

**Additional funding sources for O&M and increased access to vouchers for affordable and permanent supportive housing.**

- HB 1263 - Updating eligible uses for the essential needs and housing support program (for low income elderly or disabled adults transitioning off HEN, receiving SSI and have housing need). **Referred to Appropriations on 2/4.**

**Preserving mobile home parks as affordable housing.**

- HB 1217 – Housing stability for tenants' bill – Limits rents increases to 7% annually, includes mobile home parks & other housing. **2ns SSB passed 2/10, on to Rules.**

**Other issues that have arisen or we've been asked to engage in**

- HB 1805 - Creating a local sales and use tax to fund services for children and families that enhance well-being, promote mental health, and provide early interventions. This is an additional 1/10 of 1% councilmatic tax proposal. **Tharinger is lead sponsor. JC signed up to testify in support on 1/21.**
- HB 1592 - Ensures the state and counties are partners in providing services that meet the constitutional right to effective access to justice through effective legal representation. **We checked in with the PA on this before supporting. WSAC asked counties to support this as it is a WSAC priority bill.**
- HB 1593 - Establishing a prescribed fire claims fund pilot program. **WA Conservation Action asked us to support this. I check with Chief Black first and we both signed on in support for EJFR and Jefferson County.**
- HB 1334 - Modifying the annual regular property tax revenue growth limit.
- HB 1098 – Directs resources to county local roads.

## **CITY OF PORT TOWNSEND PRIORITIES:**

### **1. Housing –**

Top Request - **State Tax Reform:** Allow a tax on vacant land to discourage land banking, create more fairness, and deliver needed infrastructure improvements and incentivize needed infill housing in urban areas.

Additional Requests:

- Lift the escalating pressures on local governments in dealing humanely and effectively with homelessness and the suite of complex structural issues at the state and federal levels. Fund intervention and direct service provision.

## **CITY OF PORT TOWNSEND PRIORITIES - continued:**

- Allocate and expand CHIP grants to include eligibility for transportation mitigation.
- Scrutinize impacts from changes to RCW 58.17 and 36.70.B to ensure positive outcomes for housing and reduce unnecessary administrative burden.
- Expand definition of affordable housing to allow public subsidy to support middle-income housing. For instance, increase Area Median Income (AMI) threshold to 150% or replace AMI with an affordability index that affects a variety of subsidies like MFTE, tax increment financing, fee waivers/deferrals/exemptions, and affordable housing sales tax funding eligibility.
- Allow local govts to assess affordable housing impact fees as part of the GMA.
- Provide greater tools and authority for local municipalities to address escalating rents and to ensure housing stability.

### **2. Transportation –**

Top Request - **Regional SR19/20 Mill Road Roundabout and Jacob Miller Safety and Economic Development Project:** Provide \$500,000 for preliminary design to help facilitate construction funding in a future state revenue package.

Additional Request:

- Protect and enhance the Port Townsend-Coupeville and Edmonds-Kingston Ferry Service as an important segment of the maritime highway and a critical economic connector to and from Port Townsend and the Olympic Peninsula. Over the coming years, consider enhancements of ferry docks and load/unload areas to gain efficiencies, access, and better use of the ferry system as well as larger hybrid-electric vessels to provide better service and address financial and technical challenges of converting existing 64-car diesel-mechanical boats to hybrid-electric.

### **3. Climate Action –**

Top Request: **Incentivize urban density to decrease vehicle miles traveled by building on middle housing legislation in areas traditionally dedicated to single-family detached housing.**

Additional Requests:

- Provide more electric vehicle (EV) infrastructure incentives and grant opportunities for municipal fleet conversion.
- Increase active mode and transit trips to reduce our region's #1 climate pollutant.
- Develop and prioritize capital funding for climate resilient infrastructure design and construction.

### **4. Fort Worden State Park –**

Top Request: **Provide steady capital funding to properly confront deferred campus maintenance and ensure the \$87 million of regional economic impact from Fort Worden State Park is not squandered.**

Additional Request:

- Explore “buying out” legacy Land Water Conservation Fund payments to allow for sensible enhancements to accommodation/housing stock and enhance the value-generation of the Fort.

## PORT OF PORT TOWNSEND PRIORITIES:

- **Request Funding for Jefferson County International Airport Industrial Park** - The Port requests \$2 million of Capital Budget funding to support the development of a rural light industrial park on an undeveloped 24-acre parcel of Port-owned land adjacent to the Jefferson County International Airport. The project will provide “pad-ready” sites provided with supporting infrastructure to attract new businesses and allow existing businesses to expand. The project also includes construction of at least one 10,000 square foot structure to “built to suit” within the Eco-Industrial Park to accommodate an existing local business. Overall, the project will lead directly to the creation of good jobs, particularly value added, more sustainable businesses.
- **Request Funding for Boat Yard Expansion Project – Phase 1** - The Port hopes to expand the boatyard to meet the current and increasing space demands of a myriad of small and medium-sized maritime businesses and allow new businesses to be established. The expansion project will also ensure that the Boat Yard meets rising regional demand following a recent string of boat yard closures in the region. Phase I of this project includes 100% design/engineering and permitting and construction of a 2.0-acre expansion to the existing yard, together with construction of stormwater improvements to handle runoff from SR-20 that has been directed onto the Port’s property. Future phases will add an additional 4.1 acres to the yard. The Port requests \$2 million from the state for this \$5,150,000 project.
- **Support Heritage Capital Grants Ranked Project List: Point Hudson Weatherization Project** - The Port needs to replace the roof of eight buildings of the original Station Buildings at Point Hudson. This is the next step to the overall efforts to preserve and revitalize the Point Hudson Marina. The Port is ranked number 18 of 19 projects in the Heritage Capital Grant program and supports full funding in the 2025-2027 biennial budget.
- **Support Electrification Efforts at Ports** - The Legislature established and funded the Port Electrification Grant Program at WSDOT with \$26.5M in the 2024 legislative session. As the Port continues to look for ways to electrify the shipyard, it will advocate for continued funding for this newly created grant program, increasing access, and any needed clarification around how the funds can be used.
- **Support Funding for Model Toxics Control Act (MTCA)** - The Port supports funding for MTCA clean-up projects and the reduction of barriers to apply for MTCA funding. As more demands of the program funding continue each legislative session, maintaining funding for cleanup projects is critical. The Port will advocate for full funding of port capital projects from MTCA and continue to work with other stakeholders to support funding for cleanup projects.
- **Support Full Ferry Service** - The Port supports full ferry service for the Port Townsend-Coupeville and Kingston-Edmonds ferry routes as well as investments in the ferry workforce and fleet. The Port supports efforts to elevate ferry issues as a top priority within the incoming gubernatorial administration.
- **Support Funding for Derelict Vessel Removal Program** - The Port supports and relies on continued funding for derelict vessel remediation in partnership with the Department of Natural Resources and will continue to advocate for funding for this program.
- **Match Act 2.0** - The Port supported the passage of the Match Act by the Legislature during the 2024 session which aims to ensure the state is helping local governments and special purpose districts better compete for federal funding. The Port supports the proposed Match Act 2.0 which seeks to provide state funding to increase the competitiveness of existing local government grant applications.

## **NORTH OLYMPIC LEGISLATIVE ALLIANCE LEGISLATIVE PRIORITIES:**

- 1. Funding to Funding to Resolve the Office of Financial Management's Mistake in the 2024 Budget Impacting Community Colleges**
  - a. Ask: \$339,000 annual negative impact to Peninsula College.
  - b. Point of Contact: Suzy Ames, Peninsula College
  - c. Coalition support: State Board for Community and Technical Colleges (SBCTC)
  - d. Josh/ Colleen Next Steps:
    - i. Meet with Suzy to better understand the issue
    - ii. Meet with Arlen Harris to understand SBCTC strategy, and how we can help
    - iii. Further steps to be determined
  
- 2. Capital Budget Resources for Grants to Counties for Emergency Response Facilities**
  - a. Support multi-county proposal for a new Capital Budget program to fund construction and/ or expansion for emergency facilities in the state. The money would be appropriated to the State Emergency Office and sent out as grants.
    - i. Point of Contact: Randy Johnson/Todd Mielke, Clallam County
  - b. Josh/ Colleen Next Steps:
    - i. Meet with Randy and Todd
    - ii. Further steps to be determined
  
- 3. Rural Healthcare**
  - a. Olympic Medical Center is in dire financial need due to increasing Medicaid/ Medicare utilization and low reimbursement rates.
    - i. Both OMC and Jefferson Healthcare support the labor and delivery bill. Legislation would provide additional funding to support labor and delivery services for specific hospitals.
    - ii. Contacts: Bobby Stone- OMC and Dunia Faulx- Jefferson Healthcare
      1. Coalition Partners: Washington State Hospital Association (WSHA)
  - b. Oppose a prohibitive potential mergers and affiliations bill.
    - i. Contacts: Bobby Stone- OMC and Dunia Faulx- Jefferson Healthcare
  - c. Oppose any cuts to the Safety Net Assessment Program (SNAP). \$200m in cuts to this program were targeted in the Governor's proposed budget.
    - i. Contacts: Bobby Stone- OMC and Dunia Faulx- Jefferson Healthcare
      1. Coalition Partner: WSHA
  - d. Josh/ Colleen Next Steps:
    - i. Meet with Bobby and Faulx
    - ii. Possibly meet with WSHA staff
    - i. Further steps to be determined