



Kitsap Regional Coordinating Council

Chair

Mayor Patty Lent
City of Bremerton

Vice-Chair

Commissioner Josh Brown
Kitsap County

Commissioner Charlotte Garrido
Commissioner Robert Gelder
Kitsap County

Council Member Faye Flemister
Council Member Greg Wheeler
Council Member Adam Brockus *
City of Bremerton

Council Member Anne Blair
Council Member Kirsten Hytopoulos
Council Member Debbi Lester *
City of Bainbridge Island

Mayor Tim Matthes
Council Member Carolyn Powers
Council Member Jim Colebank *
City of Port Orchard

Mayor Becky Erickson
Council Member Linda Berry-Maraist *
City of Poulsbo

Council Chair Leonard Forsman
Rob Purser*
Squamish Tribe***

Council Chair Jeromy Sullivan
Council Member Dawn Purser *
Port Gamble S'Klallam Tribe***

Commissioner Axel Strakeljahn
Commissioner Larry Stokes *
Port of Bremerton

Captain Pete Dawson
Tom Danaher, PAO *
Naval Base Kitsap **

Mary McClure
Executive Management
McClure Consulting LLC

* Alternate

** Ex Officio Member

*** Associate Member

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Executive Board Meeting

December 4, 2012

Approved Meeting Minutes

1. **Call to Order:** Chair Patty Lent called the Kitsap Regional Coordinating Council's Executive Board to order at 10:00 a.m. (*Attendance noted at end*)

2. **Citizen Comments: Eight.**

Patricia Graf Hoke, Executive Director, Kitsap Peninsula Visitor Convention Bureau

- I am happy to see funding tools for economic development, including the Visitor Convention Bureau (VCB), on KRCC's Legislative Agenda. Thank you.
- REI is opening a 25,000 square foot store in Silverdale, creating 50 local jobs. This affirms the VCB's positioning of Kitsap as a major eco- and adventure-sports and recreation destination.

Ardis Morrow, Citizen

- I am passionate about helping battered women and children.
- I appreciate the time you take to be my elected representatives.

Monica Dowden, Owner, Monica's Waterfront Bakery

- Re-authorizing the lodging tax is not a good idea for my business.
- While I am concerned about the provision of government services that Cities use the funds for, those funds are critical to the VCB.
- The VCB is a large voice that represents my business throughout Kitsap. I cannot replicate its impact myself.
- We need the VCB to enhance small business: the success of small business is critical to our community.

John Kuntze, Owner, Olympic Outdoor Center

- I am on the Board of the VCB.
- My business has served 100,000 people in the past 25 years
- We are in a battle for tourism. That battle is waged in marketing; every marketing dollar counts.
- Kitsap County could be one of the premier world destinations for adventure sport. Please protect and support that, and help us build the tourism industry here in Kitsap.

Terry Douglas, Manager, Poulsbo Inn & Suites

- I and Mika Kim, manager of the Poulsbo Guesthouse Inn and Suites, would both like the June lodging tax sunset to occur: we don't want funds that are earmarked for tourism to go to other things.
- Without the Washington State Tourism Office, we rely upon marketing to bring more people to Kitsap – which in turn generates money for our Cities.

Jack Edwards, Manager, Baymont Inn and Suite Hotel

- These funds should be kept for their original purpose - to market Cities and hotels in our communities.
- Tourists will in-turn spend money and help grow the economy.
- This money should not be available for general government services.
- As one of the largest contributors to this tax, I ask that you please keep it for its intended purpose.

Mike Walton, Executive Director, Kitsap Public Facility District (PFD) and VCB Advisory Board Member

- The PFD invests in sports and recreation facilities, including the fairgrounds and ball fields.
- The investments led to Kitsap hosting the Babe Ruth 2012 World Series, a 10-day event, bringing teams, families and supporters from throughout the USA to Kitsap. The World Series generated an estimated \$750,000 to \$1 million for Kitsap County.
- I am in support of allowing the current legislation to sunset so that the lodging tax money can go back to the original purpose - for marketing our community to tourists.

Patty Graf Hoke, Executive Director, Visitor Convention Bureau (VCB)

- The VCB is working with the Washington State Lodging Association and Tourism Alliance. We are reaching out to, and want to partner with, our local elected officials, rather than being in competition.
- PSRC has estimated that tourism generates an annual \$0.5 billion regionally and provides 6,700 jobs. In Kitsap alone, the lodging tax generated \$25m in gross revenues just from hotels, and \$258m from eating and drinking establishments.

Board Comments:

- *Commissioner Brown, Kitsap County:* I welcome discussion next year about how to work better together regionally, perhaps through the KRCC. Seattle has a coordinated effort. We are somewhat fractured, with individual Chambers' of Commerce within each community. Perhaps the Cities and County could create a partnership, contributing to a regional effort.
- *Mayor Erickson, City of Poulsbo:* The City of Poulsbo funded the VCB to its full request this year. I have researched about successful regional marketing. The most successful structures have boards that are one third elected officials, one third Chamber of Commerce members, and one third hoteliers. This structure allows for open stakeholder vetting of marketing programs. I welcome the conversation, and think it would be great to operate in a regional way, with more players at the table.
- *Commissioner Gelder, Kitsap County:* Earlier this year, the Board of County Commissioners approved an update to County lodging tax policies, putting greater emphasis on marketing. Over the years, many smaller events have been funded and are very important to the fabric of our communities. Next Monday, there will be a recommendation to approve 2013 funding allocations, which will reflect an increase to VCB in support of the overall policy to support regional marketing.

3. Approve Minutes of October 23, 2012 Board Meeting

Motion: (Brown) and second (Gelder) to approve the minutes of the October 23 meeting, as presented. *Motion Carried Unanimously.*

4. From the Chair:

Chair Lent gave a brief overview of the December 4 KRCC Legislative Breakfast, which took place immediately prior to this meeting. The Board welcomed four of the nine State legislators who will represent Kitsap County in Olympia during the upcoming Session: Representatives Sherry Appleton, Drew Hansen and Drew MacEwen, and Senator Christine Rolfes. The Board presented legislators with issues that have been under discussion over the last several months. This is an annual event, timed so that legislators are aware of local government concerns during the annual Legislative Session. A summary of the discussion will be available on the KRCC website.

a. Proposed 2013 Budget

The proposed 2013 Budget recognizes that, over the past several years, KRCC has spent down its operating reserves. The Executive Committee had anticipated building reserves back up by funding the transportation program with a federal grant ~ the outcome, as to whether the grant can be used in that manner, is not yet known. A budget amendment may come forward in January, based on the outcome of the competitive grant process. Core coordination responsibilities for countywide transportation planning, such as coordination on PSRC issues and federal funding project tracking, will be built into ongoing monthly PSRC coordination calls among Kitsap's PSRC policy board representatives.

Board Comments:

- *Commissioner Brown:* The KRCC Executive Committee has discussed this. The KRCC Board needs to be aware that funding the 2013 work program will use all remaining operating reserves. Having chosen to fund basic operations through reserves means a larger-than-usual increase next year to retain current operating levels. Management services for the core program have remained flat over the past several years. To adopt the same budget in 2014, an 8.5% increase in member agency dues is needed.
- *Mayor Lent:* We need to look objectively at the structure of member agency contributions. I propose that an ad hoc committee review the dues formula and report back to the Board in 2013 ~ we can start with the Executive Committee.

Motion: (Strakeljahn) and second (Blair) to approve the 2013 Budget, as presented. *Motion Carried Unanimously.*

b. Proposed 2013 Work Program

Mary McClure presented the proposed 2013 Work Program, noting that it reflects generally the same work program elements as 2012, except the Transportation Program which is substantially reduced.

Accomplishing the population distribution work with the Planning Directors in 2013 will poised jurisdictions for required 2016 Comprehensive Plan updates.

Points of Discussion

- Executive Board input on *Topics of Shared Interest* (i.e. regional approach to tourism) should be sought.
- The Housing Program Process Review is an item that has been scheduled for some time, and will include discussion of the long-term role of the Housing Advisory Team (HAT). This is a structured review, the prior one being in 2008.
- *Commissioner Brown:* Will KRCC staff be involved in the Kitsap Countywide Multi-Modal Transportation Plan (KCMMTP) regardless of the consultation selection process outcome?
- *(response) Mary McClure:* No. The proposed Work Program does not include any work on the KCMMTP. I have been working with City of Poulsbo staff, possibly using some of the unconstrained local contribution for KRCC transportation coordination.
- *Mayor Erickson:* It is troubling that there will be no KRCC Transportation Committee meetings in 2013 ~ they are a core part of the KRCC Work Program. An ad hoc committee should be convened in January 2013 to find sustainable funding for this organization. We have been using the member agency dues formula for several years, and Mary has also sought grant funds ~ which are not sustainable. I don't want the KRCC Transportation Program to go away.
- *Council Member Berry-Maraist:* I have served on the Transportation Policy Committee (TransPOL) for five years. I think it is one of the most important things that we do in Kitsap. We are the envy of the region. It is a tough process. I don't think that we can afford to lose that program.
- *Commissioner Brown:* I think we should hold off adopting the Work Program for today. We need to either remove other items from the overall program, or find some additional capacity. We should let the Executive Committee review this so that the KRCC Transportation Committees can meet in 2013.

No action was taken on this item.

c. Elect 2013 Board Officers

A review of KRCC Board leadership over the past decade was contained in the Board Meeting packet. Over time, leadership has cycled between County and City officials and among the jurisdictions. For obvious reasons, the vice chair has typically moved into the role of chair the following year.

Commissioner Brown thanked Mayor Patty Lent for her leadership of KRCC as Chair for 2011 and 2012.

Motion: (Erickson) and second (Gelder) to elect County Commissioner Josh Brown as Chair and Port Orchard Mayor Tim Matthes as Vice Chair for KRCC in 2013 . *Motion Carried Unanimously.*

d. KRCC ILA Revisions Status

A status report on KRCC member agencies' action on KRCC ILA revisions was included in the Board Meeting packet. It is hoped all jurisdictions will take action by the end of the year.

5. Work Program:

a. 2013 Legislative Agenda

The KRCC Board hosted a Legislative Breakfast with Kitsap's legislative delegation ahead of today's Board meeting. The Board presented KRCC's Legislative Priorities to four of Kitsap's nine legislators, followed by a discussion of the priorities. At this time, the Board indicated support of the KRCC Agenda, as presented to the Legislative Caucus, and although additional priorities were touched upon during today's Legislative Breakfast, the Board agreed that the Legislative Agenda, as drafted, sufficiently addresses their priorities.

Board Discussion:

- In 2013, Senator Rolfe will be involved in committees related to KRCC's top three legislative issues.
- Free dental care, the Belfair Bypass (covered by support of the Bremerton Economic Development Study ~ BEDS) and support for four year engineering programs were mentioned by legislators but not explicitly called out on the agenda.
- *Council Member Wheeler, City of Bremerton:* Into 2013, as we work with our legislators, we need to specify that it is inappropriate to air out funding cuts so specifically that it puts a spotlight on Bremerton. When WSF singles out one City, it is completely unfair. I hope it stops. Not only is it completely unfair, it is not a good way to prepare a budget.

Motion: (Brown) and second (Blair) to approve the 2013 KRCC Legislative Agenda, as presented. *Motion Carried Unanimously.*

b. Kitsap Coordinated Grant Application Process (CGAP) Funding Recommendations

In October, the KRCC Board adopted the funding recommendations for CDBG (Community Development Block Grant) programs, but did not approve the 2013 cycle for the document recording grant fee programs. The unresolved issue related to the YWCA request for \$55,000 for operations and maintenance of the Alive Shelter. The KRCC Executive Committee met subsequent to the October KRCC Board meeting, and recommends funding the Alive Shelter through the KRCC Housing Program operating reserves for \$20,000. The ILA establishing and defining the programs discusses, and allows for, the potential of folding reserve funds in to the grant program in future years.

Kirsten Jewell, Housing Grant Program Manager, confirmed that there are certain limitations on the funds, included in the legislation creating the programs. The Homeless Housing Grant Program is intended to reduce homelessness in our community by providing funding for activities set forth in the Kitsap Homeless Housing Plan. The primary intention of the Affordable Housing Grant Program is to provide operations and maintenance of existing programs, or to create/rehabilitate existing or new low income housing. In the case of the YWCA, because the funds would come from the operating reserves, there are no strict limitations.

However, for consistency, it is recommended that the parameters for operations and maintenance funds be applied to this grant as well.

Motion: (Gelder) and second (Brown) to approve the funding awards for the 2013 Cycle of the Homeless Housing Grant Program, the Affordable Housing Grant Program, and the Consolidated Homeless Grant Incentive Program, as recommended by the Grant Recommendation Committees during the 2013 Coordinated Grant Application process. In addition, award the YWCA ALIVE Program Operating & Maintenance \$20,000 from the Housing Grant Program Operating Reserves, as presented. *Motion Carried Unanimously.*

c. Transportation: Countywide Multi-Modal Plan

The consultant selection process is underway, with a recommendation coming to the Board from the KRCC Transportation Policy Committee (TransPOL) in January.

Mayor Erickson, City of Poulsbo: The City of Poulsbo is administering this grant. There were five submittals, which have been evaluated by the selection committee and scored two different ways. The City of Poulsbo facilitated, but did not participate in, the scoring process. Committee results will be forwarded to the TransPOL for discussion.

6. Citizen Comments: One

Linda Joyce, YWCA

- On behalf of our board and staff, and the families that we serve through our transitional housing program, thank you.
- The YWCA was gifted four housing units last June by Housing Kitsap ~ giving four families the opportunity and ability to move beyond domestic violence.
- Because of this funding, there is the guarantee from the YWCA to help those families become self-supported, self-sufficient and empowered members of the Kitsap community.

7. Member Agency Comments: None.

Council Member Brockus, City of Bremerton: We talked to four of our nine legislators today during our Study Session, and adopted our Legislative Agenda. That's only the half of it ~ our (local) elected officials need to lobby the State Legislators this session. I encourage any Association of Washington Cities (AWC) members to come down to City Legislative Action Days on February 13 and 14.

Mayor Lester, City of Bainbridge Island: Our community-wide food drive generated 751 pounds of food for Helpline House and FishLine. Three other organizations also participated, and more food was collected by them. This was our first food-drive, with City Hall and the City Council involved. Let's look at doing it again in spring, and perhaps expanding the event to all of our communities.

Mayor Matthes, City of Port Orchard: The South Kitsap Helpline is hosting a fundraiser on Dec 15, at the Christian Life Center, with a 75-person choir. 80% of donations will go to South Kitsap Helpline.

Council Member Berry-Maraist, City of Poulsbo: The West Sound Integrating Organization met on Friday and took some big steps: the Executive Committee is formed and a working group meeting is scheduled for January. I want to thank everyone that is involved. Chairman Forsman and Commissioner Gelder are Chair and Vice Chair. I am looking forward to the organization being operational next year.

Mayor Erickson, City of Poulsbo: On Saturday December 8, there is a big band Christmas concert at the Sons of Norway in Poulsbo. All proceeds will benefit FishLine.

Mayor Lent, City of Bremerton: Merry Christmas and happy Hanukah. Join us throughout the festivities. It has been a hard working year, and I have enjoyed being your Chair.

8. Adjourn: 10:56 a.m.

Meeting Participants:

Linda Berry-Maraist, City of Poulsbo *
Adam Brockus, City of Bremerton *
Tom Danaher, Naval Base Kitsap *
Robert Gelder, Kitsap County
Debbi Lester, City of Bainbridge Island *
Rob Purser, Suquamish Tribe *
Greg Wheeler, City of Bremerton

Anne Blair, City of Bainbridge Island
Josh Brown, Kitsap County
Becky Erickson, City of Poulsbo
Patty Lent, City of Bremerton
Tim Matthes, City of Port Orchard
Axel Strakeljahn, Port of Bremerton

Executive Management by McClure Consulting LLC:

Mary McClure, Executive Manager
Kirsten Jewell, Project Coordination

Vicky Clarke, Project Coordination
Myrna Knodle, Executive Assistant

Board Members Not in Attendance:

Jim Colebank, City of Port Orchard *
Faye Flemister, City of Bremerton
Charlotte Garrido, Kitsap County
Carolyn Powers, City of Port Orchard
Jeromy Sullivan, Port Gamble S'Klallam Tribe

Pete Dawson, Naval Base Kitsap **
Leonard Forsman, Suquamish Tribe
Kirsten Hytopoulos, City of Bainbridge Island
Dawn Purser, Port Gamble S'Klallam Tribe *
Larry Stokes, Port of Bremerton *

* Alternate
** Non-Voting

Others in Attendance:

Terry Douglas, Manager, Poulsbo Inn
Manager Baymont Inn and Suite Hotel
Linda Joyce, YWCA
John Kuntz, Olympic Outdoor Center

Monica Dowden, Monica's Waterfront Bakery
Patricia Graf-Hoke, Kitsap Peninsula Visitor Convention Bureau
Ardis Morrow, Citizen
Mike Walton, Kitsap Public Facilities District