

OFFICE OF THE MAYOR

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2012 State of the City Address, as prepared Kent Mayor Suzette Cooke

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Kent Live – and Connected!

It's great to be in Kent today! Why? Because we have

- caring neighborhoods that show renewed pride in their city;
- cutting-edge businesses with a wide range of employment opportunities;
- elected leaders who listen to their constituents;
- dedicated city staff willing to think outside the box;
- innovative schools that integrate knowledge with real-life applications;
- civic organizations that contribute to raising our quality of life;
- a diverse faith community sharing facilities and living in peace;
- and thousands of service-oriented volunteers of all ages and interests.

But folks, it's going to be even <u>greater</u> to be in Kent tomorrow! Why? Because we have attracted the world! Within just the past twenty years, Kent has transformed into a new city consisting of over 118,000 people from around the world. People with life skills and tested leadership, people with a solid work ethic and entrepreneurial spirit, people who know that education is the great equalizer, and people who cherish the freedoms upon which our government was founded.

Many have arrived here with nothing more than a dream – a dream not that much different from our forefathers – a dream to build a future for their children's opportunities and success. Our student vocalists, Jay Hill and Charles Hawkins, are just two examples of the talent growing within our midst. Jay Hill is a KM Junior and a member of Sound Connection and the Zero Hour Show Choir. Charles Hawkins is a KM 2010 Alumnus and a former Sound Connection member. He continues to be a leader as a volunteer and student in the community. Thank you for sharing your talent. Go Royals!

Additional signs of our future can be found at the King County Library in Kent where students tutor other students. Or at the Kent School District's Tech Expo, where a high school student can demonstrate how fusion works. Or listen to Mill Creek Middle School students compete in civics on questions about the US Constitution and Bill of Rights. And then there's Federal Way School District's new Sunnycrest Elementary School where students' lessons are taught half the day in English and half the day in Spanish.

Winston Churchill said, "The empires of the future are the empires of the mind." When I see how bright and world-savvy our youth are, I know Kent will be even greater tomorrow.

The economic recession has certainly made it more challenging to find stable footing in our new world market. While the economy continues its sluggish recovery, the City continues to adapt to a new economic reality – one with reduced revenues. In the 2012 budget we eliminated 35 positions (23 people were rifted), provided no cost of living increases - for the third year in a row, and cut all city departments.

Within our \$160 million budget, we recognize our city's top priorities:

- public safety
- water, sewer and drainage utilities
- human services
- transportation infrastructure
- parks and public facilities
- business attraction and private sector job retention
- user-friendly communication within our diverse community

But this unprecedented downturn in the economy has required us to make some hard decisions. We have been trying to maintain a level of service that least damages our residents and job base. A **32% reduction in sales tax revenue**, combined with a **75% reduction in Real Estate Excise Tax** revenue has made for extremely challenging choices. Even Moody's Investor Service questions "the city's ability to implement additional expenditure cuts as [it has] we have already enacted significant cuts over the last three years."

Our operating budget is beholden to the State of Washington for over \$10 million annually in mitigation and state-shared revenues. Cuts to our **annexation sales tax credit** and our **Streamlined Sales Tax mitigation** could cripple the City. We are working diligently with state legislators to keep those funds in place; and we appreciate the Chamber's support in these efforts.

Now let's turn to some innovative ways our staff has been able to deal with depleted tax revenues while still adding attributes to our community.

Have you ever considered Kent a bicycle Mecca for residents, commuters and tourists? Well think again. After all, we are the corporate headquarters for Raleigh Cycle, Seattle Bicycle Supply and the Red Line brand, and REI. Thanks to the foundation, **Bikes Belong**, I was provided a trip to Copenhagen and surrounding cities to see how they integrate cars, trucks, bicycles and pedestrians.

We are using a \$120,000 Communities Putting Prevention to Work federal grant through King County Public Health to investigate ways to improve our walking and biking network.

New ideas were developed by a citizens' committee; and residents' priorities were gleaned from a series of public meetings and an online questionnaire. With fresh ideas in mind, we were able to develop a conceptual plan how to make walking and biking work better in this city.

Out of 600 cities eligible, **Kent was one of only 21 cities awarded \$25,000 from the National Endowment for the Arts Mayors Institute.** This money will help to make Kent a bicycle/tourism destination by connecting unique earthworks and landscapes along an 18-mile loop between Kent and Renton.

A \$416,200 Kent-Kangley Pedestrian Safety Grant from the Washington State Department of Transportation is going to cover the cost of updated pedestrian crossings, including signals and curb ramps between 104th Avenue SE and 124th Avenue SE.

Another **\$6,800** per year grant is allowing the utilization of **KentCrimeReports.com** for the next five years. To be launched by the end of March, this free service allows online crime alerting and mapping for Kent residents and businesses. Visitors to this illuminating site can sign up to receive automatic daily, weekly or monthly email alerts if crimes occur near them. It

also shows reported crime activity on an easy to use map for any location within Kent's boundaries.

This is yet another tool in the box that demonstrates our commitment to service and safety by making crime information available to the residents.

Kent is receiving more national attention. Along with 300 volunteers, organizers from **KaBOOM**, a national organization dedicated to play, helped Kent Parks, the Kent Parks Foundation, the Tudor Square Neighborhood Council build a one-of-a-kind, multi-generational playground at Tudor Square Park last fall. With design drawings by 142 neighborhood kids, the entire park got a nearly **\$100,000 facelift**, **funded primarily by Humana**, a health care and Medicare provider.

Kent's **West Fenwick Park** patrons get to enjoy a new playground because of a **\$10,000** donation by the NFL-GMC and United Way. Even Seattle Seahawks defensive back **Marcus Trufant** showed up to help.

With \$75,000 from a King County matching grant, we also built the **new Lake Meridian playground** that officially opened at the Fourth of July Splash festival.

I wish to thank our staff for being so resourceful!

But grant dollars and appropriations from the State and Federal Governments are not the answer to every need or budget challenge.

The City Council recognized this when they identified as a strategic goal the **development of a sustainable funding model**.

Last year we set in motion a series of actions to help pay for our infrastructure needs, while still being mindful of the economy.

We restructured fees for permitting and development; we've applied a technology fee to permitting, parks and utility billing transactions so we can maintain our technology. And we've increased business license fees.

Even though we had to implement some fee increases, ours are still very much in line those of our neighbors. In fact, **Kent ranks among the 20 least expensive cities in the country for doing business,** according to Claremont McKenna College's Rose Institute of State and Local Government annual survey.

Known as the tie breaker for companies contemplating a move or expansion, the survey gathers business fees and a variety of tax rates from 421 cities across the United States.

While this is great news from and economic standpoint, we haven't had the budget dollars to maintain our infrastructure. We're looking for ideas. There are some unused tools available to local governments that could help -- tools like a Business & Occupation Tax, a Transportation Benefit District or a Head Tax. We need to talk about our options.

I ask you, the business community, to work with us; we welcome that conversation. Residents, I ask for your participation. We all need to be at the table, and ready to find answers.

As of last night's City Council meeting, Council agreed to adopt a **two-year budget process in place of an annual budget.** This will help us focus on long-term needs and strategic aspects of budgeting, rather than narrowly concentrating on "number crunching" for a single year.

It's also a better complement to the city's long-term strategic plan, Capital Improvement Program and other long-term planning tools.

Another item we're looking at is an **infrastructure funding process for streets and parks.**

One of the biggest highlights from 2011 was the Army Corps' announcement they would operate **Howard Hanson Dam** at full capacity. While the panic and fear associated with the possibility of major flooding has subsided, the challenges are far from over. Improving and certifying levees along the Green River is just as critical to safeguarding Kent from possible flooding.

Improving our levees is no small task. It will take years, and cost several hundred million dollars.

That's why we're aggressively working to bring the **Green River Levees up to federal standards.** We're still waiting for word on our certification applications for three portions of our levees to FEMA.

Again, it's one of our top priorities on our legislative agenda. We have asked the State for financial help in setting up a designated funding mechanism for this important work. While occasional appropriations are very helpful, they can't begin to put a dent in what is needed.

Since there is so much at stake, no one entity can or should bear the entire cost of upgrading and certifying the levees.

In the meantime, I know you want to know the status of the **giant sandbags and when** they'll be removed.

We have requested funding from the King County Flood Control District to help cover the **\$3** million cost of their removal....we should have an answer from the District's Board of Supervisors after their April 9 meeting.

We are still on schedule to have the bags removed this summer.

Another major highlight from last year was the long awaited **demolition of the unfinished parking garage.** Many of us celebrated this milestone with golden sledgehammers in hand. All to make way for **Kent City Center**, a 5-story, 164 unit mixed use, urban-style apartment building with 3,700 square feet of retail space, parking for residents, and an additional 35 public parking stalls.

We are very pleased with Goodman Real Estate's plans for the site, and are confident that, with their help, our vision for downtown will continue to blossom. Look for construction to start this fall.

Thanks to our entire Economic Development team for helping bring the vision closer to reality.

This same team has put together a solid proposal to attract the **Federal Aviation Administration** to move and expand its regional headquarters to Kent. I know this is also a top priority for Renton, and since Mayor Law is here, I'll keep the details to myself and leave it at this...imagine the positive impact to our community with 2,000 well-paying jobs and the secondary benefits to the local economy.

With the Council's support, our economic development team doubled the number of businesses and investors they're assisting in staying, coming, or growing in Kent from **100 to 200 each year**.

Speaking of jobs, I am pleased to represent Kent as part of the King County Aerospace Alliance's efforts to keep the aerospace industry competitive. It's no secret other states, and other countries, are gearing up to compete for Boeing's production business. Kent is home to 9 of Boeing's top tier manufacturing suppliers and over 40 other suppliers.

The Alliance is working together ensure our business climate is competitive through seamless permitting and land use processes. Our biggest challenge is how to move freight and workers more efficiently.

We need to keep those aerospace jobs, and all of the Boeing's supplier's jobs here. <u>And</u>, we need to ensure there are skilled employees to fill those jobs.

That's why it's so great that **Green River Community College is now offering state-of-the-art training programs for careers in the aerospace** and advanced manufacturing industries.

Speaking of international competition, our **Sister Cities organization sponsored me to represent Kent in both China and Japan.** Let me tell you, China is a country on the move! They are intent on winning the race to being number one. They are very engaged and interested in learning all they can from us, both our successes and failures, and use them to their advantage.

Thanks to a determined group of small business owners, we are seeing **East Hill Partnership** grow in their dedication to revitalize and unite the diverse business community on the East Hill.

With support from the Chamber of Commerce and the City, this partnership has successfully combated graffiti, and is focused on improving public safety in and around East Hill's business districts.

Now, with a **\$20,000** grant from the United Way King County's New Solutions Fund, planning began at last Saturday's forum to "make the East Hill the best neighborhood in the best city in the Puget Sound area." Thanks to another grass roots group, the East Hill Community Network, for their support of this effort.

Positive momentum is also coming to the West Hill. *Let's, just* for a moment, **Envision Midway**. Imagine a compact urban village located at the crest of the ridge where people can come and go using Sound Transit's Link Light Rail. The views are magnificent from the mix of well-built medium and tall buildings where people live, work or go to school. The atmosphere along 30th Avenue is casual and interesting where people linger at sidewalk cafes or do business before they go home to kick their shoes off and watch the sunset over the Olympic Mountains and Puget Sound.

Kent is ready to revitalize the Pacific Highway Corridor into this new urban village. The recently adopted Midway Subarea Plan, Design Guidelines and code changes ensures redevelopment will compliment the future light rail coming in 2023.

We are working closely with Sound Transit over the next four years as they plan the south corridor extension. Once the alternatives analysis and 30% preliminary engineering design for the extension's EIS is complete, the station will be 'Shovel Ready' and Sound Transit can compete for possible state and federal dollars. Midway will never be the same.

Couple that with the planned light rail line, and we have the revitalization of the Pacific Highway Corridor. This is as big, if not bigger, than the transformation from "glue pot to hot spot" known as Kent Station.

Another big achievement was a long awaited agreement with the National Marine Fisheries Service and U.S. Fish and Wildlife. Known as a **Habitat Conservation Plan**, Kent is now one of only 3 cities in Washington to have a recognized plan, which for the next 50 years, will ensure the protection salmon while allowing us to still provide water to residents. We can find balance between the environment, and our human needs.

Kent's Neighborhood Program is going strong and is filled with residents who are making Kent a great place to live.

With 22 officially recognized Neighborhood Councils, we're seeing the results of their beautification and community-building efforts!

West Hill's **Saltair Hills**, Panther Lake's **Misty Meadows** and East Hill's **Tudor Square Neighborhood Council's now** have beautifully landscaped entrance signs.

The **Mill Creek Neighborhood Council** is celebrating the history of Kent and their neighborhood with a second edition book called "A Community of Unique & Historic Homes". Books will soon be available at the Kent Historical Museum.

And **Kent West Hill** is stamping out mail theft with vandal proof mailboxes.

Prompted by being named one of the nation's "100 Best Communities for Young People" two years ago, the celebration itself was such a hit; the community insisted we do it again.

For the second year in a row, **You Me We, a festival of free family fun drew over 4000** people to ShoWare Center. This community is dedicated to its young people.

It's the business community who have supported youth athletic teams, sponsored special events, and hosted mock interviews to prepare young people for the workforce.

It's the school district for making significant efforts to create strong learning centers for kids who struggle in traditional schools.

It's the dedication of our Parks Department staff that are committed to providing programs that nurture kids.

This is your city.....and many are demonstrating that fact in ways that reach out to so many. Some have taken this theme, a running with it. So much so, there's a new term for it.

Let me explain...

A couple of years ago Kvichak Marine did a volunteer project at Morrell Meadows Park involving the removal of blackberries and other invasive weeds. They accomplished so much and removed so much debris in one day; they set a new benchmark for volunteer projects. Thus the newly coined phrase, "a full Kvichak" for volunteer projects where the amount of work done goes above and beyond.

Thanks to the many others who have made Kent their city, by do more, and giving more than anyone would every ask for.

- How about **Connie Grant** whose estate gave over \$211,000 to benefit programs at the Senior Center.
- Or the "full Farrington Court" and their cheery staff who dig in at volunteer events AND do a hot dog feed for all volunteers afterward, plus they fed 300 volunteers at the Tudor Square Park KaBOOM renovation.
- How about the "**full Westcott**"? Bill does amazing work nurturing and growing the Kent Farmer's Market, as well as Kent Cornucopia Days celebration every summer.
- A resident and local businessman, who wants to remain **anonymous**, **pays for all the kids who participate in the Christmas Rush**. He does it because he loves running and values the community. His greatest satisfaction is being at the finish line to congratulate and hand out a candy cane or teddy bear to all the kids who cross the finish line. Participants at the event have no idea who he is or the contribution that he made, and that is just the way he likes it.

• And the Kent Lutheran Church, who opened and supported the Severe Weather Shelter for 6 consecutive nights through our recent snow/ice event storms.

And national companies have, and continue to make Kent their city.

- Starbucks Roasting Plant employees have stepped up to restore an area of Lake Fenwick Park and our friends at the 4th & Meeker Starbucks provide coffee and hot chocolate for every community volunteer event.
- REI and their employees have been strong supporters of Park improvement efforts for years, recommending us for grants, providing work groups for numerous projects and partnering with us on community year after year.

We need to make sure our regulatory processes don't unnecessarily burden the private sector.

Our more efficient and predictable permit system was a start; bringing it online would be even better.

What are you willing to do make Kent your city?

Thank you for the support you have extended to me and the Council as we strive to provide responsible leadership.

"Our lives begin to end the day we become silent about things that matter." Dr. Martin Luther King, Jr.