

CITY OF LAKEWOOD

FEDERAL PRIORITIES 2022



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PAUL BOCCHI
COUNCILMEMBER

PATTI BELLE
COUNCILMEMBER

LINDA FARMER
COUNCILMEMBER

MICHAEL BRANDSTETTER
COUNCILMEMBER

City Council Vision

Our vision for Lakewood is a thriving, urban, South Puget Sound City, possessing the core values of family, community, education, and economic prosperity.

We will advance these values by recognizing our past, taking action in the present, and pursuing a dynamic future.

Introduction

The City of Lakewood has established a productive and trusted relationship with its congressional delegation over the past many years. The result is a delegation that actively partners with the City in support of shared goals, whether they be funding for critical infrastructure or offering legislative language to modify Department of Defense policies. The City thanks the congressional delegation for securing improvements for the Lakewood community over the years.

Policy Opportunities: The City has identified a number of infrastructure needs and policy objectives that would benefit its community and are defined more below. Simultaneously, a new Congress and the Biden Administration are providing numerous funding opportunities for Lakewood. The City put forward an earmark request for South Tacoma Way that was selected by Congresswoman Strickland for funding but fell out of consideration when the Bipartisan Infrastructure bill eliminated all earmark requests. The project has also been put forward for funding by Senator Murray in the appropriations bill and the resolution of this request is still pending. The City also continues to look at the Defense Community Infrastructure Program for funding Washington Boulevard and other projects.

Congressional Delegation Opportunities: Lakewood’s Congressional Delegation is extraordinarily well positioned to help the City in terms of their committee assignments and seniority. Congresswoman Strickland serves on the Transportation Committee and the Armed Services Committee with jurisdiction over JBLM and whose Chair, Adam Smith, is also from Washington State. Senator Murray is a senior member of the Senate Appropriations Committee and serves on the Defense Appropriations Subcommittee. Senator Cantwell is the Chair of the Senate Commerce Committee with jurisdiction over a majority of transportation policy. From a statewide perspective, Washington State has four members on the Appropriations Committee and three on the Armed Services Committee.

Strategy: Lakewood’s congressional delegation knows what the needs are in Lakewood and what the city’s funding and policy priorities are. The City’s effort in 2022 will be to continue to drive major policy changes within the Department of Defense and the Department of Transportation and bring federal funding to City needs. The City’s objective will be a sustained partnership with the federal government to bring federal funding into the City to support economic, infrastructure, human and environmental priorities.

The 2022 scope of work builds on the City’s recent work and continues to build support in 2022 and for longer-term initiatives in the years ahead. Additionally, the City will follow the work being done by partner agencies and organizations and will levy support when and where appropriate. Some of these organizations include the Association of Washington Cities, the Association of Defense Communities, the Puget Sound Regional Council and Pierce County, among others.



Bringing federal funding to the City's top infrastructure priorities

Background: With Members of Congress restoring earmarking authority, the City has ample opportunity to position its priority projects for federal support. In 2021, the City secured House support for \$2.4 million to complete the South Tacoma Way project. The City also identified four other projects for potential funding support including the Gravelly Lake Loop Road Project, the JBLM North Connector Project, Steilacoom Boulevard and the Town Center Connector Project.

Action: The City's work in 2022 will be to use the new earmark rules and regulations to revisit the City's capital projects and position them for federal support. The City will make a decision about resubmitting the South Tacoma Way project once the 2021 outcome is known and ensure that the City has numerous projects in play to be considered for federal funding support. The City's secondary priority will be to continue to seek federal funding support for other City priorities. This may be through earmark requests or other funding opportunities that come together (see Transportation and Infrastructure Program and Funding below).

Supporting the Second Tranche of ARPA funding and any future COVID recovery

Background: Lakewood has received half of its ARPA designated funding with the second tranche expected in May 2022. Moreover, as the pandemic continues to impact communities, there is already discussion about what a future COVID bill might entail with an emphasis on public health infrastructure and economic recovery for impacted communities.

Action: The City will monitor the status of the second tranche of ARPA funds from the U.S. Treasury and lobby for City needs in any future COVID bill.

Supporting the Ongoing Efforts in the North Clear Zone

Background: The South Sound Military and Community Partnership (SSMCP) has been the driving leader in supporting the Air Force and Army funding the acquisition of property in the JBLM North Clear Zone. The City has requested legislative language from its congressional delegation to clarify the appropriate use of federal dollars.

Action: The City will continue to lobby for funding and policy support for this effort. The House and Senate Armed Services Committees are both watching the work being done at the North Clear Zone at JBLM and the City has a strategy ready to enact should the contemporary work being done on the ground prove stuck.

Defense Community Infrastructure Program (DCIP)

Background: In 2018, Congress included the creation of the Defense Community Infrastructure Program (DCIP) in the Defense Authorization bill with an initial authorization of \$100 million for the program. This program was the result of a multiple-year effort led by the City of Lakewood and pushed by former Congressman Denny Heck with the support of Congressman Derek Kilmer and Congressman Adam Smith. This new federal initiative created a new funding program for the Department of Defense to help cities construct infrastructure that serves military installations.

Congress failed to fund the program in 2018 but we were able to get \$50 million appropriated in 2019 to establish the program and support the first round of grants. As 2020 unfolded, the Office of Local Defense Community Cooperation (OLDCC, formerly known as the Office of Economic Assessment) established the DCIP with an emphasis on projects that enhanced military quality of life and de-emphasized infrastructure.

In 2021, Lakewood successfully lobbied for an increase in the amount of funding available to \$60 million and successfully re-prioritized infrastructure in the grant award criteria. This is key to the City's strategy of using the DCIP to fund the infrastructure improvements needed to connect JBLM North with the main base.

Action: In 2022, the City's top priority is increasing the funding available to the DCIP up to its authorized amount of \$100 million and ensuring that the program adequately prioritizes the types of projects needed in Lakewood.

Transportation and Infrastructure Program and Funding

Background: Congress is in the final negotiations for an infrastructure deal, the outcome of which will have tremendous consequence for Lakewood. At minimum, a deal will provide an infusion of funding into traditional state and regional programs like WSDOT and PSRC, providing opportunities for City projects to be considered.

Action: Several proposals in both House and Senate bills have new programs identified for competitive grant funding (see below for a short list). Influencing how these programs are developed by the agencies and ensuring they are set up in ways that make Lakewood's projects accessible and competitive will be a top priority. Each of these new programs that make it through the legislative process will provide an opportunity for the City to position projects.

Potential New Programs in 2022 (Subject to Congressional Enactment in 2021):

- Community Transportation Investment Grant Program *
- Climate Innovation Grant Program *
- Transportation Connectivity Grant Program
- Culvert Replacement Program
- Broadband Development and Deployment
- Electric Vehicle Infrastructure

* Of note, thanks in part to efforts led by Lakewood and other Northwest cities, the Community Transportation Investment Grant Program contains a 30% set aside for medium sized cities and the Climate Innovation Grant Program contains a 10% set aside.

Transportation and Infrastructure Policy Changes

Congress is in the final negotiations for an infrastructure deal. The City has been supporting significant policy changes for federal transportation spending and the outcome of these will need to be reassessed and re-engaged after we see the 2021 outcome.

Medium Sized City Set Aside

Background: Most federal infrastructure spending has a rural set aside which is critical for smaller communities to be able to access federal dollars. There is no comparable medium sized city set aside. Instead, medium sized cities compete against large cities like Seattle, Portland and Los Angeles for limited resources. Medium sized cities need a defined pool to compete within so as to make federal funds available in a way that simply aren't in their current status.

Action: As Congress debates a new Transportation bill and considers the continued funding of the RAISE Program (formerly known as the BUILD or TIGER discretionary grant program), the City should lobby for a portion of federal infrastructure dollars be set aside for medium sized cities. This policy position is consistent with the work the City has been doing for years and is supported broadly by similar sized cities throughout the state. As for proof as to why this set aside is needed, since the RAISE program was created in 2009, not a single award has been made to a city in Washington State between 10,000 and 75,000 in population size.

The RAISE program is the key federal funding program for local infrastructure investments. Yet, all cities compete within the same funding pool, putting smaller and medium sized cities at a competitive disadvantage for funding even as the transit and commuter challenges are similar to those of larger communities. There are efforts in Congress to create funding tiers so that cities of similar size can compete for federal funds. The City should support efforts to designate a portion of federal transportation spending for cities between 10,000 and 75,000 in population size.

In 2021, Lakewood successfully lobbied to get a medium sized city set aside in two of the new transportation grant programs in the House-passed transportation bill. This was the first time that Congress recognized the problem and designed a funding strategy to address it. In 2022, the City will need to continue to partner with other Northwest cities to increase the set asides in additional transportation programs so that Lakewood has competitive access moving forward.

Funding for Metropolitan Planning Organizations (MPOs)

Background: Federal transportation funding is generally distributed in Washington State via the State Department of Transportation (DOT) or via a Metropolitan Planning Organization (MPO) like the Puget Sound Regional Council (PSRC). In the most recent Transportation bill from 2016, Congress changed the allocation of funds from 50%-50% between DOTs and MPOs to 55%-45% with MPOs gaining the larger amount.

Action: As Congress continues to implement the next Transportation bill, the City should support increasing this proportion to the benefit of MPOs and oppose any attempt to preclude the formation of new MPOs to meet regional needs. This should dovetail with the City's work at PSRC to more highly value cities with military installations in competitive funding pools.

In 2021, the House-passed transportation bill changed the allocation formula to 60%-40% with MPOs getting the larger portion. The Senate bill made no changes to the allocation formula and the final agreement is to be determined as the bill works towards enactment.

Defense Policies

Base Realignment and Closure (BRAC)

Background: A BRAC round is the best way to direct military construction and infrastructure funding to the bases and locations that need the most investments. While the prospects of a BRAC round over

the next few years are unlikely, the DOD and the City's congressional delegation are supportive, including most importantly, Congressman Adam Smith who is the Chair of the House Armed Services Committee with jurisdiction over this issue.

Action: The City will continue to support a BRAC round to focus limited federal funding on critical military infrastructure needs. The City urges Congress to invest in the Office of Local Community Cooperation with any BRAC round. Moreover, for bases that see an increase in missions or personnel following a BRAC, Congress should consider creating a new funding support to address deficiencies on those installations.

Office of Local Defense Community Cooperation (OLDCC)

Background: As Congress moves forward with annual Defense Authorization bills, preserving funding for the Office of Local Defense Community Cooperation (OLDCC) – formerly known as the Office of Economic Adjustment (OEA) – at the Pentagon is a key priority for the City. OLDCC funds economic studies and planning for cities that experience reductions or growth in their military installations.

Action: OLDCC is expected to continue to be a critical partner to the City for many shared initiatives in support of JBLM. Funding for OLDCC has been under recent threat and the City should lobby for stable funding for OLDCC in recognition of its strong role in the economic growth in the region.

Association of Defense Communities Engagement

Background: The Association of Defense Communities (ADC) has the potential to become a key ally for the City. The ADC's support for the Defense Infrastructure Program was key to enactment in 2018. Additionally, its steadfast support for the Office of Local Defense Community Cooperation (OLDCC) has been critically important for the viability of that agency.

Action: The City should look for ways to deepen its relationship with ADC and consider participating in ADC conferences with the eventual goal of seeking committee and board positions with ADC.

Support for Military Construction Projects at JBLM

Background: As mentioned in Priority 1, Congress has restored limited earmarking authority to its appropriations bills. In 2021, Military Construction projects were not eligible for earmarking but that is expected to be up for review in 2022.

Action: The City should support JBLM by lobbying for projects that the base has identified as priorities for the Military Construction accounts within the congressional spending bills.

Community and Economic Development Programs

Continuation of Earmark Authority

Action: Congress has reinstated earmarking authority in 2021 and the City should continue to support the use of congressionally-directed spending in 2022 and beyond.

Community Development Block Grants (CDGB) and the Home Investment Partnership (HOME)

Background: The City of Lakewood uses Community Development Block Grant (CDBG) and Home Investment Partnership Program (HOME) funding to support local initiatives that benefit the City's vulnerable population. Funding in the CDBG program increased by 30% in 2018 after falling to a decade low in 2017 and has been holding steady at that rate since then.

The CDBG program was used by Congress extensively as a distribution mechanism for federal relief funding for the COVID pandemic. However, those program increases in the CDBG budget are temporary and responsive to the pandemic – not permanent increases in the program.

Action: The City should support the CDBG and HOME program at the federal level and lobby for increased funding that could be put to use in Lakewood immediately.

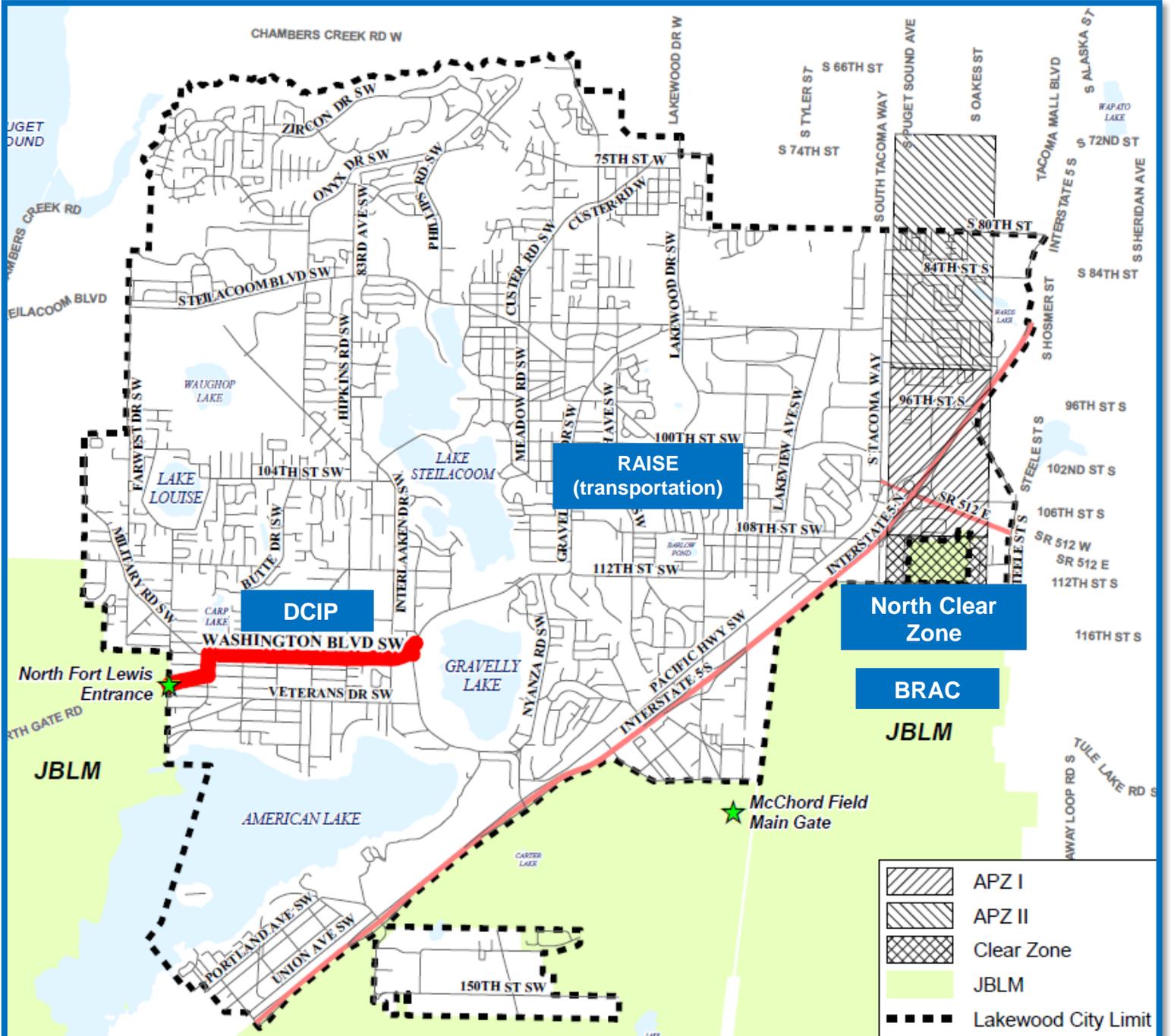
Support Municipal Tax Policy

Background: Congress has adjusted various tax policies that have a direct impact on the City of Lakewood, including the New Markets Tax Credit, the Affordable Housing Tax Credit and the State and Local Sales Tax Deduction. These policies, in addition to policies that would negatively value municipal bonding authority, remain under debate in Congress in 2021 and are expected to continue in 2022.

Action: The City should advocate for strong municipal authority and tax credits that facilitate economic development and meet the region’s critical housing needs.

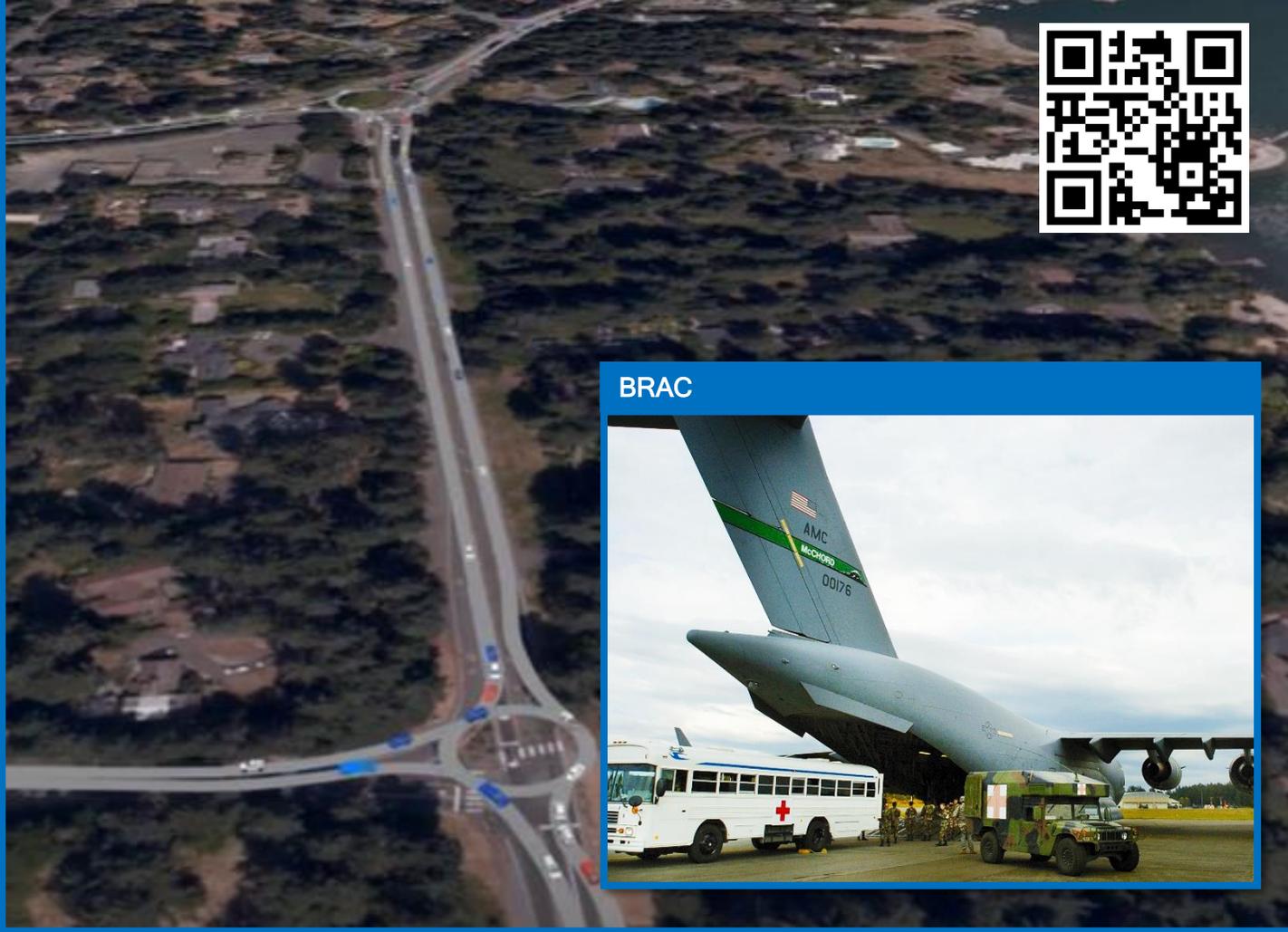
CITY OF LAKEWOOD, WASHINGTON

COVID-19 Relief



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DCIP - JBLM-North Access Road Improvement Project



BRAC



North Clear Zone



RAISE (transportation)

