

February 25, 2014

City of Kent Council:

The Kent Chamber of Commerce represents 456 businesses in the Kent community, and we are deeply committed to the prosperity of the City of Kent.

In 2012, we went through a lengthy collaborative process with the City of Kent, elected officials, and business owners regarding the City's adoption of the new Business and Occupation Tax to pay for street maintenance. The Chamber was advised by the City that there was an emergency due to lack of funding for deferred street maintenance, and that funds collected from the business community through the B&O Tax would be used to repair roads that were used heavily and allegedly damaged by commerce and the movement of goods. The City told the business community that \$10-12 million dollars were required for critical overlay projects to prevent the closure of some streets within the City of Kent. It was due to this emergency situation that the Kent Chamber reluctantly agreed to support a B&O Tax.

The current list of projects in 2014 proposed to be funded by B&O Taxes includes:

Sidewalk Replacement, Line Striping, Retro-Reflective Sign Replacement, Thermo-Plastic Marking, Guardrail Repairs, Sidewalk Replacements, Temporary Personnel, Traffic Signals, Street Lights and a Neighborhood Traffic Control Program.

These projects are not consistent with the emergent needs identified in 2012. The projects proposed for 2014 to be funded by B&O Tax will divert funds away from critical street maintenance. This is not acceptable.

Furthermore Mayor Cooke at the Council Workshop on February 18, 2014 told the City Council that more B&O Tax was needed to fund additional staff positions. This unexpected requirement for additional administrative expenses diverts even more unpopular tax dollars from the only purpose for the taxes supported by the Chamber, street maintenance.

The Kent Chamber put its faith in the collaborative and transparent process that we entered and endorsed when discussing the B&O Tax with the City of Kent. We are deeply disappointed in the proposed utilization of the B&O Taxes for 2014, and we ask the City of Kent to honor the parameters that were set forth in the discussion and use the funds collected from the business community for the dire need of street maintenance.

Best Regards,

Andrea Keikkala

Chief Executive Officer - Kent Chamber of Commerce