

Kent Chamber of Commerce

2016 Board of Directors

The Kent Chamber of Commerce represents 484 businesses in the Kent community and are governed by a Board of Directors. The voting members of the Board include:

John Schneider, President

Edward Jones Investments

Cindi Cameron, President Elect

Fairway Independent Mortgage

Jim Berrios, Past President

Golden Steer Steak n' Rib House

Dennis Shanlian, Treasurer

Hanis Irvine Prothero, Attorney's at Law

Andrea Keikkala, Secretary & CEO

Kent Chamber of Commerce

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Shannon & Associates, CPA

Harman Dhani

Dhani Enterprises: ARCO AM/PM

Dan DeVries

The Boeing Company

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LegalShield

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Facility Maintenance Contractors

David Kwok

Hampton Inn & Suites

David Mitchell

Seattle Union Gospel Mission

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Denali Federal Credit Union

April Sta. Rosa

Valley Floor Company

Jeff Wagner

Republic Services

Harry Wilson

Shine on Sign & Graphics

Deborah Young

State Farm Insurance



**KENT CHAMBER
OF ♦ COMMERCE**

July 25, 2016

City Councilmembers:

We want to thank you for continuing to have conversations about the Business & Occupation Tax (B&O Tax). We continue to be alarmed regarding the management of this tax. We have rehashed this issue multiple times with the City and maintain that the Kent Chamber was presented a list of projects that were in such dire need of repair that we had no other choice than to become part of the solution by agreeing to a B&O Tax. In multiple presentations and conversations it has been stated that key roads were declining because of commercial traffic and that if we continued to defer repair of those roads, the repairs would become more expensive and could eventually lead to an entire road replacement.

We supported Council President Dana Ralph's amendment to the ordinance that gave a 2 year window to pay down debt with any B&O funds above the original agreed upon numbers of staff costs (\$700K) and the \$4.7 million to street maintenance in May of 2015. We understand that this debt was paid down at the end of 2015 and in 2016 excess B&O funds are again being diverted from street projects to city projects that have nothing to do with our city's crumbling roads, which the B&O Tax was meant to address.

We now understand that options to carve out more B&O Tax money away from street projects are in the works. Specifically, we are concerned with dialogue regarding using B&O money to pay for Parks. Not only does this go against the very foundation of why the B&O Tax was created but furthermore in a recent report from the Financial Sustainability Taskforce; Parks was not even listed in the top 5 priority areas for the City of Kent.

We want to reiterate that the Kent Chamber of Commerce was presented with the threat of road closures and skyrocketing costs for repair if something was not done. We recognized this funding need and our responsibility and collaborated with the City to find the solution of a B&O Tax which we supported at minimal levels for arterial roads only. However, since the passage of the B&O Tax it has been a continuous debate with the City to prevent multiple attempts to divert B&O Tax funds away from arterial road maintenance. As the City continues to defer road maintenance, the very practice the City admitted required implementation of the B&O Tax, those priority projects that were identified for the original tax continue to deteriorate multiplying the cost of repair. This is not prudent governance and is a breach of good faith by the City.



KENT CHAMBER
OF ♦ COMMERCE

The Kent Chamber took an unprecedented stance when we worked through the difficult budget for street maintenance. We operated in good faith to come up with a solution to fix our crumbling roads when we moved forward with the City with the implementation of the B&O Tax for arterial street maintenance. We appreciate the progress on the road projects and are excited and proud to be part of this solution as more arterial road projects become visible.

The fundamentally flawed and heavily burdensome B&O Tax on the business community is the only funding mechanism for street maintenance that is in place today. Please do not redirect any more funds from these crucial street maintenance projects. We ask again that the B&O Tax be used for its original purpose for street maintenance to repair damage allegedly caused by commercial vehicles. Please stop diverting these much needed funds and compounding the cost of road projects as you delay completion of road maintenance.

Best Regards,

Andrea Keikkala

CEO, Kent Chamber of Commerce

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