

CITY COUNCIL MEETING

**July 22, 2008
7:00 P.M.**

MINUTES

City of



*The City of Bonney Lake's Mission is to protect the community's livable identity and scenic beauty through responsible growth planning and by providing accountable, accessible and efficient local government services.
Website: www.ci.bonney-lake.wa.us*

"Where Dreams Can Soar"

Audio Time Stamp ↓

I. CALL TO ORDER – Deputy Mayor Dan Swatman called the meeting to order at 7:01 p.m.

A. Flag Salute – Deputy Mayor Swatman led the audience in the Pledge of Allegiance.

B. Roll Call: [A 1.3]

City Clerk Edvalson called the roll. In addition to Deputy Mayor Dan Swatman, elected officials attending were Councilmember David Bowen, Councilmember Laurie Carter, Councilmember Dan Decker, Councilmember Mark Hamilton, Councilmember Dave King and Councilmember Jim Rackley. Mayor Neil Johnson was absent.

[Staff members in attendance were City Administrator Don Morrison, Public Works Director Dan Grigsby, Planning & Community Development Director John Vodopich, Police Chief Mike Mitchell, Community Services Director Gary Leaf, Chief Financial Officer Al Juarez, City Attorney Jim Dionne, Administrative Services Director/City Clerk Harwood Edvalson and Records & Information Specialist Susan Duis.]

C. Announcements, Appointments and Presentations: [A 3.6.9]

1. Announcements: None.

2. Appointments: None.

3. Presentations: None.

D. Agenda Modifications: None.

7:02:58

II. PUBLIC HEARINGS, CITIZEN COMMENTS & CORRESPONDENCE:

A. Public Hearings: [A 3.6.12]

1. AB08-20 – D08-20 – Transportation Impact Fee Rebate Incentive Program – Alternatives [A 3.6.12]

Deputy Mayor Swatman opened the public hearing at 7:03 p.m.

David Konsmo, P.O. Box 1962, Auburn, is a spokesperson for the largest group of Eastown property owners. He said the group is united and waiting for their turn to deal with infrastructure issues. He said the group fully backs the Transportation Impact Fee (TIF) rebate plan as presented by Steve Nolen. Mr. Konsmo suggested the sunset date for the ordinance should be tied to completion

of specific projects, such as the Highway 410 improvements or Easttown Plan A and B sewer system. He said setting the sunset date to three to five years after completion of these projects allows property owners time to find quality users for the commercial properties.

Steve Nolen, 8250 165th Ave NE, Redmond, clarified that while he has commented on the TIF rebate proposal, it was created by the City and he did not write it. He said he thinks the proposed ordinance is a good approach, meets the City's needs, and considers people and business owners' needs. He said it provides a meaningful incentive for businesses and will be well received. He commended the City, saying the program is a statement that the City is interested in economic development and will work with businesses as partners. He suggested moving the sunset clause about two years later. He said it can take several years for businesses to come in, get their certificate of occupancy, and the City should give them a chance to start up and qualify for the program.

Councilmember Rackley asked Mr. Nolen if he felt the rest of the City should be included in a rebate program. Mr. Nolen said if the City is making a general statement that economic development is good, it makes sense to include the whole City. Councilmember Bowen asked for Mr. Nolen's opinion on an incentive program for businesses that bring employment into the City. Mr. Nolen said allowing people to work close to where they live reduces the overall impact on the traffic system and is part of a lot of development policies today. He said the Council needs to think about these issues and should do whatever it feels supports the overall policy goals of the City.

Larry Ingraham (address not provided) said he is involved with several properties in Bonney Lake, including some in Easttown and in the Downtown Mixed-use area. He said he is on the front lines trying to attract businesses to Downtown and Easttown, and both areas face competitive challenges. He said the proposed rebate program is a big step to improve competitiveness and take away deterrents to the kind of growth Bonney Lake outlines in the Comprehensive Plan. He asked the City to include both the Downtown Core and Downtown Mixed-Use zones in the proposed program, and not to exclude part of Downtown from the plan. He said a challenge in Easttown is the huge capital expense required for sewer, water and internal street systems. He noted the intersection at Hwy 410 and 225th would be the largest in Pierce County.

Councilmember Rackley asked whether the proposed plan would slow the area around Lowe's from filling in. Mr. Ingraham said he understood that Lowe's does not face the same TIF structure, and it has the advantage of an anchor store already being in place, which no property in Easttown has. Councilmember Bowen asked whether the \$30,000 tax threshold will qualify smaller businesses. Mr. Ingraham said the proposed rebate program seems to target larger businesses, and would not likely qualify small, independent businesses. He said the proposed program provides a mechanism to draw attention to Easttown and Downtown development. He said it would not benefit all businesses, such as grocery stores.

Jeff Oliphant, P.O. Box 1294, Auburn, said the main purpose of the TIF rebate is to make the City more competitive with others in the region, and to attract retail

that will serve the community and draw people from the area to the community. He said once businesses are in Bonney Lake, he is not sure it is fair to segregate certain areas of the City. He said the City should let businesses go wherever in the City they feel is best. He also said, and grocery and drug stores are not included in the incentive list. Mr. Oliphant said the fees for the Lowe's store itself were grandfathered in, but the areas around Lowe's were not grandfathered in. He said businesses that fill in the area around Lowe's will pay the same TIF as everyone else today. He said this puts him at a disadvantage and they have lost some tenants because of it. He said the City should consider additional improvements, jobs, and community benefits when analyzing fees. He said the current TIF ordinance gives the Public Works Director discretion to reduce fees, and said it might be proper to continue that. He said Lowe's applied for a fee reduction but was denied.

Deputy Mayor Swatman asked how the Lowe's site was picked. Mr. Oliphant said Lowe's calculates expected sales, building costs, and then the cost to develop the site. He said the cost of the land was weighed against high on-site and off-site costs and fees. Councilmember Rackley asked if Lowe's will have trouble competing with other areas of town. Mr. Oliphant said business owners shudder when he tells them the TIF fee, and if other parts of town have lower fees he will be at a disadvantage. He said everyone should pay on the same basis. He clarified that Lowe's received partial credits from the state for work on the intersection, but none from the City.

Ray Frey, 12356 Northrup Way Suite 119, Bellevue, of Halsen-Frey, Greenwood, and Eastown LLC, presented a copy of a story in last week's Courier Herald about WinCo Food's plan to build at the base of Elhi Hill. He said Bonney Lake is in competition with Sumner. He said he has pushed long and hard for an incentive plan, and Eastown needs it. He said the program sends a message that the City wants to do something, and levels the playing field. He said businesses that are looking at the base of the hill will not want to go to Eastown to build, but would consider building in Downtown. He asked the Council to include both the Downtown Core (DC) and Downtown Mixed-Use (DM) zones in the program. He said it would split the Downtown in half and incentivize part while de-incentivizing the other. He said Downtown will not compete for the same businesses as Eastown, but there is room in Downtown for restaurants and retail. He asked the Council not to put anyone at a disadvantage.

Councilmember Rackley again asked if the rebate program could hurt other parts of the City. He said it is fair to include the whole City, and he does not think it will detract from development in Eastown or Downtown. Councilmember Hamilton asked whether it will cost more to redevelop the Downtown Core zone, as it is already developed and will require demolition of old buildings. Mr. Frey said it depends on the specific property, but it would be more costly to redevelop a site that already had a large building on it. Mr. Frey said the City should do everything it can to surround the Downtown Core with real users. He said it is preferable to get businesses to building the DM zone if they would not come to Bonney Lake otherwise.

City Administrator Morrison said three issues need to be resolved so a final draft of the proposed ordinance can be brought to the Council. First, should the DM zone be included? Second, should the incentive program be extended to other parts of the City, such as Midtown? Third, should the sunset provision be changed? He said the deadline could easily be extended at a later date if the Council chooses. Council consensus was to bring the item back to the next Workshop to work through these issues.

Seeing no additional speakers, the Public Hearing was closed at 7:50 p.m.

B. Citizen Comments: [A 1.5]

Mark Burmeister, 7724 190th Ave E., said he removed two dead trees and plans to replace an existing fence in his backyard, which is in a buffer zone. He said he participated in discussions years ago about the buffer zone and Lake Debra Jane outflow, which is at the corner of his property. He said while he was removing the dead trees, a neighbor confronted him and then called the Police Department and Mayor Johnson. He said based on his understanding of the code, he was not doing anything wrong. He said he understood that he did not need a permit to remove dying trees or to replace existing structures in the buffer. He said the Planning Department is in progress of reviewing the issue now, but he is concerned that he will face onerous requirements from Planning to repair the buffer. He said property owners on the other side of the buffer are mowing along the stream, and that different requirements are being leveled on him and not others. He said he is concerned about how the Mayor reacted to the complaint and did not come to talk to him directly.

Deputy Mayor Swatman said he believes the Mayor is working on the issue. He said the Mayor deals directly with staff and advised Mr. Burmeister to work with the Department and the Mayor. Mr. Burmeister said he feels vulnerable and is not sure where he stands, and he has not been able to contact the Mayor. Councilmember Hamilton said the Council can address concerns about the code but the Mayor is responsible for implementing policy through City staff. Mr. Burmeister clarified that he is not complaining about his experience with the Planning department, as they are still in process of reviewing the issue. He said he wants the Council to be aware that the application of policy and the ordinance related to the buffer is not being equitably enforced. Deputy Mayor Swatman asked Mr. Burmeister to provide his contact information so he could give it to Mayor Johnson. Councilmember Decker suggested that Mr. Burmeister contact his ward's Councilmember or the At-Large Councilmembers to explain the issue as well.

David Wells, Bonney Lake Special Events Coordinator, said about forty children participated in the Missoula Children's Theater production of 'Little Red Riding Hood' last weekend. He said three-hundred people attended each performance. He presented the Council with a signed t-shirt as a gift from the children. He said the program usually costs about \$100 for children and families to participate, but with grant funding and sponsors the week-long program was free for everyone. Councilmember Carter said she attended the play on Saturday, and said it was a great opportunity for children and a great performance.

Louisa Smith, 20112 Church Lake Rd., told the Council the Food Bank is working to purchase a refrigerated truck. She said she got involved with the project through her

work with the Kiwanis Club. She said the Puyallup Kiwanis Foundation granted the Food Bank and Bread for Life \$5,000 and offered to match donations. She asked the Council to consider donating their discretionary funds or some community budget funds to the cause, and suggested the City match the Kiwanis' gift of \$5,000. She said other groups in the area are considering giving donations. She gave a copy of Stew Bowen's letter to the Kiwanis to City Administrator Morrison. Councilmember Bowen said he contributed his discretionary fund to the Food Bank previously; Councilmember Rackley said his discretionary funds were already promised to the Senior Center. Councilmember Decker said he knows Ms. Smith well and supports her endeavor.

At 8:15 p.m., Councilmember Rackley moved for a ten-minute break. Councilmember Decker seconded the motion. Councilmember Bowen moved to amend the motion to five minutes. Councilmember Hamilton seconded the amendment to the motion.

**Amendment to the motion
approved 7 – 0.**

**Amended main motion approved
7 – 0.**

The Council Meeting was brought back to order at 8:24 p.m.

C. Correspondence: [A 1.2]

Councilmember Decker read aloud a description of 'prohibited uses of public funds, property or credit' and a portion of Article 11, section 15 of the Washington State Constitution.

8:26:15

III. COUNCIL COMMITTEE REPORTS: [A 3.6.4]

- A. Finance Committee: Deputy Mayor Swatman said the committee met at 5:00 p.m. earlier in the evening and discussed staff updates, a forestry assistance grant, a motion for out-of-state travel for Eden training, and water utility shut-off policies and practices.
- B. Community Development Committee: Councilmember Rackley said the committee met on July 14, 2008 and discussed exceptions to underground utility rules. He said the Councilmembers had differing opinions and committee discussions will continue.
- C. Public Safety Committee: Councilmember King had nothing to report. He confirmed that the Committee will hold a regular meeting on August 4, 2008 at 5:00 p.m., since the Council Budget Workshop was rescheduled to August 11, 2008. He also asked the City Attorney to provide the committee with information on the proposed public nudity ordinance and input on prosecuting attorney services.
- D. Other Reports:
Rainier Cable Commission

Councilmember Rackley attended the Rainier Cable Commission meeting on July 16, 2008, where a 6th Circuit Court ruling on FCC positions and the 2009 budget were discussed.

National Night Out

Councilmember Carter reminded Councilmembers that the 9th Annual National Night Out celebration is Sunday, August 3, 2008. She encouraged everyone to attend. Councilmember Rackley said he will umpire the softball game again this year.

8:31:28

IV. CONSENT AGENDA: [A 3.6]

- A. **Approval of Minutes:** July 1st Council Workshop and July 8th Council Meeting.
- B. **Checks/Vouchers:** Accounts Payable checks/vouchers #51950 thru #52041 in the amount of \$482,803.32; Accounts Payable checks/vouchers #52042 thru 52122 (including wire transfer # 3802447) in the amount of \$216,462.66; and Accounts Payable checks/vouchers #52123 thru 52123 in the amount of \$297.97. [F 4.9]
- C. **AB08-91 – Resolution 1831** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Authorizing A Collection Services Contract With Puget Sound Collections, Inc. [F 4.9.6]
- D. **AB08-129 – Resolution 1854** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Approving The Contract For KPG Engineering For The Production Of Legal Descriptions And Figures Required For Right Of Way Acquisition In The Downtown (Main Street East) Corridor. [A 3.13.2.2]
- E. **AB08-148** – A Motion Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Rescheduling the July 29th Budget Workshop to Monday, August 11, 2008 at 5:30 p.m. to be held in the Council Chambers located at 19306 Bonney Lake Boulevard. [A 1.1.2] [A 3.6.10]

Councilmember Rackley moved to accept the Consent Agenda. Councilmember King seconded the motion.

Motion approved 7 – 0.

V. FINANCE COMMITTEE ISSUES: None.

VI. COMMUNITY DEVELOPMENT COMMITTEE ISSUES: None.

VII. PUBLIC SAFETY COMMITTEE ISSUES: None.

8:32:15

VIII. FULL COUNCIL ISSUES:

- A. **AB08-146** – A Motion Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Granting Approval Of The Final Plat For Highland Ridge Phase I. [A 3.6.10] [O 3.7.2]

City Attorney Dionne explained this is a closed-record hearing. Director Vodopich explained the Ptarmigan Ridge and Highland Phase I plats were tied together by the Pierce County Hearing Examiner. One condition of approval of the final plat is installation of a traffic light. He said the Council directed his department to seek an assignment of funds for the traffic light. He said Planning Manager Heather Stinson has gone step-by-step through all the conditions of approval.

Councilmember Rackley moved to approve the motion. Councilmember King seconded the motion.

Councilmember Hamilton congratulated the City Staff and developer for working out a solution.

Motion approved 7 – 0.

8:34:32

IX. EXECUTIVE SESSION:

Pursuant to RCW 42.30.110(1)(i) the City Council adjourned to Executive Session at 8:34 p.m. for 30 minutes to discuss current and potential litigation. At 9:08 p.m. the City Clerk announced the executive session would be extended for 5 minutes. The regular Council Meeting reconvened at 9:13 p.m.

9:13:10

X. ADJOURNMENT

At 9:13 p.m. Councilmember Rackley moved to adjourn the meeting. Councilmember Bowen seconded the motion.

Motion approved 7 – 0.

Harwood Edvalson, CMC
City Clerk

Neil Johnson
Mayor

Items submitted to the Council meeting of July 22, 2008:

- Bonney Lake Citizen – *Courier-Herald Article, “City Cites Congestion Concerns to Summer”* – Ray Frey.