

City Council Minutes – October 28, 2019

Mayor Laurie Gere called to order the Anacortes City Council meeting of October 28, 2019 at 6:00 p.m. Councilmembers Eric Johnson, Anthony Young, Ryan Walters, Brad Adams, Carolyn Moulton, Bruce McDougall and Matt Miller were present.

The assembly joined in the Pledge of Allegiance.

Announcements and Committee Reports

Planning Committee: Mr. McDougall reported from the committee meeting earlier in the evening. He said topics discussed included the critical areas ordinance update, the Shoreline Master Program open house on Wednesday evening, and the moratorium on dense development in the R4 zone.

Ms. Moulton congratulated Finance Director Steve Hogle and his department on the high scores received on the annual audit from the State Auditor's Office.

Ms. Moulton commended the Parks Department on the very successful inaugural Haunted Run/Walk at Washington Park the prior Saturday evening.

Mr. Miller reported on the Fidalgo Chaplaincy event the prior Friday evening in honor of Anacortes police officers and firefighters, noting posters mounted around the Council Chambers with messages of support and thanks from Anacortes children to first responders.

Mr. Walters announced that he would be hosting a Ward 1 community meeting on Tuesday, November 26, 2019 at 6:00 p.m. in the Anacortes Public Library meeting room.

Mr. Young reported on a recent inaugural community meeting on diversity and inclusion. He indicated that work would be expanding.

Public Comment

Mike Pearl requested that the Planning or Building departments supply a timeline for the Madrona project reflecting when permits were expired or expected so the public could follow the process. Mayor Gere invited Mr. Pearl to contact her office for that information.

Ron Fernandez, 1501 15th Street, thanked Council for adopting Ordinance 3054. He followed up on his comments from the October 21, 2019 City Council meeting regarding the bonus height provisions in the Development Regulations adopted by Ordinance 3040 earlier in the year and argued that those provisions were contrary to goals and policies in the 2016 Comprehensive Plan. Mr. Fernandez suggested eliminating the fifth floor of the Fidalgo Flats project. He echoed previous comments that the project would not provide affordable housing and would not be in character with the surrounding neighborhood.

Rene Janzen spoke about the Fidalgo Flats project. He said the proposed location was not the correct location for vertical growth and that it would impact the established community behind it where he owns two rental properties. Mr. Janzen said solid waste was not being appropriately handled by the businesses there now, questioned the parking study provided by the applicant for the Fidalgo Flats project, and expressed concern about the impact of traffic down the narrow alley between the proposed project and the bedroom windows of his rental property.

Jim Taylor, 301 5th Street, questioned the mechanism used to achieve a height bonus [for the Fidalgo Flats project].

Sharron Stringer supported Mr. Janzen's comments. She urged sufficient solid waste collection for the Madrona building, confirmation of the alley dimensions, and requirement of sufficient off street parking. Ms. Stringer reiterated points made by other speakers about the building particularly regarding traffic impacts, the lack of guarantees that the 600 SF units would be affordable, and questioning the basis for concluding public support of height bonuses in the R4 zone.

Consent Agenda

Mr. Johnson moved, seconded by Mr. Adams, to approve the following Consent Agenda items. The motion carried unanimously by voice vote.

- a. Minutes of October 21, 2019
- b. Approval of Claims in the amount of: \$505,722.03
- c. Contract Award: ONTs and Fiber Accessories #19-166-FBR-001
- d. Contract Award: Water Treatment Plant Filter Media #19-081-WTR-002
- e. Street Fair Application: Halloween Downtown Trick or Treat Event

The following vouchers/checks were approved for payment:
EFT numbers: 95054 through 95092, total \$88,685.64
Check numbers: 95093 through 95121, total \$404,748.92
Wire transfer numbers: 257751 through 257908, total \$11,261.40

OTHER BUSINESS

Resolution 2060: Resolution of Inclusion

Mr. Walters reminded that at its October 14, 2019 meeting Mr. Young had moved, seconded by Mr. McDougall, to approve Resolution 2060, a Resolution of Equality and Inclusion that affirms the City's commitment to being accessible, open, and welcoming to all, and that Mr. Walters had subsequently moved, seconded by Ms. Moulton, to postpone consideration of the motion on the floor for two weeks and to send the resolution for review and possible revision to an ad hoc committee composed of Mr. Johnson, Mr. Miller and Mr. Walters, which motion had passed 6-0. Mr. Walters said that the ad hoc committee had discussed and drafted a revised version of Resolution 2060 which was included in the packet materials for the present meeting but said that the committee had not reached consensus on the language proposed. He outlined the changes proposed in the revised resolution and the new agenda bill. Councilmembers discussed the proposed changes.

Mayor Gere invited members of the audience to comment on this agenda item.

Terry Kylo, 7555 Crescent Lane, spoke in support of adopting Resolution 2060 as revised.

Laura Spehar spoke in support of adopting Joint Resolution 2060.

Doug Thurber, PO Box 159, spoke against adopting Resolution 2060.

Matt Stevenson spoke against adopting Resolution 2060.

Sarah Pederson, 703 St. Mary's Drive, spoke in support of adopting Resolution 2060.

Laurence Rockwell, 2006 27th Place, spoke in support of adopting Resolution 2060 as revised.

Keiko McCracken spoke in support of adopting Resolution 2060.

Amy Hong, Biz Point Road, spoke in support of adopting Resolution 2060.

Liz Lovelett, 40th District State Senator, spoke in support of adopting Resolution 2060.

Corrine Salcedo, 4303 Kingsway, spoke in support of adopting Resolution 2060.

Mr. Walters moved, seconded by Mr. McDougall, to amend the motion on the floor to adopt the revised draft Resolution 2060 as presented in the packet materials for the present meeting. Vote: Ayes – Young, Walters, Adams, Moulton, McDougall, Miller and Johnson. Motion carried.

Mr. Miller stated his objections to the resolution as currently worded to include the term “hate speech”.

Vote on amended motion: Ayes – Walters, Adams, Moulton, McDougall and Johnson and Young. Nays – Miller. Motion carried.

Contract Award: Senior Center Metal Roof Installation #19-066-FAC-001

Public Works Director Fred Buckenmeyer offered to answer questions about this contract which Council had considered at its regular meeting on October 21, 2019 but on which it had declined to act, requesting that staff investigate and present alternatives. Mr. Buckenmeyer explained the scope of work and the items included in that scope that had not been included in the earlier, lower bids from other contractors. Mayor Gere and City Attorney Darcy Swetnam reported on the less competitive bidding climate and the lack of contractors interested in performing emergency repairs only without being awarded the entire roofing contract. Mayor Gere established Council consensus that staff should determine a means of performing the immediately needed repairs on the roof and go out to bids on a composite rather than a metal roof for the Senior Center.

Mr. Adams moved, seconded by Mr. Miller, to cancel the roof installation project due to cost concerns. Vote: Ayes – Adams, Moulton, McDougall, Miller, Johnson, Young and Walters. Motion carried.

Affordable Housing Revenue Sources

Resolution 2061: Special Election Ballot for Qualifying Local Tax for Affordable and Supportive Housing

Finance Director Steve Hogle reminded that Council had asked for information on affordable housing funding sources. He reported on that topic referring to his slide presentation in the packet materials for the meeting. Mr. Hogle concluded by outlining the proposal from staff and the Finance Committee to adopt an ordinance to authorize the collection of the Affordable Housing Sales Tax Credit, adopt a resolution to place the measure on the February 11, 2019 special election ballot to collect 1/10th of one percent (.1%), and allocate that revenue to support affordable housing per RCW 82.14.530.

Mayor Gere invited members of the audience to comment on this agenda item.

Susan Rooks, 1219 10th Street, Anacortes Housing Authority (AHA) Board member, asked Council to support an ordinance authorizing collection of affordable housing sales tax credit. Ms. Rooks discussed projects the AHA was prepared to pursue immediately if funding were to become available. She described the high need for affordable housing in Anacortes, the long wait list for AHA rentals and the ways in which the affordable housing sales tax revenue could be leveraged.

Dustin Johnson, Executive Director of the Anacortes Family Center (AFC), expressed strong support of the proposal. He said the impact of the sales tax increase on the average Anacortes taxpayer would be negligible but that it would tremendously affect the lives of AFC clients and AHA residents.

Doug Thurber said the liberal state government was baiting communities to dive in to affordable housing and said \$40K per year over 20 years wouldn't touch the proposed projects. Mr. Thurber questioned whether affordable housing built in Anacortes would actually go to low wage earners from Anacortes.

Walt Guterbock, 2009 29th Place, called attention to the AFC project included in Mr. Hoglund's slide presentation and noted it would include child care on first floor, something for which there was a big need in Anacortes. Mr. Guterbock said the tax increase for a family spending \$100K/year on taxable goods in Anacortes would only be \$100/year and would do a tremendous amount of good.

Ellen Chevalier asked for a clear explanation of the proposal and who would qualify for the housing created. Ms. Chevalier distinguished between low income families on public assistance and worker who earn low wages and need housing they can afford on their hourly wage.

Councilmember Johnson asked the AFC and AHA representatives present to address Ms. Chevalier's questions.

Dustin Johnson described the steps taken by both AFC and AHA to determine the connection of their clients to Anacortes and the HUD formulas used to determine rents in relation to income.

Brian Clark, AHA Executive Director, described the several types of AHA affordable housing in Anacortes. He responded to questions from Mr. Miller about the definition of supportive housing and from Ms. Chevalier about waiting list durations.

Mr. Thurber returned to the microphone and pointed out that if taxes keep going up, it will be less and less affordable to live in Anacortes. He urged calling AFC and AHA housing subsidized, not affordable.

Councilmembers discussed the proposed housing projects and the possibility of considering other projects in the future. Council deferred action on Resolution 2061 until its next regular meeting. Mr. Hoglund invited any councilmember comments or revisions prior to that meeting.

Memorandum of Understanding: Update to Collective Bargaining Agreement by and between the City of Anacortes and IAFF 1537

Human Resources and Labor Relations Manager Vanessa Bronsema presented an MOU that had been reviewed by the Personnel Committee, adding that the MOU had no budget impact. Fire Chief David Oliveri explained the origin of the two changes to the contract that would be memorialized by the MOU.

Mr. Miller moved, seconded by Mr. Young, to authorize the mayor to sign the MOU between the City of Anacortes and IAFF 1537. Vote: Ayes – Moulton, McDougall, Miller, Johnson, Young, Walters and Adams. Motion carried.

Ordinance 3056: Amending Section 1.30.070 (A) and (B) of the Anacortes Municipal Code and Adding New Section 1.30.080 of the Anacortes Municipal Code Regarding Numbering, Recording, and Executing Contracts for Residential and Business Class Internet Services

City Attorney Darcy Swetnam presented the ordinance for second reading following its introduction on October 21, 2019. She recapped the provisions of the proposed code revisions and called Council's attention to the one change proposed since that prior version.

Mr. McDougall moved, seconded by Mr. Johnson, to adopt Ordinance 3056 as revised in the packet materials for the October 28, 2019 meeting.

Councilmembers discussed the mayor's contracting authority and the need to explicitly address that authority in relation to these types of contracts. Mr. McDougall listed the three types of fiber contracts that would not fall under the new code section: dark fiber leases, direct internet access, and enterprise class services. He said those would need to be addressed separately.

Mr. Walters asked that Section 2 of the ordinance be rewritten so that fiber contracts were not exempt from being recorded in the city's electronic records management system even if they were exempted from being posted publicly on the website. Ms. Swetnam offered to make that change and bring the ordinance back to Council for action on the Consent Agenda at its November 4, 2019 meeting.

Mr. Walters moved, seconded by Mr. Young, to postpone consideration of the motion on the floor for one week. Vote: Ayes – Miller, Johnson, Young, Walters, Adams, Moulton and McDougall. Motion carried.

Resolution 2064: Resolution Opposing Initiative Measure No. 976, an Initiative Seeking to Repeal Authority to Impose Certain Vehicle Taxes, Change Vehicle Valuation Laws, and Limit Motor Vehicle License Fees to \$30.00

Ms. Moulton provided background information on Initiative 976 on the November 2019 ballot and listed other jurisdictions that had taken action to oppose the initiative. Councilmembers and the mayor discussed their personal opinions on the initiative, the extent of its impact on local street projects and on the Washington State Ferries that are an economic driver in Anacortes, and whether it was appropriate for Council as a body to take a position on the initiative.

Mayor Gere invited members of the audience to comment on this agenda item.

Doug Thurber asked Council to let the voters decide for themselves.

No one else present wished to address Council on this topic.

Ms. Moulton moved to adopt Resolution 2064 as presented. The motion died for lack of a second.

There being no further business, at approximately 9:00 p.m. the Anacortes City Council meeting of October 28, 2019 was adjourned.