

City Council Minutes – May 24, 2016

Mayor Laurie Gere called to order the advertised Anacortes City Council special meeting of May 24, 2016 at 11:00 a.m. Councilmembers Ryan Walters, Erica Pickett, Liz Lovelett, John Archibald and Matt Miller were present. Councilmembers Eric Johnson and Brad Adams were absent.

Introduction

Planning Manager Libby Grage summarized the agenda for the session. She shared a comprehensive list of the 85 public meetings held as part of the comprehensive plan update process since March 13, 2013 and the schedule for the remainder of the process through adoption of the updated plan.

Capital Facilities Element Discussion

Planning Director Don Measamer opened the discussion of the Capital Facilities Element beginning on page I-67 in Volume 1 of the draft plan and invited councilmember review of that element which had been revised per prior Council requests. Mr. Measamer, Ms. Grage and Finance Director Steve Hoglund responded to councilmember questions regarding Anacortes School District planning documents, school impact fees, and land acquisition.

Mr. Walters stated that Policy CF-8.3(D) regarding the definition of essential public facility made that definition too broad. Mr. Measamer said staff would review the language to ensure it was consistent with the RCW and possibly remove it.

Mr. Measamer next directed the discussion to Capital Facilities section beginning on page II-125 in Volume 2 of the draft plan and invited a discussion of capital facilities levels of service. He directed attention to Table CF-1, Level of Service Standards, and briefly reviewed the contents of that table. He then displayed the Summary of Rates and Impact Fees included in the packet materials for the meeting. Senior Accountant Philip Steffen explained the methodology used to develop the recommended rates and General Facility Charges for the water, sewer and storm utilities, and impact fees for streets, parks and fire, based on the recommended levels of service and population projections included in the draft plan.

Ms. Lovelett asked how GFCs could be subsidized in order to achieve affordable housing. Mr. Measamer shared draft language for AMC 19.75.040, which was included in the packet materials for the meeting, which would be one way of addressing that concern. Ms. Lovelett asked that this be included as a goal. Mr. Measamer suggested looking at that during the discussion of the Housing Element for that. Ms. Pickett suggested calculating the GFC on a square footage basis so modest apartments would cost less and large homes would cost more.

Mr. Steffen and Mr. Measamer emphasized that neither rates nor impact fees would be included in the comprehensive plan and that the discussion of rates was intended only to make Council aware of the rate structure that would be required to fund levels of service that *would be* adopted as part of the comprehensive plan. Mr. Buckenmeyer explained the nature of impact fees and what types of projects they could fund under GMA. He clarified that the sample road impact fees presented for discussion included previously discussed pedestrian improvements on Oakes Avenue but not on D Avenue, with an aim to maintaining the adopted level of service for vehicles on that roadway. Mr. Archibald and Ms. Lovelett inquired if Council could adopt a different level of service for streets than that recommended by staff. Mr. Miller spoke in favor of the proposed level of service. Ms. Pickett asked how the total proposed GFC and impact fees, which would increase from \$15,800 to \$24,000 by 2021 according to the staff recommendation, compared to neighboring jurisdictions. Mr. Steffen replied that Anacortes would still be on the low end of the rate spectrum regionally.

At noon the assembly recessed briefly for lunch. At approximately 12:15 p.m. Mayor Gere called the meeting back to order.

Fire Chief Richard Curtis presented a series of slides summarizing the recommended level of service for fire protection and potential funding mechanisms, including replacing the current fire impact fee with a

new fire impact fee of 35 cents per square foot. His presentation was added to the packet materials for the meeting. He responded to councilmember questions about specific aspects of the potential funding sources but reiterated that rate setting would occur separately, following adoption of levels of service as part of the comprehensive plan.

Mr. Measamer asked if Council concurred with the proposed levels of service. Mr. Miller pointed out that police staffing would need to increase by 2021 to meet the proposed level of service for police protection. Mr. Walters said he supported the third and fourth bullets of the fire protection level of service in Table CF-1 but was not ready to endorse the first two. Councilmembers discussed the Parks and Recreation Comprehensive Plan with Parks and Recreation Director Gary Robinson, who explained that alternative schedule for revising and adopting that plan due to RCO requirements.

Mr. Measamer then asked Mr. Hoglund to update Council on the process for preparing the 2017-2022 Capital Facilities Plan. Mr. Hoglund referred to the schedule included in Ms. Grage's slide presentation at the outset of the meeting. He explained the different statutory requirements for preparation of the six-year capital facilities plan and the departmental capital improvement project lists which are included by reference in the comprehensive plan. Mr. Hoglund advised that the 2017-2022 CFP would be prepared concurrently with the 2017-2018 budget and would include those projects with clearly identified revenue sources. He clarified that the CFP could be amended if required as new projects and funding sources were identified within the planning horizon.

Review of Proposed Revisions Made to Elements Other than Capital Facilities

A. Proposed Land Use Designations Map & Future Land Use Map

Mr. Measamer turned the discussion to a review of the revisions made to Volume 1 of the draft plan following Council review at prior meetings. He displayed the updated version of the Proposed Land Use Designation Changes map and pointed out the revisions.

Ms. Lovelett suggested that the Cap Sante neighborhood, where accessory dwelling units are not currently allowed because of marine shipping, might be a good location for a transitional zone to recognize its residential character and needs. Mr. Measamer agreed, noting the area around 3rd and 4th Streets.

Mr. Measamer advised that representatives from Island Hospital would address Council during the comprehensive plan public hearing to provide more information on the boundaries of the proposed Medical Overlay. Councilmembers discussed the proposed overlay but did not request any changes to the draft presented for public hearing. Councilmembers discussed with Mr. Measamer and Ms. Grage the processes required to implement any changes adopted as part of the comprehensive plan on the Future Land Use Map, to arrive at new development regulations and a new zoning map. Mr. Walters pointed out that overlays exist only in the development regulations, not on the zoning map, so the precise boundary of the proposed medical overlay did not need to be determined for the land use map. ***He requested language in the draft comprehensive plan identifying the future land use map, identifying which zones correspond to which comprehensive plan designations, and stating that the zones would be implemented following adoption of the comprehensive plan. Mr. Measamer concurred.***

Discussion turned to the land use designations in Table LU-1. Councilmembers and Mayor Gere discussed the R-1 zone at length, including which if any methods were appropriate for allowing higher density in that zone. At the conclusion of the discussion Mr. Measamer confirmed that the text for Residential Low Density 1 in Table LU-1 would remain as drafted for the public hearing and that ***staff would separately prepare for Council action a moratorium on planned unit developments until the PUD requirements could be rewritten.***

B. Text - Goals & Policies (Volume 1) and Background Info (Volume 2)

Council next reviewed revisions to the Goals and Policies in Volume 1 of the draft plan, beginning with the Land Use Element and noting any items councilmembers wanted to have revised prior to the public hearing.

LU-6.3, bullet 1: Ms. Grage reported that a public comment had suggested encouraging rather than requiring a covered entry facing the street. ***After some discussion, “encourage” was agreed upon.***

LU-6.3: Mr. Walters requested that the verb be removed from the beginning of all four bullets, such that none of the bulleted items would be mandatory in the comprehensive plan.

LU-9.7: Ms. Lovelett requested adding a third criterion for environmental sustainability. Mr. Measamer suggested instead adding language to the introduction of this policy: ***“New or additional industrial and manufacturing development should comply with the following criteria, consistent with the environment and conservation element of the comprehensive plan.”***

Councilmembers discussed Goal H-3 and specifically Policy H-3.7 at length regarding means of incentivizing the creation of affordable housing. The following revisions were agreed upon.

H-3.9: “Evaluate land owned by the City and other public entities for use for affordable housing and/or some type of community land trust.”

H-3.10: include text identifying measurable progress; Mr. Archibald requested specific mention of development standards.

At approximately 2:10 p.m. Mayor Gere called a 15-minute break. At 2:28 p.m. the mayor called the meeting back to order.

Review of Volume 1 Goals and Policies continued. In the course of lengthy discussion of a number of policies, particularly in the Environment and Conservation Element, the following revisions were agreed upon.

- ***Page I-37: Add a pullout box regarding fiber optic infrastructure instead of the photo of fireworks.***
- ***EC-6.2: Mr. Walters asked for insertion of a comma: “Streams and wetlands should be maintained in their existing natural condition, or restored where appropriate.”***
- ***EC-8.4: Change “Consider developing...” to “Develop ...”***
- ***New EC-8.12: “Consider developing a sustainable energy task force to develop a strategic plan.”***
- ***New EC-1.9: “Work with appropriate agencies to identify and mitigate environmental cleanup areas.”***
- ***EC-8.8: Change “green energy” to “energy conservation”.***
- ***New ED-8.4: “Anticipate and plan for potential changes to desired uses at March Point as refineries transition to new processes, transport methods, products, and a sustainable economy.”***
- ***T-1.2: Assign a separate policy number to the second sentence of the policy and renumber the rest of the policies in Goal T-1 accordingly.***
- ***T-1.13: Add at the end of the policy, “... using existing roadways.”***
- ***T-1.16: Add at the end of the policy, “... such as West Second Street.”***
- ***T-1.22: Mr. Walters asked that this policy be rewritten for proper subject-verb agreement and that the reference to impact fees be removed. Ms. Grage concurred.***
- ***T-2.24: Mr. Walters asked that former policy T-2.24 (“Improve local street design for walking, bicycling, and transit use to enhance communities, connectivity, and physical***

activity.”), which had been entirely struck in the draft under review, be reinstated somewhere in the Transportation element. Ms. Grage concurred.

- *T-2.8: Add at the end of the policy, “... e.g., electric bike rentals”.*
- *T-3.2: Remove “(i.e. \$2,998.50 per new peak hour trip)”.*
- *T-3.4: Remove A and B from this policy.*
- *Goal U-3: Add a policy or language to an existing policy calling for a fiber master plan and require the installation of conduit where needed.*
- *U-7.4: Change to read: “Establish minimum setback requirements to protect transmission pipelines, and to protect development from transmission pipelines, particularly transmission pipelines.”*

Considerable discussion then ensued regarding Policy U-8.7 addressing the city’s water rights. After half an hour of thoughtful discussion and consultation with Mr. Buckenmeyer, councilmembers and Mayor Gere agreed to restate the policy for the public hearing: ***“The city must not sell or lease its water rights.”*** Mr. Walters then persuaded his colleagues to add the following statement to U-8.7 [or add it as a separate policy] for the public hearing, noting that language could much more easily be struck after the public hearing than inserted: ***“The City may not enter into any contracts for the sale of water in excess of [range from 1 to 1,000,000] gallons per year to any non-municipal or non-residential water reseller for a term longer than five years.”***

U-8.1(4): Change “commercial” to “commercial and industrial”.

Council next reviewed revisions Volume 2 of the draft plan, noting any items councilmembers wanted to have revised prior to the public hearing.

Ms. Lovelett requested inclusion of definition of affordable housing. After discussion of various options, she suggested ***a sidebar on page I-34 referencing charts in Volume II for statistics regarding income levels and housing affordability.*** Ms. Grage concurred.

Councilmembers discussed as some length which materials were appropriate for including in the Retail Sales Conditions section beginning on page II-32. ***The group agreed to remove the section entitled Impact of Large Format Retail but retain the Projected Retail Demand section and the Anacortes Retail KT Analysis Report. Mr. Walters asked staff to remove sections that don’t affect some future reader of the plan, then revise the section to flow smoothly and coherently after the deletions.***

Next Steps

Ms. Lovelett inquired if any further feedback could be submitted to staff prior to publication of the draft comprehensive plan for the public hearing. Ms. Grage indicated that any further councilmember input would need to be submitted to her by May 31, 2016 and that she would email councilmembers confirming that date. ***Mr. Walters requested a page near the front of the document listing all the other plans that are incorporated by reference in the comprehensive plan.***

Mr. Measamer advised that the public hearing had been scheduled tentatively for June 20. He suggested that a second night might be required to accommodate all those who might wish to speak. Mayor Gere and councilmembers discussed encouraging written comments and using published speaker time limits to ensure that everyone would have a chance to be heard. Mr. Measamer advised that he would advertise the meeting as potentially extending to the following evening and would include suggested speaker timelines.

There being no further business, at approximately 4:35 p.m. the Anacortes City Council advertised special meeting of May 24, 2016 was adjourned.