Anacortes City Council Minutes - February 6, 2023

Call to Order

Mayor Matt Miller called to order the Anacortes City Council meeting of February 6, 2023 at 6:00 p.m. Councilmembers Jeremy Carter, Ryan Walters, Anthony Young, Christine Cleland-McGrath, Carolyn Moulton, and Amanda Hubik were present. Councilmember Amanda Hubik participated in the meeting remotely via Zoom. Councilmember Bruce McDougall was absent.

Mr. Walters moved, seconded by Mr. Young, to excuse the absence of Mr. McDougall. The motion carried unanimously by voice vote.

Pledge of Allegiance

The assembly joined in the Pledge of Allegiance.

Executive Session

Potential Litigation or Litigation per RCW 42.30.110(1)(i) and Potential Real Estate Transaction per RCW 42.30.110(1) (30 minutes)

Mayor Miller announced that the City Council and the City Attorney would convene in Executive Session per RCW 42.30.110 (1) and RCW 42.30.110(1)(i) for approximately 30 minutes to discuss a potential real estate transaction and potential litigation or litigation. The mayor advised that the regular meeting would then adjourn with no final action having been taken. Councilmembers Jeremy Carter, Anthony Young, Ryan Walters, Christine Cleland-McGrath, Bruce McDougall and Amanda Hubik attended the executive session.

Announcements and Committee Reports

Mayor Miller shared an update on the Tommy Thompson Trestle repair project, remarking that the beams are going in place this week, fencing next week and decking hopefully the following week. He expressed optimism that the project would be complete by March.

Mayor Miller pulled items 4..c. and 4.d. from the consent agenda.

Fiber Committee

Mr. Walters reported from the Fiber Committee meeting held the previous week, announcing that no policy matters were discussed and that more information would be shared at a future Fiber update.

Public Works Committee

Ms. Moulton reported from the Public Works Committee meeting held earlier in the evening. The topics discussed included the water transmission pipeline emergency repairs, the monitoring contract for a sinkhole that opened up over the 36-inch water supply line funded through the Federal Emergency Management Agency, the Kansas Ave right of way between West 2nd and West 4th, and an upcoming compost procurement ordinance.

Housing Affordability and Community Services Committee

Mr. Walters reported from the Housing Affordability and Community Services Committee meeting held the previous week. The topics discussed included two visits to T Avenue and Housing Action Plan and near-term measures being considered, including making multi-unit housing in the R2 and R3 zones subject to a simplified permit process, amending the code to reflect recent changes in state law regarding emergency housing to allow shelters anywhere zoned for hotels or motels, defining and permitting single-room occupancy uses at reduced fees, consideration for instituting a multi-family tax exemption program, regulating short-term rentals in commercial zones and allowing tiny homes on a church property.

Planning Commission Appointment

Mayor Miller presented the proposed appointment of James Stoneman to the Planning Commission filling the

remainder of the term of Sarah Ruether effective through December 31, 2025.
Ms. Moulton moved, seconded by Ms. Cleland-McGrath, to approve the appointment of James Stoneman to the Planning Commission filling the remainder of the term of Sarah Ruether effective through December 31, 2025. The motion carried unanimously by voice vote.

Public Comment

Mayor Miller invited the public to comment on any item not on the agenda. No one present wished to address the Council on any topic not already on the agenda.

Consent Agenda

Ms. Moulton moved, seconded by Mr. Young, to approve Consent Agenda items 6.a., 6.b., 6.e., 6.f. and 6.g. The motion carried unanimously by voice vote.
a. Minutes of January 23, 2023
b. Approval of claims in the amount of $1,562,399.15
The following vouchers/checks were approved for payment:
EFT numbers: 105376 through 105468, total $1,466,861.58
Check numbers: 105401 through 105477, total $68,669.26
Wire transfer numbers: 317515 through 318085, total $26,868.31
e. Contract Award: 36" Water Transmission Pipeline Emergency Repairs #23-054-WTR-001
f. Contract Award: Water Treatment Plant Sinkhole Monitoring #21-258-FIN-001
g.Contract Award: Wastewater Treatment Plant Outfall Replacement - Nearshore Credits #20-032-SEW-012

Resolution 3108: Waiving Competitive Bidding Requirements for the Purchase of Unmanned Aerial Vehicles

Police Chief, Dave Floyd, introduced the need for unmanned aerial vehicles (UAV), citing previous instances when the capability could have been helpful to more efficiently resolve past emergency situations, including the arrest of a suspected armed robber, the recovery of a dead body in a remote area of Washington Park, handling a large structure fire, locating a missing person in the Anacortes Community Forest Lands, assessing damage to the Tommy Thompson Trestle subsequent to a fire, and reported hazardous material spills in Fidalgo Bay. He added that UAVs are useful in disaster damage assessment and rescue efforts when roadways and other infrastructure could be compromised. He pointed out that the single source is necessary because Axon Air provides proprietary flight management programming that is used by other local agencies operating the proposed Axon Air UAV and the purchase of these vehicles would enhance interoperability with those entities. He then detailed a conversation with Marathon Petroleum Corporation (MPC) regarding the proposed donation, remarking that he had proposed the UAV system as the desired capability for which the grant monies would be best appropriated. He concluded that the $25,000 grant covered the purchase of the UAV platform, pilot training, the first year of pilot licensing, flight operation system, video evidence library storage and pilot data tracking.

Mayor Miller invited the public to comment on the agenda item.

Wim Houpermanns of Anacortes commented that, as a taxpayer, he contributes to funding the police and that they should be aware that their interests lie in supporting those who pay their salaries. He objected to the police accepting donations from corporations, asserting that such a practice could unduly influence the department's employment of the capability at the donor's behest. He acknowledged that Chief Floyd had provided good examples for appropriate use, but that the purchase of the capability should have been publicly discussed. He asked that the use of drones be regulated and that the technology is not so expensive as to necessitate accepting a donation for the acquisition.

Evan Saxton of Anacortes agreed with the previous speaker, and noted that Matthew Gill, Senior Manager of MPC in Anacortes, was a contributor to the mayor's campaign. He then mentioned that of the six examples

Chief Floyd mentioned, three were fire related, one of which could be handled by the refinery company providing the donation, and only two were explicitly police related. He acknowledged that the instances Chief Floyd mentioned made sense, but asserted that the mobile cameras that were previously donated by MPC intended to be used for monitoring public events are now positioned on T Avenue to gather information on the individuals living there. He pointed out that the most expensive consumer grade UAV on the manufacturer's website was $2,500 and that enterprise packages for a cinematic UAV was $9,500, positing that if the police department were purchasing the latter it would leave $15,500 as unaccounted donated funds.

Mayor Miller remarked that, as a former military aviator and a currently rated commercial pilot, that unmanned aerial systems is the appropriate term for the capability being discussed.

Brian Wetcher of Anacortes mentioned a danger that could be better addressed with UAVs equipped with thermal imaging equipment would be early fire detection in the Anacortes Community Forest Lands. He urged that any unmanned aerial system employed must have this capability to avoid a potentially devastating wildfire disaster, though he acknowledged that a stationary system on a tower at a high point such as Mount Erie could be an effective measure as well. He further remarked that the thermal imaging surveillance systems he had seen cost $5000, which he termed a modest investment that could guard against wildfires in the forest lands.

Rochelle Kealoha of Anacortes posited that this sole source contract is a similar effort to the mobile cameras purchased in 2022, both of which are unnecessary efforts to militarize the small police department in a town that does not have enough crime to justify such measures. She expressed disgust at the city accepting private corporate donations for the further militarization of the police department, remarking that the few instances mentioned do not adequately demonstrate the need. She acknowledged that the fire department could use this capability, but questioned whether the department already had UAVs and mentioned the instances of using other entities' UAV capability as an already proven viable alternative, adding that MPC could purchase and operate its own UAVs to investigate potential hazardous material spills. She suggested that these funds be used for other needed services and intimated that the Council surreptitiously placed these issues on the agenda to avoid public scrutiny. She urged that a larger public discussion is needed to consider the issue of public surveillance, including an open bidding process and discussion at the appropriate Council committee.

Mr. Young asked how many drones were needed for city use. Chief Floyd responded that this covers the cost of one unit and that the department had designated four pilots for training to ensure 24-hour coverage capacity. He added that the unit does have a thermal imaging capability to aid in missing person search and rescue operations over land and water. Mr. Young followed up by asking if the cost related to pilot training was included in the package. Chief Floyd responded affirmatively.

Mr. Walters pointed out Council rule 6.8 specifies what is allowed on the consent agenda, and that waivers of competitive bidding should not be on the consent agenda and that one designated staff member ensures that items on the consent agenda are in compliance with Council procedures. He added that he appreciated corporate donations as he appreciates donations from anyone else, and that the matter was before the Council because the statute requires it to ensure transparency to avoid the appearance, perception, or presence of any impropriety. He asked if public works had a UAV. Chief Floyd responded that he did not know the UAV capabilities of the department. Mr. Walters expressed support for using the system for firefighting and search and rescue, though he acknowledged the concerns of the public commenters regarding potential misuse of the technology and wondered if the police were developing policies. Chief Floyd responded that the department would review the policies of neighboring jurisdictions and an available model policy from which his department would develop a local policy to prevent misuse prior to its employment. Mr. Walters pointed out that technology is not the problem, but rather it is the potential for abuse. He expressed trust that the police would use it appropriately, as he trusts the police to safely handle firearms every day.

Ms. Cleland-McGrath wondered about the data storage location and cost. Chief Floyd replied that the data storage is paid for the first year by MPC and that the annual cost for the flight management software, evidence data storage, and operating system programming is $6,500. She expressed appreciation for public commenters' concerns about corporate donors, but remarked that as a large community employer, MPC donates to other areas of the city including the Anacortes Family Center, Anacortes School District and other non-profit organizations. She underscored the importance of the transparent public acceptance of the donation. She expressed appreciation for the examples Chief Floyd provided and added that it would be beneficial to have interoperability with other local agencies. She concluded that there needed to be a policy brought before the Public Safety Committee in the near term to garner public confidence regarding data security and accessibility.

Ms. Moulton seconded Ms. Cleland-McGrath's comments and expressed discomfort with the process of placing it on the consent agenda rather than being first brought before the Public Safety committee, as this is an issue involving surveillance that requires a policy decision prior to employment. She expressed concern about there not being an existing policy for UAVs and the mobile camera currently employed on T Avenue and wanted to ensure that the process was carried out in a way that gives ample time to the public and the Council to consider the use and employment of this technology and the positive and negative effects thereof.

Mr. Walters expressed doubt that UAVs were going to be used for surveillance akin to that of the mobile cameras, but that the manner of the use of both systems is possibly of great concern to many citizens and that the Council and staff must ensure it performs its due diligence to develop a policy that protects the privacy rights of all citizens who could be subject to this technology. He added that he was comfortable moving this initiative forward while the policy is being developed. Chief Floyd responded that the system would not be employed until operator training was complete and committed to bringing a policy forward to the Public Safety Committee and the Council. He added that his pilots had taken and passed the required Federal Aviation Administration examination and were ready for the next stage of training. Mr. Walters asked that the police department bring the policies forward prior to system use. Chief Floyd responded affirmatively. Ms. Moulton expressed that the issue of surveillance must be considered in the policy, including clear delineation of authorized and prohibited uses and who has access to the data and for how long. Chief Floyd replied that the Anacortes Police Department (APD) is aware of and already complies with existing laws regarding the use of surveillance video obtained from UAV-mounted cameras, and did not see continued compliance as an issue. Mr. Young commented on the importance of privacy, which he averred must be balanced with the ability to undertake good policing, and expressed support for moving forward as long as there is a policy regarding how it can be used, when it is appropriate and who can use it. He felt that this would adequately address the concerns expressed in public comments. Mr. Walters added that he was not concerned about APD's use of UAV technology, but that the policies will be useful in reassuring the Council and the public.

RYAN WALTERS moved, seconded by JEREMY CARTER, to Approve 3108 waiving competitive bidding requirements for the purchase of unmanned aerial vehicles.
Vote: Ayes - JEREMY CARTER, ANTHONY YOUNG, RYAN WALTERS, CHRISTINE CLELAND-MCGRATH, AMANDA HUBIK. Nays - CAROLYN MOULTON. Result: Passed

Resolution 3109: Accepting a $25,000 donation from Marathon Petroleum Corporation

Mr. Walters pointed out that this resolution is required because the ordinance that establishes procedures for the acceptance of donations over $10,000 requires approval by the Council, which has typically been done by ordinance, but that other jurisdictions have interpreted it appropriate to accept donations via resolution. Mr. Walters pointed out that MPC is not located in the City of Anacortes and that arguably if it were located inside of the city limits then it would pose more of a conflict and that MPC could more easily procure its own UAVs for its own purposes rather than going through the public process currently being undertaken. Chief Floyd noted that the same platform was donated by MPC to Skagit County and that the same donor has helped improve APD's online forensic capability and purchased vehicles for Anacortes Citizen Patrol.

RYAN WALTERS moved, seconded by CHRISTINE CLELAND-MCGRATH, to approval of Resolution 3109. Vote: Ayes - JEREMY CARTER, ANTHONY YOUNG, RYAN WALTERS, CHRISTINE CLELAND-MCGRATH, Amanda Hubik. Nays - CAROLYN MOULTON. Result: Passed

Public Hearing

CDBG 2023-2027 Consolidated Plan

Planning, Community and Economic Development Director, Don Measamer, opened the public hearing on the Community Development Block Grant (CDBG) Consolidated Plan 2023-2027 administered by the US Department of Housing and Urban Development (HUD). He mentioned that the initial public comment period opened on January 23, 2023 and will close on February 21, 2023. The second public hearing is scheduled for February 27, 2023, which will include consideration of public comments, project applications for funding and approval of plan submittal to HUD. He added that Congress had not yet determined the allocation for Anacortes, but that it typically varies between $105,000 and $115,000 per year. He mentioned that 15% of the outlay is planned for public services of the Anacortes Family Center and the remaining funding would be used to replace roofs at the Anacortes Housing Authority. He showed the CDBG page on the City website as a location where the public can find answers to their questions.

Mr. Young echoed the website being a good source for information and that the funds are being used consistently with their intended purpose. Mr. Walters wondered if the allocation of money to the Anacortes Family Center via CDBG funds was an efficient use of funds in light of federal reporting requirements, when the Anacortes Housing Authority is already doing the reporting. Mr. Measamer responded that this could be the case and would work with Ms. Stewart to investigate that possibility next time around.

Mayor Miller invited the public to comment on the agenda item. No one present wished to address the Council on the agenda item.

At 7:29 pm Mayor Miller closed the public hearing.

Other Business

Anacortes Chamber of Commerce Visitor Information Center (VIC) Update

Planning Community and Economic Development Director, Don Measamer, introduced Jessica Kiser, President and Chief Operating Officer for the Anacortes Chamber of Commerce. Ms. Kiser provided an update on the Visitor Information Center referring to a presentation that was added to the packet materials for the meeting. Ms. Kiser introduced Elizabeth Tyler, Marketing and Membership Director, who detailed statistics of what patrons sought when coming to the Visitor Information Center. Ms. Kiser reported on the public restroom hours and related issues around keeping them clean and operational in light of instances of vandalism and heavy use.

Ms. Moulton thanked the presenters for the information on the restrooms, citing it being important for the Council to be aware of those issues. Mr. Young remarked that the work that the Chamber of Commerce is doing is important in bringing visitors to Anacortes.

Settlement Agreement: Pacific Pile and Marine

City Attorney, Darcy Swetnam, introduced the proposed negotiated settlement agreement with attached Exhibit A and accompanying invoice with Pacific Pile and Marine and announced that staff recommended approval of the agreement and invoice for payment.

RYAN WALTERS moved, seconded by ANTHONY YOUNG, to approval of settlement agreement with attachment A and authorization to pay January 31, 2023 invoice.
Vote: Ayes - JEREMY CARTER, ANTHONY YOUNG, RYAN WALTERS, CHRISTINE CLELAND-MCGRATH, CAROLYN MOULTON, Amanda Hubik. Nays - None. Result: Passed

Planning Commission Recommendation on the Bonus Height Provisions in the R4 Use Zone West of the Commercial Use Zone, AMC 19.42.050 C

Planning Community and Economic Development Director, Don Measamer, introduced the Planning Commission recommendation on the Bonus Height provisions in the R4 use zone west of the Commercial Use Zone from Anacortes Municipal Code 19.42.050C referring to a presentation that was included in the packet materials for the meeting. He reminded the Council and public that the bonus height provisions in the R4 use zone as detailed in AMC 19.42.050C have been subject to a moratorium since October 2019 currently set to expire per Ordinance 4031 on April 3, 2023. He pointed out that the Planning Commission had held public hearings on December 14, 2022 and January 11, 2023 where eight concepts were considered, of which Concept F (no change to the bonus height provisions and allowing the moratorium to expire on April 3, 2023) was recommended to the Council for approval. He mentioned Mr. Walters' proposed recommendation that would restrict the bonus height provisions east of O Avenue and include the medical overlay west of the commercial zone. The proposal also included a provision for increasing the percentage of units of 600 square feet or less from 25 percent to 30 percent and allowing required open space to include common indoor recreation areas or balconies. He added that if the Council wants to take Mr. Walters recommendation into consideration another public hearing would need to be held with a notice published on February 15th with the hearing on March 6th. He concluded that staff suggested proceeding with the Planning Commission recommendations.

Mayor Miller explained that this agenda item is not open to public comment, as there was a prior opportunity to offer a comment to the Planning Commission.

Mr. Walters mentioned that an additional public hearing was not necessarily required, as an additional public comment period could be acceptable. He expressed support for taking additional public comment throughout the process, including at this meeting. He addressed the history of the moratorium and that it is not accurate that the Council has been working intensively on this matter for 2.5 years. He alluded to individuals being dismissive of those who are against allowing the moratorium to expire, terming these reactions as a mischaracterization of the process and underscored the importance of hearing from people now before the Council. He acknowledged that people felt strongly about this issue, and characterized the principal public concern around a five-story building as being that it is not a human-scale building. He asserted that the objective of this initiative should be where to draw the line on building height, pointing out that it would be M Avenue if the moratorium were allowed to expire. He asked if it should be O Avenue or Commercial Avenue and added that he had developed the proposal that was included in the packet materials for the meeting as an effort to find a compromise that the Council could accept. He continued by reminding the Council and public that he has supported additional housing in Anacortes so that it could be affordable for individuals to live and work here, and that there are appropriate and inappropriate locations for height. He mentioned the organization "Strong Towns" which advocates an incremental transition to height, positing that a change from 35 feet to 50 feet is not incremental. He articulated his proposal to have the bonus height in the R4 zone be allowed east of O Avenue, including the Hospital overlay zone, and advocated modifying the open space requirements to not require roof decks and increasing the proportion of small units from 25 to 30 percent to increase the availability of small unit housing.

Mayor Miller responded that public comment has already been taken and that ample public comment has been made. He expressed openness to accepting further public comment at this meeting, and added that either way it was time to vote on the issue one way or the other.

Ms. Cleland-McGrath mentioned that she had discussed this issue extensively as a member of the Planning

Commission and the moratorium was put in place because the additional height being added to the zone was a shock to the community. She reminded the Council and public that the height limit in the R4 zone was 40 feet with the bonus height added to encourage the development of income-based affordable housing, which anecdotally has not been developed because of the significant administrative requirements placed on the developer. She then mentioned the challenge of having a small proportion of 600 square feet or smaller dwelling units compared to the significantly larger inventory of single-family homes that are significantly larger in size, positing that the smaller dwelling units are needed to house young people starting out and older people who wish to downsize from their larger homes. She then specified that the area being discussed was the R4 zone between O Avenue and M Avenue from 10th Street to 22nd Street. She mentioned that M Avenue is a major thoroughfare that is pedestrian friendly and that O Avenue is in desperate need of improvement. She added that it would set a dangerous precedent to subdivide zones, as it would raise the expectation that the Council might be willing to do that in other zones and that the zone boundaries have been long established. She continued, referring to the history of height regulations in the R4 zone that was previously 50 feet and now stands at 40 feet with incentives for 50 feet, asserting that she would not favor removing that provision because of the considerable amount of work that went in to making the change. She expressed an understanding of how some could be unhappy with tall buildings in their neighborhood, but that her responsibility was to see where development should happen over the next 20 to 50 years and that it was appropriate for this area. She asserted that development in the area from 22nd Street northward provides better access to amenities and would reduce car trips that would be necessitated by increased development on the south side of town, saying that further height development would likely occur between M Avenue and O Avenue. She then pointed out that if development were limited to a smaller area, it would increase the cost of land in a very finite area of town, making it less likely to occur, adding that bonus heights were in place to encourage more small unit housing. She concluded by saying that she was open to discussing open space requirements, and that these provisions were necessary changes to enable those without multi-member households to live here.

Mr. Young agreed with Ms. Cleland-McGrath's comments and understood the neighborhood concerns, but that the housing must go somewhere. He continued saying that with the ongoing development of the MJB property and by the Port of Anacortes, the downtown core is the critical area for creating the small unit housing that is needed. He acknowledged that this issue presented a difficult decision and that not everyone would be happy, but that is why he was elected. He expressed support for density being placed around the downtown core and agreed with the proposed proportion of 35% small units, modifying open space requirements and using the hospital overlay area for development, but that the Planning Commission had done the work, he had reviewed it, and he supported accepting their recommendation.

Ms. Moulton expressed appreciation for all the comments and that not everyone would be happy. She offered that the R4 zone is where density belongs because of proximity to amenities and services, and that small units are urgently needed, citing Fidalgo Flats as an example of getting the City toward the goal.

Ms. Hubik thanked everyone who had provided comments thus far and remarked that we are losing the charm that once made the city unique, which primarily lies in the people who live here. She recounted seeing service industry workers out in town because they lived and worked there, lamenting that this is no longer possible for many of them. She posited that keeping the small town charm is having people who work and live locally. She mentioned having heard concerns about the unhoused community taking away from the charm and that there must be space for adequate housing with state and federal support if needed. She expressed support for increasing the proportion of smaller dwelling units at higher than 25 percent, discussing rooftop decks, and keeping the western boundary line for the R4 zone at M Avenue.

Mr. Carter mentioned that this issue is one on which he hears the most comments from all sides of the argument. He supported density being placed in the R4 zone due to its proximity to amenities and favored an increased proportion of small unit housing, enabling more young single people and older individuals wanting to downsize to live in Anacortes.

Mayor Miller asked Mr. Measamer if the proposed adjustments Mr. Walters had mentioned could be made subsequent to lifting the moratorium. Mr. Measamer responded affirmatively.

Mr. Walters clarified that the medical overlay zone, except for the footprint of the hospital, would be subject to the same height regulations as the rest of the R4 zone. He seconded all the comments from Ms. Hubik and mentioned that this problem has existed for over a decade, though it has become more acute recently. He pointed out that even without the area west of O Avenue, there would still be 338 acres of land that would allow heights above 50 feet and single purpose residential areas on the side streets. He predicted that regardless of what the Council decided here, that you would not see a 5-story building west of O Avenue, but that east of O Avenue is likely. He mentioned that the neighborhood west of O Avenue has seen considerable investment in their properties and that it should not be up to the Council to approve a five-story building in that area. He added that the missing middle housing is going to really make a difference. He asserted that if the Council took action to allow 50-foot building height west of O Avenue, the neighborhood would consider such action a betrayal. He remarked that this action alone will not achieve the goal and that the Council needed to do more to find missing middle and human-scale housing. He suggested that the Council could make these adjustments in a matter of weeks, which would allow for more flexibility in the design of five-story buildings and where they would be allowed, requiring a larger number of smaller units, all of which would be delayed considerably if the Council were simply to allow the moratorium to expire.

Mr. Young understood that, short of increasing the amount of small housing to 35%, nothing else has changed and that the moratorium should be allowed to expire. Mayor Miller acknowledged that the Council could let the moratorium expire, but that a verbal affirmation of such is needed in this case.

Mr. Young thanked the mayor for stating the need and remarked that the Council faced a difficult decision as to how best achieve more smaller unit housing.

ANTHONY YOUNG moved, seconded by JEREMY CARTER to accept the Planning Commission's recommendation to allow the moratorium to expire and direct staff to work on presenting to the Council an additional 30% or 50% of units less than 600 square feet and the prohibition of open space requirements.

Ms. Cleland-McGrath acknowledged that many watching the proceedings might be disappointed with the sentiment of the Council, but that more people would continue to move to Anacortes regardless of the Council's action. She expressed concern for the people who currently work here and a desire to help them stay here. Ms. Moulton agreed with Ms.Cleland-McGrath's comments and with Ms. Hubik's assessment that the charm of Anacortes is in its people and that if people cannot afford to live here, then we are not the same at all. She also agreed with Mr. Walters that further action is needed now.

Mr. Walters pointed out that Mr. Young's motion essentially ends the development regulations process that began with the moratorium. He articulated that an alternative would be to move forward the amendments he proposed, including the open space requirement and the requirement for 30% of the units to be 600 square feet or less and not accept the Planning Commission recommendation. It would then necessitate an additional public comment period and then amend the code to reflect those two changes. He concluded that this opportunity to implement these changes would be lost if the moratorium were simply allowed to expire.

Mr. Young acknowledged that Mr. Walters had made a valid point, but pointed out that this process has gone on for a considerable amount of time. He wondered if there was a way to move forward with letting the moratorium expire and then working to implement the proposed increase in small unit housing and open space. Mr. Measamer said that such an ordinance could be back before the Council by early March if the Council chose to proceed with Mr. Walters' proposal. Otherwise, the Council could act on Mr. Young's motion, allowing the moratorium to expire and bring back the proposed code changes at a later date by ordinance. Ms. Cleland-McGrath advocated for a Planning Committee discussion and wondered if the requirement for small unit housing should be raised as high as 50%. Mr. Measamer agreed that he could return to the Planning Commission and have additional consultation with Makers for a discussion of Mr. Walters proposal.

Mr. Walters pointed out that this will not be achieved this year or until the end of next year, as projects will vest, if you allow the moratorium to expire. Ms. Moulton wondered how to make Mr. Walters' recommendations more effective if the moratorium is allowed to expire. Ms. Cleland-McGrath wondered if the proposed changes could be brought back before the moratorium expires on April 3rd. Mr. Measamer responded affirmatively. Mr. Young understood this point, but asked what prevents the Council from making these changes. Mr. Walters responded that the process would be different because the development regulation process would end and another process would have to re-start, which would take far longer than what he had proposed. Mr. Measamer said he could have an ordinance before the Council by March 6th with a public hearing and potentially be completed before the end of March and acknowledged that the proposals Mr. Walters had put forth are allowed under the code. Mayor Miller asked Mr. Walters to clarify the percentage of small unit housing and if he desired to eliminate the open space requirements. Mr. Walters proposed that the Council direct staff to bring back a proposal that would amend the open space requirement as described and a range of 30-50% of small units and not accept the Planning Commission recommendation until the revised ordinance was brought before the Council subsequent to an additional public comment period. Mr. Young pointed out that the only issues that would come back before the Council under Mr. Walters' proposal would be the proportion of small units and open space requirements, as he remarked that the Council is trying to maximize the use of space to provide the greatest benefit for the people who want to live here.

RYAN WALTERS moved, seconded by CAROLYN MOULTON, to amend the motion to delete 'accepting the Planning Commission recommendation', and thus read 'to direct staff to bring back to Council code amendments regarding the 600 square foot percentage and the open space requirements prior to the expiration of the moratorium."
Vote: Ayes - RYAN WALTERS, CHRISTINE CLELAND-MCGRATH, CAROLYN MOULTON, AMANDA HUBIK. Nays - JEREMY CARTER, ANTHONY YOUNG. Result: Passed

Mr. Walters suggested that in order to address Mr. Young's concerns, that the public comment period only be allowed to address the proposed code amendments. Mr. Young agreed with the suggestion.

ANTHONY YOUNG moved, seconded by JEREMY CARTER, to direct staff to bring back to Council code amendments regarding the 600 square foot percentage and the open space requirements prior to the expiration of the moratorium.
Vote: Ayes - JEREMY CARTER, ANTHONY YOUNG, RYAN WALTERS, CHRISTINE CLELAND-MCGRATH, CAROLYN MOULTON, Amanda Hubik. Nays - None. Result: Passed

Ordinance 4039: Amending the Table in Section 10.08.030(B) to Reduce Speed Limits in Certain Areas.

Public Works Director, Henry Hash, introduced Ordinance 4039 that would amend the table in section 10.08.030(B) to reduce speed limits from 40 miles per hour to 30 miles per hour on Oakes Avenue from Illinois Avenue to Ferry Landing Road and on A Avenue from the south City line to 37th Street.

Mayor Miller invited the public to comment on the agenda item.

Mary Jo McArdle of Anacortes proposed having the Council consider putting M Avenue on the list for reducing speed from 25 miles per hour to 20 miles per hour with the amount of traffic, bicycle lanes, various types of vehicles including large trucks, and a significant number of pedestrians. Mayor Miller responded that this vehicles including large trucks, and a significant number of pedestrians. Mayor Miller responded that this concern could not be added to the current ordinance, but that it could be discussed at the Traffic Safety Committee.

Mr. Walters expressed openness to reducing the speed or altering the roadway between 12th Street and the hospital on M Avenue. He added that changing the speed limit does not necessarily lead to drivers modifying their speed and that modifying the roadway itself would be more effective. He pointed out that this change is made easier because the code is in tabular format and should be considered when modifying other areas of the code. He concluded that he was not as much in favor of the change on A Avenue being that the speed limit outside of city limits is 40mph and half of it is forest land, but he would go along with the recommendations of the Public Works Committee.

RYAN WALTERS moved, seconded by CAROLYN MOULTON, to approve as presented.
Vote: Ayes - JEREMY CARTER, ANTHONY YOUNG, RYAN WALTERS, CHRISTINE CLELAND-MCGRATH, CAROLYN MOULTON, Amanda Hubik. Nays - None. Result: Passed

Molly Lane Property Purchase

Planning Community and Economic Development Director, Don Measamer, introduced the proposed Molly Lane property purchase and sale agreement, detailing the results of the appraisal, third-party and City inspection report including roof repairs, adjustments to GFC and an adjustment to the fire alarm system that will total $18000. Additionally, he announced that the phase 1 environmental inspection was complete with no further investigation needed. He asked the Council to move to authorize the mayor to amend the purchase and sale agreement for the purchase of 9029 Molly Lane.

Mr. Walters asked Mr. Measamer to send the Coucil a copy of the purchase and sale agreement. RYAN WALTERS moved, seconded by ANTHONY YOUNG, to authorize the mayor to amend the purchase and sale agreement for 9029 Molly Lane in the amount of $18,000 to make the necessary modifications.

Ms. Cleland-McGrath asked if we are suggesting raising the purchase price to make the modifications prior to closing? Mr. Walters responded that the purchase price would in fact be lower by that amount. Mr. Measamer mentioned that he had been in touch with the seller, who had agreed to perform an as yet unknown portion of the needed modifications, and that he and Ms. Swetnam were coordinating to determine by how much the seller would reduce the final sales price. Mayor Miller offered that a better motion would have been "to authorize the $18,000 of negotiation from the purchase and sale price of $1.853 million." Ms. Cleland-McGrath proposed an alternative motion that would say, "to authorize the Mayor to negotiate the scope of work as had been acknowledged by the bids received to move towards closure of sale of the property."

Ms. Swetnam mentioned that the purchase and sale agreement was written on conventional CBA forms previously presented to the Council, of which the only change was to remove one additional parcel, and that the Council had already approved the agreement for the purchase price, so that the amendment must be executed with the same authority as the original contract, so that the negotiation of the seller completing those repairs by himself or reducing the sales price accomplished the goal.

Ms. Moulton asked if the Council had already authorized the purchase price. Mayor Miller responded that the original purchase price was $2.6 million and the new owner offered a prorated price of $1.853 million.

Ms. Cleland-McGrath expressed a desire that, with the change of the agreement from two parcels to one parcel and a new owner, it should come back before the Council as a separate agreement. Mr. Walters agreed with Ms. Cleland-McGrath and suggested adding the ratification of the underlying purchase and sale agreement.

RYAN WALTERS moved, seconded by ANTHONY YOUNG, to authorize the mayor to amend the purchase and sale agreement to 9029 Molly Lane for an amount up to $18,000 to address the issues identified during inspection and feasibility.
Vote: Ayes - JEREMY CARTER, ANTHONY YOUNG, RYAN WALTERS, CHRISTINE CLELAND-MCGRATH, CAROLYN MOULTON, Amanda Hubik. Nays - None. Result: Passed

Adjournment

There being no further business, at approximately 9:18 p.m. the Anacortes City Council meeting of February 6, 2023 was adjourned.