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- The public is encouraged to comment via email to [cityclerk@cityofanacortes.org](mailto:cityclerk@cityofanacortes.org) or via written comment addressed to City Clerk, P.O. Box 547, Anacortes, WA 98221. Public comments received by the [City Clerk](#) prior to 3:00 p.m. the day of the meeting will become part of the record for the meeting, just as if presented in person.
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**Anacortes City Council**  
**Municipal Building Council Chambers**  
**904 6th Street**

**March 20, 2023**  
**6:00 PM**

**PRELIMINARY AGENDA**  
**[Packet Materials](#) / [Watch Meeting](#)**

1. **Call to Order**
2. **Pledge of Allegiance**
3. **Announcements and Committee Reports**
  - a. Housing Affordability and Community Services Committee (Report)
  - b. Public Works Committee (Report)
  - c. Economic Development Committee (Report)
  - d. Personnel Committee (Report)
  - e. Skagit Valley Tulip Festival Poster (Presentation)
4. **Public Comment**
5. **Consent Agenda**
  - a. Minutes of March 13, 2023 (Action)
  - b. Approval of claims in the amount of \$976,191.93 (Action)
  - c. Street Fair Event - Oyster Run Sept 24, 2023. (Action)
6. **Public Hearings**
  - a. \* Ordinance 4042: Amending the Development Regulations contained in Anacortes Municipal Code Title 19, Unified Development Code, Section 19.42.050, Bonus Height Incentives in the R4, C and CBD Use Zones. (Discussion/Action)
7. **Other Business**
  - a. Planning, Community, and Economic Development (PCED) Department activity update (Presentation)
  - b. \* Resolution 3118: Authorizing Execution of Tourism Promotion Fund Contracts (Discussion/Action)
  - c. \* Ordinance 4044: Amending the Qualifications for the Utility Discount Program

*Per Resolution 3051, citizens wishing to comment on items not on the agenda may do so under Public Comment. Citizens wishing to comment on items indicated with an asterisk (\*) may do so as those items are considered by Council during the course of the meeting.*

The City of Anacortes is committed to making public meetings available and accessible to all members of the community.  
 For assistance with special needs, please contact the City Clerk at 360-299-1960 in advance of the meeting.

(Discussion/Possible Action)

8. **Adjournment**

*Per Resolution 3051, citizens wishing to comment on items not on the agenda may do so under Public Comment. Citizens wishing to comment on items indicated with an asterisk (\*) may do so as those items are considered by Council during the course of the meeting.*

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## **Anacortes City Council Minutes - March 13, 2023**

### **Call to Order**

Mayor Matt Miller called to order the Anacortes City Council meeting of March 13, 2023 at 6:00 p.m. Councilmembers Ryan Walters, Anthony Young, Christine Cleland-McGrath, Carolyn Moulton, and Bruce McDougall were present. Councilmembers Jeremy Carter and Amanda Hubik participated in the meeting remotely via Zoom.

### **Pledge of Allegiance**

The assembly joined in the Pledge of Allegiance.

### **Announcements and Committee Reports**

Mayor Miller shared an update on the State of the City address, mentioning that it was well attended and that it reflected the hard work of city staff.

#### **Finance Committee**

Mr. Young reported from the Finance Committee meeting held the previous Thursday. The topics discussed included a remedy for an error in over-billing for sanitation containers for a customer, the committee meeting time changed to 4pm to mitigate conflict with other committee meetings, city financing in light of recent interest rate announcements from the Federal Reserve, and adjustments to the utility discount program.

#### **Public Safety Committee**

Ms. Cleland-McGrath reported from the Public Safety Committee meeting held on March 7, 2023. The police topics discussed included unmanned aerial vehicle program pilot training with Skagit County and department policy development, crisis negotiation team training, accreditation assessment, recruiting efforts for the five current openings, and discussion of establishing a regional law enforcement training facility at Skagit Valley College.

Fire topics included grant opportunities for the coordinated outreach program, recruiting efforts, and the brush truck should be ready by May for wild land training and then operational by summer.

#### **Port / City Liaison Committee**

Mayor Miller reported from the Port/City Liaison Committee meeting held the previous Tuesday. The topics discussed included the appointment of Shawn Ottenbreit to District 3 subsequent to the resignation of Commissioner Joe Verdoes, the T-Dock project, major pump out for larger vessels, shore to ship power, the north basin project (RV park unavailable for camping this summer), and assisting the city with the solution for the replacement to the Transit Shed after it is closed for events at the end of this year.

#### **Housing Affordability and Community Services Committee**

Mr. Walters reported from the Housing Affordability and Community Services Committee meeting held the previous Thursday. The topics discussed included the utility discount program draft ordinance and a meeting with the Family Center on developing the homeless housing plan by adapting the Skagit County plan to include goals specific to Anacortes.

#### **Planning Committee**

Ms. Moulton reported from the Planning Committee meeting held earlier in the evening. The topics discussed included a discussion with the Downtown Anacortes Alliance about improving the arch at 10th Street and traffic calming measures for Commercial Avenue north of 10th Street to make the area more conducive to pedestrians.

### **Public Comment**

Mayor Miller invited the public to comment on any item not on the agenda.

Boshie Morris of Anacortes wondered if there was a liaison with the county through the City Council regarding planned rate increases for the Guemes Island Ferry of 70-100 percent. She characterized herself as a friend of Guemes Island who allows island residents to park their vehicles behind her home and pointed out with the increase in fares there would be a distinct change in ridership. She wondered how the city planned to get ahead of the impending parking problem. Mayor Miller responded that the city works with the county on a regular basis and that the city understands some of the problems that the rate increase will create. Ms. Morris then mentioned a proposal for a resident parking permit on the south side of 6th Street that was brought before the Council in 2022, wherein two area residents, Warren Tessler and Luke Russell, offered to allow Guemes Island residents to park there during times of crisis or ferry service interruptions (the current ferry haul out ends March 19th), and wondered why the signs had not been bagged to suspend permit requirements in that area through the haul out period. Mayor Miller responded that city staff would look into this issue.

Malcom McCutcheon of Anacortes commented on the intersection of I Avenue and 7th Street about motorists not stopping at the stop sign and potentially endangering local children in the area. He mentioned a city vehicle apparently running the stop sign in a video posted to Facebook.

Mike Pearl of Anacortes commented on an excerpt from the August 20, 2022 Skagit Valley Herald about the five-story Gateway Village project. He likened the project to the possible developments on the MJB property, positing that five or six of these could be built in the new development. He re-stated his opposition to five-story buildings west of O Avenue and hoped that they would be limited to four stories. He recounted the owner of Fidalgo Flats' comments regarding the 60 percent proportion of small units, pointing out that it is not an economic disadvantage to build units of that size and encouraged the public to read a written comment from last week submitted by Mary Jo McArdle.

### **Consent Agenda**

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

a. Minutes of March 6, 2023

b. Approval of claims in the amount of \$789,128.29

The following vouchers/checks were approved for payment:

EFT numbers: 105726 through 105786, total \$481,449.14

Check numbers: 105787 through 105801, total \$272,007.10

Wire transfer numbers: 320103 through 320602, total \$35,672.05

c. Street Fair Application - Anacortes Waterfront & Car Show

### **Other Business**

#### **Washington State Ferries (WSF) Service Restoration Plan - 2023 Update**

Administrative Services Director, Emily Schuh, introduced Mr. John Vezina, Director of Planning, Customer, and Government Relations at Washington State Ferries, who presented the Service Restoration Plan Update while referring to a slide presentation that was added to the packet materials for the meeting. He mentioned retention challenges and legislative efforts to help mitigate seasonal departures, paid training for licensing future vessel operators, and vessel availability. He emphasized that Washington State Ferries does not cancel routes and that it is up to the legislature and the governor. He mentioned possible solutions, including researching the use of contracted domestic vessels and foreign-flagged vessels and passenger-only vessels, which could be realized within two years.

Mr. Vezina answered questions from the Council. Mr. Walters expressed appreciation for the communication of the Washington State Ferries with the ferry caucus and the community. He mentioned previous efforts to cancel

the Sydney run and doubted that private operators could fill the gap left by the auto-carrying vessels operated by WSF. He asked if we had lost *Elwha*? Mr. Vezina mentioned that *Elwha* was sold and will be placed into service in Ecuador, adding that the competition for limited transportation funds makes it cost prohibitive to extend the service life of older vessels. He added that WSF does not want to privatize the Anacortes to Sydney run and that the passenger-only option would be a temporary one until personnel and vessel capacity was adequate to re-open the route.

Mr. McDougall asked for the names of the other two retired vessels and could they be re-used? Mr. Vezina responded that *Hiyu*, *Hyak* and *Klahowya* have been retired and sold since 2016, as they were slated for retirement with the commissioning of new vessels. He added that *Elwha* was different because it had not had its mid-life preservation work completed. He added that maintenance costs increase with service time and make operating older boats a fiscally irresponsible choice. Mr. McDougall wondered what the cost was for the SOLAS upgrade, and if it would be made on an existing vessel or a new vessel. Mr. Vezina responded that most likely it would be made to an existing vessel, as new vessels will be electric and the international route would not necessarily support this. He added that the cost to retrofit an existing vessel would be approximately \$20 million.

Ms. Moulton wondered if an extra year of operation could be added on to the older vessels coming up for retirement? Mr. Vezina responded that it is difficult to make the case to increase the size of the ferry fleet due to competing transportation needs in other areas of the state. Ms. Moulton wondered if there could be collaboration with the British Columbia Ferry system to take the route. Mr. Vezina responded that WSF would be looking into that as well as Alaska Ferries that could be used to fill the route and that auto ferries from other services tend to be side loaders and perhaps not compatible with WSF terminal areas. Ms. Moulton wondered if passenger-only would be an option for WSF? Mr. Vezina responded that WSF is precluded by state law from operating passenger-only ferries, though that could be subject to change, and cited the example of King County municipalities being forced to ask the voters to fund their passenger-only ferry service because of this law.

Mr. Young wondered how the Council could help maintain the Sydney route, pointing out that the city receives extraordinary support from its state representatives in Olympia. He challenged WSF to consider a wide range of possible solutions, including cost-effective interim stopgap measures such as employing side-loading ferries, to ensure that the Sydney-Anacortes ferry run remained open as a vital part of the local economy. Mr. Vezina responded that WSF leaders are committed to thinking about this problem creatively and will be very transparent and open with the reasons behind the decision to either re-open the route or keep it closed as planned through 2030.

Ms. Hubik asked which route had the highest fare box recovery before the COVID-19 pandemic. Mr. Vezina responded that the Seattle-Bainbridge route was the year-round leader. Ms. Hubik inquired how well the Sydney-Anacortes run performs. Mr. Vezina responded that the run is very profitable in the summer, but less so during the shoulder seasons of spring and fall. Ms. Hubik followed up by asking where the funds from ferry passengers were going. Mr. Vezina responded that prior to COVID the state legislature mandated that WSF cover 75-80% of operating costs through fare box recovery and that nearly 100 percent of the capital cost for new vessels is paid through tax revenues. Ms. Hubik asked if work force development and retention funding came through the 2022 supplemental budget. Mr. Vezina responded affirmatively. Ms. Hubik asked if there was anything in the 2023 budget that could be related to this. Mr. Vezina responded that as a state employee he could not advocate for anyone to contact legislators, but that the governor's budget is supportive of WSF programs. Ms. Hubik mentioned that these retention measures are very important and suggested that these funding issues are important to emphasize with state representatives should Councilmembers wish to communicate with them on these issues. Mr. Vezina mentioned that revenue estimates will come out soon, and that it would be clearer in the near term as to how much funding would be available to WSF in the upcoming budget cycle.

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

Michael Painter of Anacortes wondered about the cost effectiveness of adding hybrid-electric capabilities to vessels nearing the end of their service life within five years of WSF acquiring new hybrid vessels. Mr. Vezina clarified that the life expectancy of the vessels is 60 years and that the three vessels he mentioned are coming up on their 20-year maintenance period and would have propulsion upgrades performed anyway, thus realizing forty years of service as hybrid vessels.

**Interlocal Agreement 23-092-PRK-002 for Thompson Trail Trestle and Causeway Replacement Design Funding from Washington State Department of Natural Resources (DNR)**

Parks and Recreation Director, Jonn Lunsford, introduced Interlocal Agreement 23-092-PRK-002 with the Washington State Department of Natural Resources for Thompson Trail Trestle and Causeway Replacement Design Funding. He mentioned that there would be a ribbon cutting on March 31, 2023 at 2pm at the Fidalgo Bay Resort for the recent trestle repair. He clarified that this contract is for the long-term replacement of the causeway and part of the match for funding the planning phase of the grant, and that similar interlocal agreements with the Samish Indian Nation and Skagit County would be coming before the Council as well. He added that the Council would be able to review the feasibility study after its completion in a couple of years and decide on next steps.

Mr. Walters commented that this demonstrates how many partners there are in the health of Fidalgo Bay and expressed appreciation for the enthusiastic efforts of the Parks and Recreation department to get the project to its current state and that there is more available grant funding to obtain for the project. He concluded by remarking that he was confident that the pieces would come together to bring it to eventual fruition.

RYAN WALTERS moved, seconded by AMANDA HUBIK, to approve interlocal cooperative agreement 23-092-PRK-002 as presented. Vote: Ayes - JEREMY CARTER, ANTHONY YOUNG, RYAN WALTERS, CHRISTINE CLELAND-MCGRATH, CAROLYN MOULTON, BRUCE MCDUGALL, AMANDA HUBIK. Nays - None. Result: Passed

**Stormwater Program Update**

Stormwater Program Manager, Diane Hennebert, provided a program update for the Stormwater Management Plan and Fidalgo North Stormwater Management Action Plan, referring to a slide presentation that was added to the packet materials for the meeting.

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

Marlene Finley of Anacortes, and president of Evergreen Islands, commended the city staff and the Council for the collaborative work on the Stormwater Management Plan and the Fidalgo North Stormwater Management Action Plan, mentioning her organization's work with the city on the Happy Valley Stream and how they learned from Ms. Hennebert about the idea of a stormwater park. She expressed a desire to work with the city in that effort. She pointed out that the management of stormwater and surface water is very important for dealing with the effects of climate change, and recounted attending a climate resilience forum with the Skagit Climate Science Consortium where local scientists are working to develop solutions for current and future challenges.

Pat Gardner of Anacortes asked if there would be requirements for developers undertaking projects within the city limits, especially the MJB property, to plant vegetation that would act as natural filters to mitigate the effects of stormwater runoff in Fidalgo Bay.

Ms. Moulton expressed appreciation for interdepartmental cooperation and communication, the relationships Ms. Hennebert has established with local groups and the Fidalgo North Stormwater Management Action Plan as

a tangible example of the effort to treat stormwater effectively.

Mr. Young echoed Ms. Moulton's sentiments regarding interdepartmental communication. He expressed approval of the approach of enlisting public support for the program through online reporting, as it protects the entire community. He then emphasized the need for dog owners to police their pet's waste to mitigate its deleterious effects. He asked if analysis of stormwater had indicated any particular sources of pollution that needed to be addressed and how this area can be preserved and restored. He then mentioned his previous role as a community liaison for the refineries, and that they could be willing partners in the area of eel grass restoration. Ms. Hennebert responded that she serves on the Skagit Marine Resources committee and they are interested in eel grass restoration as well. She then mentioned that Friends of Skagit Beaches have shared sampling data gathered from about 45 different city outfalls to ensure that illicit and non-compliant sites are able to be found and remedied.

Mr. Walters called attention to the projects in the Fidalgo North Stormwater Management Action Plan, including the Ace of Hearts Rotary Park stream restoration that was added to the capital facilities plan nearly ten years ago. He asked that the Council help to move it forward by including it as a higher priority to improve water quality. He then referenced the conveyance projects that will enable the development of housing in support of the Council's goal, asking that when these projects come before the Council in a Capital Facilities Plan review, that stormwater metrics be included. Ms. Moulton added that the cost of inaction should be included as well.

Mayor Miller reminded the public to clean up after their pets and thanked the Council for funding the new Stormwater Inspector position and welcomed Aaron Esterholt to city staff.

**Resolution 3116: Waiving the Competitive Bidding Requirements for the Purchase of WWTP Secondary Clarifier Drive Units**

Wastewater Treatment Plant Manager, Brian Walker, introduced Resolution 3116: Waiving the Competitive Bidding Requirements for the Purchase of Evoqua Secondary Clarifier Drive Units. He mentioned that the units are 10 years beyond their expected service life and that these drives are necessary for plant operation.

CAROLYN MOULTON moved, seconded by BRUCE MCDOUGALL, to approve Resolution 3116 authorizing the purchase of two Evoqua secondary clarifier drive units for installation at the Wastewater Treatment Plant and waiving competitive bidding requirements due to a single source of supply. Vote: Ayes - JEREMY CARTER, ANTHONY YOUNG, RYAN WALTERS, CHRISTINE CLELAND-MCGRATH, CAROLYN MOULTON, BRUCE MCDOUGALL, AMANDA HUBIK. Nays - None. Result: Passed

**Contract Award: Purchase of WWTP Secondary Clarifier Drive Units #23-102-SEW-001**

Wastewater Treatment Plant Manager, Brian Walker, introduced contract #23-102-SEW-001 Purchase of Secondary Clarifier Drive Units.

RYAN WALTERS moved, seconded by AMANDA HUBIK, to authorize the mayor to sign contract 23-102-SEW-001 with Evoqua for \$109,180.80. Vote: Ayes - JEREMY CARTER, ANTHONY YOUNG, RYAN WALTERS, CHRISTINE CLELAND-MCGRATH, CAROLYN MOULTON, BRUCE MCDOUGALL, AMANDA HUBIK. Nays - None. Result: Passed

**Amending the Qualifications for the Utility Discount Program**

Finance Director, Steve Hoglund, introduced Ordinance 4044: Amending the Qualifications for the Utility Discount Program, referring to a slide presentation that was added to the packet materials for the meeting. Mayor Miller thanked Mr. Hoglund and pointed out that Mr. Hash was not present and perhaps could have a different opinion of the program's impact on the operating budget of the affected utilities. Additionally, he

recalled that the discussion surrounding this program started as the result of water rates being tied to the consumer price index.

Mr. Walters pointed out that the existing program established in 1984 uses 150 percent of the federal poverty guidelines without being tied to proper authority, and that it appears that program eligibility should still be tied to the numbers established in 1984, adding that adopting this ordinance will clear up this discrepancy. He continued by remarking that this provision would be extended to the Anacortes Family Center and Anacortes Housing Authority, whose residents would qualify for the discount, though they do not currently qualify as there is no available discount for the multi-family rate. He continued by remarking that the updated program would provide for automatic enrollment for individuals who qualify for the senior property tax exemption program through Skagit County. He also referenced that the conversion to the area median family income from federal numbers is important to make the program more effective in the local economic context, and the increase in discount from 20 to 30 percent so that it can be more clearly identified as to how many people will enroll, adding that discount rates could be adjusted in the future depending on how many people enroll and utility budget impacts. He then specified that the proposed ordinance requires that applicants submit their tax returns and testify under penalty of perjury that it represents the entire household income. He then mentioned explanatory references to other municipalities in the draft ordinance which uses the senior property tax exemption as a basis for their discount programs, explaining that these references would not be included in the final adopted ordinance. He concluded by adding that the 3 percent decrease in the utilities' budgets will compel the utilities to search for efficiencies over time, and that they could endure the squeeze for a couple of years until the program is reviewed.

Mr. Young pointed out that this measure exudes compassion and understanding and ensures that the appropriate people are able to access discounted rates for household utilities, adding that we should also consider the cost of not implementing the program. He mentioned that he was unable to open the file and review the ordinance and would like to have it for review prior to coming before the Council for adoption.

Ms. Moulton mentioned that the county's priority is to spend money on people who are already without homes and the significant cost of re-housing them. She added that this program could potentially save those in dire financial straits from losing their homes in the context of continuing inflation.

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

Connie Miller of Anacortes asked for clarification on the existing discount program of \$19,000 and the estimated annual impact of the updated program would be \$722,000. Mr. Hoglund responded that he used the Federal Department for Housing and Urban Development (HUD) estimates for extremely low and very low income households in Anacortes as the basis for his estimated impact with the assumption that every one of those approximately 1,700 households were to apply and participate in the program. He clarified that there are 55 households participating in the current program. Ms. Miller asked if the discount would increase from 20 to 30 percent under the revised program. Mr. Hoglund responded affirmatively. Ms. Miller asked if it was known as to how many households would not qualify for this discount and to confirm that if all eligible households participated, that it would result in non-qualifying households paying an additional \$10.05 per month to cover the cost of the program. Mr. Hoglund clarified that the number of residential accounts that would qualify comprise 18.6 percent of residential accounts, but that the rates for non-qualifying households would be monitored for a year or two before any adjustments were made.

Malcolm McCutcheon of Anacortes asked if fiber was included in the program and if so, will areas that do not have access to city fiber be covered for their services. Mr. Hoglund responded that fiber is included in the current discount program and that it would be included in the updated program as well. He added that the balance of expenditures that needs to be paid because of the utility discount program, the rates may need to be

adjusted, but with the current rate structure there would not need to be any immediate adjustments.

Mr. Walters addressed the question of the impact of the discount program, pointing out that the numbers are a worst-case scenario based on the data on qualifying households from HUD, but the qualification lines are more in line with current levels. He expressed doubt that the re-structuring of the program design as proposed would prompt a significant jump in program participation, as the qualification criteria would not be significantly different and that participants would still need to re-apply annually. Mayor Miller responded that it was the executive branch's responsibility to run the numbers and ensure that the possible impacts on utility budgets would be well understood, citing three recent watermain breaks as an example of unexpected maintenance costs that result from lower investment in long-term system upkeep.

Ms. Moulton wondered how many eligible households are not participating in the current program. Mr. Hoglund responded that he would provide a response at the March 20th City Council meeting. Mr. Walters added that the reason we do not know how many households fall under the federal poverty guidelines is because that data has not been provided, whereas it was provided with the HUD estimate. He expressed doubts about the accuracy of the HUD estimate, and related that the Finance Committee had refined the numbers to match the federal estimate as closely as possible. Mr. Hoglund concurred. Mayor Miller agreed that it was close when compared with raw census data, but that going back to understanding the current situation is very challenging.

Mr. McDougall asked about consumption limits for the program. Mr. Hoglund responded affirmatively. Mr. McDougall asked about the consumption of water step rates and if it would apply to all thresholds. Mr. Hoglund responded that it would apply to all step thresholds, but that those calculations were not included in the estimate that was presented to the Council. Mr. McDougall wondered if it would make sense to have the discount not apply to water use above a certain threshold. Mr. Walters responded he would be open to that, but that the idea would be to make it simple for staff to implement. Mr. Walters clarified that the Council had not adopted the stepped water usage rates. Mr. Hoglund confirmed this. Mayor Miller encouraged the Council to reach out to Mr. Hoglund with further questions or suggestions.

### **Adjournment**

There being no further business, at approximately 8:28 p.m. the Anacortes City Council meeting of March 13, 2023 was adjourned.

**The following claims against the City of Anacortes have been preaudited and certified by the Clerk-Treasurer as ready for City Council approval at the March 20, 2023 City Council meeting:**  
[Download this file in OpenDocument spreadsheet format.](#)

| Invoice Doc # | Invoice Date | Invoice #                | Vendor Full Name                  | Description                                                                  | Total Amount | Approval Queue |
|---------------|--------------|--------------------------|-----------------------------------|------------------------------------------------------------------------------|--------------|----------------|
| 321033        | 8/31/2022    | 10740                    | DALTON, OLMSTED & FUGLEVAND       | WATER TREATMENT PLANT                                                        | \$ 4,231.09  | pw1            |
| 321032        | 1/30/2023    | 11060                    | DALTON, OLMSTED & FUGLEVAND       | WATER TREATMENT PLANT<br>SINKHOLE MONITORING - 8/1/22-<br>12/31/22           | \$ 615.25    | pw1            |
| 321044        | 2/9/2023     | 230190                   | T-SHIRTS BY DESIGN                | UNIFORMS                                                                     | \$ 97.92     | fiber          |
| 320930        | 2/15/2023    | 316446                   | DEPT OF LABOR & INDUSTRIES        | L N I ELEVATOR INSPECTION<br>CITY HALL                                       | \$ 285.40    | pwfac          |
| 320919        | 2/21/2023    | BC1824557                | GALLS, LLC.                       | UNIFORM PANTS - BC                                                           | \$ 555.58    | medic          |
| 320922        | 2/21/2023    | BC1824558                | GALLS, LLC.                       | UNIFORM PANTS: RF                                                            | \$ 277.79    | medic          |
| 320925        | 2/21/2023    | BC1824559                | GALLS, LLC.                       | UNIFORM PANTS - RB                                                           | \$ 277.79    | medic          |
| 320112        | 2/23/2023    | 31409                    | SKAGIT PUBLISHING LLC             | PUBLISH SVH-338235                                                           | \$ 53.80     | legal          |
| 321069        | 2/23/2023    | 359573                   | DEPT OF LABOR & INDUSTRIES        | BOILER/PRESSURE VESSEL<br>INSPECTION & CERTIFICATE                           | \$ 179.40    | publib         |
| 321073        | 2/24/2023    | 101993                   | MCCULLOUGH HILL PLLC              | WATER TREATMENT PLANT -<br>THROUGH 02/24/2023                                | \$ 345.00    | legal          |
| 321062        | 2/24/2023    | 14941                    | ANCHOR QEA, LLC                   | FORMER WTP MATTER NO. 96                                                     | \$ 54,226.85 | legal          |
| 321083        | 2/24/2023    | 3425                     | SUMMITX CONTRACTORS, INC          | 2021 WATERLINE ITEMS 142-146<br>PAY CORRECTION                               | \$ 66,769.41 | pw1            |
| 320849        | 2/24/2023    | 400003691369             | PUGET SOUND ENERGY INC            | POLE CONTACT - FIBER PROJECT<br>TO OAK HARBOR                                | \$ 13,744.18 | dwtpt          |
| 321072        | 2/26/2023    | 74652046                 | INGRAM LIBRARY SERVICES, LLC      | INGRAM CHILDREN'S BOOKS                                                      | \$ 32.55     | publib         |
| 321037        | 2/27/2023    | 0504                     | FIDALGO CLEANING                  | APD CLEANING & SUPPLIES                                                      | \$ 800.00    | apd            |
| 321046        | 2/27/2023    | P0002-62                 | QCC QUALITY CONTROLS CORP.        | ON-CALL PROFESSIONAL<br>SERVICES AT THE WTP -<br>JANUARY 2023                | \$ 1,463.00  | dwtpt          |
| 320750        | 2/28/2023    | 0173                     | SKAGIT COUNTY SOLID WASTE<br>FUND | FEBRUARY TONNAGE HAULED                                                      | \$ 82,510.62 | dshop          |
| 321060        | 2/28/2023    | 022346816                | SKAGIT PUBLISHING LLC             | ADVERTISING 2/1-2/28/23                                                      | \$ 1,690.00  | museum         |
| 321061        | 2/28/2023    | 2023.2                   | BAYVIEW CONSULTING, LLC           | FORMER WTP DEMOLITION<br>PROJECT: SPECIAL PROJECT<br>MANAGER - FEBRUARY 2023 | \$ 2,735.10  | pw1            |
| 321068        | 2/28/2023    | 3                        | LAW, LYMAN, DANIEL                | ANACORTES PRA - THROUGH<br>02/28/2023                                        | \$ 76.50     | legal          |
| 320593        | 2/28/2023    | 360-299-2484-<br>0726025 | ZIPLY FIBER                       | LIBRARY 2/28-3/27/23                                                         | \$ 65.67     | publib         |
| 320754        | 2/28/2023    | 4143                     | BOYS & GIRLS CLUBS                | FEB FUNDING AGREEMENT -<br>LUNCH PROGRAM                                     | \$ 240.00    | finance        |

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|---------------|--------------|----------------|--------------------------------|--------------------------------------------------------------|---------------|----------------|
| 320926        | 3/1/2023     | 31585          | SKAGIT PUBLISHING LLC          | PUBLISH AA-338092                                            | \$ 40.60      | finance        |
| 320924        | 3/1/2023     | 31586          | SKAGIT PUBLISHING LLC          | PUBLISH AA-339665                                            | \$ 129.92     | plan           |
| 321054        | 3/1/2023     | 4304*1         | IMCO GENERAL CONSTRUCTION      | 36" WATER TRANSMISSION PIPELINE EMERGENCY REPAIRS            | \$ 53,935.41  | dwtp           |
| 320842        | 3/1/2023     | 7265909-00     | TURF STAR WESTERN              | TIRE VEH #713                                                | \$ 404.38     | dshop          |
| 321031        | 3/1/2023     | 9170252511     | SCHINDLER ELEVATOR CORPORATION | ELEVATOR SERVICE                                             | \$ 983.56     | pw1            |
| 320927        | 3/1/2023     | BC1831290      | GALLS, LLC.                    | UNIFORM PANTS - DL                                           | \$ 200.46     | medic          |
| 320931        | 3/1/2023     | BC1831291      | GALLS, LLC.                    | UNIFORM SHIRT - BOWEN                                        | \$ 169.99     | medic          |
| 321058        | 3/1/2023     | Reimblindquist | LINDQUIST, THAD                | REIMBURSE MEDICAL COPAY, LEOFF1 RETIREE                      | \$ 204.00     | hr             |
| 320597        | 3/2/2023     | 200000666863   | PUGET SOUND ENERGY INC         | LIBRARY 10TH STREET LED 2/2-3/2/2023                         | \$ 11.72      | publib         |
| 320601        | 3/2/2023     | 200000667218   | PUGET SOUND ENERGY INC         | LIBRARY 10TH & M ST 2/2-3/2/2023                             | \$ 24.39      | publib         |
| 321034        | 3/3/2023     | 2021-10182     | GONZALES LANDSCAPING &         | WWTP ADMIN BUILDING GROUNDSKEEPING~                          | \$ 2,720.00   | dwwtp          |
| 320838        | 3/3/2023     | 52422          | KRIEG CONSTRUCTION, INC        | ASPHALT DISPOSAL                                             | \$ 74.68      | dshop          |
| 320934        | 3/3/2023     | 98079005       | ECO SERVICES OPERATIONS CORP   | ALUMINUM SULFATE                                             | \$ 4,482.56   | dwtp           |
| 321071        | 3/5/2023     | 74800977       | INGRAM LIBRARY SERVICES, LLC   | INGRAM ADULT BOOKS                                           | \$ 985.81     | publib         |
| 321077        | 3/5/2023     | 74800978       | INGRAM LIBRARY SERVICES, LLC   | INGRAM CHILDREN'S BOOKS                                      | \$ 630.85     | publib         |
| 320844        | 3/6/2023     | 0001-290012    | NAPA                           | SWITCH VEH 196                                               | \$ 45.20      | dshop          |
| 321051        | 3/6/2023     | 007            | PACIFIC PILE & MARINE, LP      | SETTLEMENT AGREEMENT: WWTP OUTFALL RELOCATION - MARINE PHASE | \$ 315,248.00 | pw1            |
| 320845        | 3/6/2023     | 14428          | NW COMMUNICATIONS, INC         | HEADSET REPAIR- #90002                                       | \$ 979.20     | dshop          |
| 320682        | 3/6/2023     | 1985328        | MILES SAND & GRAVEL CO.        | RESTOCKING CITY BUNKERS                                      | \$ 424.32     | dshop          |
| 321059        | 3/6/2023     | 460509         | SKIDMORE PHARMACY INC.         | LEOFF 1 PHARMACY COPAY - DAVE MEAD                           | \$ 1,069.57   | hr             |
| 320929        | 3/7/2023     | 230281         | T-SHIRTS BY DESIGN             | UNIFORM - SHIRTS                                             | \$ 1,565.63   | wdist          |
| 320937        | 3/7/2023     | 291349         | USA BLUE BOOK                  | SILICONE OIL, SAMPLE CELLS, KIMWIPES                         | \$ 885.08     | dwtp           |
| 320920        | 3/7/2023     | 3124584872     | IDEXX DISTRIBUTION, INC        | SAMPLE VESSELS                                               | \$ 229.78     | dwtp           |
| 320933        | 3/7/2023     | SDW_PS105870   | WOOD'S LOGGING SUPPLY          | 2 EXTROCATOPM CHAINS                                         | \$ 493.89     | medic          |
| 320683        | 3/8/2023     | 0297497-IN     | REISNER DISTRIBUTOR INC        | DIESEL EXHAUST FLUID                                         | \$ 366.60     | dshop          |
| 321076        | 3/8/2023     | 102615         | MCCULLOUGH HILL PLLC           | WATER TREATMENT PLANT - THROUGH 03/08/2023                   | \$ 172.50     | legal          |
| 321036        | 3/8/2023     | 220013286491   | PUGET SOUND ENERGY INC         | APD 2/7/23-3/7/23                                            | \$ 2,467.60   | apd            |
| 320756        | 3/8/2023     | 220013286525   | PUGET SOUND ENERGY INC         | HEART OF ANACORTES 2/7-3/7/23                                | \$ 120.90     | finance        |

| Invoice Doc # | Invoice Date | Invoice #           | Vendor Full Name               | Description                                        | Total Amount | Approval Queue |
|---------------|--------------|---------------------|--------------------------------|----------------------------------------------------|--------------|----------------|
| 320758        | 3/8/2023     | 220015523313        | PUGET SOUND ENERGY INC         | CAR CHARGING STATION 2/7-3/7/23                    | \$ 35.95     | dshop          |
| 320755        | 3/8/2023     | 220021901958        | PUGET SOUND ENERGY INC         | TSUNAMI SIREN SKYLINE 2/7-3/7/23                   | \$ 10.89     | dwwtp          |
| 320584        | 3/8/2023     | 25758               | ZOOBEAN, INC                   | ONLINE TRACKING SERVICE GRANT 4/8/2023-4/7/2024    | \$ 895.00    | publib         |
| 320935        | 3/8/2023     | AN 855807           | CENTRAL WELDING SUPPLY CO, INC | O2 FOR AMBULANCE                                   | \$ 72.59     | medic          |
| 321052        | 3/8/2023     | INV-93949           | MADDOX INDUSTRIAL TRANSFORMER  | WTP ELECTRICAL SYSTEM: INTAKE TRANSFORMER PURCHASE | \$ 72,701.19 | dwwtp          |
| 320841        | 3/8/2023     | U2316008568         | ICONIX WATERWORKS INC          | 6X2 FXPE DI SPOOL                                  | \$ 631.93    | wdist          |
| 320840        | 3/9/2023     | 026P41693           | DOBBS PETERBILT - MARYSVILLE   | VEH 513 PARTS                                      | \$ 1,686.62  | dshop          |
| 320757        | 3/9/2023     | 112708              | WALTON BEVERAGE COMPANY, INC   | CITY HALL BREAK ROOM SUPPLIES                      | \$ 102.00    | finance        |
| 320939        | 3/9/2023     | 112714              | WALTON BEVERAGE COMPANY, INC   | WTP BREAKROOM SUPPLIES                             | \$ 57.50     | dwwtp          |
| 320940        | 3/9/2023     | 14585               | NORTHWEST CLEAN AIR AGENCY     | PERMIT DEVELOPMENT AND OVERSIGHT FEE               | \$ 121.37    | dwwtp          |
| 321067        | 3/9/2023     | 200000667101        | PUGET SOUND ENERGY INC         | LIBRARY 1220 10TH 2/8-3/8/2023                     | \$ 4,058.68  | publib         |
| 320852        | 3/9/2023     | 220013297076        | PUGET SOUND ENERGY INC         | 1100 STATE ROUTE 20 2/8-3/8/23                     | \$ 14.38     | finance        |
| 320854        | 3/9/2023     | 220013297498        | PUGET SOUND ENERGY INC         | CASINO DRIVE UNDER TWIN BRIDGE 02/08- 03/08/23     | \$ 31.54     | dshop          |
| 320853        | 3/9/2023     | 220022355618        | PUGET SOUND ENERGY INC         | TSUNAMI SIREN 500 T AVENUE                         | \$ 10.89     | dwwtp          |
| 320851        | 3/9/2023     | 336286              | BAY CITY SUPPLY                | FACILITY SUPPLIES                                  | \$ 1,007.49  | pwfac          |
| 320938        | 3/9/2023     | 874573              | HASA, INC                      | SODIUM HYPOCHLORITE                                | \$ 4,964.48  | dwwtp          |
| 320843        | 3/9/2023     | AN 90907            | CENTRAL WELDING SUPPLY CO, INC | WELDING SUPPLIES                                   | \$ 466.89    | dshop          |
| 320753        | 3/9/2023     | INV2615756          | COPIERS NORTHWEST, INC         | CANON/IRC5560I FINANCE/OPS/WWTP 2/8-3/7/23         | \$ 337.98    | finance        |
| 320837        | 3/10/2023    | 092-5360-01         | BURPO, MARK                    | UB REFUND CST #041451 - ORGANICS OVERCHARGES       | \$ 4,256.80  | finance        |
| 321066        | 3/10/2023    | 1st QTR 2023        | SKAGIT COUNTY DISTRICT COURT   | COMMUNITY COURT FEES                               | \$ 1,830.27  | court          |
| 321053        | 3/10/2023    | 1st QTR PROBATION   | SKAGIT COUNTY DISTRICT COURT   | 1ST QTR PROBATION SERVICES                         | \$ 5,500.00  | court          |
| 320848        | 3/10/2023    | 2023MAR             | SKAGIT LAW GROUP, PLLC         | PROSECUTION SERVICES -FEB 2023                     | \$ 6,700.00  | attorney       |
| 320918        | 3/10/2023    | 8498 30 030 0111230 | COMCAST                        | WTP 14489 RIVER BEND RD. - 3/19-4/18/23            | \$ 140.53    | finance        |

| Invoice Doc # | Invoice Date | Invoice #       | Vendor Full Name             | Description                                                     | Total Amount         | Approval Queue |
|---------------|--------------|-----------------|------------------------------|-----------------------------------------------------------------|----------------------|----------------|
| 321084        | 3/12/2023    | 74961886        | INGRAM LIBRARY SERVICES, LLC | INGRAM ADULT BOOKS                                              | \$ 571.89            | publib         |
| 321082        | 3/12/2023    | 74961887        | INGRAM LIBRARY SERVICES, LLC | CHILDREN'S BOOKS                                                | \$ 123.85            | publib         |
| 321029        | 3/13/2023    | 12312           | BUD CLARY CHEVROLET, INC.    | PURCHASE POLICE VEHICLE                                         | \$ 51,377.26         | pw1            |
| 320936        | 3/13/2023    | 1301215         | LIFE ASSIST, INC             | MEGAMOVERS, BATTERIES, TEST STRIPS. HOT                         | \$ 3,255.58          | medic          |
| 321027        | 3/13/2023    | 15420           | ANCHOR QEA, LLC              | FORMER WTP MATTER NO. 96                                        | \$ 25,125.87         | legal          |
| 321030        | 3/13/2023    | 25983           | BLADE CHEVROLET, INC         | 2023 CHEVROLET SILVERADO 1500 W/T PURCHASE FOR PARKS DEPARTMENT | \$ 47,386.98         | pw1            |
| 321057        | 3/13/2023    | 26075           | BLADE CHEVROLET, INC         | 2022 CHEVY COLORADO PURCHASE                                    | \$ 31,536.00         | pw1            |
| 321133        | 3/13/2023    | 300000305007    | PUGET SOUND ENERGY INC       | SKYLINE ST LIGHTS 2/2 - 3/2/23                                  | \$ 500.58            | dshop          |
| 321038        | 3/13/2023    | WAFLJ26770323   | ZIPLY FIBER                  | POLE ATTACHMENT FEES                                            | \$ 85.10             | fiber          |
| 320942        | 3/14/2023    | 00389           | PUBLIC FLEET MANAGERS ASSOC  | 2023 PUBLIC FLEET MGRS MEMBERSHIP                               | \$ 120.00            | dshop          |
| 321087        | 3/14/2023    | 12343           | BUD CLARY CHEVROLET, INC.    | POLICE ADMIN SUV CHEVY TRAVERSE PURCHASE                        | \$ 37,292.85         | pw1            |
| 321086        | 3/14/2023    | 12345           | BUD CLARY CHEVROLET, INC.    | PURCHASE POLICE VEHICLE                                         | \$ 51,377.26         | pw1            |
| 321075        | 3/14/2023    | 21-241-WTR-0011 | SIGNATURE TREE SERVICE       | RETAINAGE RELEASE                                               | \$ 182.50            | pw1            |
| 321079        | 3/14/2023    | 22-214-FAC-0011 | VECA ELECTRIC & TECHNOLOGIES | RETAINAGE RELEASE                                               | \$ 861.61            | pw1            |
| 321081        | 3/14/2023    | 22-248-WTR-0011 | ACE CONCRETE CUTTING LLC     | RETAINAGE RELEASE                                               | \$ 100.00            | pw1            |
| 321138        | 3/14/2023    | INV2617529      | COPIERS NORTHWEST, INC       | Canon/IRC5870i/3rd Floor 2/11-3/10/23                           | \$ 320.13            | finance        |
|               | <b>Total</b> |                 |                              |                                                                 | <b>\$ 976,191.93</b> |                |



## City Council Agenda Bill

**Meeting Date:** March 20, 2023    **Agenda Item:** 5.c.

**Agenda Item Title:** Street Fair Event - Oyster Run Sept 24, 2023.

**Staff Contact(s):** DON MEASAMER

**Approved for Submittal to Council by**    **Action Type**

Joann Stewart  
DON MEASAMER

Motion

**Item Summary:** Annual motorcycle rally with vendors, music and drill team. Applicant will follow guidelines as provided in Conditions of Approval, attached in packet. Insurance policy will be provided prior to event.

**Budget Impact:**

None

**Previous Action:** Approved by all department heads

**Recommended Motion:** Move to approve application as submitted

**Alternative Actions:** Deny application

**Attachments (listed in order presented):**

1. Oyster Run App



## Street Fair Application Processing

Administrator adds this event to the City Council agenda, creates the agenda bill, downloads the reviewed application and any attachments using the link in the email, and uploads those attachments in CivicClerk to go into the City Council packet.

View Anacortes Municipal Code [Chapter 7.04, Special Events](#)

### Application

**Application Date \***

2/16/2023

**Event Name \***

Oyster Run 2023

**Applicant/Organization Name \***

Angie Haynes/Oyster Run

**Mailing Address \***

5129 Evergreen Way Ste D #473 Everett WA 98203

**Event Contact Person \***

Angie Haynes

**Event Contact Email \***

angela.haynes@comcast.net

**Event Contact Phone \***

(425) 508-8524

**Event Website**

www.oysterrun.org

**Estimated Number of Participants/Attendees \***

10,000

**Event Description \***

Motorcycle Rally Event with vendors, band and drill team

\*\*Insurance to follow as we get closer to the event.

**Will food vendors participate in this event? \***

All Food Vendors must be inspected by the Fire Marshall on site prior to the start of the event.

☒ Yes ☐ No

**Date Event Starts \***

9/24/2023

**Time Event Starts \***

8:00:00

AM ▼

**Date Event Ends \***

9/24/2023

**Time Event Ends \***

5:00:00

AM ▾

**Date Street Closure Starts \***

Include requested closures before and after the event hours if required for set up and tear down.

9/24/2023

**Time Street Closure Starts \***

5:00:00

AM ▾

**Date Street Closure Ends \***

9/24/2023

**Time Street Closure Ends \***

6:00:00

AM ▾

**Event Location \***

List end points of each street that will be closed (e.g. 6th Street from O Ave to Q Ave). Also include location and dimensions of any structures that will be erected and locations of the event that will not be on city street right of way.

Commercial Street from 3rd to 10th, and one block east and west.

**Parking Location**

List any public parking areas that the event requests to use for dedicated event parking, including handicapped parking.

Handicap parking at city hall as per usual.

**Event Map (optional)**

Upload one or more maps of the event

Upload

[OR Vendor Map.pdf](#)

2.28MB

**Indemnification Agreement \***

Upload scan of SIGNED indemnification agreement

Upload

[2023 Indemnification Agreements...](#) 1.92MB

**Download the Indemnification Agreement [here](#).**

**Signage**

Street closure signs will be provided by the City of Anacortes. Applicants must contact City staff one week prior to the event to arrange sign delivery. Event sponsor personnel are responsible for placing street closure signs, which may not be posted more than 72 hours prior to the approved closure, must be removed immediately following the event, and must be returned to city staff the first business day following the event.

**Insurance**

The applicant may be required to provide public liability insurance subject to the provisions of AMC 7.04.100. Applicants will be notified following application approval of insurance requirements for the specific event.

## Electronic Signature Agreement

By checking the "I agree" box below, you agree and acknowledge that 1) your application will not be signed in the sense of a traditional paper document, 2) by signing in this alternate manner, you authorize your electronic signature to be valid and binding upon you to the same force and effect as a handwritten signature, and 3) you may still be required to provide a traditional signature at a later date.

**I state that I am over the age of 18, that I agree to assume responsibility for the above-described event and to abide by all conditions stipulated by the approval of the application.\***

☒ Yes

### Signature

ANGIE HAYNES

## Admin Review

### Council Meeting Date \*

Target date for presentation to City Council; no later than 30 days prior to event

3/20/2023

### Staff Review Deadline \*

Staff review/approval required no later than 7 days prior to City Council meeting to allow packet preparation

3/13/2023

### Administrator comments and conditions of approval

Applicant will follow guidelines in attached conditions of approval (attached to indemnification Agreement).  
Applicant will provide insurance policy shortly before event takes place.

### Insurance Certificate

Upload

Insurance certificate may be required by staff or as a condition of Council approval

## Departmental Review

### Building Department will provide the following services for this event:

### Building Department concerns, objections, or conditions of approval \*

None

**Fire Department will provide the following services for this event:**

UTV EMS Team.

**Fire Department concerns, objections, or conditions of approval \***

None

**Parks Department will provide the following services for this event:**

none.

**Parks Department concerns, objections, or conditions of approval \***

If they have a garbage and recycling crew that will clean after the event and empty all downtown garbage cans we have no objections.

**Police Department will provide the following services for this event:**

police foot patrols in the downtown area

**Police Department concerns, objections, or conditions of approval \***

None

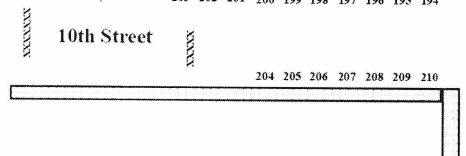
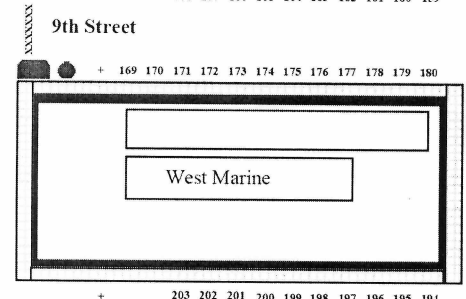
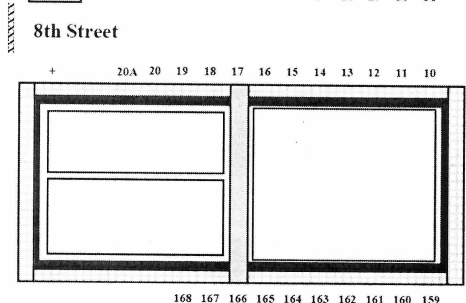
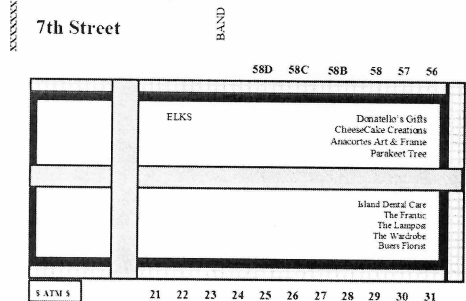
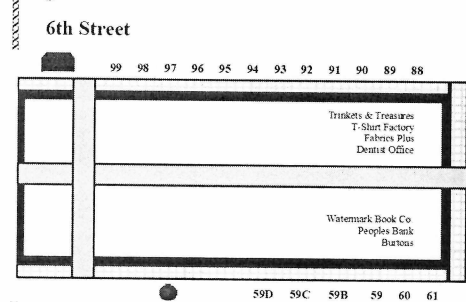
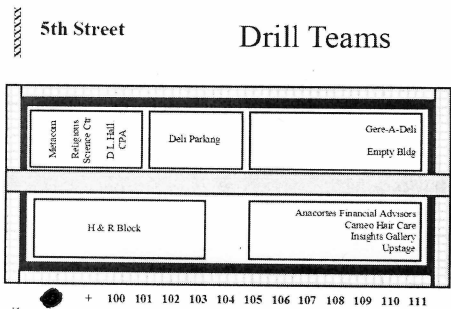
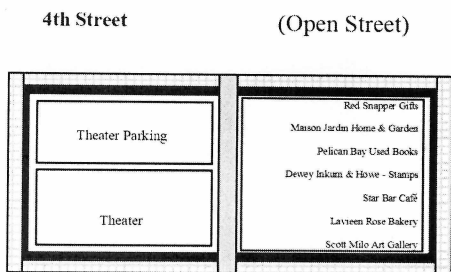
**Public Works Department will provide the following services for this event:****Public Works Department concerns, objections, or conditions of approval \***

None

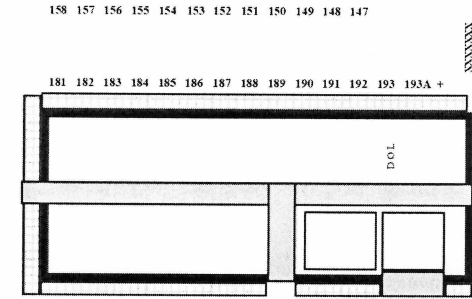
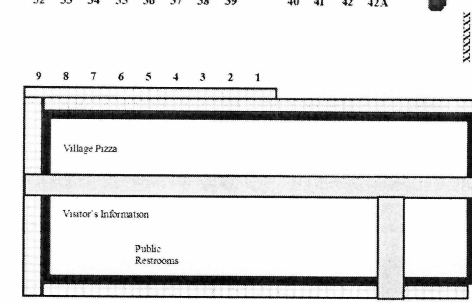
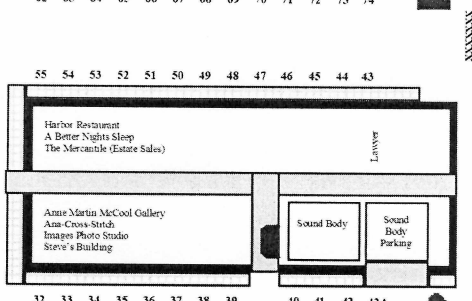
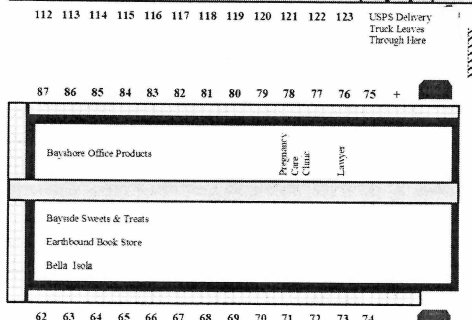
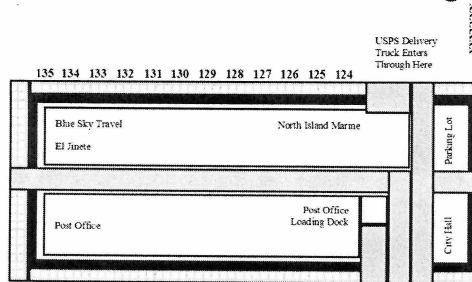
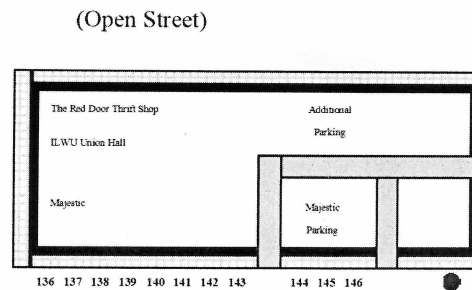
**Departmental attachments**

Upload any staff memos, guidelines, or requirements that will be in effect for this event.

Upload



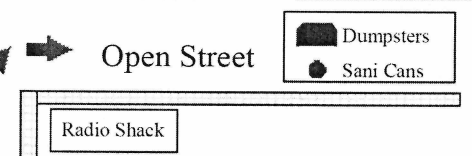
NORTH



COMMERCIAL AVE

MOTORCYCLE TRAFFIC ONLY

Other Traffic





## SPECIAL EVENT INDEMNIFICATION AGREEMENT

The undersigned applicant, by signing below, certifies that the applicant is the authorized officer of the sponsoring organization and agrees as follows:

Pursuant to Anacortes Municipal Code Title 7.04.090, the undersigned applicant agrees to defend, indemnify and hold the City of Anacortes, its agents, employees and officers, harmless from any and all claims, injuries, suits, damages, losses, demands and judgments including the attorneys' fees and other costs of their defense, arising out of in whole or in part, the activities, omissions or appliances of the applicant, his employees, agents, volunteers or otherwise, except any claims arising from the sole negligence of the City. The applicant further agrees to comply with all provisions of pertinent laws, rules and regulations, and agrees that any failure to so comply may lead to revocation of an applicant's permit. This Indemnification Agreement constitutes substantial adequate consideration in return for the City's issuance of a special event permit.

The applicant further agrees to pay all replacement costs for damaged or lost equipment which may have occurred during the term of this agreement and agrees to place all equipment within the Event Trailer in the same manner as it was delivered for the event. The applicant will reimburse the City for the costs to replace that equipment in a timely manner regardless of the cause of such damage or loss that may have occurred during the term of this agreement.

Date: 2/23/23

Angie Haynes Vendor Coordinator  
Name and Title – Printed

\_\_\_\_\_  
Name and Title – Printed

Angie Haynes  
Signature

\_\_\_\_\_  
Signature



## EVENT PERMIT CONDITIONS OF APPROVAL THE OYSTER RUN

1. All Anacortes Police Department and Fire Department overtime costs will be paid by the Oyster Run organization. This will include additional staffing on Saturday night prior to the event. The City will submit an invoice to the Oyster Run organization after the event and the full balance of the invoice must be paid within 30 days of the date of the event.
2. The drill team, the Cossacks, will be the only motorcycle performance allowed at the Oyster Run. No other stunt riders will be allowed.
3. No Portable Toilets or Dumpsters will be placed on 6<sup>th</sup> Street between Commercial Avenue and Q Avenue (east of Commercial).
4. No Portable Toilets or Dumpster placed adjacent to restaurants (no placement next to or in front of restaurants).
5. No Parking Signs will be placed on all closed streets, 2 on each side of each block (see street closure map). Signs will be placed 48 hours prior to the event (no earlier than 48 hours) and removed promptly at the completion of the event.
6. The Oyster Run Organization must agree and sign the Special Event Indemnification Agreement and submit it to the Planning Director along with the street fair application.
7. The Oyster Run Organization must ensure that all food vendors conform to the 2019 Fire Code requirements as outlined in the Food Vendors Fire Code Enforcement memorandum.
8. The Oyster Run (Permittee) must obtain and provide insurance for the event as follows: All certificates, endorsements, and other documentation must be received by the Planning Director no later than one calendar month prior to the event. Failure to provide the required insurance documentation in a timely manner may result in immediate revocation of this permit. Insurance requirements subject to approval by WCIA.

### 9. Insurance Term

The Permittee shall procure and maintain for the duration of the Permit, insurance against claims for injuries to persons or damage to property which may arise from or in connection with operations or activities associated with the Oyster Run with the issuance of this Permit.

## **10. No Limitation**

The Permittee's maintenance of insurance as required by the Permit shall not be construed to limit the liability of the Permittee to the coverage provided by such insurance, or otherwise limit the City of Anacortes's recourse to any remedy available at law or in equity.

## **11. Minimum Scope of Insurance**

The Permittee shall obtain insurance of the types and coverage described below:

1. Commercial General Liability insurance shall be at least as broad as Insurance Services Office (ISO) occurrence form CG 00 01 and shall cover liability arising from operations, products-completed operations, and stop-gap liability. There shall be no exclusion for liability arising from explosion, collapse or underground property damage. The City of Anacortes shall be named as an additional insured under the Permittee's Commercial General Liability insurance policy using ISO Additional Insured-State or Political Subdivisions-Permits CG 20 12 or a substitute endorsement providing at least as broad coverage.

## **12. Minimum Amounts of Insurance**

The Permittee shall maintain the following insurance limits:

1. Commercial General Liability insurance shall be written with limits no less than **\$2,000,000 each occurrence, \$4,000,000 general aggregate, and \$4,000,000 products-completed operations aggregate limit.**

## **13. Other Insurance Provision**

The Permittee's Commercial General Liability insurance policy or policies are to contain, or be endorsed to contain, that they shall be primary insurance with respect to the City of Anacortes. Any insurance, self-insurance, or self-insured pool coverage maintained by the City of Anacortes shall be excess of the Permittee's insurance and shall not contribute with it.

## **14. Acceptability of Insurers**

Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.

## **15. Verification of Coverage**

The Permittee shall furnish the City of Anacortes with original certificates and a copy of the amendatory endorsements, including the additional insured endorsement, evidencing the insurance requirements of the Permittee before issuance of the Permit.

#### **16. Notice of Cancellation**

The Permittee shall provide the City of Anacortes with written notice of any policy cancellation, within two business days of their receipt of such notice.

#### **17. Failure to Maintain Insurance**

Failure on the part of the Permittee to maintain the insurance as required shall constitute a material breach of the Permit, upon which the City of Anacortes may, after giving two business days' notice to the Permittee to correct the breach, immediately terminate the Permit or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the City of Anacortes on demand.

#### **18. Public Entity Full Availability of Permittee Limits**

If the Permittee maintains higher insurance limits than the minimums shown above, the City of Anacortes shall be insured for the full available limits of Commercial General and Excess or Umbrella liability maintained by the Permittee, irrespective of whether such limits maintained by the Permittee are greater than those required by this Permit or whether any certificate of insurance furnished to the City of Anacortes evidence limits of liability lower than those maintained by the Permittee.



## City Council Agenda Bill

**Meeting Date:** March 20, 2023     **Agenda Item:** 6.a.

**Agenda Item Title:** Ordinance 4042: Amending the Development Regulations contained in Anacortes Municipal Code Title 19, Unified Development Code, Section 19.42.050, Bonus Height Incentives in the R4, C and CBD Use Zones.

**Staff Contact(s):** DON MEASAMER

|                                                    |                           |
|----------------------------------------------------|---------------------------|
| <b><u>Approved for Submittal to Council by</u></b> | <b><u>Action Type</u></b> |
| GREG FRANCIOCH                                     | Public Hearing            |

**Item Summary:** The R4 Bonus Height provisions using AMC section 19.42.050 C , 25 % of the units not more than 600 square feet, west of the commercial use zone has been subject to a moratorium since October 2019, with several extensions due to unforeseen circumstances. The latest extension via Ordinance 4031 expires April 3, 2023. The City Council and Planning Commission have reviewed several concepts over the past few years, including concepts directed to the Planning Commission for review and recommendation to the City Council. The Planning Commission reviewed the concepts at a public hearing on December 14th, 2022 and January 11, 2023. Eight concepts were reviewed and after considering public comments and written comments, the Planning Commission recommended Concept F, no changes to the existing regulations.

Mr. Walters proposed an alternative with a couple of minor changes which are incorporated into Ordinance 4042, including raising the percentage of small units somewhere between 30 and 50 percent and addressing open space requirements. At its March 6 meeting, the City Council seemed to have landed on 50% for the percentage of small units to qualify for the bonus height. There was much discussion on open space reduction to 50% and allowing it to be 100% within the building or balconies, or in combination. The Fidalgo Flats project required 2,950 sf of usable open space and provided 3,541 sf. The roof top deck provided 1,042 sf of the open space, 35.3%. No additional written public comment has been received. Staff have provided two options regarding the proposed open space changes at AMC 19.42.050.C., Option A is with Mr. Walters proposed changes and Option B is no change to the open space requirements. Staff recommends no changes to the open space requirements at this time and monitoring for a couple of years to determine if the open space requirements are working or are too restrictive.

**Budget Impact:**

NA

**Previous Action:** At City Council on February 6, 2023 with direction from City Council to bring an Ordinance back addressing open space and percentage of small units, and March 6 for discussion on percentage of units to qualify for the bonus height and open space discussion.

**Recommended Motion:** Motion to approve Ordinance 4042 with percentage of small units at 50 %

**Alternative Actions:** Revise and bring back as needed

**Attachments (listed in order presented):**

1. Ordinance 4042 Bonus Height
2. AMC 19.42.050 Bonus Height Option A
3. AMC 19.42.050 Bonus Height Option B
4. DNS-R4 Bonus Height
5. Bonus Height Notices
6. Public Comment - Ruth LeBrun - Ordinance 4042

## **Ordinance No. 4042**

### **An Ordinance Amending the Development Regulations Contained in Anacortes Municipal Code Title 19, Unified Development Code, Section 19.42.050, Bonus Height Incentives in the R4, C and CBD Use Zones**

**Whereas** the City of Anacortes adopted new development regulations in 2019 that, among other things, created new regulations governing the height limit in the R4 zone;

**Whereas** AMC 19.42.050C allows for an additional 10 feet of height over the standard height limit of 40 feet in the R4 zone when 25% of the units in a building are 600 square feet or less

**Whereas** the bonus height provisions have been the subject of a number of community concerns;

**Whereas** RCW 35A.63.220 and AMC 19.16.110 authorize the City Council to adopt and renew moratoria, interim zoning ordinances, and interim official controls as a technique to preserve the status quo while new plans and regulations are developed;

**Whereas** the City Council adopted a moratorium on use of the small-unit bonus height provisions of AMC 19.42.050.C in October 2019 by Ordinance 3054;

**Whereas** the City Council extended the moratorium a number of times during the pandemic through Ordinances 3069, 3076, 3088, and 4031;

**Whereas** the City Council proposed a number of alternatives for review by the public and Planning Commission;

**Whereas** the City advertised a written comment period on November 23, 2022 through December 14, 2022 and the Planning Commission held a public hearing on December 14 2022 and January 11, 2023;

**Whereas** the Planning Commission recommended the City Council allow the moratorium to expire with no permanent change to the code, which would again allow use of the bonus height provision;

**Whereas** the current moratorium will expire on April 3, 2023;

**Whereas** AMC 19.16.090 provides that if the City Council adopts a substantial change from the options originally proposed for public comment it must allow an additional public comment opportunity prior to final action;

**Whereas** the City advertised a written comment period on February 15, 2023, through March 6, 2023 and the City Council held a public hearing on March 6, 2023;

**Whereas** AMC 19.16.090.D provides that if the City Council adopts a substantial change from the original proposal, it must adopt its own findings of fact and reasons for action, setting forth the factors considered in the public comment or at the hearing and its own analysis of findings considered by it to be controlling;

**Now, therefore, the City Council of the City of Anacortes does ordain as follows:**

Section 1. Findings of Fact and Reasons for Action.

- a. The above recitals are hereby adopted as findings of fact.
- b. The need for additional housing in Anacortes, especially to serve the lower end of the housing market, is severe;
- c. The small units that are the subject of the bonus height provisions of AMC 19.42.050.C are a good way to incentivize the market to provide less expensive housing and a type of unit that is largely absent in the current market;
- d. Because allowing additional height imposes costs on adjacent neighborhoods, it is appropriate to increase the proportion of small units required to obtain the bonus height to ensure the City is obtaining a reasonable tradeoff;
- e. The open space requirements in AMC 19.62.040.B lead to development of rooftop decks on tall buildings;
- f. Rooftop decks result in flat roofs that may not be architecturally desirable; additional projections above the height limit for railing, elevator shaft, and staircase; and drive up the cost of development and therefore the cost of housing;
- g. Open space for building residents can be more effectively provided by balconies or other interior common open spaces.

Section 2. The amendments to AMC 19.42.050 shown in Attachment A are hereby adopted.

Section 3. Consistent with RCW 35A.12.130, this ordinance takes effect five days after passage and publication.

**PASSED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2023.**

**APPROVED:**

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Matt Miller, Mayor

**Attest:**

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Steven D. Hoglund, City Clerk-Treasurer

**Approved as to Form:**

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Darcy Swetnam, City Attorney

**19.42.050 Bonus incentives in the R4, C, and CBD zones.**

- A. *Purpose.* To allow flexibility in building height in exchange for the integration of ~~affordable-less~~  
~~expensive~~ dwelling units into the development.
- B. *Applicability.* Height bonuses are available to development in the R4, C, and CBD zones as established in this chapter, provided it complies with one of the affordable housing options in this section.
- C. *Option 1: Small Units.* Developments where at least ~~25-50~~ percent of the total dwelling units contain no more than 600 square feet of gross floor area qualify for the height bonus. Developments that exercise this option are subject to half the open space required under AMC 19.62.040.B. and up to 100 % of the required open space may be provided by common indoor recreation areas or balconies.
- D. *Option 2: Affordable Units.* [No change]

**19.42.050 Bonus incentives in the R4, C, and CBD zones.**

- A. *Purpose.* To allow flexibility in building height in exchange for the integration of ~~affordable~~ less expensive dwelling units into the development.
- B. *Applicability.* Height bonuses are available to development in the R4, C, and CBD zones as established in this chapter, provided it complies with one of the affordable housing options in this section.
- C. *Option 1: Small Units.* Developments where at least ~~25~~ 50 percent of the total dwelling units contain no more than 600 square feet of gross floor area qualify for the height bonus.
- D. *Option 2: Affordable Units.* [No change]



## **Determination of Non-Significance (DNS)**

**Proposal:** Ordinance 4042 amending Anacortes Municipal Code Chapter 19.42.050, Bonus Height Incentives in the R4, C, and CBD Use Zones addressing percentage of small units and open space.

The draft amendments are available for review at:

<https://www.anacorteswa.gov/198/Anacortes-Municipal-Code-Updates>

**Applicant /Proponent:** City of Anacortes

**Location of Proposal:** City limits of the City of Anacortes

**Lead Agency:** City of Anacortes, Planning, Community, & Economic Development Department

The lead agency for this proposal has determined that it does not have a probable significant adverse impact on the environment. An environmental impact statement (EIS) is not required under RCW 43.21C.030(2)(C). This decision was made after review of a completed environmental checklist and other information of file with the lead agency. This information is available to the public on request.

This DNS is issued under WAC 197-11-340(2); the lead agency will not act on this proposal for 14 days from the date below. Comments regarding this DNS must be submitted by March 6, 2023 at 5:00 PM.

**Responsible Official:** Don Measamer

**Position and Title:** Director of Planning, Community & Economic Development

**Phone/Email:** 360-299-1942; [don@CityofAnacortes.org](mailto:don@CityofAnacortes.org)

**Address:** P.O. Box 547, Anacortes, WA 98221

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Don Measamer, Director

Date of Issuance: February 7, 2023

Appeals of this environmental determination may be made per the procedures outlined in AMC 18.04 and Ch. 19.20 by March 1, 2023, at 5:00 PM. Additional information regarding the appeal process may be obtained from the City of Anacortes PCED Department, 360-299-1984.



## Notice of Public Hearing

Including written comment period, public meeting date

**Publish Date:** February 15, 2023

**Proposal Name:** Ordinance No. 4042 Amending the Development Regulations Contained in Anacortes Municipal Code Title 19, Unified Development Code, Section 19.42.050, Bonus Height Incentives in the R4, C and CBD Use Zones;

and

Determination of Non-Significance (DNS) in review of Ordinance 4042 amending Anacortes Municipal Code Chapter 19.42.050, Bonus Height Incentives in the R4, C and CBD Use Zones addressing percentage of small units and open space.

**Documents Available at:** <https://www.anacorteswa.gov/198/Anacortes-Municipal-Code-Updates>

**Lead Agency:** City of Anacortes Planning, Community & Economic Development Department

**Contact Person:** Don Measamer, Director

**Public Hearing Body:** Anacortes City Council

**Public Hearing Date:** Monday, March 6, 2023, at 6:00 PM

### Proposal Description

Ordinance 4042 amending Anacortes Municipal Code Chapter 19.42.050, Bonus Height Incentives in the R4, C and CBD Use Zones addressing percentage of small units and open space.

### How to Comment

**Email comments** are preferred and must be sent to [don@cityofanacortes.org](mailto:don@cityofanacortes.org). Comments will only be accepted on the proposed amendments. Please include your comments in the body of your email message rather than as attachments.

### Paper comments may be mailed or delivered to:

City of Anacortes  
Planning, Community & Economic Development Department  
ATTN: Don Measamer  
P.O. Box 547 / 904 6<sup>th</sup> St.  
Anacortes, WA 98221

**Verbal comments** may be made at the Public Hearing. The public hearing will be held remotely and in person. Meeting access information can be found on the City Council agenda, posted Wednesday prior to the meeting here:

<https://www.anacorteswa.gov/700/Meeting-Documents-and-Video>





## **Determination of Non-Significance (DNS)**

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2/25/23

Dear Anacortes City Council:

It is with great disappointment that I learned the City of Anacortes is once again considering allowing the construction of new 5-story buildings by letting the current R4 Bonus Height moratorium lapse.

Even more devastating is that the City Council appears to NOT have heard and heeded the overwhelming voices of strong opposition to such buildings. Multiple council meetings with citizen outcry including public testimony, alternative solution workshops, petitions and letters over the past years – all seem to have been ignored for the most part.

The Council appears poised to meet the demand of (primarily outside) developers rather than heeding the desires of the people who live and work here.

How often must we revisit this discussion – reenact this battle? It does appear as if the goal is to exhaust the populace into submission.

My own opinion as a citizen is that there should be NO R4 Bonus Height provision EXCEPT in the medical use overlay area, where needed. This would preserve the fabric of our town, the sweet little neighborhoods, and the “small town” feeling that we love.

Thank you for your consideration in this matter.

Sincerely,

Ruth LeBrun

2509 H Avenue

Anacortes, WA 98221

ruthiemarielebrun@gmail.com



## City Council Agenda Bill

**Meeting Date:** March 20, 2023      **Agenda Item:** 7.a.

**Agenda Item Title:** Planning, Community, and Economic Development (PCED) Department activity update

**Staff Contact(s):** DON MEASAMER

| <b><u>Approved for Submittal to Council by</u></b> | <b><u>Action Type</u></b> |
|----------------------------------------------------|---------------------------|
| LIBBY GRAGE                                        | Presentation              |
| DON MEASAMER                                       |                           |

**Item Summary:** PCED Department staff will present an update of department activities, including recent and upcoming building and land use projects and legislative activities.

**Budget Impact:**

**Previous Action:**

**Recommended Motion:**

**Alternative Actions:**

**Attachments (listed in order presented):**

1. 20230320-PCED Update to CC



# Update to City Council

City of Anacortes  
Planning, Community & Economic Development

**City Council**  
**March 20, 2023**



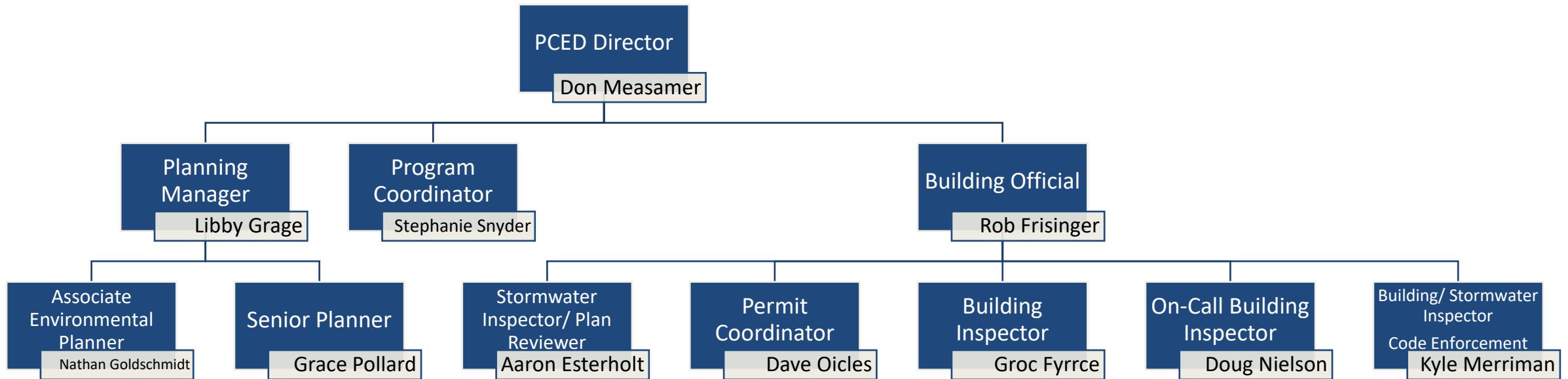


# Overview



- PCED – Who we are and what we do
- Department news and projects
- Building updates
- Planning updates
- CDBG updates

# PCED Organization Chart





# What We Do



- Prepare, administer and implement land use plans, policies, and codes that guide and regulate the physical development of the city
  - Building Permit review, issuance, inspection
  - Code compliance investigation & enforcement
  - Land use permit review, processing, tracking
  - Long range planning – Legislative actions
- Front line customer service at the permitting counter (or by phone, email)
  - Residents, builders, developers, businesses, city departments and other agencies
- Economic Development activities
  - Coordinate with Chamber and Port to promote business retention, growth, and attraction, and tourism promotion
- Staff support for Council committees, Planning Commission, City Council<sub>4</sub>
- Administer the Community Development Block Grant (CDBG)



# Building Division Updates

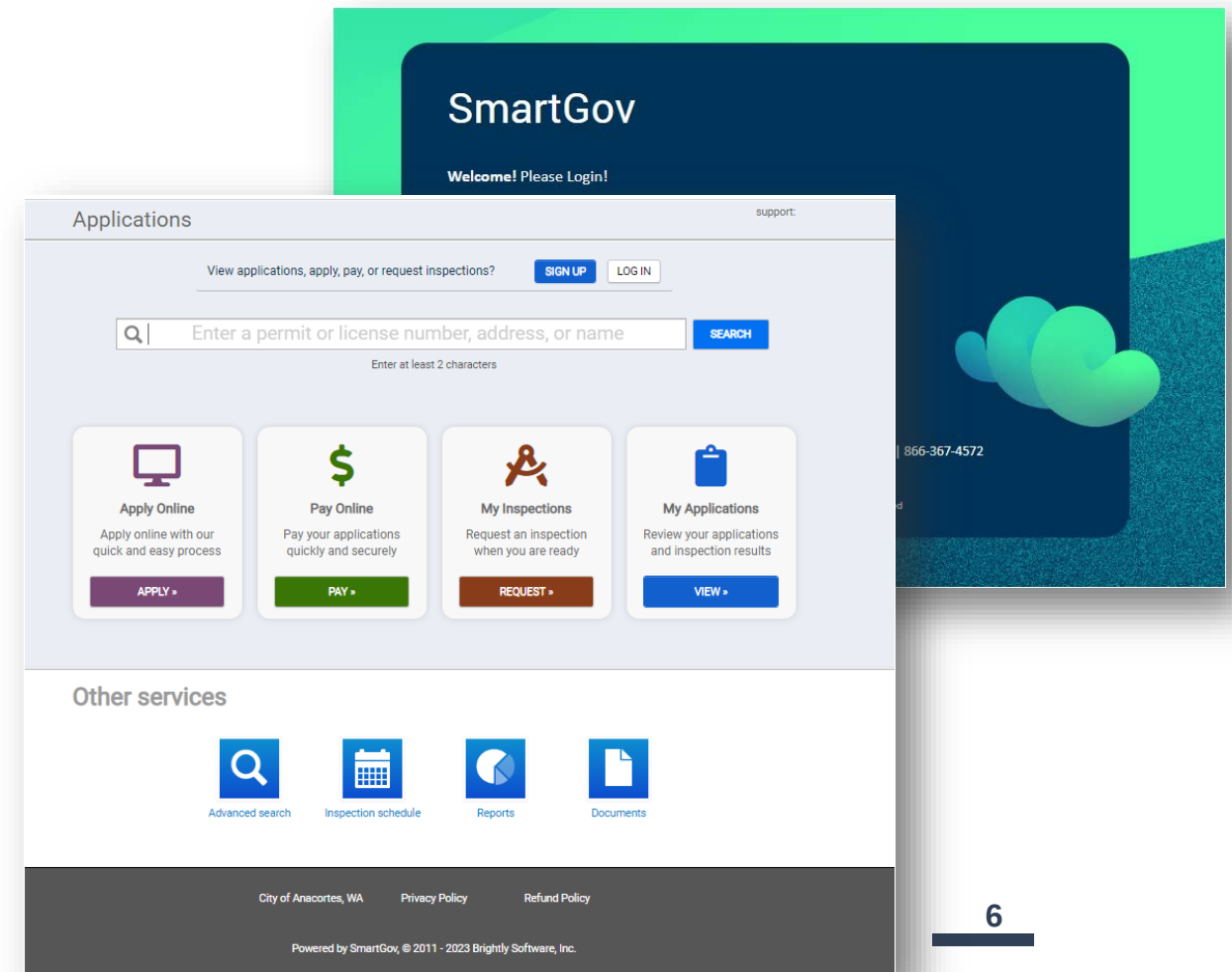


- Our team has been busy helping things go up as well as improving how we help things go up.
- We have been focusing on implementing the new permitting software.
- We have been monitoring construction stormwater compliance.
- Maintaining the City character through code enforcement.
- And doing our part to help new houses to go up and businesses to open.



## SmartGov

- Public Portal
- Apply for permits, submit plans
- Track permit review status
- Pay for permits
- Schedule inspections
- View project documents and notices
- Multiple departments can review & mark up one set of plans
- Workflow automates some parts of permit processing



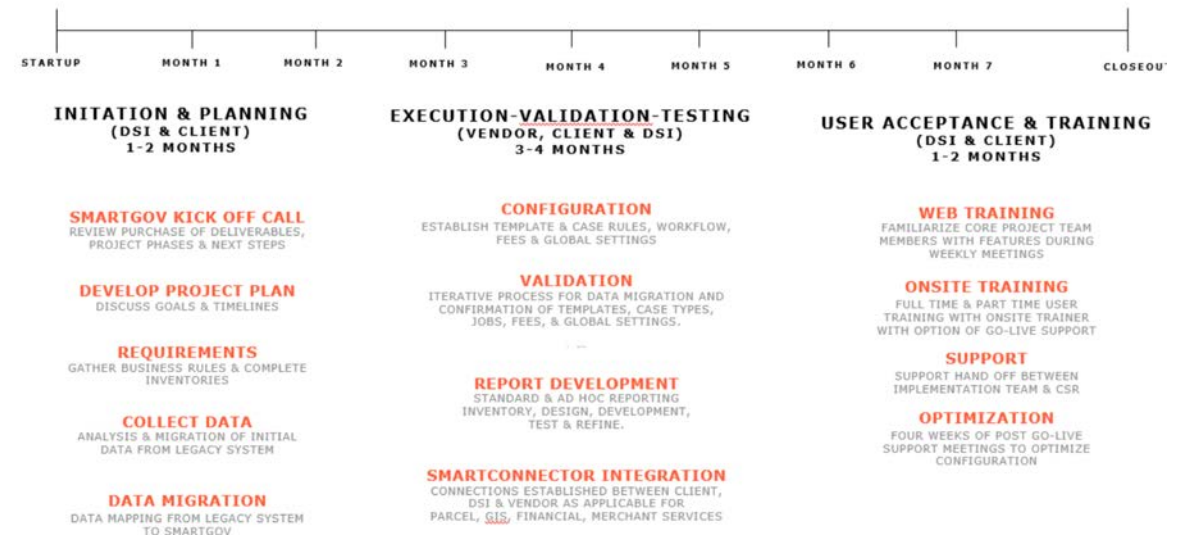
# Smartgov Implementation



Our new permitting software, Smartgov, is almost live.

- Users will be able to apply online, entering their applications and documents directly into the new system.
- We are in the final weeks of fine tuning our implementation before we go live with the system.
- We will have a soft roll out, where we will invite specific users to begin using the system. Staff will continue to input some permits manually during this phase.

## SMARTGOV High Level Process





# UPDATE ON NEW BUSINESSES:

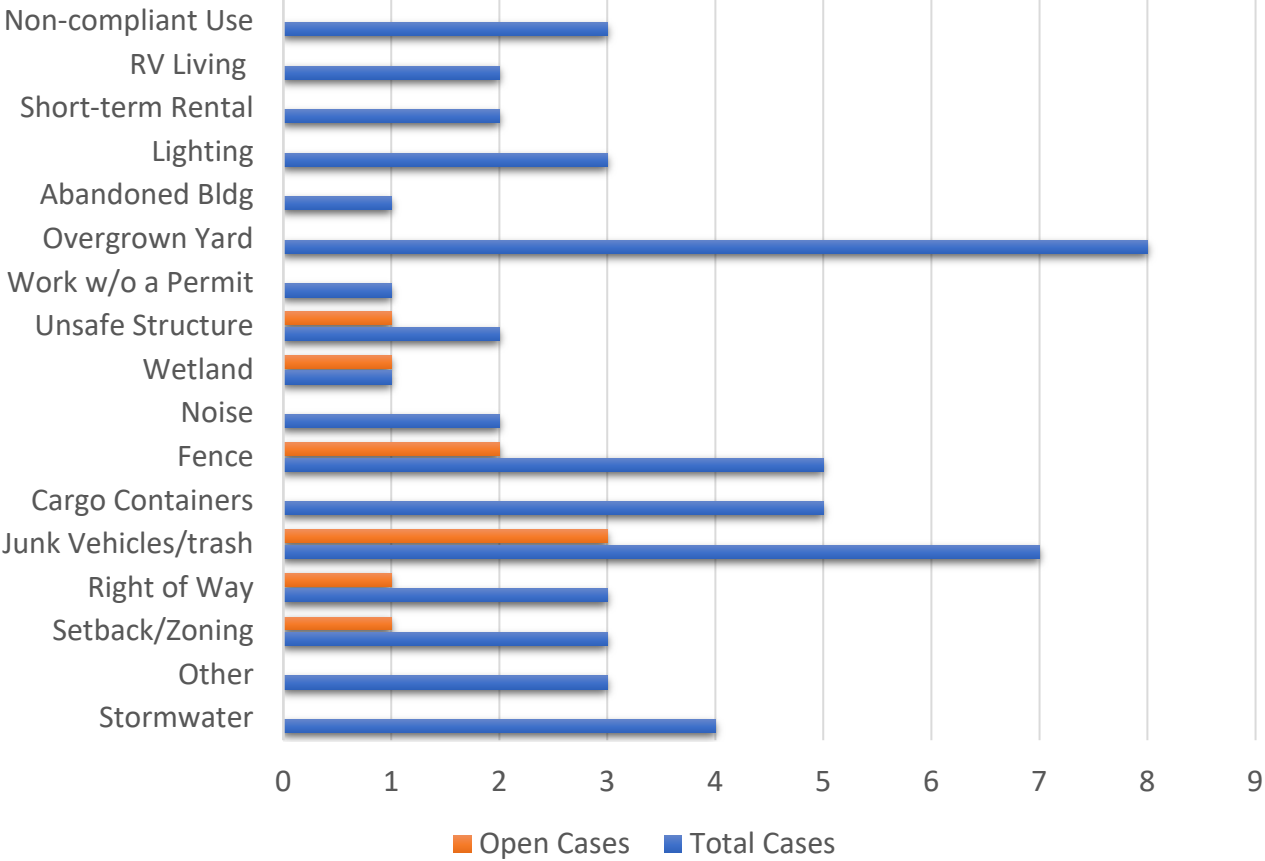
## • Update on New Businesses:

- Tasha Lees Table---Restaurant---Soon to Open
- Sugar Mama Café---Restaurant---Soon to Open
- Stabbert Maritime---Former Lovric's location---Support services for offshore, science, subsea energy, and ship repair.
- Good Bagels---Café
- The Holding Space, Birth and Wellness Cooperative
- And ninety-seven more, so far this year.





Code Violation Complaints



## Code Enforcement

- Our Code Enforcement Inspector maintained an 84% closure rate on cases in 2022.
- Addressing issues takes time, so it is a given that some cases will be open at any given moment. For example, the open unsafe structure case has gone from someone living in a collapsing building, to the building being vacated, sold, and awaiting a planned demolition.



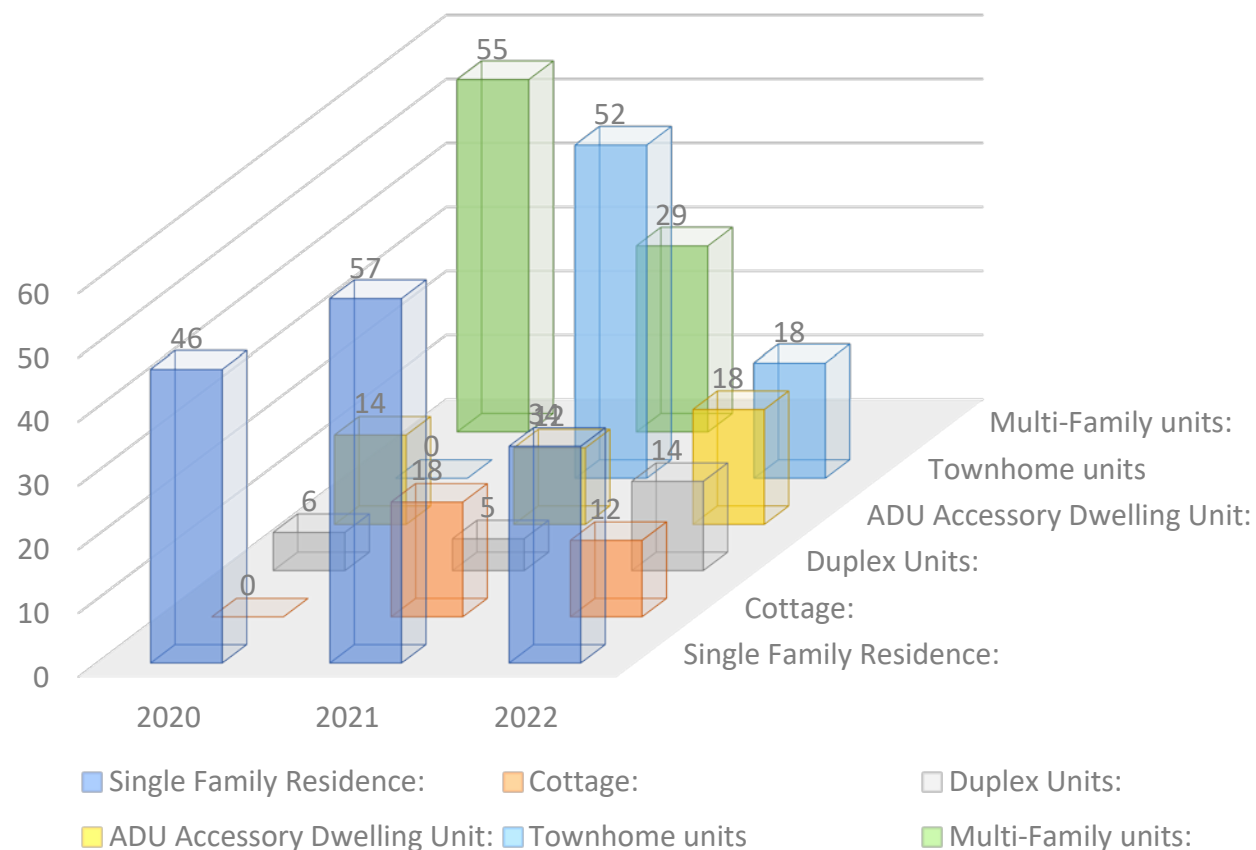
# UPDATE ON LARGE BUILDING PROJECTS:

| UPDATE ON LARGE BUILDING PROJECTS:                                                | PERCENT COMPLETE: |
|-----------------------------------------------------------------------------------|-------------------|
| - <u>Elevation 31 Townhomes</u> 21 <sup>st</sup> & Q Ave: 14 units -----          | 99%               |
| - <u>Skagit Co-Housing</u> 3509 D Ave: 30 units -----                             | 98%               |
| - <u>Landed Gentry Townhomes</u> 32 <sup>nd</sup> & R Ave: 10 units -----         | 98%               |
| - <u>Anacortes Family Center Office</u> 2702 Commercial Ave -----                 | 95%               |
| - <u>Landed Gentry Townhomes</u> 904 32 <sup>nd</sup> St: 5 units -----           | 80%               |
| - <u>Strandberg Crosswinds Cottages</u> Crosswinds Ct: 18 units -----             | 66%               |
| - <u>Landed Gentry Townhomes</u> 1201/1205 32 <sup>nd</sup> St: 10 units -----    | 50%               |
| - <u>Anacortes Family Ctr Apartments</u> 1017 26 <sup>th</sup> St: 21 units ----- | 70%               |
| - <u>Irwin Parkside Duplexes</u> 1210 29 <sup>th</sup> St: 8 units -----          | 25%               |
| - <u>Islands Inn to Apartments</u> 3401 Commercial Ave: 38 units --(demo)---      | 15%               |
| - <u>Savibank New building</u> 2913 Commercial Ave: -----                         | 10%               |
| - <u>Samish Low Income Cottages</u> 34 <sup>th</sup> St & D Ave: 15 units -----   | 5%                |

# Trends by Housing Type



Dwelling Units By Type and Year



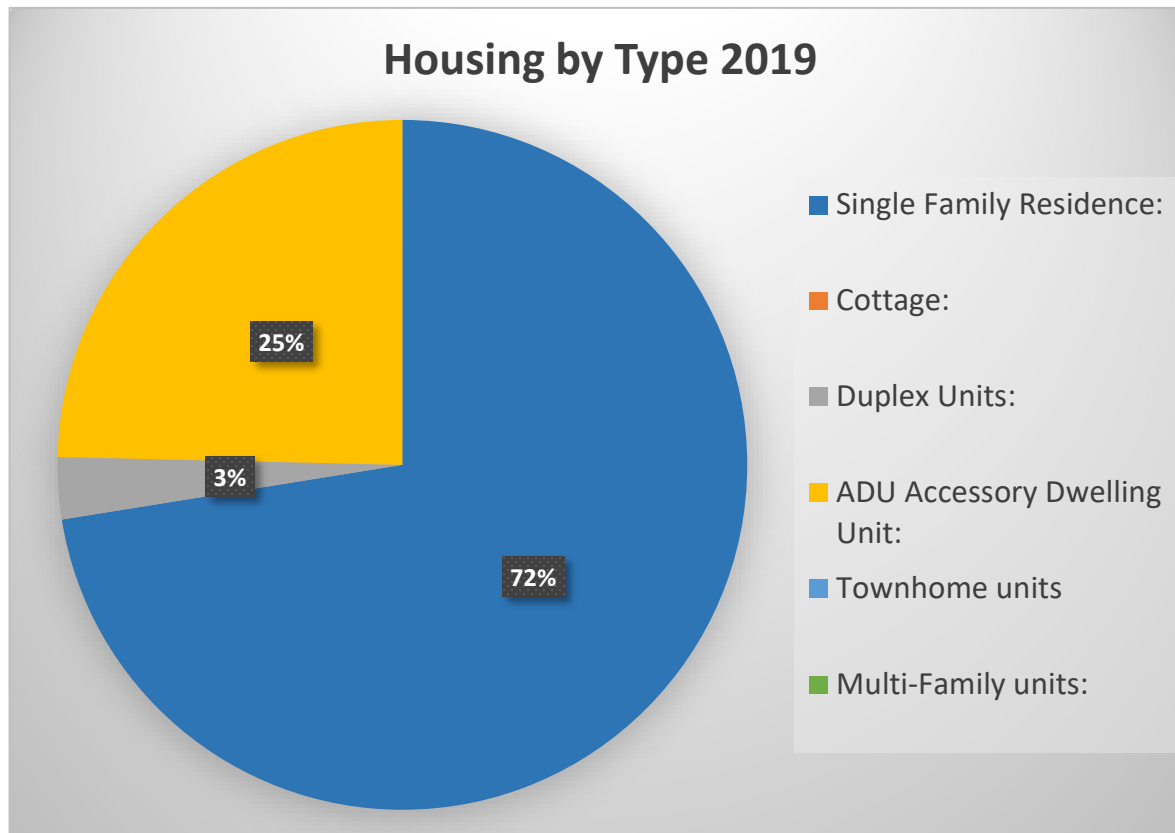
Much of the focus of the Building Department is on new housing.

New housing starts have shifted from a very homogenous single family residence to a variety of new housing stock options over the last four years.

We will break down the trends over the next several slides.



# Trends by Housing Type 2019



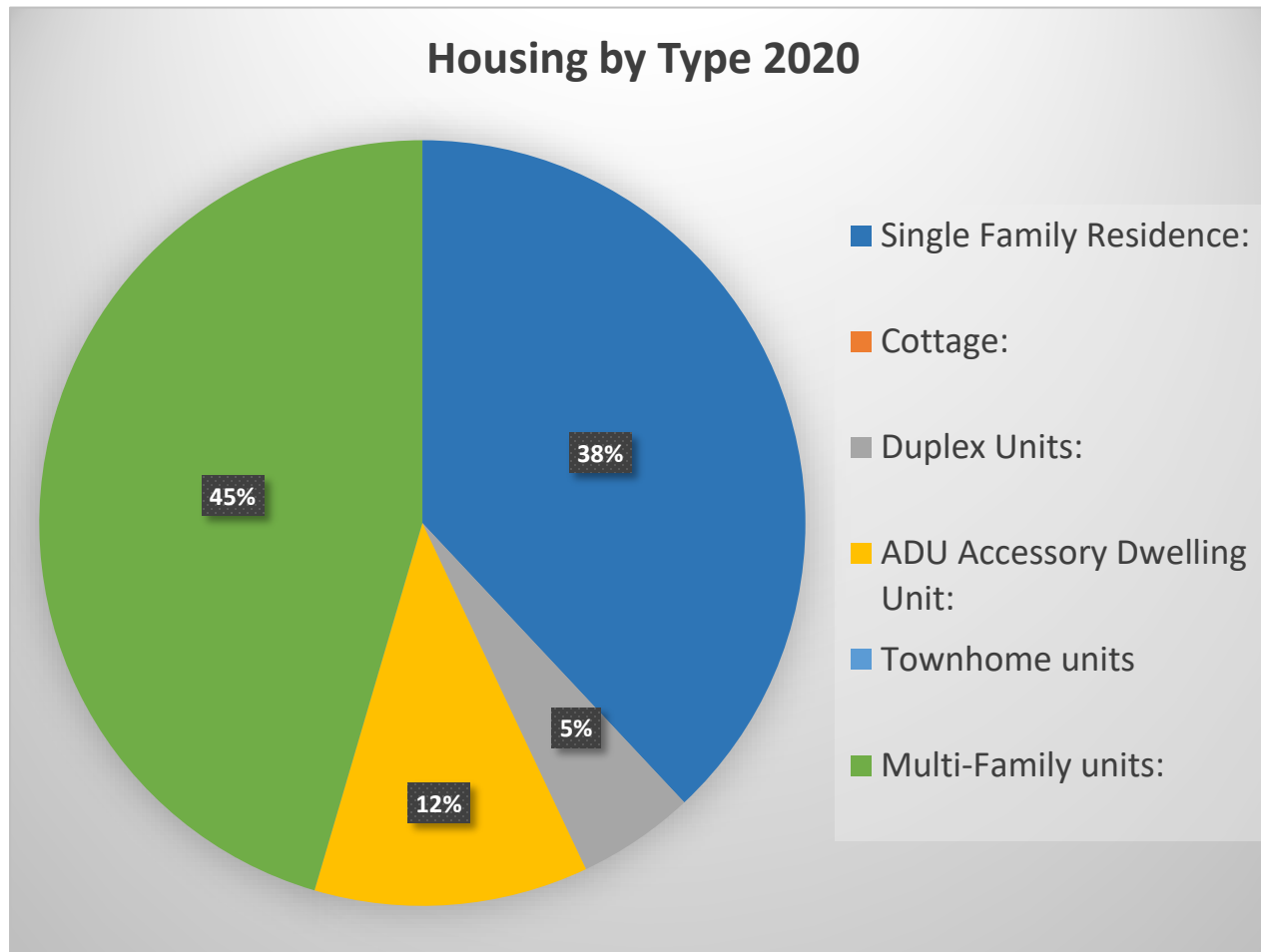
Anacortes Development Regulations update of August 2019 opened up new options for housing types.

The ordinance increased the maximum height in the CBD allowing for taller multifamily projects. Cottage development regulations were created. Townhome design standards created which clarified where and how they could be built.

**Previously the housing options were single family, multi family, ADU, duplex or triplex. This translated into the vast majority of new builds being single family structures or Accessory Dwelling Units, with very little variety in forms of housing stock.**



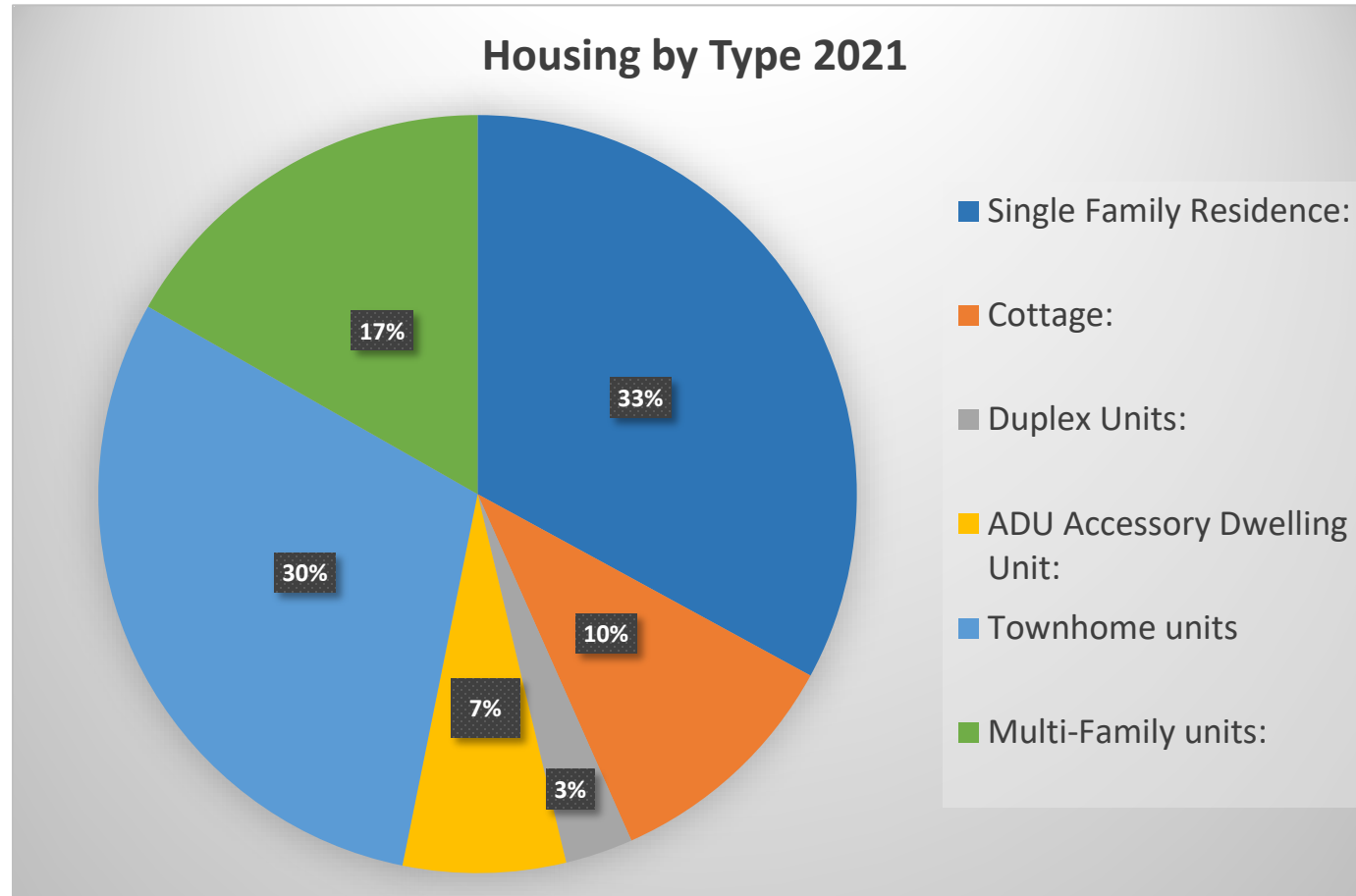
# Trends by Housing Type 2020



2020 saw a large increase in multifamily units over prior years. Half of these units were made possible by the change in CBD height restrictions combined with the bonus height for small units. Most of the multifamily units were in two projects. 2020 was the first year that new units of multi-family housing outpaced single family.



# Trends by Housing Type 2021



2021 saw a decrease in multifamily from 2020, but still at or above our historical level.

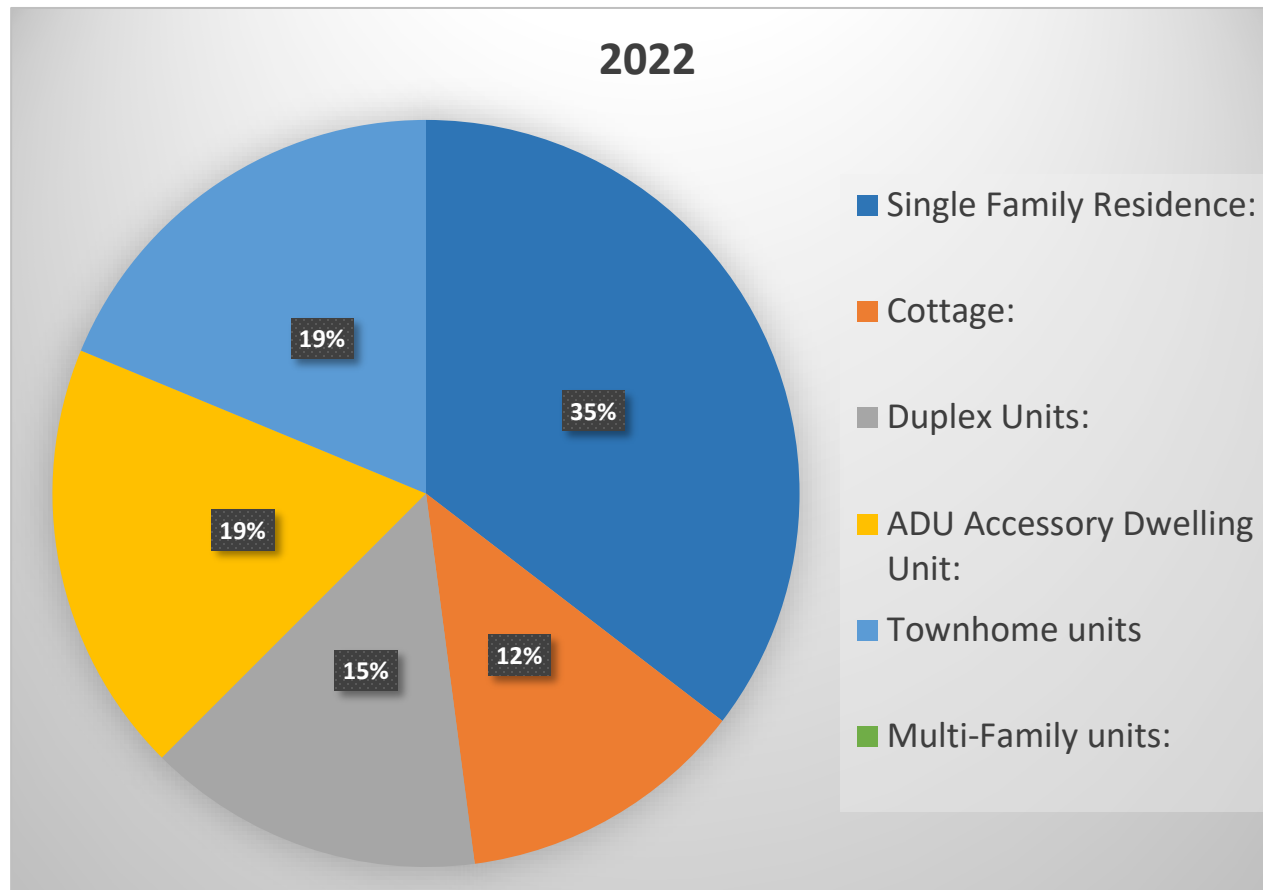
The units were similarly split between two projects, one a mixed use building, and the other a low income project.

Townhomes were the big story in 2021 as multiple builders took advantage of the 2019 clarification of townhome design standards.

Cottage projects designed under the new 2019 regulations began to make inroads as well.



# Trends by Housing Type 2022

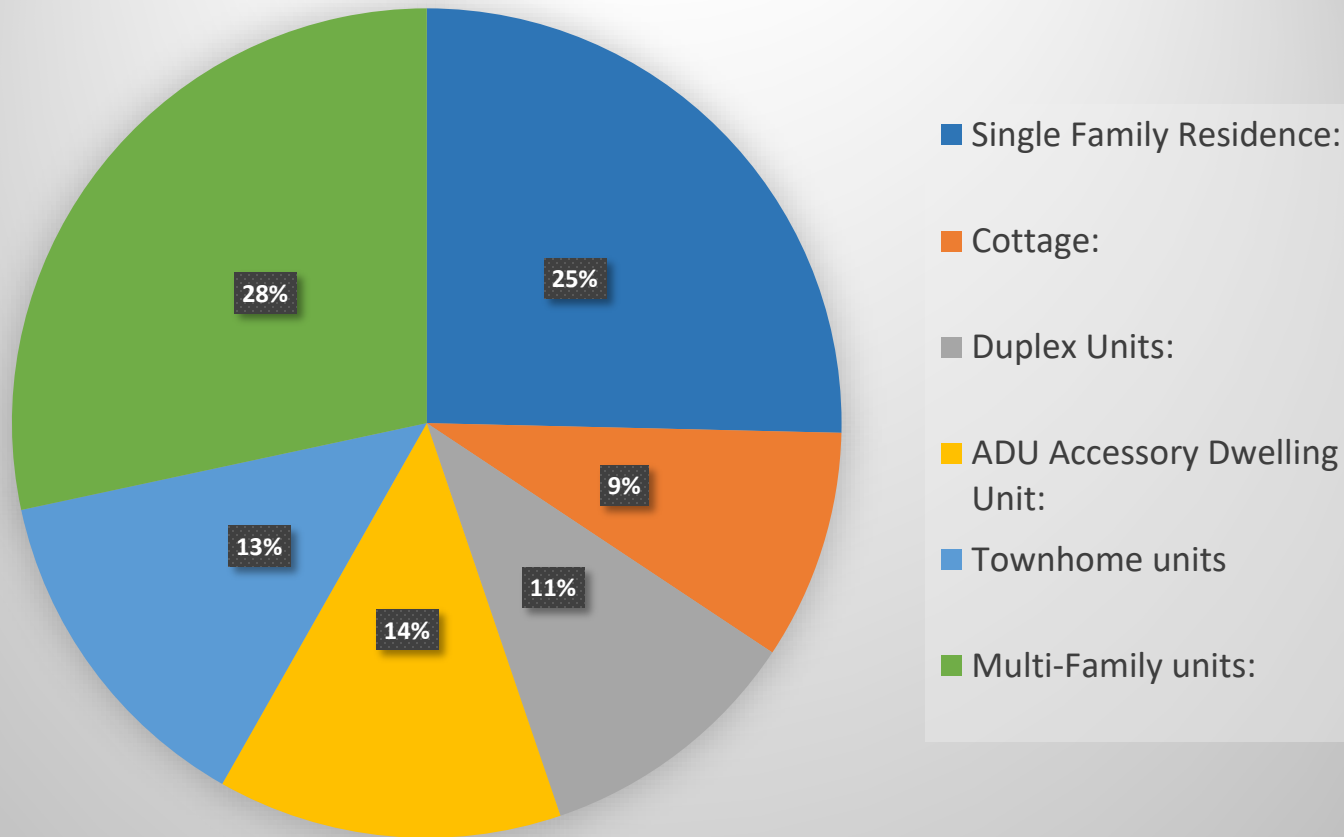


2022 saw a maturation of trend shifts in housing types with a more even spread across the spectrum of housing options. There is a 38 unit hotel to apartment conversion as well. They are not entirely "new" units so we plotted them separately in our chart series for consistency reasons.

# Trends by Housing Type 2022, with hotel conversion



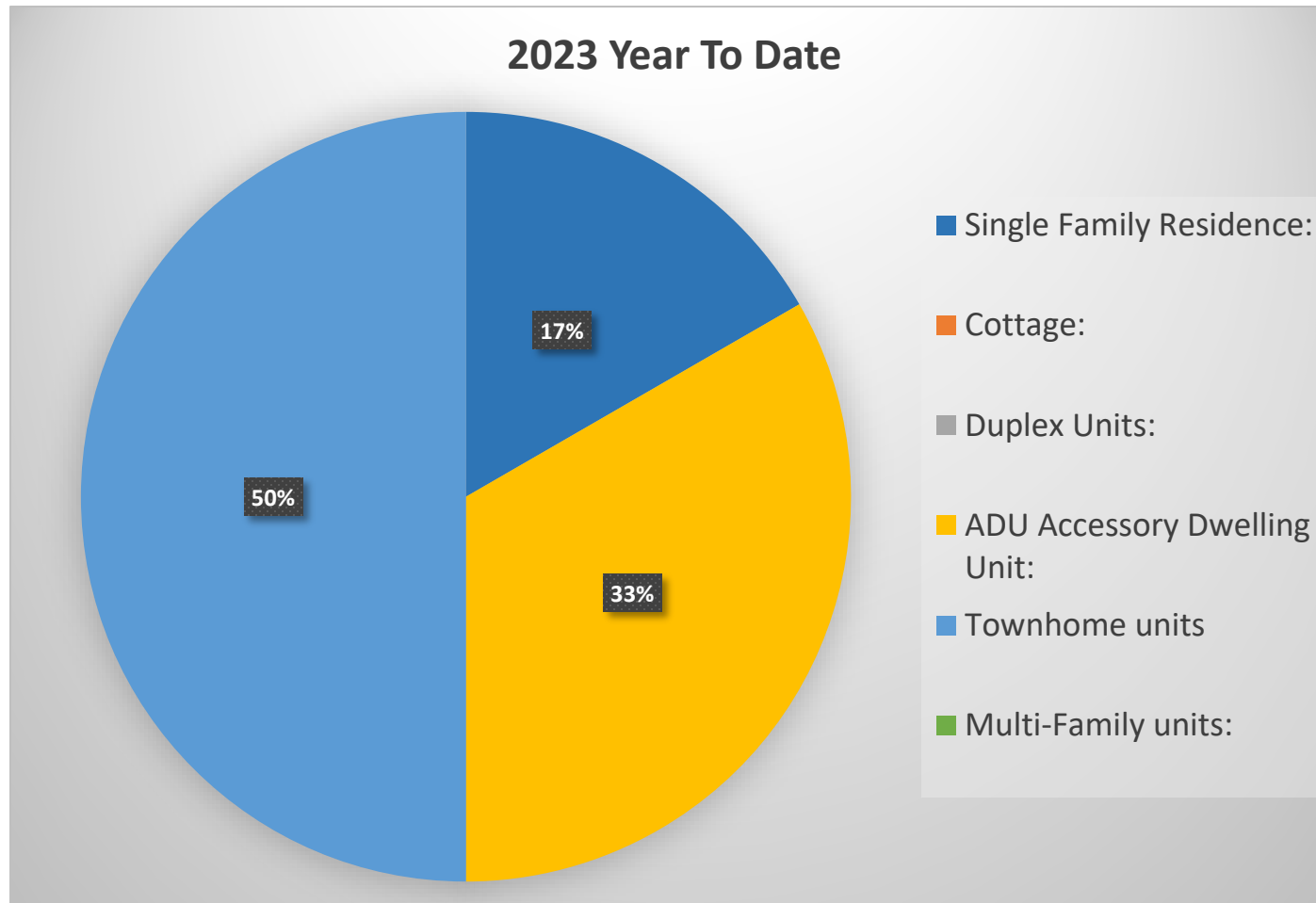
2022 With Hotel Conversion



When we add the 38 unit hotel conversion into the mix, it shows a much more balanced development of housing options.



# Trends by Housing Type



2023 trends to date:  
Multi family is likely coming back.  
We would expect the trend of at least 22% multi family based on the last four years.

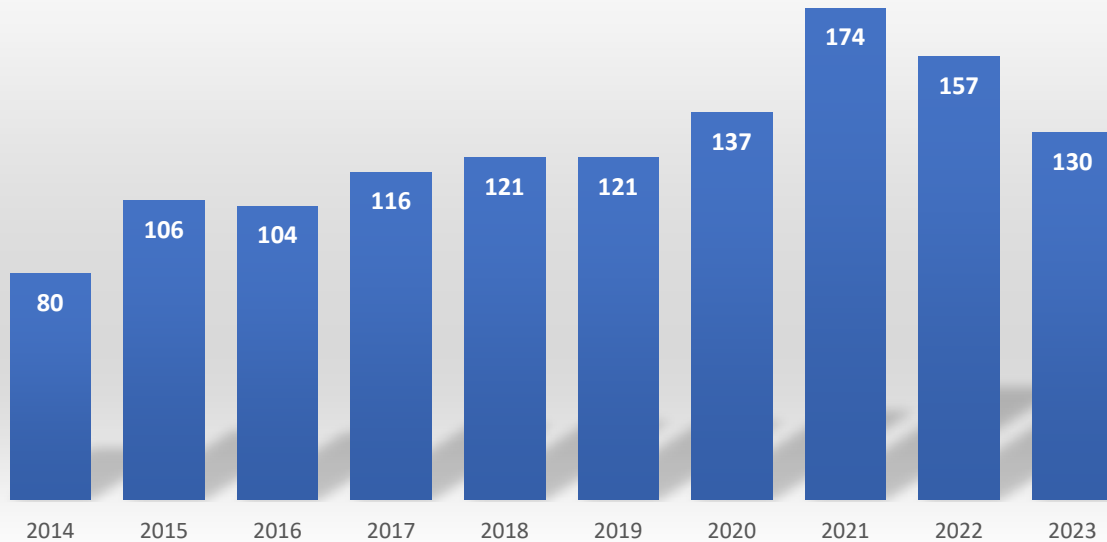
Our historic long term rate of multi family is 17% with senior housing included, 11% if it excludes senior or assisted living facilities.

We expect multi-family to have a slightly larger share going forward.

# 2023 Building Permitting Projections



Permit Submittals YTD on March 7th



- Year to date permitting activity is down slightly over the prior three years, but remains above our ten year average.
- We believe that current interest rates are putting a damper on new projects, but that the low vacancy rates combined with static repair and replacement needs will continue to push new projects forward.
- Density intensive projects pencil out better in the current economic situation.

# Current Planning Updates



## Past Project Status



- Port of Anacortes RV Park and JKL Parking Lot
  - Construction to start this summer
- Fiddlehead School
  - Project completed
- Samish Early Learning Center
  - Stalled
- Anacortes Readiness Center
  - Construction underway
- COA Wastewater Treatment Plant Outfall
  - In process of obtaining State and Federal permits
- The Crossings Cottages
  - Final plat approved and recorded.
  - 10 of 18 cottages permitted.
  - Various stages of construction.

# ••• The Crossing Cottages



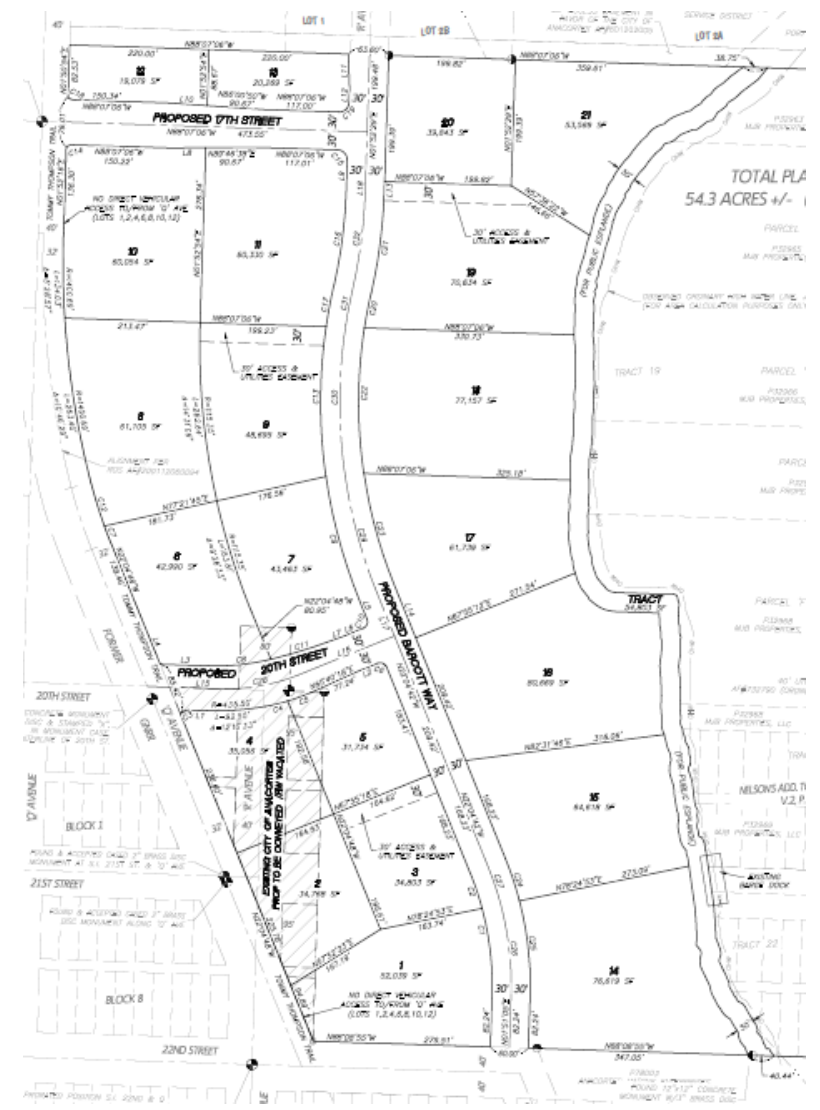
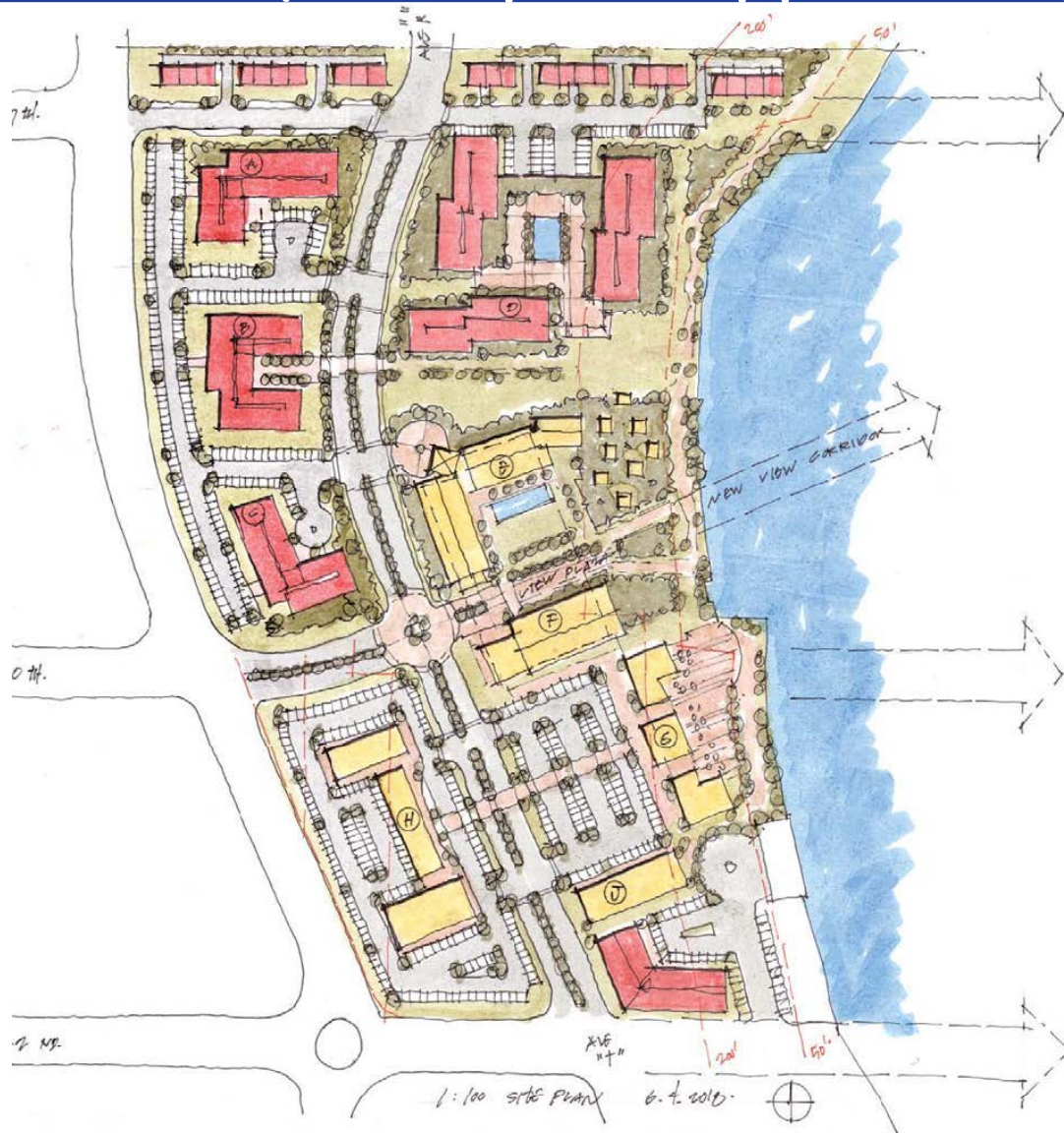


# Upcoming Land Use Projects

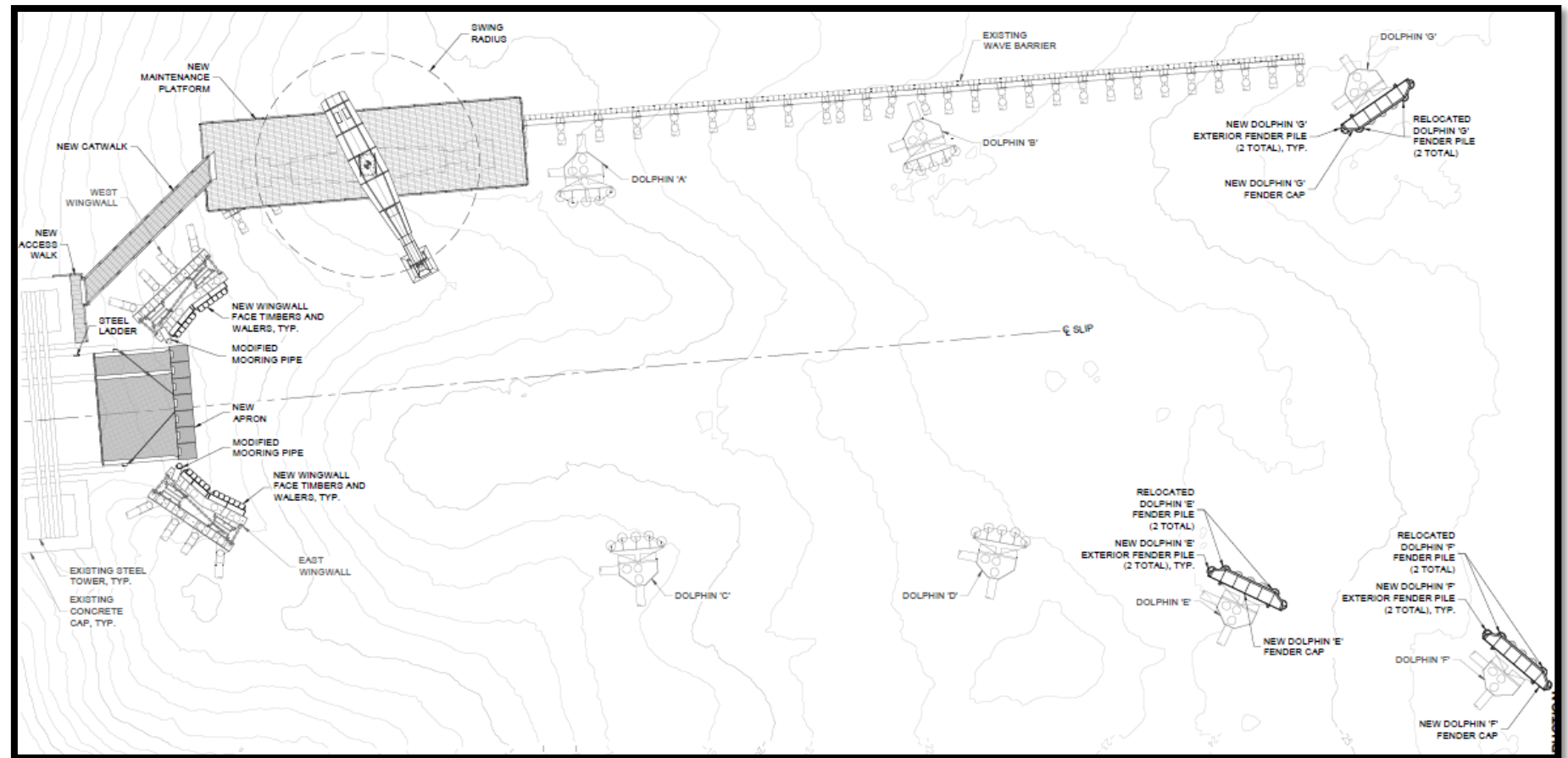


- MJB / Fidalgo Landing Subdivision
  - Current status: Incomplete Application
- Guemes Ferry Electrification & Terminal Improvements
  - Current status: Incomplete Application
- Port of Anacortes West Basin Redevelopment Master Plan
  - Current status: Preapplication Meeting Scheduled
- Port of Anacortes Curtis Warf Repairs and 2nd Street Improvement
  - Current status: Pre-Application Neighborhood Meeting tomorrow night  
([cityofanacortes.org/1499/Public-Meetings](http://cityofanacortes.org/1499/Public-Meetings))

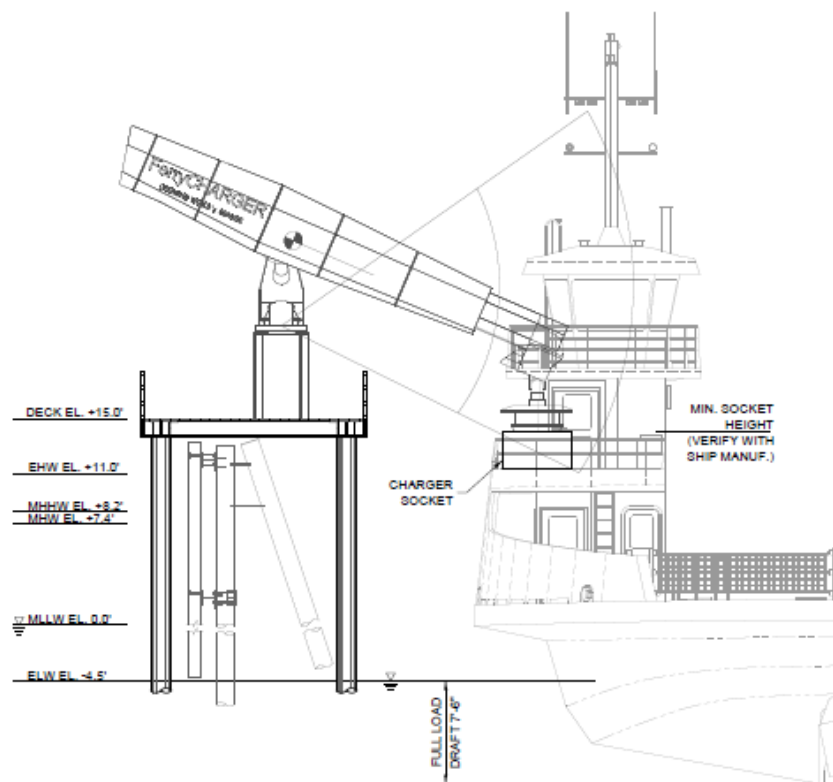
# MJB / Fidalgo Landing Subdivision (Incomplete Application)



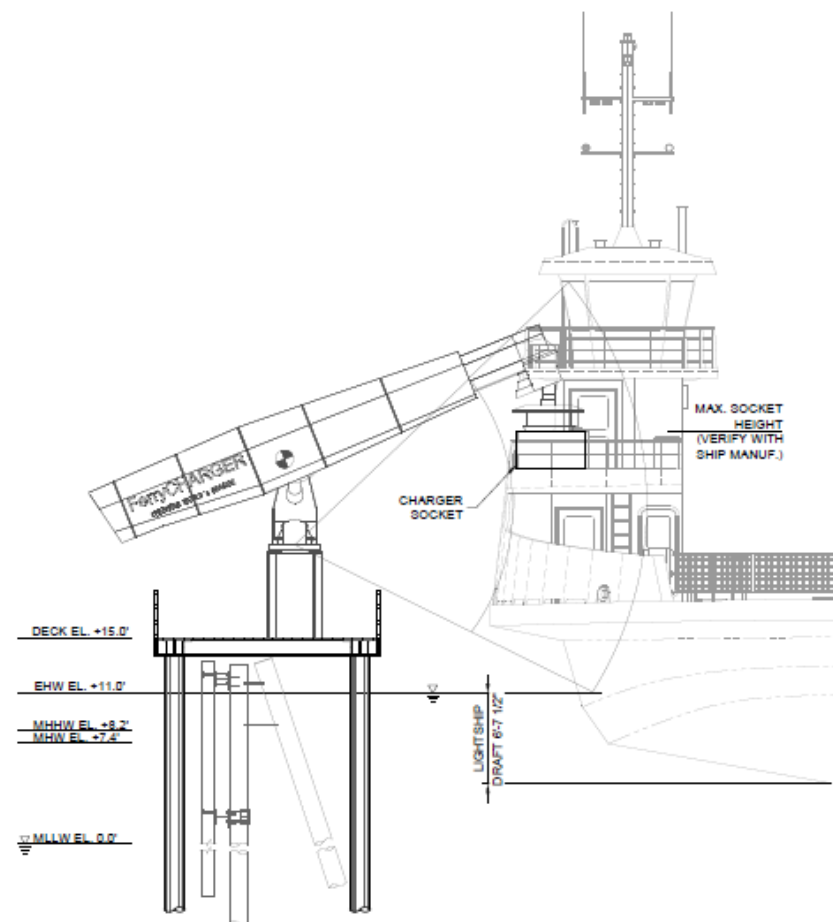
# Guemes Ferry Electrification Project (Incomplete Application)



# Guemes Ferry Electrification Project (Incomplete Application)

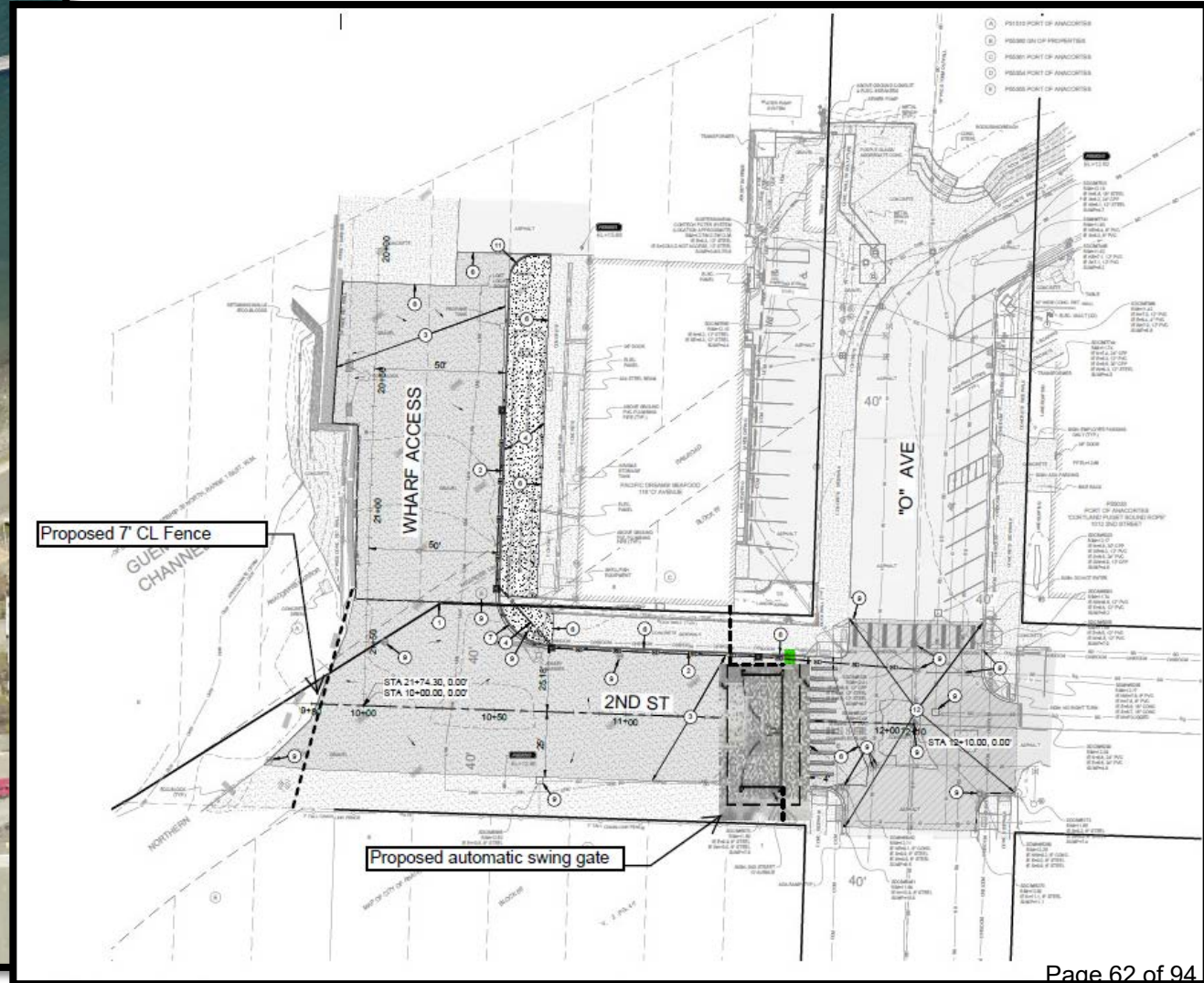


**ELEVATION**  
LOWEST RANGE



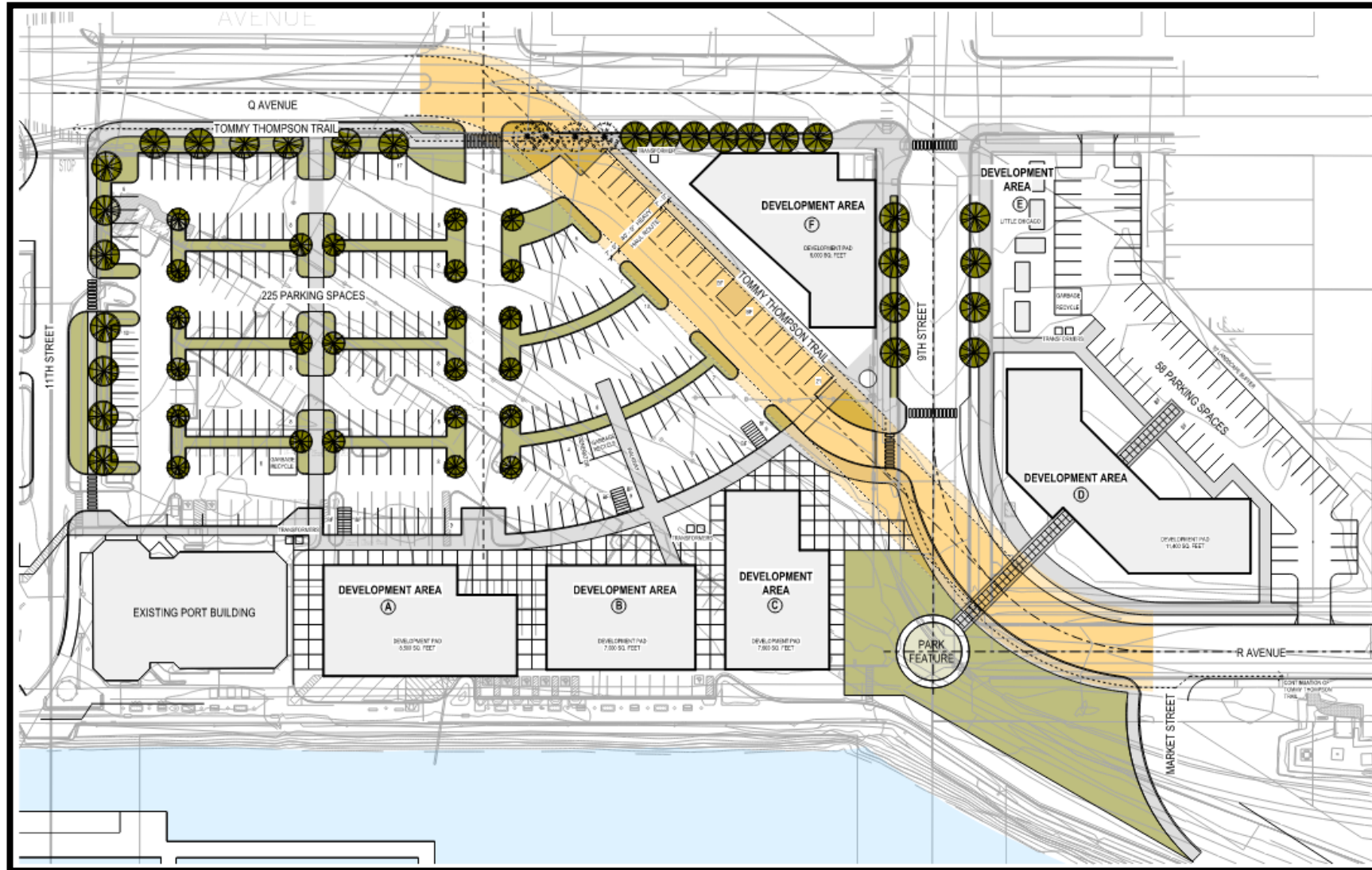
**ELEVATION**  
HIGHEST RANGE

# Curtis Warf Repairs & 2nd St. Improvement (Pre-Application Neighborhood Meeting tomorrow)

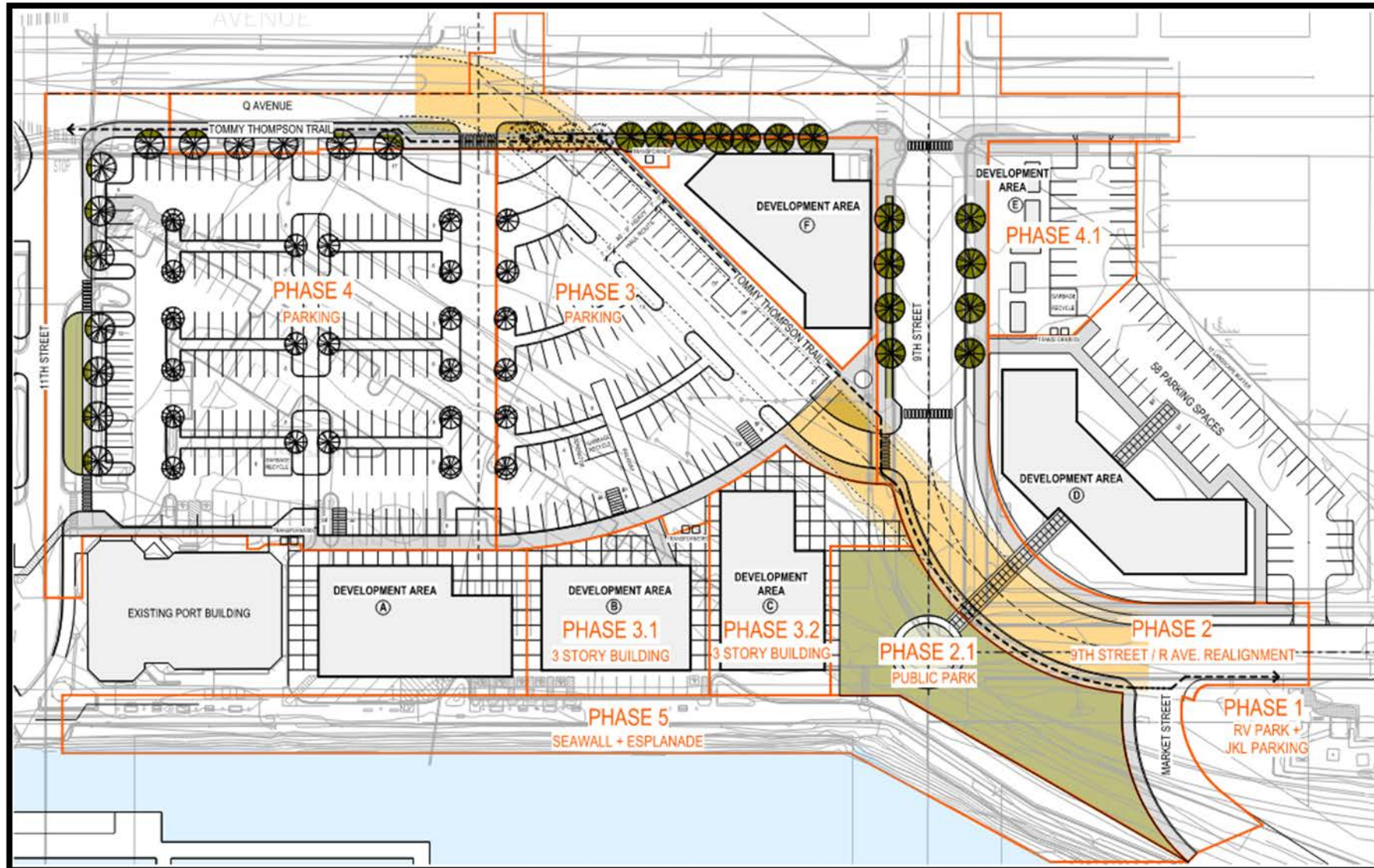


# Port West Basin Redevelopment Plan

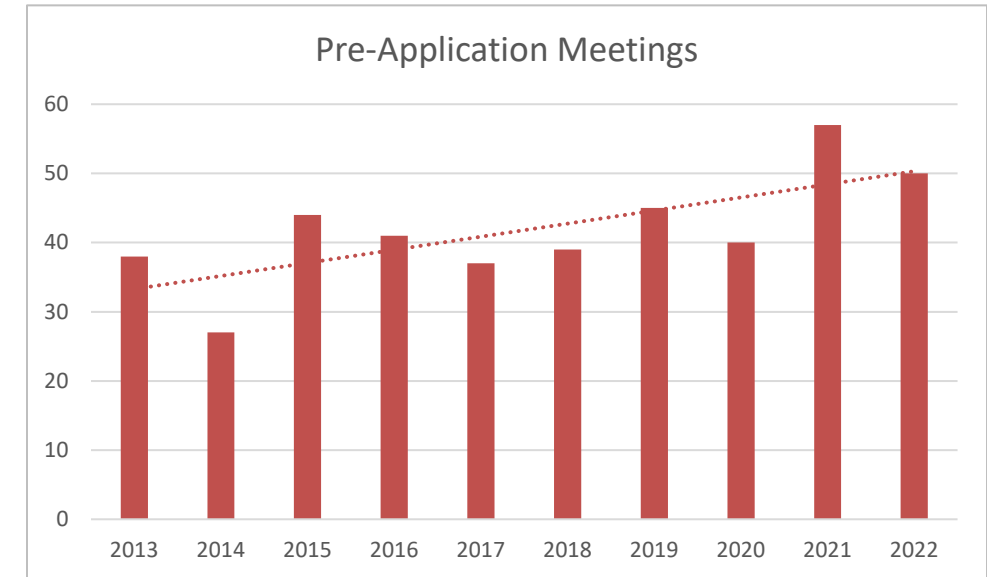
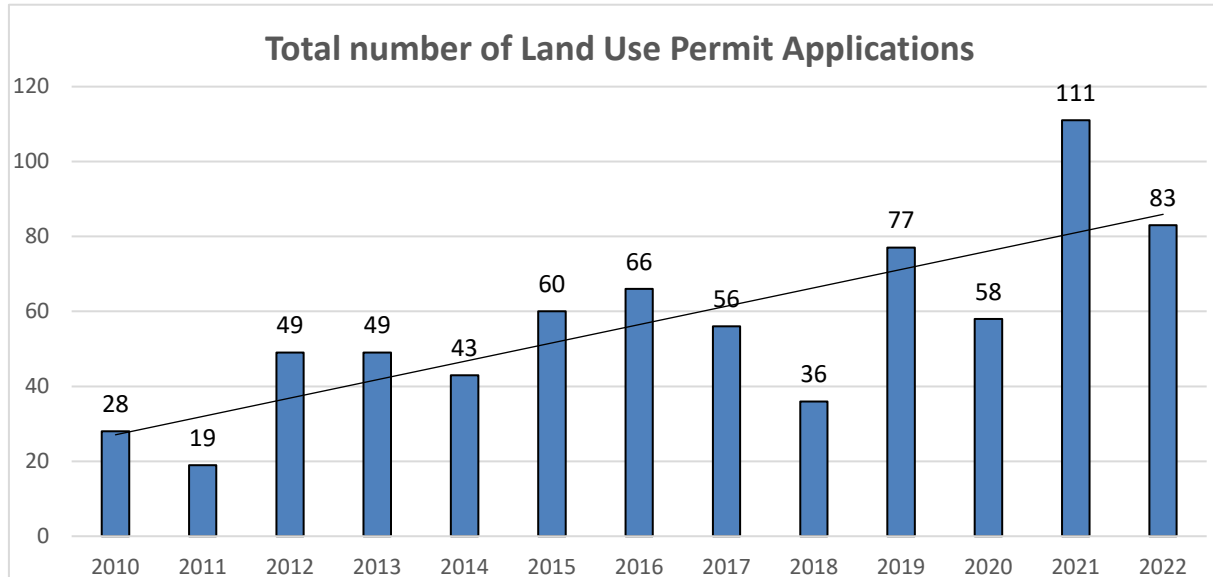
(Preapplication Meeting Scheduled)



# Port West Basin Redevelopment Plan (Preapplication Meeting Scheduled)

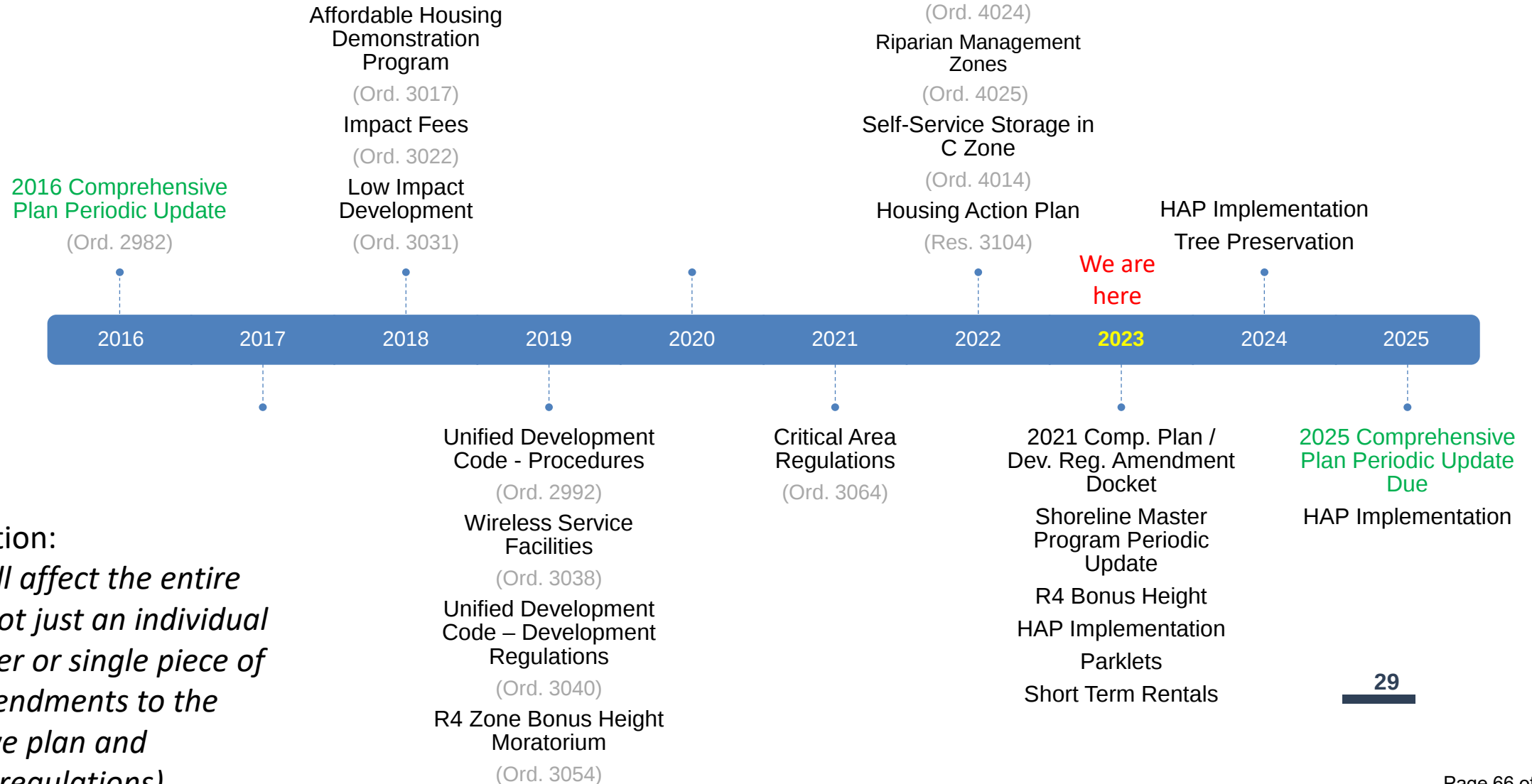


# Land Use Permit Trends



- Boundary Line Adjustments
- Critical Areas Permitting
- Conditional Use Permits
- Home Occupations
- Preliminary & Final Plats
- SEPA
- Shoreline Exemptions
- Shoreline Substantial Development Permits/ CUPs / Variances
- Site Plan Reviews
- Variances
- Wireless Service Facilities

# ●●● Long Range Planning



Legislative action:  
*One which will affect the entire community, not just an individual property owner or single piece of land (e.g. amendments to the comprehensive plan and development regulations)*

# ●●● 2023 – 2025 Legislative Work Plan



| Work Plan Item                     | Status                                                                                                           |
|------------------------------------|------------------------------------------------------------------------------------------------------------------|
| R4 Bonus Height                    | <ul style="list-style-type: none"><li>• At City Council</li></ul>                                                |
| SMP Periodic Update                | <ul style="list-style-type: none"><li>• Staff coordinating with DOE on CA integration, then back to CC</li></ul> |
| 2021 Amendments Docket             | <ul style="list-style-type: none"><li>• PC Public Hearing in Spring 2023</li></ul>                               |
| Housing Action Plan Implementation | <ul style="list-style-type: none"><li>• Near-term implementation actions to PC in Summer 2023</li></ul>          |
| Parklets                           | <ul style="list-style-type: none"><li>• CC in Spring 2023</li></ul>                                              |
| Short Term Rentals                 | <ul style="list-style-type: none"><li>• PC meetings in Fall 2023</li></ul>                                       |
| Tree Preservation                  | <ul style="list-style-type: none"><li>• Community discussions beginning in Spring 2024</li></ul>                 |
| 2025 Comp. Plan Periodic Update    | <ul style="list-style-type: none"><li>• Developing a work program</li></ul>                                      |

# 2025 Periodic Update



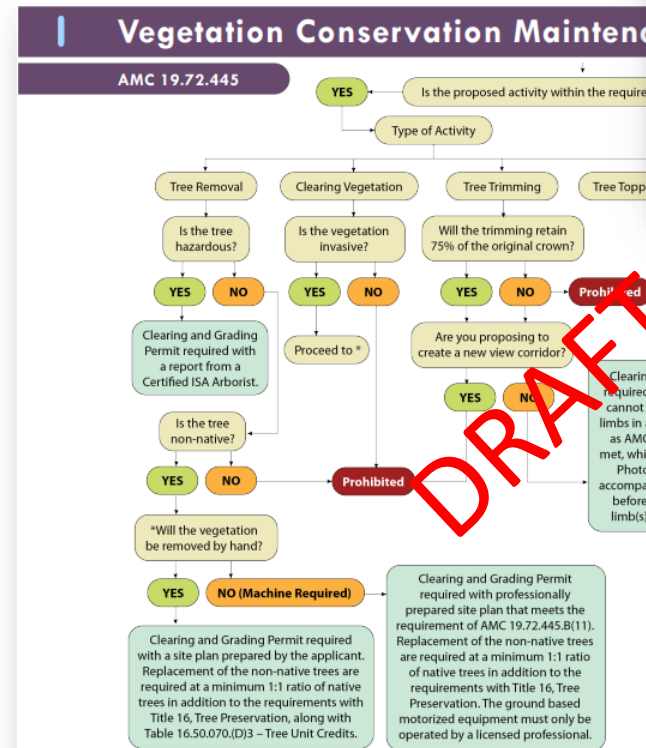
- GMA - Mandatory Topics to Review and Revise
  - Amendments to the GMA
  - Urban growth areas & population projections
  - Mandatory elements
    - Land use, housing, capital facilities plan, utilities, transportation, economic development
  - Development Regulations
  - Critical Areas
  - Resource Lands



# ••• Long Range Planning Updates

## SMP Competitive Grants

- User Guide
  - Guidance brochures to help public's understanding of shoreline regulations
- Shoreline Permit Monitoring Project
  - Identify implementation gaps in our shoreline permitting system and develop improved system for permit tracking, including mitigation & monitoring



DEPARTMENT OF  
**ECOLOGY**  
State of Washington

Agreement No. SEASMP-2123-Anacor-00018

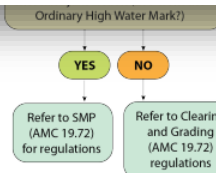
SHORELANDS SMP COMPETITIVE AGREEMENT

BETWEEN

THE STATE OF WASHINGTON DEPARTMENT OF ECOLOGY

AND

CITY OF ANACORTES





## Community Development Block Grant

The program is authorized by Title I of the Community Development Act of 1974. Federal funds are provided to local governments to assist in the development of decent housing, a suitable living environment, and expanded economic opportunities primarily for persons of low and moderate income. CDBG funds must be used for activities determined by the federal government to be eligible, and the local government determines which eligible use is appropriate in the community.

The City of Anacortes is an "entitlement city" and receives an annual CDBG allocation from the federal government. The City accepts applications from various organizations to implement CDBG activities.

[cityofanacortes.org/171/CDBG-Information](http://cityofanacortes.org/171/CDBG-Information)

- The city receives approximately \$105,000 per year
- 15% goes to public services typically goes to the AFC
- 2018-2021 Public Services – shelter programs, homelessness, supportive services assisted approximately 726 individuals
- 2018 –Preservation of rental housing , 2 households, 7 individuals at \$65,000
- 2019 – Preservation of rental housing-- essential appliances for 20 unit low income apartment complex

- 2019– Salvation Army refrigeration unit, served approximately 1988 individuals \$59,971
- 2019-2020 CDBG-CV Small Business Grants, Rental Relief, Covid recovery \$178,507, 20 local businesses retaining 100 employees and remain in business
- 2020 Rental relief approximately \$57,890 was applied to help 26 families
- 2020 –CDBG-CV The city allocated \$25,000 for a cold weather shelter



# Planning, Community & Economic Development Department

904 6<sup>th</sup> Street / PO Box 547  
Anacortes, WA 98221

Planning: 360-299-1984 [pced@cityofanacortes.org](mailto:pced@cityofanacortes.org)

Building: 360-293-1901 [buildingpermit@cityofanacortes.org](mailto:buildingpermit@cityofanacortes.org)





## City Council Agenda Bill

**Meeting Date:** March 20, 2023     **Agenda Item:** 7.b.

**Agenda Item Title:** Resolution 3118: Authorizing Execution of Tourism Promotion Fund Contracts

**Staff Contact(s):** DON MEASAMER, STEVE HOGLUND

**Approved for Submittal to Council by**     **Action Type**

Joann Stewart  
DON MEASAMER  
STEVE HOGLUND  
DARCY SWETNAM

Motion

**Item Summary:** The City received 2 applications for new events for 2023 and have requested Lodging Tax funding to advertise, publicize, or distribute information or undertake other activities specifically authorized by RCW 67.28.180 to attract visitors to Anacortes. The LTAC reviewed the applications and recommend the activities/projects for approval. The LTAC suggested modifications to one of the requested amounts. The LTAC based their recommendations on expectations that these activities/projects will encourage tourists and citizens to enjoy all our community has to offer.

**Budget Impact:**

Initial Award Contracts: \$492,893  
Awards for 2 new events: \$32,500  
New Total for 2023 Events: \$525,393  
Revenue Budget: \$504,610  
Budget Amendment to follow: \$20,783 to draw from reserves

**Previous Action:** Applications reviewed and approved by LTAC members

**Recommended Motion:** I move to approve Resolution 3118 authorizing execution of Tourism Promotion Fund contracts between the City of Anacortes and recipient agencies to promote tourism and attract visitors to Anacortes.

**Alternative Actions:** Request modifications to recommendations

**Attachments (listed in order presented):**

1. Resolution 3118 w Applications

**RESOLUTION NO. 3118**

**A RESOLUTION AUTHORIZING EXECUTION OF TOURISM PROMOTION FUND CONTRACTS BY AND BETWEEN THE CITY OF ANACORTES AND ANACORTES PRIDE PARADE & CELEBRATION and ART CENTER AT BUXTON'S**

**WHEREAS**, the below listed organizations have been selected by the City to undertake projects designed to advertise, publicize, or distribute information or undertake other activities specifically authorized by RCW 67.28.180 for the purpose of attracting visitors to the City of Anacortes; and

**WHEREAS**, the City of Anacortes wishes to provide certain monies to these organizations, which monies have been collected or will be collected as part of the Motel/Hotel Tax; and

**WHEREAS**, the City of Anacortes Lodging Tax Advisory Committee recommends approval of both applications.

**NOW, THEREFORE, BE IT RESOLVED BY THE ANACORTES CITY COUNCIL** to authorize the distribution of tourism promotion funds to the following organizations, as the official act and deed of the City of Anacortes:

|   | Project                              | Contracting Agency      | 2023 Requests | RECOMMENDED AWARDS |
|---|--------------------------------------|-------------------------|---------------|--------------------|
| 1 | Anacortes Pride Parade & Celebration | Anacortes Pride         | \$6,400       | \$2,500            |
| 2 | Art Center at Buxton's               | Anacortes Arts Festival | \$30,000      | \$30,000           |
|   | TOTALS                               |                         | \$36,400      | \$32,500           |

**PASSED** and **APPROVED** on this 20<sup>th</sup> day of March 2023.

**CITY OF ANACORTES**

By \_\_\_\_\_  
Matt Miller, Mayor

**ATTEST:**

\_\_\_\_\_  
Steven Hoglund, City Clerk

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Darcy Swetnam, WSBA #40530  
City Attorney

# Application

## Project Detail

|                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Project name</b>                | Art Center at Buxton's                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Date(s) of project</b>          | 2/1/23 -1/31/24                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Amount of funding requested</b> | \$30,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Type of qualifying project</b>  | <input checked="" type="checkbox"/> Tourism Promotion/Marketing<br><input type="checkbox"/> Operation of a Special Event/Festival designed to attract tourists<br><input type="checkbox"/> Operation of a Tourism Promotion Agency<br><input checked="" type="checkbox"/> Operation of a Tourism-Related Facility owned or operated or non-profit organization<br><input type="checkbox"/> Operation and/or Capital Costs of a Tourism-Related Facility owned by a municipality |

## Applicant Detail

|                          |                                                                                                                                                                                   |
|--------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Applicant name</b>    | Anacortes Arts Festival                                                                                                                                                           |
| <b>Type of applicant</b> | <input type="checkbox"/> Individual <input checked="" type="checkbox"/> Non-profit corporation <input type="checkbox"/> Public agency <input type="checkbox"/> Other: enter text. |
| <b>Federal tax ID #</b>  | 91-1493326                                                                                                                                                                        |
| <b>Contact name</b>      | Meredith McIlmoyle                                                                                                                                                                |
| <b>Mailing Address</b>   | 505 O Avenue, Anacortes, WA 98221                                                                                                                                                 |
| <b>Email address</b>     | aafdirector@anacortesartsfestival.com                                                                                                                                             |
| <b>Phone</b>             | 360-708-4416                                                                                                                                                                      |

## Project Questionnaire

### Describe your project.

The Anacortes Arts Festival is working to lease the Buxton's building to begin the important work that will navigate to our future art center downtown. Together, with our collaborative partners, we would begin offering art & cultural opportunities in our community, while the new art center is under construction.

AAF would offer after-school youth and daytime adult art classes. There will be a small gallery and several artist studios, depending on how space plays out. AMP would house their lending library, have their offices and coordinate the music rooms for lessons. ACT would offer some of their classes in the building. In addition to these organizations offering classes, the building will host concerts, art shows, markets and community events. Also, the collaborative will work to create art & cultural events for Anacortes residents and tourists alike.

These activities will include things such as:

- Concerts
- Movie Nights
- "Sip & Paint" Nights
- Theatre performances
- Comedy & Poetry Events
- Summer Camps & Classes

**Describe with specificity what aspects of your project you would spend the requested funds on.**

We are applying for LTAC funds to pay for marketing for all art programs and to off-set administrative staff costs.

## Promotion

**Describe how you will promote your project to attract tourists.**

We will use some of our proven methods to reach tourists by advertising monthly events to Skagit, Whatcom, Snohomish and North King County. With a small marketing budget to start with, we will use print, digital and social media advertising at first.

**Describe how you will promote lodging establishments, restaurants, and businesses located in Anacortes.**

We will promote back to the chamber business listings whenever visitors reach our festival and ticketing pages.

## Budget

**Describe the overall budget for your project and entire budget costs.**

Annual budget of \$40,200 for administrative staff costs and marketing. Total budget of \$144,000.

**What amount of that budget are you requesting from the city?**

75% of the marketing and administrative costs, 25% of overall costs.

**What would you cut from your proposed project if your application is not fully funded?**

If we are not fully funded, we will still progress with the project. It would extend our staff and our own organizational budgets further.

## Tourism-Impact Estimate

**Provide the following estimates of the number of visitors to Anacortes as a direct result of your project. For recurring events, provide actual data from prior years. Leave blank if prior year data is not available.**

|                                                                                                                                          | Estimate | Actuals    |            |            |
|------------------------------------------------------------------------------------------------------------------------------------------|----------|------------|------------|------------|
|                                                                                                                                          | 2023     | month/year | month/year | month/year |
| Overall attendance                                                                                                                       | 8,000    | Enter ###. | Enter ###. | Enter ###. |
| Number of people traveling more than 50 miles or more one way from their place of residence or business for the day or staying overnight | 2,400    | Enter ###. | Enter ###. | Enter ###. |
| Number of people traveling from another country or state outside of their place of residence or their business                           | 100      | Enter ###. | Enter ###. | Enter ###. |
| Number of people staying in PAID accommodations (e.g., hotel, motel, bed-and-breakfast) in Anacortes                                     | 400      | Enter ###. | Enter ###. | Enter ###. |
| Number of paid lodging room nights resulting from your project (e.g., 25 rooms on Friday and 50 rooms on Saturday = 75 room nights)      | 200      | Enter ###. | Enter ###. | Enter ###. |
| Number of attendees who did not pay for overnight lodging                                                                                | 200      | Enter ###. | Enter ###. | Enter ###. |

**Describe methods you will use to track tourists for the purpose of mandatory reporting.**

All events will either have a registration or ticketing process, which we will track for reporting.

**Describe the prior success of your project in attracting tourists.**

The Anacortes Arts Festival and it's collaborators have successfully attracted tourists for Anacortes for more than 60 years.

**Describe your target tourist audience (location, demographics, etc.)**

Our target audience will depend on the event. The mix of opportunities will hit all demographics and age perspective and nearby counties from a geographic perspective.

## Attachments

Prior recipients for similar proposals must attach examples of ads, promotional materials, reports, or other materials they have generated with prior allocations of lodging tax funds.

List the titles of any attachments you have included with this application:

Buxton Planning Document

## Certification

- I am an authorized agent of the organization applying for funding.
- If awarded, my organization intends to enter into a Municipal Services Contract with the City; provide liability insurance for the duration of the contract naming the City as additional insured and in an amount determined by the City; and file for a permit to use City property, if applicable.
- I understand that the City will only reimburse those costs actually incurred by the Applicant and only after the service is rendered, paid for if provided by a third party, and a signed Request for Reimbursement form (or other form acceptable to the City) has been submitted to the City, including copies of invoices and payment documentation.
- I understand that the Applicant will be required to submit a report in a format determined by the City.
- I understand that all project activities must be identified in promotional and other business materials as having been funded by the City of Anacortes.
- I understand that once submitted, this application is a public record. The City may post part or all of it on the City website or provide it in response to public records request.

|                     |                                                                                                   |
|---------------------|---------------------------------------------------------------------------------------------------|
| <b>Signature</b>    | Meredith McIlmoyle<br><small>TYPE NAME IN PLACE OF SIGNATURE IF SUBMITTING ELECTRONICALLY</small> |
| <b>Printed name</b> | Meredith McIlmoyle                                                                                |
| <b>Title</b>        | Executive Director                                                                                |
| <b>Organization</b> | Anacortes Arts Festival                                                                           |

# Application

## Project Detail

|                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Project name</b>                | Anacortes Pride Parade and Celebration                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Date(s) of project</b>          | June 18, 2023                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Amount of funding requested</b> | 6400                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Type of qualifying project</b>  | <input type="checkbox"/> Tourism Promotion/Marketing<br><input checked="" type="checkbox"/> Operation of a Special Event/Festival designed to attract tourists<br><input type="checkbox"/> Operation of a Tourism Promotion Agency<br><input type="checkbox"/> Operation of a Tourism-Related Facility owned or operated or non-profit organization<br><input type="checkbox"/> Operation and/or Capital Costs of a Tourism-Related Facility owned by a municipality |

## Applicant Detail

|                          |                                                                                                                                                                                   |
|--------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Applicant name</b>    | Anacortes Pride                                                                                                                                                                   |
| <b>Type of applicant</b> | <input type="checkbox"/> Individual <input checked="" type="checkbox"/> Non-profit corporation <input type="checkbox"/> Public agency <input type="checkbox"/> Other: enter text. |
| <b>Federal tax ID #</b>  | 87-2945189                                                                                                                                                                        |
| <b>Contact name</b>      | Natalie Clark                                                                                                                                                                     |
| <b>Mailing address</b>   | PO Box 2021, Anacortes, WA 98221                                                                                                                                                  |
| <b>Email address</b>     | nclark@anacortespride.org                                                                                                                                                         |
| <b>Phone</b>             | 972-467-6374                                                                                                                                                                      |

## Project Questionnaire

### Describe your project.

#### Describe with specificity what aspects of your project you would spend the requested funds on.

Anacortes Pride will be hosting the second annual pride parade, with a parade that goes down Commercial St. ending at Causland park where we will have a festival with food trucks, entertainment (talent show/paid performers), activities, and vendors. We would use LTAC funding for advertising, handicap accessible port-a-potties, a stage that all attendees can see, volunteer incentives to help staff the event, promote local businesses who sponsor the parade, and canvass for attendee demographics, and an emcee and talent booking that will draw a crowd from further out from our local area.

Here is how we would allocate funds from LTAC:

|                       |        |                                                                                    |
|-----------------------|--------|------------------------------------------------------------------------------------|
| Social Media Ads      | \$400  | Facebook, Instagram                                                                |
| Print Advertisement   | \$1100 | Regional LGBTQ publications, Clamdigger, Posters, Stickers                         |
| Event Signage         | \$500  | Outdoor signage to advertise the upcoming event                                    |
| Stage                 | \$1200 | Rental                                                                             |
| Talent Booking        | \$1500 | High-profile emcee, if possible out of town performers who will bring fans along   |
| Volunteer Recruitment | \$500  | Tshirts, food during event training, working days, and day of the event            |
| Toilet Facilities     | \$1200 | At least 2 ADA toilets & 3-4 regular toilets. There are no facilities at the park. |

## Promotion

### Describe how you will promote your project to attract tourists.

Because there are LGBTQ2IA members everywhere, we reach far and wide to bring them together, through Facebook ads, print ads as far as Seattle, Canada and the islands, social media and handing out print material at events in other towns, via stickers and posters. We will also reach out to regional LGBTQIA+ organization with formal invitations for their members. Our advertising will promote a full weekend of activities and highlighting Anacortes as a welcoming and fun place to spend the weekend.

### Describe how you will promote lodging establishments, restaurants, and businesses located in Anacortes.

Most people who come to pride parades are there to have fun, share in festivities and make it last. There will be promotions of eating establishments and lodging through our website and social media by offering a map of the area of the parade route, places to eat before and after, and where to stay. We are also looking to book local food trucks to set up around Causland Park during the event. If we can find a willing hotel, we'd like to offer either a discount or special package to Pride tourists.

## Budget

### Describe the overall budget for your project and entire budget costs.

13,400

### What amount of that budget are you requesting from the city?

6400

### What would you cut from your proposed project if your application is not fully funded?

Emcee budget, volunteer incentives (free tshirts, food during training/working), some toilet facilities, paid advertising06/2022

## Tourism-Impact Estimate

Provide the following estimates of the number of visitors to Anacortes as a direct result of your project. For recurring events, provide actual data from prior years. Leave blank if prior year data is not available.

|                                                                                                                                          | Estimate | Actuals |            |            |
|------------------------------------------------------------------------------------------------------------------------------------------|----------|---------|------------|------------|
|                                                                                                                                          | 2023     | 06/2022 | month/year | month/year |
| Overall attendance                                                                                                                       | 1000     | 750     | Enter ###. | Enter ###. |
| Number of people traveling more than 50 miles or more one way from their place of residence or business for the day or staying overnight | 400      | 250     | Enter ###. | Enter ###. |
| Number of people traveling from another country or state outside of their place of residence or their business                           | 100      | 100     | Enter ###. | Enter ###. |
| Number of people staying in PAID accommodations (e.g., hotel, motel, bed-and-breakfast) in Anacortes                                     | 50       | unknown | Enter ###. | Enter ###. |
| Number of paid lodging room nights resulting from your project (e.g., 25 rooms on Friday and 50 rooms on Saturday = 75 room nights)      | 50       | unknown | Enter ###. | Enter ###. |
| Number of attendees who did not pay for overnight lodging                                                                                | 50       | unknown | Enter ###. | Enter ###. |

### Describe methods you will use to track tourists for the purpose of mandatory reporting.

We will have volunteers canvassing the crowd asking where folx are from and if they're staying the night, and where. We also ask crowd participation in who is from where at the beginning of the talent show/entertainment.

### Describe the prior success of your project in attracting tourists.

The pride parade had around 750 attendees. Downtown businesses were crowded post-parade and into the evening by celebrants. We also had a well-attended happy hour at the Brown Lantern the night before which was attended by quite a few out-of-towners. We know that there were groups in the parade itself from other cities, as well as many attendees to the parade and celebration in the park.

**Describe your target tourist audience (location, demographics, etc.)**

Families and single people, young and old, LGBTQ2IA community and those who care about them, people who like to celebrate commonalities while honoring differences at the same time.

## Attachments

Prior recipients for similar proposals must attach examples of ads, promotional materials, reports, or other materials they have generated with prior allocations of lodging tax funds.

List the titles of any attachments you have included with this application:

[Click here to enter text.](#)

## Certification

- I am an authorized agent of the organization applying for funding.
- If awarded, my organization intends to enter into a Municipal Services Contract with the City; provide liability insurance for the duration of the contract naming the City as additional insured and in an amount determined by the City; and file for a permit to use City property, if applicable.
- I understand that the City will only reimburse those costs actually incurred by the Applicant and only after the service is rendered, paid for if provided by a third party, and a signed Request for Reimbursement form (or other form acceptable to the City) has been submitted to the City, including copies of invoices and payment documentation.
- I understand that the Applicant will be required to submit a report in a format determined by the City.
- I understand that all project activities must be identified in promotional and other business materials as having been funded by the City of Anacortes.
- I understand that once submitted, this application is a public record. The City may post part or all of it on the City website or provide it in response to public records request.

|                     |                                                                                              |
|---------------------|----------------------------------------------------------------------------------------------|
| <b>Signature</b>    | Natalie Clark<br><small>TYPE NAME IN PLACE OF SIGNATURE IF SUBMITTING ELECTRONICALLY</small> |
| <b>Printed name</b> | Natalie Clark                                                                                |
| <b>Title</b>        | Board Chair                                                                                  |
| <b>Organization</b> | Anacortes Pride                                                                              |



## City Council Agenda Bill

**Meeting Date:** March 20, 2023    **Agenda Item:** 7.c.

**Agenda Item Title:** Ordinance 4044: Amending the Qualifications for the Utility Discount Program

**Staff Contact(s):** STEVE HOGLUND

| <b><u>Approved for Submittal to Council by</u></b> | <b><u>Action Type</u></b> |
|----------------------------------------------------|---------------------------|
| GREG FRANCIOCH                                     | Ordinance                 |
| STEVE HOGLUND                                      |                           |
| DARCY SWETNAM                                      |                           |

**Item Summary:** Discussion of the utility discount program, including the qualifying income threshold, program access, and fiscal considerations.

**Budget Impact:**

**Previous Action:** N/A

**Recommended Motion:**

**Alternative Actions:**

**Attachments (listed in order presented):**

1. draft ordinance ub discount change 3.13.23
2. Utility Billing Discount Program

**Ordinance No. \_\_**

**An Ordinance Amending AMC 13.44.020 and Adopting New Chapter 3.50  
Regarding Utility Rate Discounts for Low-Income Households**

**Whereas** Article VIII, Section 7 of the Washington State Constitution provides an exception “for the necessary support of the poor and infirm” from the general rule that a city may not give any money to, or in aid of, any individual, association, company, or corporation;

**Whereas** AMC 13.44.020, adopted by [Ordinance 1947](#) in 1984, created a 20% utility bill discount for households that meet the 1984 federal poverty guidelines;

**Whereas** the federal poverty guidelines don’t take into account local economic circumstances;

**Whereas** HUD defines three income limits (Low, Very Low, and Extremely Low) for Area Median Income for the Mount Vernon-Anacortes Metropolitan Statistical Area on an annual basis;

**Whereas** the City and State use the HUD income limits in many contexts to identify households that qualify for public subsidy or support;

**Whereas** the cost of housing includes the cost of utilities;

**Whereas** the City Council has recognized that the cost of housing in Anacortes is unaffordable to many segments of our community;

**Now, therefore, the City Council of the City of Anacortes does ordain as follows:**

Section 1. AMC 13.44.020 is repealed.

Section 2. AMC Chapter 3.50 is adopted to read as shown in Attachment A.

Section 3. Consistent with RCW 35A.12.130, this ordinance takes effect five days after passage and publication.

**PASSED and APPROVED this \_\_ day of \_\_\_\_\_, 2023.**

**CITY OF ANACORTES:**

---

Matt Miller, Mayor

**Attest:**

---

Steve Hoglund, City Clerk-Treasurer

**Approved as to Form:**

---

Darcy Swetnam, City Attorney

## Chapter 3.50 Utility Rate Discounts for Low-Income Households

|                                   |   |
|-----------------------------------|---|
| 3.50.010 Purpose .....            | 3 |
| 3.50.020 Definitions .....        | 3 |
| 3.50.030 Applicability .....      | 4 |
| 3.50.040 Program Established..... | 4 |
| 3.50.050 Qualifying Accounts..... | 5 |
| 3.50.060 Enrollment.....          | 6 |
| 3.50.070 Amount of Discount.....  | 7 |
| 3.50.080 Penalties .....          | 8 |

**i** We reviewed the following other jurisdictions' programs:

- [Bellingham: Reduced rates for low income senior and disabled citizens.](#) Applies to non-profits offering low-income housing and housing authorities, and seniors aged 62 or older with an income of 35,000 or less. Offers a sliding scale from 25-75% discount.
- [Chehalis: Rates for low-income senior citizen customers and low-income totally disabled customers.](#) Applies to low-income (HUD AMI) senior and totally disabled customers. Offers a 50% rate reduction off the fixed rate.
- [East Wenatchee: rates for senior citizens, low-income citizens, and disabled citizens.](#) Applies to senior or disabled qualifications for income threshold 2 in the state property tax exemption program.
- [Edmonds: Water, sewer and stormwater rate reductions for low income citizens.](#) Applies to residents with total disposable income less than income threshold 2 specified for the state property tax exemption program. Offers a 30% discount for those less than income threshold 2 and a 50% discount for those less than income threshold 1.
- [West Richland: low-income senior citizens and low-income permanently disabled citizens.](#) Applies to households earning at the HUD very low-income level and below.

### 3.50.010 Purpose

- A. This program provides necessary support for the poor and infirm as authorized by the Washington State Constitution, Article VIII, Section 7.
- B. The City recognizes that the cost of housing includes the cost of utilities.
- C. The City has created this program to lower the total cost of housing for those most in need in our community by reducing the cost of the utility bills over which the City has control.

### 3.50.020 Definitions

“Gross income” has the same definition as provided in 26 USC 61, as currently enacted or hereafter amended.

“HUD” means the United States Department of Housing and Urban Development.

“MFI” means the Median Family Income estimate provided by HUD for the Mount Vernon-Anacortes Metropolitan Statistical Area.

“Low Income” means 80% of MFI, adjusted for household size.

“Very Low Income” means 50% of MFI, adjusted for household size.

“Extremely Low Income” means 30% of MFI, adjusted for household size.

**i** Why use Median Family Income instead of the federal poverty guidelines? Utility costs are fundamentally a component of housing costs, and it's housing costs that are driving multi-faceted city, county, state, and national responses right now. As a result, much of our state and local policy framework is oriented around Area Median Income, and harmonizing our income tests around those figures facilitates program enrollment and eases administration.

### **3.50.030 Applicability**

- A. This chapter applies to customer locations and services provided within the municipal boundaries of the City of Anacortes.
- B. The discount program established in this chapter applies to charges for the following city services:
  - 1. Fiber internet;
  - 2. Sanitary sewer;
  - 3. Solid waste (including recycling and organics service);
  - 4. Stormwater;
  - 5. Water.
- C. The discount program established in this chapter applies only to a customer bill issued after the date of customer's enrollment.
- D. This program applies to a mixed-use building only to the extent that the program applies to the individual utility accounts within the building. A mixed-use building where a single utility account covers more than one use qualifies based on the proportion of floor area attributable to a qualifying use.

### **3.50.040 Program Established**

- A. There is hereby established a utility bill discount program to provide necessary support for the poor and infirm.
- B. The Finance Director is responsible for administration of this program.
- C. The Finance Director must maintain a webpage for the program.

- D. City utility bills for residential customers must include a statement advertising the existence of this program, including a link to the program webpage.

### 3.50.050 Qualifying Accounts

The following utility bill accounts qualify for the discount program created by this chapter:

- A. A household with a gross income at or below the HUD Extremely Low Income, Very Low Income, or Low Income levels, subject to application under AMC 3.50.060.A.

**i** HUD defines three income categories (Low, Very Low, and Extremely Low) for Area Median Income for the Mount Vernon-Anacortes Metropolitan Statistical Area on an annual basis. Income limits are adjusted by household size.

**i** HUD AMI data is available at <https://www.huduser.gov/portal/datasets/il.html>. For 2022, the HUD income limits are as follows:

| FY 2022<br>Income Limit<br>Area          | Median Family Income<br><a href="#">Click for More Detail</a> | FY 2022 Income Limit<br>Category                                              | Persons in Family |        |        |               |        |        |        |        |
|------------------------------------------|---------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------|--------|--------|---------------|--------|--------|--------|--------|
|                                          |                                                               |                                                                               | 1                 | 2      | 3      | 4             | 5      | 6      | 7      | 8      |
| Mount<br>Vernon-<br>Anacortes,<br>WA MSA | \$86,100                                                      | Very Low (50%) Income<br>Limits (\$)<br><a href="#">Click for More Detail</a> | 30,150            | 34,450 | 38,750 | <b>43,050</b> | 46,500 | 49,950 | 53,400 | 56,850 |
|                                          |                                                               | Extremely Low Income<br>Limits (\$)*<br><a href="#">Click for More Detail</a> | 18,100            | 20,700 | 23,300 | <b>27,750</b> | 32,470 | 37,190 | 41,910 | 46,630 |
|                                          |                                                               | Low (80%) Income Limits<br>(\$)<br><a href="#">Click for More Detail</a>      | 48,250            | 55,150 | 62,050 | <b>68,900</b> | 74,450 | 79,950 | 85,450 | 90,950 |

- B. A multi-family building owned by a tax-exempt non-profit organization or housing authority that is providing housing to people making less than 80% AMI;

**i** The Anacortes Housing Authority and the Anacortes Family Center would qualify under this provision. They currently pay the full multi-family utility rate, which is between the residential and commercial rates.

- C. A property that is receiving the general facility waiver for low-income housing under AMC 13.44.010 or the impact fee waiver for low-income housing under AMC 3.93.060;

**i** A building that qualifies for the GFC and impact fee waiver is available only to those providing housing at a cost of 30% of 80% AMI.

- D. A property enrolled in the property tax exemption for senior citizens and people with disabilities under RCW Chapter 84.36.

- i** The senior and disabled tax exemption program is created by state law and administered by the County Assessor. Both Mount Vernon and Burlington offer discounts on solid waste rates for those enrolled in the senior and disabled tax exemption program.
- i** To be eligible, people must be 61 or older, or a veteran with an 80% service-connected evaluation or compensated at 100% rate due to a service-connected disability, or the surviving spouse of a person with this exemption and at least 57 years old when the spouse died AND own and occupy their primary residence for which they are claiming the exemption AND have combined disposable annual income of \$42,390 or less.
- i** As of 12/16/22, there are 337 households in Anacortes enrolled in the program. [Application form](#). Income thresholds can be found at [dor.wa.gov/incomethreshold](http://dor.wa.gov/incomethreshold) and are occasionally adjusted.
- i** [Property tax exemptions and deferrals | Washington Department of Revenue](#)
- i** [Property Tax Exemption for Senior Citizens and People with Disabilities \(skagitcounty.net\)](http://skagitcounty.net)

### **3.50.060 Enrollment**

#### **A. Household enrollment.**

1. An application for enrollment in the program established in this chapter under AMC 3.50.050(A) must be filed with the City Finance Director on forms provided by the Finance Department.
2. An application must include all of the following:
  - a. the address or utility account number for which the applicant is claiming the discount;
  - b. a statement of the applicant's household's total gross income (including any spouse or co-tenants residing on the property) for the most recent calendar year;
  - c. a statement of the total number of persons residing in the household;
  - d. proof of eligibility in the form of the most-recent filed IRS tax return or an IRS Wage and Income transcript for the applicant and all other household members;

- An IRS Wage and Income Transcript can be requested online and shows data from returns IRS receives such as Forms W-2, 1098, 1099, and 5498. Here's what's visible on tax transcripts:

- Last four digits of any SSN: XXX-XX-1234
- Last four digits of any EIN: XX-XXX4321
- Last four digits of any account or telephone number
- First four characters of the first and last name for any individual (first three characters if the name has only four letters)
- First four characters of any name on the business name line (first three characters if the name has only four letters)
- First six characters of the street address, including spaces

- e. the signature of the applicant attesting under penalty of perjury that the information reflected on the application form is correct and complete.
3. An applicant's enrollment under this subsection applies to utility bills issued after the date of enrollment and expires on May 31 of the following year.

- i** HUD Income limits are released April 1 of each year and become effective after tax day.
- i** The May 31 also expiration date ensures that households are covered through the winter.

- B. Property enrollment. The Finance Director must enroll or unenroll utility accounts under AMC 3.50.050(B) or AMC 3.50.050(C) at the time a qualifying property is qualified or disqualified under that subsection.
- C. Property-tax-exempt property enrollment. On May 31 of each year, the Finance Director must enroll or disenroll utility accounts based on the current list of parcels enrolled in the state low-income senior and disabled property tax exemption program, as provided by the County Assessor.
- D. Unenrollment. The Finance Director must remove a utility account from the discount program upon an event that changes the account's qualifying status, e.g., the sale of a home or change in tenancy.

### 3.50.070 Amount of Discount

- A. The discount amounts for the various forms of eligibility are shown in Table 3.50.070-1.
- B. If a utility account qualifies for more than one discount, the highest level of discount applies.

Table 3.50.070-1 Discount Levels

| Citation    | Qualification                                                    | Discount |
|-------------|------------------------------------------------------------------|----------|
| 3.50.050(A) | HUD Very Low Income (50% MFI) and Extremely Low Income (30% MFI) | 30%      |

|                    |                                                                                                                                 |     |
|--------------------|---------------------------------------------------------------------------------------------------------------------------------|-----|
| 3.50.050(B) or (C) | Tax-exempt non-profit organization providing housing at 80% or less AMI or property receiving benefit of the GFC waiver program | 30% |
| 3.50.050(D)        | Property enrolled in the County's property tax exemption program                                                                | 30% |

### **3.50.080 Penalties**

- A. Any person who makes any false or misleading statement in any application under this chapter with intent to secure the reduction authorized in this chapter is guilty of a misdemeanor.
- B. In the event of such misrepresentation, the total amount of discount wrongfully obtained through such misrepresentation may be assessed against the person to the fullest extent allowed by law.

# Utility Billing Discount Program

## Income guidelines:

- Comparing the current 150% of Federal poverty threshold, versus the proposed HUD very low income (50% of HAMFI) guidelines, households of 1-3 persons would qualify easier under the HUD HAMFI:

### HUD HAMFI thresholds:

| FY 2022 Income Limit<br>Category      | Persons in Family |        |        |               |        |        |
|---------------------------------------|-------------------|--------|--------|---------------|--------|--------|
|                                       | 1                 | 2      | 3      | 4             | 5      | 6      |
| Very Low (50%) Income<br>Limits (\$)  | 30,150            | 34,450 | 38,750 | <b>43,050</b> | 46,500 | 49,950 |
| <a href="#">Click for More Detail</a> |                   |        |        |               |        |        |

### Federal poverty thresholds:

| Household/<br>Family Size | 150%     |
|---------------------------|----------|
| 1                         | \$20,385 |
| 2                         | \$27,465 |
| 3                         | \$34,545 |
| 4                         | \$41,625 |
| 5                         | \$48,705 |
| 6                         | \$55,785 |
| 7                         | \$62,865 |
| 8                         | \$69,945 |
| 9                         | \$77,025 |
| 10                        | \$84,105 |

# Utility Billing Discount Program

## Comparison between existing and proposed programs

HUD very low and extremely low households under existing discount (20%):

HUD very low and extremely low households under proposed discount (30%):

| Current          |         |                            |                      |         |
|------------------|---------|----------------------------|----------------------|---------|
| # of Households: |         | Discount Amount            |                      |         |
| 18.6%            | 695     | 20%                        | Extremely low income |         |
|                  | 675     | 20%                        | Very low income      |         |
|                  | <hr/>   |                            |                      |         |
|                  | 1,370   |                            |                      |         |
|                  | 7362    | Total Residential Accounts |                      |         |
|                  |         |                            |                      |         |
|                  |         | 20%                        | Revenue Discount     |         |
| Utility Bill     | Monthly | Discount                   | Monthly              | Annual  |
| Water            | 41.54   | 8.31                       | 11,383               | 136,597 |
| Storm            | 14.65   | 2.93                       | 4,014                | 48,169  |
| Sewer            | 65.79   | 13.16                      | 18,026               | 216,311 |
| Recycle          | 13.62   | 2.72                       | 3,732                | 44,783  |
| Refuse           | 10.91   | 2.18                       | 2,989                | 35,872  |
|                  | 146.51  | 29.30                      | 40,144               | 481,731 |

| Proposed         |                 |                            |
|------------------|-----------------|----------------------------|
| # of Households: | Discount Amount |                            |
| 695              | 30%             | Extremely low income       |
| 675              | 30%             | Very low income            |
| 18.6%            | 1,370           |                            |
|                  | 7362            | Total Residential Accounts |

|              |         | 30%      | Revenue Discount |         |
|--------------|---------|----------|------------------|---------|
| Utility Bill | Monthly | Discount | Monthly          | Annual  |
| Water        | 41.54   | 12.46    | 17,075           | 204,895 |
| Storm        | 14.65   | 4.40     | 6,021            | 72,254  |
| Sewer        | 65.79   | 19.74    | 27,039           | 324,466 |
| Recycle      | 13.62   | 4.09     | 5,598            | 67,174  |
| Refuse       | 10.91   | 3.27     | 4,484            | 53,808  |
|              | 146.51  | 43.95    | 60,216           | 722,597 |

# Utility Billing Discount Program

Comparison of operating budget impact using household incomes defined by HUD.

|                            | 2023 Rev Budget | Discount Amt | % of Budget |
|----------------------------|-----------------|--------------|-------------|
| Water Retail Segment Rev:  | 7,102,058       | 136,597      | 1.9%        |
| Storm Operating Revenue:   | 2,066,408       | 48,169       | 2.3%        |
| Sewer Operating Revenue:   | 8,483,812       | 216,311      | 2.5%        |
| Solid Waste Recycle Rev:   | 1,202,795       | 44,783       | 3.7%        |
| Solid Waste Operating Rev: | 3,414,794       | 35,872       | 1.1%        |
|                            |                 | 481,731      |             |

Existing discount of 20% against all 1370 households at or below 50% of HAMFI per HUD statistics.

Proposed discount of 30% against all 1370 households at or below 50% of HAMFI per HUD statistics.

|                            | 2023 Rev Budget | Discount Amt | % of Budget |
|----------------------------|-----------------|--------------|-------------|
| Water Retail Segment Rev:  | 7,102,058       | 204,895      | 2.9%        |
| Storm Operating Revenue:   | 2,066,408       | 72,254       | 3.5%        |
| Sewer Operating Revenue:   | 8,483,812       | 324,466      | 3.8%        |
| Solid Waste Recycle Rev:   | 1,202,795       | 67,174       | 5.6%        |
| Solid Waste Operating Rev: | 3,414,794       | 53,808       | 1.6%        |
|                            |                 | 722,597      |             |