

Anacortes City Council Minutes - January 22, 2024

Call to Order

Mayor Matt Miller called to order the Anacortes City Council meeting of January 22, 2024 at 6:02 p.m. Councilmembers TJ Fantini, Ryan Walters, Anthony Young, Christine Cleland-McGrath, Carolyn Moulton, and Bruce McDougall were present. Councilmember Amanda Hubik was absent.

Ms. Cleland-McGrath moved, seconded by Mr. Walters, to excuse the absence of Ms. Hubik. The motion carried unanimously by voice vote.

Pledge of Allegiance

The assembly joined in the Pledge of Allegiance.

Announcements and Committee Reports

Mayor Miller shared an update on the recent city response to the cold weather and snowy conditions.

Housing Affordability and Community Services Committee

Ms. Moulton reported from the Housing Affordability and Community Services Committee meeting held the previous Wednesday. The topics discussed included the coordinated entry program run by Volunteers of America that will commence on February 1st.

Planning Committee

Mr. Walters reported from the Planning Committee meeting held earlier in the evening. The topics discussed included the Comprehensive Plan Update, the re-appointment of a hearing examiner, and upcoming items for the Planning Commission.

Mr. Walters added that the City is advertising for membership on the Lodging Tax Advisory Committee. The City Council will review applications and appoint committee members.

Northstar Project Housing Task Force

Mr. Walters reported from the Northstar Housing Task Force meeting that met earlier in the day. The principal topic of discussion was a review of draft changes to the county-wide housing policy.

Housing and Transportation Forum

Ms. Moulton reported from the Housing and Transportation forum held in Bellingham on January 21st. Topics discussed included correcting past infrastructure mistakes and planning for a future that would make walking, bicycles, and public transit easier and safer for all citizens.

Public Comment

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

Public comment was delivered as follows:

Bill Turner of Anacortes addressed housing requirements under House Bill 1110, including the need for public outreach, local market impact fees, and use of city land for affordable housing.

Consent Agenda

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

a. Minutes of January 16, 2024

b. Approval of claims in the amount of \$2,022,597.75

The following vouchers/checks were approved for payment:

EFT numbers: 108361 through 108413, total \$1,718,054.30

Check numbers: 108414 through 108429, total \$291,902.97

Wire transfer numbers: 338357 through 339538, total \$12,640.48

c. Contract Award: 2024-2026 HVAC Control Systems Service #24-026-FAC-001

d. Contract Award: Purchase of Electric Ford Lightning Truck for Parks Department #24-038-ERR-001

e. Contract Award: WWTP Annual Incinerator Emissions Testing #24-049-SEW-001

f. Contract Award: South March's Point Road Deep Well Replacement #24-048-WTR-001

Other Business

Ordinance 4070: Consideration of Planning Commission's Recommendation: LEG-2023-04 - Amend AMC 19.41.040 Principal uses permitted in residential zones and AMC 19.43.010 Household living to change certain housing types from conditional uses to permitted outright uses in the R2 and R3 zones.

Planning Manager, Libby Grage, introduced Ordinance 4070, Consideration of Planning Commission's Recommendation: LEG-2023-04 - Amend AMC 19.41.040 Principal uses permitted in residential zones and AMC 19.43.010 Household living to change certain housing types from conditional uses to permitted outright uses in the R2 and R3 zones, referring to a slide presentation that was added to the packet materials for the meeting.

Discussion topics included:

- Limitation of the R2 zone to multifamily development due to homeowners association covenants.
- Table 19.42.020 lot size requirements for moving from single family to duplex or multifamily units.
- Public comment impact(s) in the conditional use permit process.
- Increasing the vacancy rate.
- Creating additional housing in the city, region, and state.
- Clarifying the development code.
- Codified development standards in the 2019 Comprehensive Plan update.
- A gentle increase in density while keeping the neighborhood feel.
- The desire not to force housing development on the community.
- Public outreach and education on development changes.
- Homeowner Association rules take precedent over city requirements, and the city has no role in regulating or enforcing those covenants.
- State Environmental Policy Act requirements under permitted or conditional use permitting.
- The proportion of the city affected by the 2019 update and development trends since the update.
- Comparative environmental impact of a single-family versus a multifamily unit.
- Economic costs of the conditional use permit process.
- Code inconsistency with development goals.
- Scale of reasonability.

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

Public comment was given as follows:

Kathleen Lorence-Flanagan agreed with the Planning Commission recommendation to postpone action until the 2025 Comprehensive Plan Update and commented on State Environmental Policy Act considerations.

Tom Glade of Anacortes representing Evergreen Islands commented on vacation rentals being limited to commercial zones and on-site parking for accessory dwelling units. He urged the Council to take care when considering these issues.

Marlene Finley of Anacortes commented on changing conditional uses to allowed uses in the R2 and R3 zones, including the need for housing and the Housing Action Plan, the loss of trees, and the effects of development and climate change, urging the Council to take more time to consider the proposed code changes in the ordinance.

Andrea Doll of Anacortes spoke about the uniqueness of Anacortes and questioned the urgency for additional housing, voicing support for the Planning Commission recommendations, and urging the Council to take the time to carefully consider the proposed code changes.

Brian Wetcher of Anacortes asked the Council to defer immediate action and include the ordinance in the Comprehensive Plan update in 2025, expressing doubt that the proposed changes would have the immediate desired effect of creating more affordable housing despite realizing certain efficiencies in permitting, and pointed out contradictions in the legislation related to parking.

CAROLYN MOULTON moved, seconded by RYAN WALTERS, to adopt Ordinance 4070 as presented. Vote: Ayes - ANTHONY YOUNG, RYAN WALTERS, CHRISTINE CLELAND-MCGRATH, CAROLYN MOULTON, BRUCE MCDOUGALL, TJ FANTINI. Nays - None. Result: Passed

Ordinance 4071: Consideration of Planning Commission's Recommendation: LEG-2023-05 - Amend AMC 19.47.030 Accessory dwelling units (ADU) to remove owner occupancy requirements.

Planning Manager, Libby Grage, introduced Ordinance 4071 Consideration of Planning Commission's Recommendation: LEG-2023-05 - Amend AMC 19.47.030 Accessory dwelling units (ADU) to remove owner occupancy requirements, referring to a slide presentation that was added to the packet materials for the meeting.

Discussion topics included:

- Short-term rental limitations on accessory dwelling units are prospective, not retrospective.
- Impact fees on accessory dwelling units and single family homes.
- Use of impact fees to fund affordable housing.
- Code enforcement to address nuisance problems associated with short-term rentals.
- How to implement state requirements and regulate accessory dwelling units.
- Requirements under state law by December 2025.
- Understanding state legislation provisions dealing with real estate speculation.
- Impacts on neighborhoods.
- Guidance for accessory dwelling units from the Washington State Department of Commerce.

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

Brian Wetcher of Anacortes commented on the deleterious effect of short-term rentals on available housing

inventory and urged the Council to explore standards for effective regulation thereof.

Tom Glade of Anacortes and President of Evergreen Islands addressed the negative effects of short-term rentals on the local housing inventory and the community.

Kathleen Lorence-Flanagan asked how owner occupancy requirements discriminate against renters and whether accessory dwelling units can be used as short-term rentals.

ANTHONY YOUNG moved, seconded by TJ FANTINI, to postpone consideration of Ordinance 4071 for one month to allow for additional discussion. Vote: Ayes - ANTHONY YOUNG, TJ FANTINI. Nays - RYAN WALTERS, CHRISTINE CLELAND-MCGRATH, CAROLYN MOULTON, BRUCE MCDOUGALL. Result: Failed

CAROLYN MOULTON moved, seconded by CHRISTINE CLELAND-MCGRATH, to adopt Ordinance 4071 as presented. Vote: Ayes - RYAN WALTERS, CHRISTINE CLELAND-MCGRATH, CAROLYN MOULTON, BRUCE MCDOUGALL. Nays - ANTHONY YOUNG, TJ FANTINI. Result: Passed

Ordinance 4072: Consideration of Planning Commission's Recommendation: LEG-2023-02 - Amend AMC 19.49 Nonconforming uses and structures to provide for alterations and additions to nonconforming buildings.

Planning Manager, Libby Grage, introduced Ordinance 4072: Consideration of Planning Commission's Recommendation: LEG-2023-02 - Amend AMC 19.49 Nonconforming uses and structures to provide for alterations and additions to nonconforming buildings, referring to a presentation that was added to the packet materials for the meeting.

Discussion topics included:

- Setback requirement under the current code.
- Ensuring historic buildings can be preserved.

Mayor Miller invited members of the audience to comment on this agenda item. No one present wished to address the Council.

RYAN WALTERS moved, seconded by TJ FANTINI, to adopt Ordinance 4072 as presented. Vote: Ayes - ANTHONY YOUNG, RYAN WALTERS, CHRISTINE CLELAND-MCGRATH, CAROLYN MOULTON, BRUCE MCDOUGALL, TJ FANTINI. Nays - None. Result: Passed

Interlocal Agreement for Grant Funding for the 2025 Periodic Comprehensive Plan Update #24-036-PLN-002

Planning Manager Libby Grage introduced the proposed interlocal agreement for grant funding for the 2025 Periodic Comprehensive Plan Update #24-036-PLN-002, referring to a slide presentation that was added to the packet materials for the meeting.

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

Public comment was given as follows:

Brian Wetcher of Anacortes pointed out that the Anacortes Community Forest Lands Advisory Board is in the

comprehensive plan update review process and wondered if any of the grant funds would be available for that body's effort.

RYAN WALTERS moved, seconded by ANTHONY YOUNG, to approve interlocal agreement #24-036-PLN-002 for 2025 Periodic Comprehensive Plan grant funding. Vote: Ayes - ANTHONY YOUNG, RYAN WALTERS, CHRISTINE CLELAND-MCGRATH, CAROLYN MOULTON, BRUCE MCDOUGALL, TJ FANTINI. Nays - None. Result: Passed

Contract Award: 2025 Periodic Comprehensive Plan Update 24-036-PLN-001

Planning Manager Libby Grae introduced the proposed contract award for the 2025 Periodic Comprehensive Plan Update 24-036-PLN-001, referring to a slide presentation that was added to the packet materials for the meeting.

Discussion topics included:

- Public participation program.
- Climate portion of the update will be under a separate contract with additional grant funding available.

RYAN WALTERS moved, seconded by BRUCE MCDOUGALL, to authorize the mayor to sign contract #24-036-PLN-001 as presented. Vote: Ayes - ANTHONY YOUNG, RYAN WALTERS, CHRISTINE CLELAND-MCGRATH, CAROLYN MOULTON, BRUCE MCDOUGALL, TJ FANTINI. Nays - None. Result: Passed

Contract Modification: Commercial Ave Corridor Plan Phase 1 - 11th St to 13th St Design #19-095-TRN-001

Public Works Director Andrew Rheume introduced the proposed contract modification for the Commercial Ave Corridor Plan Phase 1 - 11th Street to 13th Street Design with Alta Planning and Design, Inc. #19-095-TRN-001 that would bring the project to a 60 percent design and allow the city to proceed with property acquisition.

Discussion topics included:

- Project design.
- Possible changes to the Safeway parking lot design.
- Entry or exit considerations for the east side of the roundabout.
- 11th Street and Commercial Avenue intersection.
- Timeline for 60 percent design.
- Regular updates to the Council prior to reaching 60 percent design.

RYAN WALTERS moved, seconded by ANTHONY YOUNG, to authorize the Mayor to sign the modification to contract #19-095-TRN-001. Vote: Ayes - ANTHONY YOUNG, RYAN WALTERS, CHRISTINE CLELAND-MCGRATH, CAROLYN MOULTON, BRUCE MCDOUGALL, TJ FANTINI. Nays - None. Result: Passed

Contract Award: Replacement of Fire Truck #220 #24-037-ERR-001

Public Works Director, Andrew Rheume, introduced the proposed contract award for replacement of fire truck #220 #24-037-ERR-001 detailing the purchase as a planned replacement and adding that the production process takes approximately 46 months.

Discussion topics included:

- Production timeline.
- Available funding.

RYAN WALTERS moved, seconded by TJ FANTINI, to authorize the mayor to sign contract #24-037-ERR-001 as presented. Vote: Ayes - ANTHONY YOUNG, RYAN WALTERS, CHRISTINE CLELAND-MCGRATH, CAROLYN MOULTON, BRUCE MCDUGALL, TJ FANTINI. Nays - None. Result: Passed

Contract Award: General Sewer Plan #24-047-SEW-001

Public Works Director, Andrew Rheaume, introduced the proposed contract award for the General Sewer Plan #24-047-SEW-001, detailing that the previous plan was completed in 2015. He added that the current plan will assist the public works department in determining requirements and estimating costs for system maintenance and modification to meet future growth.

Discussion topics included:

- Survey requirements.
- Acquisition of survey data for city purposes.

CAROLYN MOULTON moved, seconded by ANTHONY YOUNG, to authorize the mayor to sign contract #24-047-SEW-001 with HDR Engineering. Vote: Ayes - ANTHONY YOUNG, RYAN WALTERS, CHRISTINE CLELAND-MCGRATH, CAROLYN MOULTON, BRUCE MCDUGALL, TJ FANTINI. Nays - None. Result: Passed

Adjournment

There being no further business, at approximately 8:40 p.m. the Anacortes City Council meeting of January 22, 2024 was adjourned.