

## **Anacortes City Council Minutes - March 25, 2024**

### **Call to Order**

Mayor Matt Miller called to order the Anacortes City Council meeting of March 25, 2024, at 6:05 p.m. Councilmembers TJ Fantini, Ryan Walters, Anthony Young, Christine Cleland-McGrath, Carolyn Moulton, and Bruce McDougall were present. Councilmember Amanda Hubik was absent.

### **Pledge of Allegiance**

The assembly joined in the Pledge of Allegiance.

### **Announcements and Committee Reports**

Mayor Miller announced Spring residential cleanup day on April 20th from 9 to noon and that lighting is being installed at Ben Root Skate Park. He then recalled that the Port and City passed the interlocal cooperative agreement for the event center conceptual design at the special joint meeting of the City Council and Port Commission, and provided background and an update on the 12th Street and Commercial Avenue intersection improvement project, announcing that the Council would consider the issue at its regular meeting on April 1st.

#### **Confirmation of Kendall Moyle as Human Resources and Labor Relations Director**

Mayor Miller introduced prospective Human Resources and Labor Relations Director Kendall Moyle. He asked the Council to confirm the appointment of Ms. Moyle.

Mr. Walters moved, seconded by Mr. Fantini, to confirm the appointment of Kendall Moyle as Human Resources and Labor Relations Director. The motion carried unanimously by voice vote.

#### **Employer Support of the Guard and Reserve Award**

Mr. John VanDalenn presented the Employer Support of the Guard and Reserve award to Administrative Services Director Emily Schuh and Fiber Manager Jim Lemberg.

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

Ms. Cleland-McGrath reported from the Housing Affordability and Community Services Committee meeting held March 21st. The topics discussed included community outreach efforts by the Fire Department and Community Paramedic, the [Julota software](#) platform, cottage housing around the community, and that the committee will tour the Salvation Army this week instead of holding its regular meeting.

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

Mr. Walters reported from the Port/City Liaison Committee meeting held March 19th. The topics discussed included logistics for the joint special meeting with the Port Commission, the formation of a day-to-day event center development group for the 10-week process, executive recruitment for the Port Executive Director, the Port's legislative visit to Washington DC, Comprehensive Plan updates, the Climate Commitment Act, planning discussions between the City Parks and Museum departments and the Samish Tribe at N Avenue Park, the City Parks Department and Port working on continuity for the Ship Harbor Interpretive Preserve Trail, the reopening of R Avenue, the wastewater treatment plant outfall project, and an upcoming youth sailing program in May for the Anacortes Waterfront Alliance.

#### **Finance Committee**

Ms. Cleland-McGrath reported from the Finance Committee meeting held March 21st. The topics discussed included a sales tax collection anomaly and sales tax collections for 2024.

#### **Economic Development Committee**

Mr. Young reported from the Economic Development Committee meeting held March 12th. The topics

discussed included the committee's draft scope of work in cooperation with Western Washington University.

Mr Fantini reported meeting with the Skyline Homeowners Association held on March 20th. The topics discussed included parking and street paving. Mr. Fantini also reported attending Fire Ops training in Richland, Washington, where he gained renewed appreciation for the work of Fire and Emergency Medical Services personnel.

Mr. Fantini asked about public engagement opportunities regarding the proposed Habitat for Humanity lease.

### **Public Comment**

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

Public comment was given as follows:

Allen Rhoades of Anacortes commented on traffic flow and improvements for the intersection at 12th Street and Commercial Avenue, advocating elimination of the ingress / egress to Safeway and provided a schematic design drawing that was added to the packet materials for the meeting.

Suzanne Rohner of Anacortes addressed the ordinance for short-term rentals, recounting that two public commenters supported the ordinance and 9 opposed the ordinance, and that written public commentary also reflected more opposition than support of the proposed ordinance and pointed out that the Council acted to pass the ordinance anyway.

Mike Wenger of Anacortes expressed concerns about parking, traffic, and wetland impacts related to the proposed Habitat for Humanity project, citing the multifamily nature of the development and asked why notice was not provided to the adjacent property owners about the project.

Becky Mifflin of Anacortes expressed strong opposition to the proposed Habitat for Humanity project, mentioning concerns about the lack of parking, trash receptacle location, storage of household items, traffic effects, and proximity to public transit and downtown.

Natalie Clark had a hand raised on Zoom, but was unable to be heard in the Council chambers. Ms. Clark submitted written public comment that was added to the packet materials for the meeting.

Kellee List of Anacortes commented on the proposed Habitat for Humanity project, asserting that the project will have too many units for the lot size, inadequate parking and storage, and essentially be a condominium without rules. She expressed doubts about city oversight and compatibility of cottage housing with the neighborhood, and asked if Councilmembers or the Mayor had visited the parcel. She suggested two units, instead of the proposed five would blend better with the neighborhood and questioned the Council's reasoning for choosing this area for affordable housing.

Xuhua Mu of Anacortes commented on the proposed Habitat for Humanity project, suggesting that the City have a dedicated project folder or question and answer page on the City website to improve communication with the community and that any decision about the project be based upon due diligence. She also asked that post-project analysis be provided for community review.

### **Consent Agenda**

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

- a. Minutes of March 18, 2024
  - b. Approval of claims in the amount of \$381,702.73
- The following vouchers/checks were approved for payment:  
EFT numbers: 108949 through 108981, total \$107,667.69  
Check numbers: 108982 through 108998, total \$205,578.15  
Wire transfer numbers: 343720 through 343982, total \$68,456.89
- c. Contract Award: Solid Waste Truck Curotto Can Attachment #24-108-ERR-001
  - d. Contract Modification: City Engineer On Call - Water And Wastewater #23-291-ENG-001

## **Public Hearings**

### **Ordinance 4076: Extending the Moratorium on Overnight Lodging of Residential Dwelling Units in the Commercial, Central Business District, Commercial Marine and Marine Mixed Use Zones**

Mayor Miller opened the public hearing on Ordinance 4076: Extending the Moratorium on Overnight Lodging of Residential Dwelling Units in the Commercial, Central Business District, Commercial Marine and Marine Mixed Use Zones. Planning, Community, and Economic Development Director John Coleman introduced the proposed ordinance, explaining the reason for the public hearing.

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

At 6:54 pm, Mayor Miller closed the public hearing.

Discussion topics included:

- Listening and taking account of public comment.
- Bridging the gap for Ordinance 4075 to take effect.
- Anacortes Housing Action Plan allowing owner - operator to have a short-term rental needed in current economic conditions.
- How to bring the issue in front of the Council.
- Differentiate a bed and breakfast from a short-term rental.
- Consider issue in a holistic manner with all other legislative priorities included in the Comprehensive Plan.
- Council communication.

CAROLYN MOULTON moved, seconded by RYAN WALTERS, to waive the two-read rule for ordinances. The motion carried unanimously by voice vote.

CAROLYN MOULTON moved, seconded by RYAN WALTERS, to adopt Ordinance 4076 as presented. Vote: Ayes - ANTHONY YOUNG, RYAN WALTERS, CHRISTINE CLELAND-MCGRATH, CAROLYN MOULTON, BRUCE MCDUGALL, TJ FANTINI. Nays - None. Result: Passed

## **Other Business**

### **Request to Modify Anacortes Cinemas Lease**

City Attorney Darcy Swetnam introduced the proposed modification to the Anacortes Cinema lease, detailing the history of the land agreement and lease terms, the proposed amendment, and the possible actions the Council could take on this matter, referring to a slide presentation that was added to the packet materials for the

meeting. She then introduced John Prosser, representative of the Anacortes Cinema owner, Nancy Saunders, who provided a written statement that was added to the packet materials for the meeting. Mr. Prosser related the background regarding the history of the theater ground lease, recent offers for the property, and asked that the Council approve the proposed amendment.

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

Discussion topics included:

- February 26, 2024, meeting with the Planning Committee.
- The building's assessed value.
- The original intent of the lease provision in question.
- Current market price and potential adjustment if the lease is amended.
- Process for adding housing to the property.
- Improvements for the theater.
- Communication to the Council.
- Council oversight for sale approval.
- Failure to sell building during current term will revert to city ownership.
- Having the building owner and theater operator co-sign the lease.

TJ FANTINI moved, seconded by ANTHONY YOUNG, to approve the proposed amendment to the lease.

Vote: Ayes - ANTHONY YOUNG, TJ FANTINI. Nays - RYAN WALTERS, CHRISTINE CLELAND-MCGRATH, CAROLYN MOULTON, BRUCE MCDOUGALL. Result: Failed

### **Adjournment**

There being no further business, at approximately 8:10 p.m. the Anacortes City Council meeting of March 25, 2024 was adjourned.