

**CITY OF LAKE STEVENS
REGULAR CITY COUNCIL MEETING MINUTES**

Tuesday, September 8, 2015
Lake Stevens School District Educational Service Center (Admin. Bldg.)
12309 22nd Street N.E. Lake Stevens

CALL TO ORDER: 7:00 p.m. by Mayor Vern Little

COUNCILMEMBERS PRESENT: Kim Daughtry, Sam Low, John Spencer, Todd Welch, Suzanne Quigley, Kathy Holder, Marcus Tageant

COUNCILMEMBERS ABSENT: None

STAFF MEMBERS PRESENT: City Administrator Jan Berg, Finance Director/City Clerk Barb Stevens, Planning and Community Development Director Rebecca Ableman McCrary, Police Chief Dan Lorentzen, Senior Planner Russ Wright, Deputy City Clerk Kathy Pugh and City Attorney Grant Weed

OTHERS: Janice Huxford, Aquafest; Todd Moro, Community Transit; Reid Shockey, Shockey Planning Group

Excused Absence. None.

Mayor Little noted the large number of people wishing to speak on the Downtown Development Update. He said that although there is not a project submitted, the developer and its consultant are present to provide an update on their ideas for downtown development and suggested this item be moved ahead on the agenda. There was Council consensus to move this discussion item to the front of the agenda.

Discussion Item:

Downtown Development Update: Planning Director Ableman McCrary distributed a handout, "Draft Lake Stevens Downtown Subarea Plan" and said that it would also be available on the City's website. Director McCrary said that now that the Comprehensive Plan update is close to completion the City can move ahead with the previously Council-authorized Downtown Subarea Plan. She noted the Draft Schedule for the Downtown Subarea Plan has proposed dates and that there are opportunities for public input. Director McCrary explained that a subarea plan is a plan that focuses on a smaller area and how it will be developed, including defining land use, development criteria, economic goals and transportation elements.

Director McCrary said she recently learned from the property owners, Williams Investments, that they would like to slow down their proposed project and participate in the downtown subarea planning process and after that is completed, bring their project forward with a design that fits the City's vision.

Reid Shockey of Shockey Planning Group, 2716 Colby Avenue, Everett, is a consultant for Williams Investments. He said Williams Investments is here tonight to join the subarea planning process, and noted that once that planning process is complete there are four to six different applications required to accomplish their project. He said all aspects of the project are on hold

until the subarea planning process is completed, and that no applications have been submitted. Mr. Shockey commented the property has been in the Williams family for fifty years, and that this project idea is not being proposed by a developer located outside of Lake Stevens.

Mr. Shockey reviewed that Williams Investments came forward to the City for a pre-application meeting and that the City provided the information necessary for Williams Investments to move forward with their project idea. Concurrently they are in discussions with the Lake Stevens Sewer District. The Williams family's goal is to match the City's vision for the Downtown Subarea.

The Williams family's goal is to proceed in a transparent manner as the public process unfolds, and Mr. Shockey invited the public to contact him at any time with any concerns they may have about the Williams' proposal.

Planning Director McCrary circulated a signup sheet and invited people to sign up for notifications throughout the subarea planning process.

Planning Director McCrary then said that the City advised the Sewer District of the subarea planning process; the Sewer District agreed this is a better avenue for gathering public feedback regarding all the downtown infrastructure as it relates to the subarea plan.

Mayor Little clarified all infrastructure includes sewer, the PUD for water and power, the roadways and bridge, and including Grade Road and 123rd.

Councilmember Spencer encouraged that the developer and staff reach out to the other landowners to participate in the subarea planning process.

Director McCrary responded that notices will be mailed to all property owners within the boundaries of the subarea plan.

Councilmember Tageant supported a broader mailing list.

Director McCrary noted the possibility of an online signup for notice, and also that notices are posted and published in the newspaper.

Councilmember Low opined people are concerned about losing park space as a result of any downtown development.

Director McCrary responded these considerations would occur during the subarea planning process.

Director McCrary reviewed the tentative dates for public input. People signing up for email notifications of public input opportunities would receive notice fourteen days prior to the scheduled date. Additionally anyone is welcome to contact the Planning Department for additional information during the process.

There was consensus among Council to allow the public to comment, although there is not a formal project submitted.

Rauchel McDaniel, 827 Stitch Road, Lake Stevens, is concerned about the site plan that was distributed by Williams Investments at a Council meeting and said it raises a lot of questions,

the largest being that the site plan depicts a building on the property where the gazebo is located. There has not been a public discussion about this.

Director McCrary noted the preapplication materials in the City files are public record and available upon request. She noted before the actual formal application is submitted the project is speculative in nature and projects undergo many changes before the formal application is submitted. In the pre-application process applicants are seeking feedback from the City on how their project idea may or may not meet the City's code.

Ivy Jo Houghton, 1500 E. Lakeshore Drive, Lake Stevens, expressed concern that if developed the view from her home would be the apartment complex to her right. She also expressed concern that the boat launch needs to stay in place because it was donated for the City's citizens to use.

Mayor Little noted the boat launch is state property and that the City leases it. The City and state work together to maintain it. The City is currently in the process of trying to fix the boat launch.

Tracey Trout, 1706 123rd Drive NE, Lake Stevens, lives right next to boat launch. She also said she has not received any notice about the subarea planning process. Ms. Trout expressed concern that the proposed plan will cause the loss of trees and privacy, and increased crime. She does not believe this plan fits into the Master Plan.

Mayor Little explained tonight's discussion about the subarea plan schedule.

Rosalie Granda, 12011 North Lakeshore Drive, Lake Stevens, expressed concern regarding the plan she has seen and that she does not believe it fits with the City's Master Plan. She would like to see development that would potentially improve property values and not affect trees and fish habitat or impact park property.

Mr. Shockey said he has listened to all of the comments and again invited the public to contact him with questions.

Mayor Little noted the property is marked for commercial development. He also commented that the downtown will probably change, but right now no one knows what that will look like.

Arlene McDaniel, 1522 East Lakeshore Drive, Lake Stevens, said that if Williams Investments build, they should keep their project on their own land and not encroach on the parks.

Minnie Repton, 102202 North Lakeshore Drive, Lake Stevens, said the permit center is located on property zoned as public.

Ed Cowles, 11728 North Lakeshore Drive, Lake Stevens, is concerned about traffic on Lakeshore Drive and asked if the City considered buying the property from the Williams and making it into a park or city hall.

Mayor Little responded that the City did make an offer on the property several years ago but the offer was rejected.

Sally Jo Sebring, 1023 99th Avenue SE, Lake Stevens, believes the hearing on the Comprehensive Plan Amendments should be continued. She has comments and requested the hearing be continued.

Dick Todd, 825 99th Avenue SE, Lake Stevens, has lived in his home 38 years and believes the elephant in the room is annexation. He encouraged citizens to direct their attention to the recently annexed area, and particularly compromise of wetlands by new development.

Isaiah McKinney, 1625 99th Avenue SE, Lake Stevens expressed concern for traffic issues on 99th Avenue created by development of Maple Rock II and Westlake Crossing. Traffic is unsafe now, and it will be worse with 126 new homes and the resulting increased traffic.

Dorothy Melcer, 726 82nd Avenue SE, Lake Stevens, said she has learned part of the information this evening. She asked if there is a way to make more information available to the public sooner.

Guest Business. Janice Huxford, president of Aquafest 2016 and also a Planning Commissioner, reported on the success of this year's Aquafest event and thanked the Council and City Staff for its support. Ms. Huxford complimented the police staff and Sgt. Miner, and Scott Wicken and the Public Works staff, for their presence and assistance. She commented that although attendance in general was down this year due to the rain, attendance at all events was up.

Arts Commission Appointment: Mayor Little reported that two applicants were invited to interview and that one of the applicants withdrew. Mayor Little and Arts Commissioner Chair Holly Forbis interviewed the other candidate, Steve Apodaca. Mayor Little recommended the appointment of Steve Apodaca to the Arts Commission to fill a recently vacated position. Mr. Apodaca's appointment would expire December 31, 2018.

MOTION: Councilmember Spencer moved, Councilmember Welch seconded, to appoint Steve Apodaca to the Arts Commission. On vote the motion carried (7-0-0-0).

COMMUNITY TRANSIT: Todd Moro, Chief of Strategic Communications for Community Transit, presented an update on the Community Transit projects and services benefiting Lake Stevens. Mr. Moro commended Mayor Little and Councilmember Daughtry for their work and advocacy on behalf of the City. He said that investments in transit grow economy and protect the quality of life, and that one of the biggest challenge is keeping up with demand. Mr. Moro said that the Legislature authorized transit agencies to run ballot measures for increased funding and then introduced Proposition 1 which, if approved, would provide new funding for increased services, including more Swift routes to better meet demand.

Consent Agenda.

MOTION: Moved by Councilmember Daughtry, seconded by Councilmember Tageant, to approve (A) 2015 Vouchers [Payroll Direct Deposits of Payroll Direct Deposits in the Amount of \$136,668.73, Payroll Checks Nos. 39043-39044 totaling \$4,226.32, Tax Deposits in the amount of \$54,280.48, Electronic Funds Transfers (ACH) in the amount of \$170,523.50, Claims Check Nos. 39046-39101 totaling \$213,933.21, Void Check No. 37140 in the amount of \$9.22], Total Vouchers Approved: \$579,623.02]; (B) August 24, 2015 City Council Regular Meeting Minutes; (C) Catherine Creek Habitat Restoration Landowner Agreement; and (D) Approve Resolution 2015-12 Providing for Emergency Tree Services. On vote the motion carried (7-0-0-0).

Public Hearing: 2015-2035 Comprehensive Plan and Final Reading of Ordinance 937 Adopting 2015-2035 Comprehensive Plan. Mayor Little opened the public hearing.

MOTION: Councilmember Low moved, to continue the public hearing of the 2015-2035 Comprehensive Plan and Final Reading of Ordinance 937, Adopting the 2015-2035 Comprehensive Plan.

Staff responded to Councilmembers' questions.

MOTION: Councilmember Tageant seconded, to continue the public hearing and consideration to September 22, 2015 meeting.

AMENDMENT TO MOTION: Councilmember Low amended the main motion to continue the public hearing and public comment portion of the public hearing to September 22, 2015, seconded by Councilmember Tageant. On vote the motion as amended carried (7-0-0-0).

Action Items:

Professional Services Agreement with Outcomes by Levy. City Administrator Jan Berg presented the staff report, and reminded of this year's legislative successes favorable to the City. Ms. Berg said tonight's requested action is to authorize the Mayor to sign a Professional Services Agreement with Outcomes by Levy. The increase is modest at \$400 per month, and there have been no previous increases. The Professional Services Agreement is written not to exceed \$68,100; Outcomes by Levy has not exceeded the amount in previous contract years.

Councilmember Low commented the scope of work is weak for the cost of the professional services agreement. Discussion ensued regarding the strength of the scope of services and whether this Professional Services Agreement could be delayed for a year.

City Administrator Berg noted that with the help of Mr. Levy and Ms. Ziegler, city representatives have already met with Washington State Department of Transportation on the SR 9/SR 204 project. The City is trying to be first in line to receive the funds that were approved by the legislature during the last session. She noted that Ms. Ziegler previously worked for WSDOT and that Mr. Levy has strong ties to WSDOT, and they will be assisting with getting the scope of the project designed.

Councilmember Quigley encouraged this is not the time to back off on the support that Outcomes by Levy provides. They did a fine job for the City in the last contract period and she cannot imagine a better team to help the City navigate the legislative issues that arise, many of which the City is not even aware of. She believes Mr. Levy and Ms. Ziegler have kept Lake Stevens at the forefront of issues.

Councilmember Holder believes the City will continue to receive benefits from the efforts of Outcomes by Levy and additionally that the City continues to need their advocacy, particularly as it relates to the SR 9/SR 204 improvements, as well as other capital improvements, such as sewer.

Councilmember Spencer suggested that other jurisdictions want the funding that was approved by the legislature and that the City needs to move forward or risk losing the funding. He also

commented that WSDOT wants to move cars north and south and does not necessarily want to serve the interests of the City; the City needs to be active in the process.

Councilmember Daughtry noted Mr. Levy and Ms. Ziegler do a lot of work behind the scenes and the City benefits from this. The City did not have this previously and it is needed.

There was consensus that City Administrator Berg and the consultants would redraft the scope of services and bring this professional services agreement back to Council for further consideration.

Discussion Items:

I-502 Marijuana Update: Lead Senior Planner Russ Wright reviewed the legislative changes made to I-502 and discussed how these changes impact Lake Stevens' ordinance. He reviewed high level changes including that taxation was changed to a flat 37% at the retail level, there is some sharing of tax revenue; and there is a new distribution of current tax revenues. Some revenues will be directed to building code development which will allow the International Building Code standards to catch up with legislation allowing grow-type operations. Sign requirements are also modified, and local jurisdictions can reduce the restrictive buffer of 1,000 feet for marijuana establishments, although reductions would not apply to playgrounds or schools. Mr. Wright said that one of the biggest changes is that collective gardens have been replaced with marijuana cooperatives; to help facilitate the Liquor & Cannabis Board ("LCB"), formerly the Liquor Control Board, will maintain a database of patients and people who can belong to the cooperatives and possess medical marijuana. Mr. Wright also noted that retail establishments could sell medical marijuana with an endorsement from the LCB.

Mr. Wright reviewed other changes including allowing public carriers, if certified, such as UPS to distribute product, and LCB is going to institute its own public notice policy. Mr. Wright said that with this new legislation, the City will need to update its local legislation and reviewed various options. Mr. Wright then responded to Councilmembers' questions. Any changes will go before both the Planning Commission and City Council for public comment before they are voted upon.

Council provided the following direction: (1) Repeal the prohibition on Collective Gardens and consider options for administering medical marijuana during the public process that may include: prohibiting all medical marijuana/cannabis facilities, authorizing Medical Marijuana Cooperatives and/or authorizing the sale of medical marijuana/cannabis at licensed retail locations that have endorsements; (2) Modify the city's definitions to meet the state statute; and (3) Bring the matter back for public comment on the removal of the local prohibition on co-location. Council did not support a change to the 1,000 foot buffer or for additional signage.

Bonneville Park Update: City Administrator Jan Berg distributed a summary of the Municipal Annexation process and said she worked with Snohomish County Public Works who is willing to surplus the property if the City goes through the with the annexation process; she also explained there are other considerations such as continued wetland mitigation responsibilities that could possibly be handled with an Interlocal agreement; she cautioned the City needs to be careful in this process to annex only the park land and not the area between the city limit and the park because there is a bridge that would need to be maintained. She did speak with the Little League to ensure they would continue to maintain the park. This could be accomplished via an agreement between the Little League and City.

City Center / Library: Mayor Little said this item is being removed from the agenda as Snolsle did not provide the information necessary to the discussion.

Council Person's Business: There was consensus to remove this item from the agenda due to the lateness of the hour.

Mayor's Business: There was consensus to remove this item from the agenda due to the lateness of the hour.

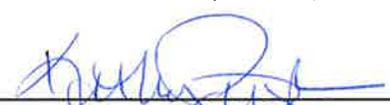
Executive Session: Mayor Little announced an executive session for 10 minutes to discuss potential litigation and pending litigation beginning at 9:43 p.m., with no action to follow. The regular meeting of the City Council reconvened at 9:55 p.m.

Adjourn.

MOTION: Moved by Councilmember Low, seconded by Councilmember Welch seconded, to adjourn the meeting at 9:56 p.m. On vote the motion carried (7-0-0-0).



Vern Little, Mayor



Kathy Pugh, Deputy City Clerk