

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

September 13, 2022, at 6:00 p.m.

Hybrid Meeting - By Remote Participation via Zoom & in Person at The Mill Building

CALL TO ORDER: 6:00 p.m. by Council Vice President Frederick

ELECTED OFFICIALS PRESENT: Councilmembers Kim Daughtry, Gary Petershagen, Mary Dickinson, Marcus Tageant, and Steve Ewing (arrived at 6:05 p.m.), Shawn Frederick and Anji Jorstad.

Call to Order

Council Vice President Frederick called the meeting to order at 6:00 p.m.

Pledge of Allegiance

Council Vice President Frederick led the Pledge of Allegiance.

Roll Call

All Councilmembers were present except Councilmember Ewing. It was noted that Councilmember Ewing was running a few minutes late.

Approval of Agenda

MOTION. Councilmember Jorstad made a motion, seconded by Councilmember Tageant, to approve the agenda as submitted. The motion passed 6-0-0-1.

Guest Business

Sophina Nunez, Lake Stevens Food Bank

Note: Councilmember Ewing arrived at 6:05 p.m.

Citizen Comment

Darlene Salo, North Cascades Crew. Darlene expressed concerns about the dock and asked Council for support.

Council Business

Councilmember Jorstad stated that she attended the Snohomish Health Board retreat.

Councilmember Dickinson reported that she attended the Community Advisory Council meeting. She provided updates on the Senior Center and asked for an annual funding allocation to the center.

Councilmember Frederick spoke regarding the opioid settlement agreement.

Councilmember Petershagen stated that he attended the last Sewer Utility Committee meeting.

Councilmember Daughtry reported on the Puget Sound Regional Council and Community Transit meetings that he has attended.

City Department Report

Introduction of New Employees

Public Works APWA Accreditation Update

Power Line Recreational Trail Easement

Consent Agenda

MOTION. Councilmember Frederick made a motion, seconded by Councilmember Jorstad, to pass the consent agenda as presented. The motion passed 7-0-0-0.

The consent agenda included the following:

- 2022 Vouchers
- City Council Regular Meeting Minutes of August 23, 2022
- Department of Commerce ILA for Climate Mitigation Plan Grant
- Funding Agreement for Lake Stevens Food Bank
- Funding Agreement for Volunteers of America
- Resolution 2022-13 - Solid Waste Comp Plan
- Target Zero Fiscal Year 2023 IAA Agreements

Public Hearing

Short-Term Rentals Code Amendment (LUA2022-0046) Public Hearing

Planning Manager Levitan explained that the city adopted supplementary use regulations for tourist homes (now more commonly known as short-term rentals) in 1998 (LSMC 14.44.064). These regulations have remained unchanged even as the popularity of short-term rentals (STRs) has increased exponentially, including several in Lake Stevens that appear to be operating without a business license or Administrative Conditional Use Permit (ACUP), as currently required by city code. In response, the city's 2022 Long Range Work Program included a code amendment project that aimed to repeal and replace the code with a set of clear and objective standards and regulations, a streamlined application process, and an appropriate balance between property rights and neighborhood concerns.

On May 3, 2022, the City Council held a work session in advance of a planned May 10 public hearing to consider the Planning Commission's recommendation. Several councilmembers expressed concerns with components of the proposed code language, including the prohibition on unhosted rentals, the limit on party size, and the inspection requirements. Others were concerned that there had not been adequate outreach to operators of existing STRs. In response, on May 13 staff sent a letter to 22 property owners that they were able to identify from AirBNB and VRBO listings, soliciting

feedback on the regulations recommended by the Planning Commission. Staff received three emails from current STR operators in response to that letter.

Staff provided all public comments it had received on the topic through June 3, 2022, to the City Council as part of the June 7, 2022, work session packet. Since that time, several additional emails and letters have been either sent directly or forwarded to all members of the City Council. As of September 7, all public comments that were not included in the June 7 meeting packet have been compiled in the packet.

Staff also prepared a spreadsheet identifying concerns raised by the Council during their May 3 work session, as well as potential options for revised code language that sought to address those concerns. Councilmembers reviewed these materials at their June 7 work session and ultimately felt that there were still several issues that needed to be resolved with the code and agreed with Mayor Gailey's recommendation to form a three-member subcommittee to refine the code language before bringing it back to the full City Council.

Over the course of the past three months, a subcommittee made up of Councilmembers Ewing, Frederick and Jorstad have developed the revised code language identified in Sections 2-6 - Ordinance 1139.

Council and staff engaged in a discussion.

Council President Ewing opened the public hearing at 6:53 p.m. for public comment.

The following residents spoke to the Council:

Cliff Call, 625 Stich Road, Lake Stevens.

Aileen Spradlin, 10429 East Davies Loop Road, Lake Stevens.

Nikki Odegaard, 11130 Vernon Road, Lake Stevens.

Brad Nysether, 525 East Davies Loop Road, Lake Stevens.

John Spencer, 9925 North Davies Road, Lake Stevens.

Janice Huxford, 625 South Lake Stevens, Lake Stevens.

Kyle Havens, 9621 15th Street NE, Lake Stevens.

Kirsten Haugen, 9917 North Davies Road, Lake Stevens.

Ryan Velinga, 1407 Springbrook Road, Lake Stevens.

The public comment portion of the hearing was closed at 7:21 p.m.

Council discussed the ordinance and questions for staff.

The public hearing was closed at 7:51 p.m.

MOTION. Councilmember Frederick made a motion, seconded by Councilmember Dickinson, to continue this matter to the Council workshop on October 4, 2022. The motion passed 7-0-0-0.

Action Items

Resolution 2022-14 – Fees

MOTION. Councilmember Jorstad made a motion, seconded by Councilmember Ewing, to move this Resolution to the October 25, 2022, meeting (after the Short Rentals Ordinance). The motion passed unanimously.

Cooperative Purchasing Agreement with Washington Learning Source (WLS) and Puget Sound Educational Service District (PSESD)

IT Director Stevens asked the Council to authorize the Mayor to enter into a cooperative purchasing agreement with WLS/PSESD for the procurement of products and services. There would be no cost to the City.

MOTION. Councilmember Petershagen made a motion, seconded by Councilmember Frederick, to approve the purchasing agreement/ The motion passed 7-0-0-0.

Discussion Items

Draft Agenda for September 20, 2022

2023 Preliminary Budget Discussion

Finance Director Stevens reviewed and discussed the base budget and expenditure revenues with the Council for the 2023 budget. The review continued 6-year financial forecasts.

Everett Waterline Update

Director Wright provided an update with the City of Everett on the waterlines.

Executive Session

The meeting recessed to executive session at 8:48 p.m. to discuss property acquisition and potential litigation per RCW 42.30.110 1 (c) and 42.30.110 1 (i) for approximately 15 minutes with action to follow.

Reconvene to Regular Session

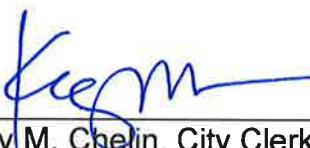
The meeting reconvened to regular session at 9:04 p.m.

MOTION. Councilmember Daughtry made a motion, seconded by Councilmember Jorstad, to authorize the Mayor to sign the Indemnity Agreement between the City and Chicago Title Company to clear a special exception to title a 1984 Deed of Trust in which Hobday & Markin Development Corporation is the name beneficiary, and for which the underlying debt has been satisfied. The motion passed 7-0-0-0.

Adjournment:

MOTION. Councilmember Daughtry made a motion, seconded by Councilmember Jorstad, to adjourn the meeting. The motion passed 7-0-0-0. The meeting adjourned at 9:07 p.m.


Brett Gailey, Mayor


Kelly M. Chelin, City Clerk