

**CITY OF LAKE STEVENS**  
**CITY COUNCIL WORKSHOP MEETING MINUTES**  
Tuesday, September 1, 2020  
By Remote Participation via Zoom

CALL TO ORDER: 7:00 p.m. by Mayor Brett Gailey

ELECTED OFFICIALS PRESENT: Mayor Brett Gailey, Councilmembers Kim Daughtry, Gary Petershagen, Shawn Frederick, Mary Dickinson, Anji Jorstad, Steve Ewing and Marcus Tageant

STAFF MEMBERS PRESENT: City Administrator Gene Brazel, Community Development Director Russ Wright, Human Resources Director Anya Warrington, IT Manager Troy Stevens, City Clerk Kelly Chelin, Police Chief John Dyer, Senior Accountant Josh Roundy and Associate Planner Sabrina Gassaway.

OTHERS:

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The meeting was called to order at 7:00 p.m. by Mayor Brett Gailey.

**Mayor Business.** Mayor Gailey stated that he had a good meeting today with Congressman Larson. He reminded everyone that tonight was a workshop where Council can talk freely about subjects and there will be no citizen comments.

**Multi Family Tax Exemption:**

Planner Gassaway explained that the Washington State legislation, though RCW 84.14, offers a multi-family tax exemption program that cities can participate in through local ordinance adoption. The City of Lake Stevens with a population of over 15,000 is eligible to participate.

The Lake Stevens City Council has expressed interest in participating in this program. The multi-family tax exemption (MFTE) is an incentive that cities can offer to developers to encourage the construction of market rate housing and affordable multifamily housing in pre-designated targeted areas. The program offers two durations: an 8-year exemption and 12-year exemption. Projects in target areas that plan to build market rate multifamily units are eligible for the 8-year exemption and those projects that construct 20% of the units for low to moderate incomes are eligible for the 12-year exemption.

Per the RCW 84.14 requirements proposed MFTE code amendments must include provisions for an application process, requirements for addressing demolition of existing structures, and building limitations. Staff discussed the program options with the Planning Commission as described below:

- Target Areas for MFTE: The Downtown, Lake Stevens Center, and 20th Street SE subareas are being considered as target areas for the application of the multifamily tax exemption programs.

In the Lake Stevens Downtown Subarea staff is recommending expanding the target area to include adjacent multifamily zoning and the Planned Business District north of the Downtown subarea.

- MFTE Options: The City can adopt one or both options provided in RCW 84.14 and include

additional requirements that meet the needs of our community. Staff research of jurisdictions that have adopted MFTE programs show a majority adopting both programs and imposing minimum number of multifamily unit. The average based on the Cities surveyed was a minimum of 8-10 units.

Staff is proposing the code amendment be split between Title 3 Revenue and Finance and Title 14 Land Use of the Lake Stevens municipal code. The financial impact on the City would be derived from the property taxes that the City collects on the residential units. Per the City's current Levy this would equal to approximately one-dollar tax revenue for the city per \$1,000 dollars of assessed value annually. In the case of a mixed-use project with a multifamily and commercial component the exemption would only apply to the multifamily portion of the project. The goal of this amendment would be to promote diverse housing options in Lake Stevens through the incentivizing of multifamily projects.

In discussing the proposal with Planning Commission, the commissioners discussed project size limitations and whether to consider adopting one or both program options. Concerns were raised on the impact this program would have on project review and code requirements. Staff clarified that this amendment would not impact the underlying zoning in any way and that project that took advantage of the MFTE program would be held to the same code standards as other projects. The MFTE program would be an optional incentive that developers could apply for during the application process.

Council and staff engaged in a discussion. Each Councilmember gave their support. This item will come back to a future meeting for a public hearing and potential action in November.

**Resolution re Supporting Law Enforcement**

Mayor Gailey stated that he was proposing this Resolution because he believes law enforcement is a thankless and dangerous job. He would like to show support for the Lake Stevens Police Department.

Council engaged in a discussion. Councilmember Jorstad stated that she has tremendous respect for the City police officers and would like to focus on the Lake Stevens Police Department in this Resolution.

Councilmember Taegant and Councilmember Daughtry supported the Resolution as written.

Councilmember Dickinson would like to work on the Resolution wording a bit. She is 100% supportive of the Lake Stevens Police Department.

Councilmember Petershagen stated that he supported the Resolution as written.

Mayor Gailey stated that there is a vast majority of citizens that do support law enforcement in the City.

This Resolution is scheduled for action at the September 8, 2020 Council Meeting.

**Legislative Priorities**

City Administrator Brazel reviewed the City of Lake Stevens 2021 Legislative Agenda Top-Priority Issues at a Glance prepared by Doug Levy. Mr. Levy will be attending the next Council meeting on September 8, 2020 to discuss the priorities.

Council and staff discussed the priorities. The Council was in agreement with the priorities as written.

**Full-time Mayor Discussion**

City Administrator Brazel reviewed the duties of the Mayor with the Council:

- Seen as the "Face of the City."
- The Mayor has all the executive powers, duties, and responsibilities extended to him/her as set forth in RCW Title 35A .
- The Mayor has the authority to appoint and remove all appointive officers and employees, consistent with the laws of the city. This authority can be delegated to the City Administrator or Department Heads.
- Serves as the Presiding Officer at all regular and special meetings of the Council.
- The Mayor and/or City Administrator approve the Council meeting agendas.
- Sits as a member or represents the city on various external boards and committees.
- Examples: Snohomish County Tomorrow, PSRC (Puget Sound Regional Council), SNO911, SCCIT (Snohomish County Committee for Improved Transportation), US 2 Coalition, etc.
- Meets regularly with representatives and groups from all facets of the community (i.e. churches, organizations, volunteers, schools, local/state/federal elected officials, etc.).
- Makes policy recommendations to Council.
- Prepares city budget and presents to Council.
- Meets with business owners on a routine basis.
- Serves as the economic development champion for the city.
- Presents the state of the city to user groups and the community at large.
- Represents the city in Olympia for legislative and grant opportunities; meets with legislators on a routine basis.
- Implementing Council policy.
- Executes city contracts.
- Responds to citizen concerns.
- Attends weekly, planning and miscellaneous staff meetings. (i.e. agenda planning, weekly executive staff meeting, civic campus planning, project design meetings, etc.)
- Takes on special projects for the city as identified (i.e. broadband expansion).

The Council also reviewed the fund balance graph that included the full-time Mayor position.

Council engaged in a discussion and appreciated seeing the list of duties. The Council also discussed the procedure of taking the ordinance off the table and voting on it at the next meeting on September 8, 2020.

There being no further business the meeting was adjourned at 8:22 p.m.



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Brett Gailey, Mayor



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Kelly M. Chelin, City Clerk