



City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: January 11-12, 2019 City Council Retreat Report, including City Council Goals Move to: Approve January 11-12, 2019 City Council Retreat Report, including City Council Goals	For Council Meeting Agenda of: February 25, 2019 Department: City Manager's Office Prepared by: Rob Karlinsey <table><thead><tr><th></th><th><u>Initial & Date</u></th></tr></thead><tbody><tr><td>Approved by Department Head:</td><td>_____</td></tr><tr><td>Approved by City Attorney:</td><td>_____</td></tr><tr><td>Approved by Finance Director:</td><td>_____</td></tr><tr><td>Approved by City Manager:</td><td><u>RJK</u></td></tr></tbody></table> Exhibits/Attachments: 1. 2019-2020 Kenmore City Council Goals 2. January 11-12, 2019 City Council Retreat Report, including City Council Goals.		<u>Initial & Date</u>	Approved by Department Head:	_____	Approved by City Attorney:	_____	Approved by Finance Director:	_____	Approved by City Manager:	<u>RJK</u>
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Approved by Department Head:	_____										
Approved by City Attorney:	_____										
Approved by Finance Director:	_____										
Approved by City Manager:	<u>RJK</u>										
Expenditure Required N/A Amount Budgeted N/A Appropriation Required N/A											
<u>INFORMATION/BACKGROUND:</u> The Kenmore City Council held its annual retreat on January 11 and 12, 2019. At the retreat, the City Council discussed updates to its Goals for 2019-2020. These goals are found on the first attachment to this Agenda Bill and also in the retreat report.											



*City of Kenmore
Washington*

2019 - 2020 City Council Goals

1. Focus and emphasize multimodal transportation safety in the City of Kenmore with a specific focus on pedestrian, bicycle, and other means of travel.

- Implement the Sidewalk Plan



2. Implement the Walkways and Waterways projects.



3. Increase and preserve the options for affordable housing stock.

4. Create and implement a Financial Sustainability Plan.

5. Support Bus Rapid Transit on 522. ***STRIDE***

6. Continue to seek opportunities to complete a successful Lakepointe project.

7. Implement the Economic Development Plan, with an emphasis on the following key points:

- Advance Public's Access to Water
- Create a vibrant walkable downtown
- Attract new businesses and support existing businesses
- Promote the Image of Kenmore

8. Continue to implement a Parks Improvement Plan.

9. Build community, celebrate diversity and create fun.

10. Protect and enhance the climate, water, air and forest environment.

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THE KENMORE CITY COUNCIL ANNUAL RETREAT

January 11th and 12th
2019

Summary Report

Introduction

The Kenmore City Council annual retreat was held on January 11th and 12th, 2019 at the La Conner Country Inn in La Conner, Washington. The retreat is located and structured to provide an uninterrupted forum for in-depth discussion of selected issues. The purpose of this retreat was to discuss, in depth, key projects and policy issues identified by the participants during a pre-retreat interview to establish the agenda. In addition, this retreat focused on establishing goals and objectives for 2019 and 2020. The following agenda guided the discussions during this council retreat:

1. 2018 Accomplishments
2. Financial Sustainability
3. Walkways and Waterways
4. Transportation
5. Affordable Housing
6. Downtown
7. Ball Fields
8. Transportation
9. Lakepointe
10. Water Issues
11. General City Issues
12. Goals for 2019 and 2020

The following report is a summary of the discussions and outcomes of the retreat (a complete recording of this retreat was made and is retained by City officials):

2018 Accomplishments

The retreat opened with a listing of key accomplishments that have occurred within the city during the last year. See Appendix Two.

Financial Sustainability

The participants first discussed the financial outlook for the city. It was quickly noted that the revenue and expenditure lines are projected to cross in 2021 and currently there is little room for adjusting that projection (see summary in retreat packet). It was noted that it is time to establish a specific plan for addressing the coming fiscal challenges. Participants discussed the value of looking at what

other cities have done to address this challenge with an emphasis on cities that compare in size to Kenmore. It was noted that a fuller use of the Priority Based Budgeting tool would be useful. It was also noted that avoiding other cities use of the “levy” approach to revenue enhancement should be avoided.

Agreement One: Use the Priority Based Budgeting tool along with an analytical process to review other cities to establish a fiscal sustainability plan. Invite other nearby cities to come and present what they have done towards financial sustainability.

Walkway and Waterways

The participants next discussed recent and future Walkways and Waterways projects. Projects that affect Juanita Drive were discussed at length with a particular focus on the need for more funding to complete projects in this area. The role of both the state and funding from King County were discussed.

Transportation

Pavement Plan. The participants discussed the recent pavement rating study and the importance of keeping roads maintained. The various advantages to “slurry vs. chip seal” road maintenance approaches were discussed. It was noted that chip seal is not viewed favorably by citizens. Other issues such as restricted driveway access, and the importance of public outreach were discussed. It was noted that it is important to make certain that developers replace roads they damage to City standards. It was noted that King County was originally going to contract with the city to oversee asphalt overlay projects but have recently said they will not be able to do so. Finally, the participants discussed the cost of repair and replacement and the importance of making sure pavement repair is included within the Financial Sustainability Plan.

Sammamish River Bridge. Participants next discussed the recent closure of the bridge and its impact on travel within the community. It was noted that there is really no plan if the bridge is closed or taken out by a disaster. More specifically it was noted that there is a need for an emergency plan. Participants discussed the importance of an “after action” review of the recent closure and need to see the

results of such a review. It was further noted that while an emergency plan is important there needs to be a plan that would address the need for a longer term “routine traffic” need. After a discussion the participants agreed to the following:

Agreement Two: Staff will review various elements of a plan for a bridge closure and come back to the City Council with suggestions on how to proceed.

Local Roads Safety Plan. The participants next discussed road safety and the status of various projects and other efforts to promote road safety. Such topics as crossings on the bike trail, the need for road striping on 73rd street and the importance of messaging the community on efforts that are underway. Participants discussed the need for more funding and the importance to recognize the role of maintenance and the costs associated with maintenance. Finally, participants noted and discussed the importance of sweeping arterials to making pedestrian and bike paths safe.

Sidewalks. Participants next reviewed and discussed the sidewalk improvement efforts within the city. It was noted that the \$100,000 dollars set aside for sidewalk gaps in the budget really limits the amount of sidewalk improvements possible. Sidewalk repair and installation is very expensive. Participants had a lengthy discussion of the impact of trees on sidewalks and the pros and cons of removing trees to preserve sidewalks. After this long discussion the participants agreed to the following:

Agreement Three: Staff will prepare a long-term plan that addresses trees, storm systems, and sidewalks on 61st Avenue.

Bus Rapid Transit. Participants next discussed the various facets of Bus Rapid Transit and current proposals and options that affect Kenmore. Such features as a parking garage next to a park and ride stop, the importance of a pedestrian bridge across 522, and the importance of keeping a focus on speed and reliability were discussed.

Affordable Housing

Participants next discussed at length a number of topics associated with affordable housing and other housing issues. Such topics included the role of zoning

and density, stackable units, Accessory Dwelling Units, townhouses within residential areas, School district impact fees, winter shelters and the role of tax exemptions.

Zoning and Density. The participants discussed the role of zoning in developing affordable housing. Staff reviewed a handout entitled Housing Strategy Plan that addresses a number of issues of interest to the City Council. The importance of having a plan that is “common” across various cities was discussed and generally accepted as a sound approach. The pros and cons of smaller houses to increase density was discussed. The importance of a suite of options was noted that would address the importance of ADU’s and other ways to address the need. After a long discussion the participants agreed to the following:

Agreement Four: For 2020, make item A1.C a Tier 1 item in the Housing Strategy Plan (design guidelines that allow flexibility in single family neighborhoods for small scale housing.)

Developer Involvement. In the context of the housing discussion the role of the Developer Community was discussed. It was noted that it is important to create incentives for developers to create the housing options that are needed. After a discussion the participants agreed to the following:

Agreement Five: Staff will put together a Developer Panel on what works and what doesn’t to create incentives for housing options. This panel will speak to a joint session of the City Council and Planning Commission sometime in 2019.

Church Backlot Property. The participants discussed, briefly, a large tract of property owned by a local church. The owner of the Church Property has approached the city with a desire to help with the affordable housing issue. The participants agreed to the following:

Agreement Six: Staff will reach out to the pastor of the church to get a better understanding of the interests of the church as it relates to affordable housing and report back to the City Council.

Stackable Units. The participants next discussed the nature and role of stackable living units. It was noted that a business creates modular stackable units

that are high quality and used to create affordable housing. The pros and cons of bringing stackable units within the city were discussed. The participants agreed to the following:

Agreement Seven: Staff will research the codes and regulations to see if the current codes would allow Stackable Units within the city.

Less Expensive Housing Stock. Participants discussed the importance of an inventory of affordable housing stock. The participants agreed to the following:

Agreement Eight: The staff will ask ARCH to produce a 'dashboard' on the number of affordable housing units within the city.

Townhouses within Residential Areas. The participants next discussed the role, and pros-cons of townhouses located within residential areas. In particular participants discussed the role of limitations on townhouses within residential areas. It was noted that townhomes can only be located within areas that zoned for multifamily structures.

School District Impact Fees. The participants next discussed the recent indication by the School District that they would like school impact fees to be raised. After a discussion the participants agreed to the following:

Agreement Nine: Staff will schedule the School District officials to come to the City Council in 2019 to discuss School Impact Fees.

Winter Shelter. The participants next discussed the importance of winter shelter for homeless and the role and pros-cons of low barrier housing. It was noted that the current city code does not allow for low barrier housing. Several participants noted they are comfortable with the current policy affecting winter housing.

Involvement of Community Group. The participants next discussed the role and nature of the North Urban Human Services Alliance (NUHSA). It was noted that this group was meeting at city hall and were concerned about affordable housing. After a discussion the participants agreed to the following:

Agreement Ten: Staff will meet with NUHSA to learn more about their focus on housing and if it might be useful for this group to come to a City Council session to discuss their interest in this important topic.

12 Year Multi-Family Tax Exemption Ordinance. Staff reviewed a memo concerning the Council's possible interest in changing the level of affordability of the 12-year tax exemption. The participants discussed the various advantages and disadvantages to changing the policy including the importance of profit making for developers and the difference between 8 years and the current 12 year policy. After a discussion it was noted that this issue will be coming before the Council within the next month.

Downtown

Walkability and Dead Zones. Participants discussed the current vision of a "Walkable Downtown" and the importance of working with property owners to develop a more walkable focus within the downtown. Various issues were discussed such as the importance of outreach to property owners, financial incentives and the role of the free market in setting development priorities. After a discussion the participants agreed to the following:

Agreement Eleven. The City Manager will organize a "State of 181st" meeting with the property owners to discuss and share mutual interests and ways to work together to create walkable options and promote redevelopment.

Ball Fields

Participants next discussed the multiple efforts to secure more ball field access in working both with the School District and St. Edward State Park. It was noted that it is important to message more fully to the community the vast nature of the efforts to date to acquire more capacity. This messaging should include a spot on the city website and other means. It seems clear to several participants that the community is unaware of these vast efforts. The participants discussed the value of pursuing both sources (School District and St. Edward) simultaneously or sequentially. Most participants felt it would be important to pursue St. Edward first then the school district (sequentially).

Lakepointe

The participants discussed, at length the current state of the Lakepointe project and possible courses of action. It appears that the project with the current developer may not go forward, although staff have been making efforts to bring the developer back to the table. Participants discussed various ways to proceed on the assumption that the current developer will pull out of the project. Participants discussed the pros and cons of a new public process to determine the next course of action. Additional topics such as the role of financial incentives, the role of the current property owner, the role of the city, the nature and role of P suffixes, and other aspects of the project. After a very long discussion the participants agreed to the following:

Agreement Twelve: If the current developer does not move forward, the City Manager will draft a public process that approximates one utilized in past years for the downtown and bring it back to the City Council for review and approval.

Water Issue and Topics

Water Quality. The participants reviewed the Swamp Creek restoration efforts. It was noted that it would be very important to tell the story of this restoration and the on-going efforts to monitor the quality of the creek. After a discussion the participants agreed to the following:

Agreement Thirteen: Staff will prepare a brief "story report" on the Swamp Creek Restoration and prepare a City Council Proclamation recognizing the volunteer groups that have performed the great work done and ongoing with Swamp Creek.

Aquatic Management Plan: A Review Cycle. Participants quickly discussed the value of an on-going review cycle for the Aquatic Management Plan. All agreed to the following:

Agreement Fourteen: Create an annual or biannual review of the Aquatic Management Plan.

Public Access to Waterway Still A Priority? The City Manager requested a quick check in with the City Council on the level of priority of public access to the waterways. The participants all agreed this is still a high priority while recognizing that significant public access to the water projects have been recently completed or are underway.

Swimming Pool. The participants next discussed regional efforts near the city to build a swimming pool. The possibility of a county bond issue earmarking funds for a north end pool were discussed including ways to register support for this effort. The efforts of other cities and the pros and cons of joining forces were discussed. It was noted that the real cost of a pool is in the operation and maintenance, and funds for O and M must be included within any effort. Future meetings were noted and need for additional information was noted especially before formal support by the city of a north end effort could be given.

General City Issues

City Website. Participants discussed the value of a website redo and the importance of a mobile device interface with the website.

Climate. The participants discussed the importance of the City doing as much as they can on the climate issue. A group known as K4C addresses this issue and is supposed to be developing a “tool kit” for ways to address climate related behaviors and policies. It was also noted that there is a new book called Climate of Hope by Michael Bloomberg and Carl Pope that would be useful to read, and having Court Olson with People for Climate Action give a brief presentation would also be useful. After a discussion the participants agreed to the following:

Agreement Fifteen: Ask the K4C group and also Court Olson to come before the City Council with the tool kit for addressing climate issues.

Improve Customer Service. The City Manager did a brief presentation on a customer service initiative with the city staff. He presented the “chain reaction of excellence” model (Jeff Kober) which features Leadership, Internal Customer Service, External Customer Service and “Happy Customers”, as well as the

Customer Compass (Jeff Kober) and the Service Vision and Values of the organization.

Where is the fun? Participants next discussed various aspects of the many community events and ways to enhance the events. Such topics included a food truck court, parking, and other changes that might further the success of city events. The following shifts were to be researched: possibly changing the times to more evening hours, shifting the farmers market to the town square and expanding the farmers market to actually include more farm products such as produce etc.

Arts. Participants next discussed the local arts group known as the Arts of Kenmore. The wonderful work that this group has done was quickly and universally noted by the participants. Ways to support this group and the role of a formal designation as a local arts agency was discussed. In addition, the expansion of this group to include performing arts was discussed. After a discussion the participants agreed to the following:

Agreement Sixteen: Staff will research the process and implications of formally designating the Arts of Kenmore as a local arts agency and report back to the City Council.

20th Anniversary: Participants next discussed if there will be any other events associated with the 20th Anniversary? Several topics were discussed including the possibility of holding a “city turns 21” event that features the brew district. Ways to tie the events together in a theme (example: “Where’s the Fun?”) were discussed along with the logistics such as stage building associated with events.

B and O tax on Heavy Industry. Participants next discussed the major negative impacts of non-conforming business on the city such as damage to roads, damage to the climate and the fact they pay little tax to off set these impacts. The pros and cons of going to the voters to raise the B and O tax on these industries to offset impacts, raise citizen awareness and awareness of the owners of these businesses were discussed.

Agreement 17: Staff will report back what heavy manufacturing regulations the City has adopted and what additional regulations could be adopted.

City Council Goals

The participants next reviewed and discussed the City Council goals established at last year's retreat. The participants then revised the goals based upon completion and other factors. Next the participants nominated new goals for consideration. Finally, the participants used a Paired Comparison Methodology to select their goals for 2019-20. See the below.

The top five goals will comprise a portion of the City Manager's annual performance review. Goals will be addressed to generally reflect their priority; however, opportunity and/or necessity may require an emphasis on selected goals outside the priority listed in this report.

Council Goals 2019-2020

- 1. Focus and emphasize multimodal transportation safety in the City of Kenmore with a specific focus on pedestrian, bicycle, and other means of travel. (57 points)**
 - Implement the Sidewalk Plan**
- 2. Implement the Walkways and Waterways projects. (52 points)**
- 3. Increase and preserve the options for affordable housing stock. (42 points)**
- 4. Create and implement a Financial Sustainability Plan. (41 points)**
- 5. Support Bus Rapid Transit on 522. (39 points)**
- 6. Continue to seek opportunities to complete a successful Lakepointe project. (25 points)**
- 7. Implement the Economic Development Plan, with an emphasis on the following key points: (21 points)**
 - Advance Public's Access to Water**
 - Create a vibrant walkable downtown**
 - Attract new businesses and support existing businesses**
 - Promote the Image of Kenmore**
- 8. Continue to implement a Parks Improvement Plan. (14 points)**
- 9. Build community, celebrate diversity and create fun. (11 points)**
- 10. Protect and enhance the climate, water, air and forest environment. (11 points)**

Appendix One Retreat Participants

Mayor
David Baker

Deputy Mayor
Nigel Herbig

Councilmember
Milton Curtis

Councilmember
Stacey Denuski

Councilmember
Joe Marshall

Councilmember
Brent Smith

Councilmember
Debra Srebnik

City Manager
Rob Karlinsey

Assistant City Manger
Nancy Ousley

Finance and Administration Director
Joanne Gregory

Community Development Director
Debbie Bent

Development Services Director
Bryan Hampson

City Clerk
Kelly Chelin

Transportation
John Vicente

Public Works
Jennifer Gordon

Surface Water Program Manager
Richard Sawyer

Facilitator
Michael Pendleton

Appendix Two 2018 Accomplishments

1. Mobile Home Park
2. Bringing Public Works "In House"
3. Passed a "tough" Budget
4. Local Road Safety Plan
5. First Pride Declaration
6. Lakepointe Feasibility Study
7. Rhododendron Park Improvements
8. Sea Plane Restaurant Opening
9. Funding for basketball hoops
10. Significant design on Walkways and Waterways
11. Funding for boat shell house
12. Amazing art shows in townhall
13. Homeless shelter ordinance
14. Major progress on Sammamish Bridge planning and final design
15. Completed one Walkways and Waterways project
16. Target Zero Sidewalk improvements near Middle School
17. St. Edward Lodge construction permitting
18. State Parks' fulfillment of purchase of Macdonald property
19. Ball field analysis
20. Car charging station
21. Negotiated Mainstreet real estate agreement
22. Passed a plastic bag ordinance
23. Surface Water Management station
24. Twentieth Anniversary Celebration
25. Install lawn at City Hall
26. Culvert improvements at Swamp Creek and 192nd

- 27. First full year of Hangar- over 1,000 reservations
- 28. Update to the Economic Development Strategy
- 29. Music, movie, fireworks-events
- 30. Passed the 1,000 mark in registered businesses
- 31. Completed the pavement rating study