

**City of Kenmore
City Council Regular Meeting
Minutes
April 15, 2019**

CALL TO ORDER - Mayor David Baker called the meeting to order at 6:30 p.m.

RECESS TO EXECUTIVE SESSION

The meeting recessed to executive session at 6:30 p.m. pursuant to RCW 42.30.110(1)(i), to discuss Litigation and Potential Litigation for approximately 30 minutes.

At 7:00 p.m., the executive session was extended for 5 minutes.

RECONVENE TO REGULAR SESSION

The meeting reconvened to regular session at 7:00 p.m.

ROLL CALL

Mayor David Baker
Deputy Mayor Nigel Herbig
Councilmember Joe Marshall
Councilmember Milton Curtis
Councilmember Debra Srebnik
Councilmember Stacey Denuski
Councilmember Brent Smith

FLAG SALUTE

AGENDA APPROVAL

There were no changes to the agenda.

PRESENTATION

Introduce New Employees Anna Arnott, Public Works Maintenance Worker and Gary Geiger, Maintenance Worker - Jennifer Gordon, Public Works Operation Manager

Donation of Materials, Construction and Installation of the Legends Memorial Bench at Rhododendron Park - Jennifer Gordon, Public Works Operation Manager and Sara Hayashi

CITIZEN COMMENTS

Joanna Crocker

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7301 NE 175th Street
Kenmore, Washington 98028

Ms. Crocker thanked the Council and the staff for their work on the mobile home parks. She also thanked the Northshore Canoe and Kayak Club for all that they do.

Corina Pfeil
Address on file – Kenmore, Washington

Ms. Pfeil spoke about the National Night Out event. She would like to see the City grow the event and perhaps hold it in the Hangar/Town Square.

John Hendrickson
5919 NE 202nd Lane
Kenmore, Washington 98028

Mr. Hendrickson spoke about a City road tax. He also made some comments on the upcoming Sammamish River Bridge construction project.

CONSENT AGENDA

MOTION: Councilmember Denuski made a motion to approve the consent agenda, Councilmember Curtis seconded the motion. The motion passed unanimously.

The consent agenda included the following items:

Total Checks #41941 through #42036 in the Amount of \$375,992.06.
Total Payroll/Taxes/Flexible Spending/Retirement and Health Savings Account Electronic Deposits Dated: 3/15/19 in the amount of \$140,241.57.

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Authorize the City Manager to Sign the Interlocal Cooperative Purchasing and Reciprocal Staff Services Agreement with the City of Kirkland

Authorize the City Manager to Execute Contract 19-C2021 with PACE Engineering, Inc. to Perform Development Review Services

Authorize the City Manager to Execute a Contract with Low Bidder Kamins Construction to Construct the NE 153rd Place Safe Routes to School Sidewalk Project

Authorize the City Manager to Increase the Contract Authority with KBA to Complete the Preconstruction Services and Secure Office Space for the West Sammamish River Bridge

BUSINESS AGENDA

Ordinance 19-0481 Relating to the City's Manufactured Housing Communities Municipal Code Amendments - Debbie Bent, Community Development Director and Lauri Anderson, Principal Planner

Director Bent and Principal Anderson explained that on March 25, 2019, the City Council held a public hearing and began deliberations on draft Municipal Code amendments related to the City's existing manufactured housing communities. An ordinance reflecting those amendments is included in the Council packet.

After discussion, the Council tabled consideration of the ordinance to April 15.

The ordinance would create a new Manufactured Housing Community (MHC) zoning district that would be applied over all of the existing mobile home parks. This new designation includes an "exception" that would allow a property-owner to propose another use or zoning if certain criteria could be met.

MOTION: Councilmember Smith made a motion to approve Ordinance 19-0481, an Ordinance of the City of Kenmore, Washington, relating to the City's Manufactured Housing Communities; Amending Chapters 18.15, 18.20, 18.21, 18.22, 18.23, 18.24, 18.25, 18.25A, 18.25B, 18.26, 18.29, 18.30, 18.35, 18.40, 18.42, 18.45, 18.50, 18.60, 18.77, 18.80, and 19.25 of the Kenmore Municipal Code and Amending the Zoning Map, Deputy Mayor Herbig seconded the motion. The motion passed 6-1-0 with Councilmember Marshall opposed.

Resolution 19-319 Directing the Planning Commission to Consider Future Zoning for Four Existing Manufactured Housing Communities - Debbie Bent, Community Development Director and Lauri Anderson, Senior Planner

Director Bent and Principal Planner Anderson explained that on March 25, 2019, the City Council reviewed the draft Municipal Code amendments related to the City's existing manufactured housing communities and tabled further discussion until April 15. A motion to table also was passed for the companion resolution.

During the initial discussion on the Municipal Code amendments, Council considered the need for future zoning changes after a 10-year preservation period for four of the existing

manufactured housing communities. Consideration of this future upzone with affordability requirements was directed by the Council at the September 17, 2018 meeting.

To address the future zoning, Comprehensive Plan amendments may be needed, and those amendments must be considered by the City's Planning Commission. At the same time, the Commission could consider appropriate levels of increased density and affordable housing requirements. (Upzoning with affordability requirements was one of the approaches recommended by the Planning Commission in their initial recommendations on the manufactured housing communities last year.) The resolution directs the Planning Commission to tackle this topic in 2019 in order to finish the manufactured housing community project.

The analysis of redevelopment and replacement affordable housing prepared by ARCH in 2018 was part of the City Council packet on July 9, 2018. The conclusion of that analysis was that to replace units at a moderate-income level, a higher percentage of affordable units would be required (from 13-18%) and densities would have to increase to as much as 105 dwelling units per acre. To replace units at a low-income level, a lower percentage of affordable units would be required (9-12%), but densities would increase to as much as 163 dwelling units per acre. This is the type of analysis that the Planning Commission could consider in their review.

To give the Planning Commission flexibility to consider higher densities as they consider options, staff is recommending a change to the previous version of the resolution. The previous version read as follows:

Section 2. Planning Commission Consideration and Recommendations. The City Council desires that the Planning Commission consider and make recommendations on Comprehensive Plan and Municipal Code amendments related to future rezones, with increased density and affordability requirements, for the four existing manufactured housing communities north of SR-522. Future densities of up to 100 dwelling units per acre as a base density should be considered.

The new version of the resolution eliminates the following statement, "Future densities of up to 100 dwelling units per acre as a base density should be considered."

MOTION: Councilmember Curtis made a motion to approve Resolution 19-319 Directing the Planning Commission to Consider Future Zoning for Four Existing Manufactured Housing Communities and adding the suggested sentence read aloud in Section 2, Councilmember Denuski seconded the motion. The motion passed 5-2-0 with Deputy Mayor Herbig and Councilmember Marshall opposed.

Ordinance 19-0479 Designating the Transit Oriented Development District Overlay as a Residential Targeted Area and Amending Chapter 3.65 of the Kenmore Municipal Code - Bryan Hampson, Development Services Director

To help further encourage multi-family development and redevelopment in our transit-oriented development (TOD) district overlay, City staff recommends City Council increase the incentives available in the TOD area by designating the TOD as a residential targeted area, to be eligible to take advantage of the Multifamily Tax Exemption (MFTE) as allowed by the codified Ordinance, Chapter 3.65 KMC.

Although there may appear to be many changes to Chapter 3.65 most of the changes are minor, needed to align with the City's and A Regional Coalition for Housing's (ARCH's) practices.

The two substantive changes to Chapter 3.65 KMC are designating the TOD as a residential targeted area and lowering the level of affordability, associated to the 12-year tax exemption, from 85% to 60% of King County median income level.

Summary of the recommended changes to Chapter 3.65 KMC:

1. 3.65; Italicized defined words throughout 3.65.
2. 3.65.020 A; Definition of affordable housing. Applied the 30% of monthly income to both types, owner or renter occupied, affordable housing. Aligns the definition with the affordable housing definition in the zoning code.
3. 3.65.020 C; Similar to other changes to "city manager" in the KMC, changed director to city manager's designee to prevent having to revise the code if the position or person responsible for administering the code changes.
4. 3.65.020 D; Revised the definition of eligible household for clarity and consistency.
5. 3.65.020 G; Revised the definition of median income to align with more appropriate agencies and to align with the zoning code.
6. 3.65.030 D; Designated the TOD as a residential targeted area.
7. 3.65.050 B; Moved the timing of the final certificate fee to the appropriate section, KMC 3.65.090 A and revised the fee amount to the actual fee amount.
8. 3.65.100 A; Revised section to define level of affordability required for 12-year tax exemption, to 60% of King County median income, as directed by Council.
9. 3.65.105; Added new section outlining affordable housing requirements.
10. 3.65.110; Clarified existing properties benefiting from this Chapter are vested to the rules in effect at the time the tax exemption was issued.
11. 3.65.110 I; Added a section to allow the City to receive a monitoring fee to manage the affordable unit program.

MOTION: Councilmember Smith made a motion to approve Ordinance 19-0479 Designating the Transit Oriented Development District Overlay as a Residential Targeted Area and Amending Chapter 3.65 of the Kenmore

Municipal Code, Councilmember Curtis seconded the motion. The motion passed unanimously.

Update and Discussion on Puget Sound Regional Council's (PSRC's) Vision 2050 Growth Alternatives - Debbie Bent, Community Development Director and Lauri Anderson, Principal Planner

Puget Sound Regional Council (PSRC) has released the draft SEIS (Supplemental Environmental Impact Statement) on three growth alternatives for Vision 2050 (considered the Multicounty Planning Policies). The City's Comprehensive Plan must be updated to reflect these policies at the time of the next mandatory update in 2023. After review of the SEIS, staff recommends that the City Council endorse the Transit Focused Growth alternative.

Attachment 1 is the Executive Summary of the SEIS. The full document can be reviewed at: <https://www.psrc.org/vision/seis>. Comments are due to PSRC by April 29, 2019.

The three alternatives under consideration in the SEIS are the "Stay the Course" alternative, the "Transit Focused Growth" alternative and the "Reset Urban Growth" alternative. According to the Executive Summary, "All alternatives assume that all types of communities will grow and accommodate forecast growth (1.8 million additional people and 1.2 million additional jobs by 2050), though at different rates by geography and by county." The following chart from the Executive Summary most clearly outlines the growth expectations for each growth alternative. Kenmore is classified as a High Capacity Transit (HCT) Community.

Topic	Stay the Course	Transit Focused Growth	Reset Urban Growth
What would the growth pattern look like?	Compact growth focused in Metropolitan and Core cities with regional growth centers. Extends current growth plan.	More compact growth focused in high-capacity transit areas in Metropolitan, Core and HCT Communities. Less growth in outlying areas.	Growth is more distributed throughout the urban growth area, while still assuming a large share of growth to Metropolitan and Core cities. More growth in outlying areas.
Where would population growth go?	Metropolitan Cities: 35% Core Cities: 28% HCT Communities: 18% Cities & Towns: 9% Urban Unincorporated: 5% Rural: 5%	Metropolitan Cities: 36% Core Cities: 29% HCT Communities: 23% Cities & Towns: 6% Urban Unincorporated: 4% Rural: 2%	Metropolitan Cities: 31% Core Cities: 25% HCT Communities: 18% Cities & Towns: 8% Urban Unincorporated: 12% Rural: 6%
Where would employment growth go?	Metropolitan Cities: 44% Core Cities: 36% HCT Communities: 12% Cities & Towns: 5% Urban Unincorporated: 3% Rural: 1%	Metropolitan Cities: 44% Core Cities: 35% HCT Communities: 13% Cities & Towns: 4% Urban Unincorporated: 2% Rural: 1%	Metropolitan Cities: 41% Core Cities: 32% HCT Communities: 12% Cities & Towns: 6% Urban Unincorporated: 6% Rural: 2%

Although as stated earlier, staff recommends that the Council endorse the Transit Focused Growth alternative, there are pros and cons to each alternative, described below:

Stay the Course

In this alternative, Kenmore would continue to be treated as a larger city and its allocated percentage of future growth would not change significantly. Projected growth for Kenmore is less in this alternative than in the Transit Focused Growth alternative.

Pros: The general trajectory of growth expectations from the 2015 Comprehensive Plan update could continue. Although population and employment would grow, there may not be a need to address regional expectations for development near transit stations. The City could choose to focus new growth to support a transit- and pedestrian-friendly community, but there may be no regional expectations to satisfy.

Cons: This approach does not acknowledge the new role Kenmore could assume with establishment of BRT (or even light rail) along SR-522.

Transit Focused Growth

Under this alternative, Kenmore as a High Capacity Transit Community, would be expected to take on a larger percentage of regional growth than would previously have been expected. The alternative focuses 75% of new regional growth—both jobs and housing—within one-quarter to a half-mile from current and planned high-capacity transit station areas, including light rail, bus rapid transit and ferries. This approach would focus most new growth into the metropolitan communities (Seattle and Bellevue), the core communities (such as Bothell, Redmond, and Kirkland in our area), and communities that are going to be served by high capacity transit such as Kenmore.

Pros: This alternative supports Kenmore's evolving role as a community directly served by high capacity transit. Regional acknowledgement of this role could help the City take its place at the table with other HCT Communities and would support new growth in both jobs and housing units in the City. Regionally, this alternative would result in a slight reduction in greenhouse gas emissions compared to Stay the Course, as well as less impervious surface added to the region.

Cons: Regional growth expectations could require changes in the City's growth pattern along the SR-522 corridor. Increased residential densities within one-quarter to one-half mile of the stations could be one outcome, including potential impacts to nearby single-family residential areas. Regionally, there would be an elevated risk of housing displacement compared to Stay the Course.

Reset Urban Growth

This alternative spread growth more evenly over the four Puget Sound counties (King, Pierce, Snohomish, and Kitsap) extending it outward toward the urban growth boundary. The alternative would continue to allocate the largest shares of growth to metropolitan communities and core cities, although the overall growth to these geographies and to HCT Communities like Kenmore would be less than in the other two alternatives.

Pros: This alternative would potentially reduce new growth expectations for Kenmore. Regionally, there would be a lower risk of housing displacement.

Cons: This alternative does not recognize the significant investment the region has made in transit and it does not as clearly support the idea that a strategy focused on centers to support

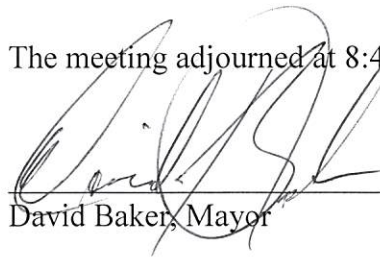
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transit is important. This alternative would result in a slight increase in greenhouse gas emissions compared to Stay the Course and would add more impervious surface to the region.

The Council and staff engaged in a discussion. The consensus of the Council was to go with the Transit Focused Growth; which was the staff recommendation. The staff will prepare a letter to PSRC.

ADJOURNMENT

The meeting adjourned at 8:41 p.m.



David Baker, Mayor

ATTEST:



Kelly M. Chelin, City Clerk