City of Kenmore, Washington
City Council Regular Meeting
Minutes
December 8, 2014

CALL TO ORDER – The regular meeting of the Kenmore City Council was called to order by Mayor David Baker at 7:01 p.m.

Councilmembers present: Mayor David Baker, Deputy Mayor Allan Van Ness and Councilmembers Brent Smith, Laurie Sperry, Milton Curtis, Nigel Herbig and Stacey Denuski

Staff present: Rob Karlinsey, City Manager; Nancy Ousley, Assistant City Manager; Joanne Gregory, Finance & Administration Director; Kris Overleese, Engineering & Environmental Services Director; Debbie Bent, Community Development Director; Bryan Hampson, Development Services Director; Lauri Anderson, Senior Planner; Rod Kaseguma, City Attorney; and Patty Safrin, City Clerk

FLAG SALUTE

Mayor Baker led the flag salute.

AGENDA APPROVAL

It was Council consensus to approve the agenda as submitted.

CITIZEN COMMENTS

Jack Bunnell, 6428 NE 182nd Street, Kenmore, was present to thank the City for improving crosswalks and to state his concern regarding asphalt plant fumes.

Patrick O'Brien, 6330 NE 181st Street, Kenmore, was present to state his concerns regarding asphalt plant fumes, crosswalks, and possible groundwater contamination at the Post Office and former Shell station sites.

Ann Hurst, 6302 NE 151st Street, Kenmore, was present to state her concern regarding asphalt plant fumes. She also expressed her view regarding proposed height requirements in the proposed Waterfront Commercial Zone.

Dennis Mendrey, 6410 NE 182nd Street, Kenmore, was present to wish the City Council a good holiday and to comment on development agreements.

Carl Michelman, 5727 NE 197th Street, Kenmore, was present to state that the networking at the recent Kenmore Business Alliance Open House was great, and that it probably would not have been so successful without the business registration program. He suggested a property in Kenmore that he would like to see the City purchase and turn into a park.

Mayor Baker thanked the citizens for their comments.

CONSENT AGENDA

Councilmember Sperry moved to approve the consent agenda as submitted. Mayor Baker seconded the motion to Approve Check Nos. 31054 - 31138 in the Amount of $1,009,679.50 and Electronically Transferred Payroll Funds Totaling $67,536.72 and Payroll Check No. 6947 in the Amount of $261.96 for the Period Ending November 21, 2014; Approve Three Appointments to the Kenmore Library Advisory Board and Three Alternates; Approve Contract No. 13-C1214 Supplement No. 3 with HDR in the Amount of $1,603,568 for SR 522 Construction Management Services; and Approve Contract No. 14-C1324 Amendment No. 2 with Hewitt Architects for Landscape Architect Services. The motion passed unanimously.

PUBLIC HEARING

Public Hearing Regarding Height Requirements in the Proposed Waterfront Commercial Zone – Debbie Bent, Community Development Director, and Lauri Anderson, Senior Planner, were present to give a brief report and PowerPoint presentation. They were also available to answer any questions.

Director Bent gave an overview of the Council's discussions and deliberations thus far on the height requirements in the proposed Waterfront Commercial zone. She detailed the notices that were given to the community regarding tonight's meeting. Lauri Anderson gave a PowerPoint presentation and stated that the proposed zone encompasses three properties. She detailed the current regulations and the four alternatives that the City Council is considering. She also provided some additional information regarding setbacks and the requirements for properties on the south side of SR 522.

Mayor Baker opened the public hearing to receive public testimony on this issue at 7:28 p.m.

The following citizens spoke:

Bob Greene, 6250 NE 182nd Street, Kenmore, was present to support the Planning Commission's original recommendation to the Council.

Chet Ricketts, 6288 NE 182nd Street, Kenmore, was present to support the Planning Commission's original recommendation to the Council.

Jack Bunnell, 6428 NE 182nd Street, Kenmore, was present to support the Planning Commission's original recommendation to the Council.

Tom Hermann, 6244 NE 182nd Street, Kenmore, was present, as a resident who owns lake view property, to support the needs of the businesses located in the proposed zone by not restricting the heights as much as the Planning Commission recommended. He also does not support the additional setback requirement.

Mark Demaram, 145 Third Avenue S, Edmonds, was present to state his support for the lower height requirements.

Patrick O'Brien, 6330 NE 181st Street, Kenmore, was present to state his concern about cleanup of groundwater contamination. In addition he would like to see the south side of SR 522 for businesses only, no residential. He suggested that Council consider 50% view corridors in some areas and new heights being coordinated with established use.

Kent Sturgis, 18821 64th Avenue NE, Kenmore, was present to state that he has a strong interest in preserving views of the lake and supports the Planning Commission, but has some concerns about fairness and consistency.

Dennis Mendrey, 6410 NE 182nd Street, Kenmore, was present to speak about the Planning Commission's considerations in making their recommendation. He also suggested that the City share the cost of attorney fees for development agreements.

Jim Davidson, 23227 49th Avenue SE, Kenmore, was present as one of the owners of the Northlake Marina. He pointed out that, in another zone, one of the best views of the lake has higher height restrictions of 55'. He commented on what a height restriction at the Marina of 45'–50' would look like and how it would affect the business in a positive way.

Carl Michelman, 5727 NE 197th Street, Kenmore, was present, as a Kenmore citizen and local businessman, to support the Planning Commission's original recommendation to the Council.

Douglas Nugent, 18023 62nd Avenue NE, Kenmore, was present as a Planning Commission member to state his opinion that the Planning Commission's recommendation is the only one that will protect the views of Lake Washington.

Doug Levy, 15619 62nd Place NE, Kenmore, was present to state that this is a decision which will affect citizens for generations to come and once the structures are built, they cannot be made smaller. A development agreement option gives these businesses something to work with the City on, so he supports the Planning Commission's recommendation.

Arlene Cruce, 19214 90th Avenue NE, Bothell, was present as a commercial property owner of the Cozy Inn Tavern on the north side of SR 522. She stated that they could lose half of the view from their deck, and so are in favor of the Planning Commission's recommendation. She submitted a handout to Council.

Todd Banks, 6321 NE 175th Street, Kenmore, was present as owner of Kenmore Air to state that he views the Planning Commission's recommendation to downgrade their property as being in direct conflict with the stated goals of the City for economic development. He also stated that he was shocked not to have ever been a part of the Planning Commission's discussions. He would like the Council to support them with a 45' height limit.

Masso Salmassi, 6190 NE 187th Place, Kenmore, was present to state that he has a very nice view which is disappearing, and he supports the Planning Commission's recommendation.

There were no other citizens wishing to testify at this time. Mayor Baker stated that at staff's recommendation he will leave the public hearing open.

BUSINESS AGENDA

Provide Direction to Staff on the Preferred Approach to Height Requirements in the Proposed Waterfront Commercial Zone – Debbie Bent, Community Development Director, and Lauri Anderson, Senior Planner, were present to answer any additional questions.

Councilmember Curtis moved to accept the Planning Commission's recommendation. Councilmember Smith seconded the motion. The motion failed 3-4, with Councilmembers Denuski and Sperry, Deputy Mayor Allan Van Ness, and Mayor Baker voting no.

Councilmember Smith moved to accept the option for 40' height limits with no additional setbacks required. Councilmember Curtis seconded the motion. The motion passed 5-2, with Deputy Mayor Van Ness and Mayor Baker voting no.

This motion gives direction to staff for what to include in preparing Ordinance No. 14-0391 for approval.

Adopt Ordinance No. 14-0387, Approving the 2015-2020 Capital Improvement Program (CIP) for Surface Water, Parks, and Transportation – Joanne Gregory, Finance & Administration Director, was present to give a brief overview of the CIP and the resources needed to complete the recommended projects. She noted that at least one of the projects may depend on grant funding for completion. City Manager Karlinsey stated that the CIP is a living document, and may be amended to accommodate grants for other projects, such as sidewalks. They were also available to answer any questions.

Councilmember Van Ness moved to Adopt Ordinance No. 14-0387, Approving the 2015-2020 Capital Improvement Program (CIP) for Surface Water, Parks, and Transportation. Councilmember Curtis seconded the motion. The motion passed 7-0.

Adopt Ordinance No. 14-0389, Adopting a Biennial Budget for the Period January 1, 2015 through December 31, 2016, Establishing Appropriations of Funds for the 2015-2016 Biennium – Joanne Gregory, Finance & Administration Director, was present to give a brief report. She noted that the budget begins at the City Council retreat in January, where the Council identifies their priorities. She spoke briefly about the priority-based budgeting process. She detailed the milestones in the presentation of the budget to the Council and the public, which inform the final budget development. She reviewed the emphases of the proposed 2015-2016 Biennial Budget. She was also available to answer any questions.

Councilmember Curtis moved to Adopt Ordinance No. 14-0389, Adopting a Biennial Budget for the Period January 1, 2015 through December 31, 2016, Establishing Appropriations of Funds for the 2015-2016 Biennium. Councilmember Denuski seconded the motion. The motion passed 7-0.

STAFF REPORT

City Manager Karlinsey stated that the priority-based budgeting was a lot of work in a very compressed time frame, and he thanked the staff for their hard work. He briefly discussed the upcoming issue of development agreements, which is currently on the agenda for December 15,

2014. He noted that if Council wishes to change the development agreement ordinance, he would recommend considering the ordinance in January instead. He stated that, in his experience, a developer usually does not go ahead with a development agreement unless they have an idea that the City supports it, in which case the City should pay for their own attorney's fees. However, it could also be left as is, and the City would have the option to waive the attorney fee requirement at the time of negotiating an agreement.

It was Council consensus to leave the development agreement ordinance language as currently written and consider it on the December 15th.

Karlinsey stated that the City will be present at the Sound Transit meeting on December 18th.

CITY COUNCILMEMBER REPORTS & COMMENTS

Councilmember Smith stated that he wants to be assured that the negotiations between State Parks and a potential developer for the Seminary building will produce a reasonable public benefit, since the development will impact the park.

City Attorney Kaseguma cautioned Councilmembers to avoid making any statements in favor of or against the development of the Seminary building outside their discussions and deliberations in open City Council meetings. He stated that this does not apply to City staff.

Councilmember Laurie Sperry stated that the recent City newsletter was one of the best ever. She stated that she attended the tree lighting ceremony and was amazed at how well-attended and great it was.

Councilmember Herbig thanked staff for all their hard work and long hours this year.

Deputy Mayor Van Ness echoed the compliments to staff and also thought that the Christmas tree lighting ceremony was amazing.

ADJOURNMENT

The Public Hearing was not continued.

Mayor Baker adjourned the regular meeting at 9:14 p.m.

David Baker, Mayor

ATTEST:

Patty Safrin

Patty Safrin, City Clerk