

	City Council Study Session Finance - Econ Dev SFA November 27, 2017 - 5:30 PM Council Chambers - City Hall MINUTES Watch the meeting LIVE! Watch the meeting video Meeting videos are not available until 72 hours after the meeting has concluded.
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I. CALL TO ORDER

Deputy Mayor Largo Wales called the meeting to order at 5:30 p.m. in the Council Chambers of Auburn City Hall located at 25 West Main Street in Auburn.

A. Roll Call

Councilmembers present: Deputy Mayor Largo Wales, Claude DaCorsi, John Holman, Bill Peloza, Yolanda Trout-Manuel, and Rich Wagner. Councilmember Bob Baggett was excused.

Mayor Nancy Backus and the following department directors and staff members were present: Finance Director Shelley Coleman, Human Resources and Risk Management Director Rob Roscoe, Community Development and Public Works Director Kevin Snyder, Parks, Arts and Recreation Director Daryl Faber, Assistant Director of Engineering Services/City Engineer Ingrid Gaub, Police Commander Mike Hirman, City Attorney Daniel B. Heid, Traffic Engineer James Webb, Planning Services Manager Jeff Dixon, Utilities Engineering Manager Lisa Tobin, Director of Administration Dana Hinman, Innovation and Technology Director Paul Haugan, Assistant Director of Community Development Services Jeff Tate, and City Clerk Danielle Daskam.

II. ANNOUNCEMENTS, REPORTS, AND PRESENTATIONS

Councilmember Holman announced he is participating in "No-Shave November" to bring awareness to men's health and wellness.

Councilmember Peloza noted *The Auburn Reporter's* article on retiring Councilmember Rich Wagner.

An additional item regarding Customer Service Dilemmas, was added to the agenda under Item added III.G of the agenda.

III. AGENDA ITEMS FOR COUNCIL DISCUSSION

A. Traffic Calming Program Discussion (Snyder) (20 Minutes)

Assistant Director of Engineering Services/City Engineer Gaub and Traffic

Engineer Webb presented information on the Traffic Calming Program, including how traffic calming locations are identified, how staff evaluate potential traffic calming locations, the measures or options that staff consider when traffic calming is appropriate, and a summary of the various traffic calming measures implemented in the last year.

Traffic calming improves safety by reducing speed and changes travel patterns.

The annual budget for traffic calming measures is \$100,000 and is funded with REET2 funds.

Assistant Director Gaub stated the City receives traffic concerns/complaints from a number of sources, including Individual citizens/businesses, neighborhood Homeowner's Associations, and the Auburn Police Department.

The next step is to speak with the individual or group who brought the concern forward, conduct a radar speed study (24 hrs for 7 days), and then evaluate the radar data and the road's characteristics.

Assistant Director Gaub stated the City uses its own guidelines and the National Engineering Standards when evaluating potential traffic calming. The Nationally Accepted Standard is 85th percentile speed. The City's traffic calming thresholds are based on 85th percentile speeds—5 mph over the posted speed limit for local streets and 10 mph over the posted speed limit for arterial and collector streets.

Appropriate next steps can include:

- No action, police enforcement, a neighborhood survey, or installation of traffic calming features, or any combination of these.
- The road's characteristics: classification, layout – potential diversion to a parallel street, roadway alignment and grade, transit route, school bus route, snowplow route, etc.
- Is a neighborhood study needed – if the measure identified has the potential to create noise, inconvenience, or in some other way impact the neighborhood, the neighborhood residents are surveyed to determine what the whole neighborhood wants to do. The process may have started from only one individual's complaint. A majority response from those that do respond and may take several attempts to get sufficient response, at least 50% of the neighborhood being surveyed.

Traffic Engineer Webb discussed the primary traffic calming tools: speed cushions, raised crosswalks, speed feedback signs, road surface changes - high friction surface treatment, traffic islands, and roadway narrowing. Traffic Engineer Webb discussed the pros and cons of each.

Assistant Director Gaub provided a recap of traffic calming measures taken in 2017:

- Conducted 40+ speed studies
- Installed Radar Feedback Signs in three locations
- Installed speed cushions on one local street
- Installed High Friction Surface Treatment in one location on a principal arterial street
- Completed a road diet on one minor arterial street
- Referred 10 areas to Auburn Police for Emphasis on Traffic Enforcement

Councilmember Pelozo recommended a radar speed study on Scenic Drive. Assistant Director Gaub stated radar speed studies have already been conducted, and they have not exceeded the 85th percentile to warrant traffic calming.

Deputy Mayor Wales question whether staff collects post installation data to determine success. Assistant Director Gaub stated it depends on the situation, but provided an example on O Street SE where a post radar speed study revealed a considerable speed reduction.

B. Resolution No. 5330 - Deed Restriction (Snyder) (10 Minutes)

Restrictive Covenant for Mill Creek Restoration Project

Community Development and Public Works Director Snyder presented Resolution No. 5330, authorizing a deed restriction-restrictive covenant for City-owned parcels 1221049037, 1221049038, 1221049039 and 1221049007 as a condition of a Washington State Department of Ecology grant.

In 2014, the City was awarded a \$532,000 Competitive Floodplain Management and Control Grant for the Mill Creek Wetland 5K Ecosystem Restoration Project for the purchase of approximately 21 acres of land comprised of four parcels from William M. Calhoun and Carolyn M. Calhoun. The Washington State Department of Ecology requires the City to execute and record a deed placing a restrictive covenant on the purchased properties. The recorded deed restriction is intended to enable floodplain protection and/or restoration and to prevent future development of the affected parcels of land.

The resolution will appear before Council at its next regular meeting.

C. Ordinance No. 6667 - 2017 Comprehensive Plan Map and Text Amendments (Snyder) (15 Minutes)

Adopting the 2017 Annual Comprehensive Plan map and text amendments

Planning Services Manager Dixon reviewed Ordinance No. 6667 amending the Comprehensive Plan to include 2017 Annual Comprehensive Plan Map and Policy/Text Amendments and four

associated rezones.

At the end of 2015, the City adopted a substantially revised Comprehensive Plan.

Comprehensive Plan amendments can be initiated by the City and by private citizens. This year, the City is initiating nine policy/text amendments and seventeen map amendments. Also, the City received one private-initiated Plan Map amendment.

The City is limited to amending its Comprehensive Plan once a year, except in limited circumstances.

Comprehensive Plan amendments are initially reviewed during a public hearing process before the Planning Commission, who then provides a recommendation to the City Council. The Planning Commission held public hearings on October 18 and November 1, 2017. The Planning Commission recommended approval of all proposed amendments.

Manager Dixon referred to staff report of the agenda packet for a complete description and depiction of the Comprehensive Plan amendments:

- P/T #1 – Auburn School District 2017-2023 Capital Facilities Plan
- P/T #2 – Dieringer School District Capital Facilities Plan 2018-2023
- P/T #3 – Federal Way School District 2018 Capital Facilities Plan
- P/T #4 – Kent School District 2017/2018 – 2022/2023 Capital Facilities Plan
- P/T #5 – City of Auburn 2018-2023 Capital Facilities Plan
- P/T #6 - Remove the discussion of a "Mixed Use" land use designation from the text of the Plan and from the Land Use Map.
- P/T #7 - Add text to add back the R-5, Residential zoning district back in as an implementing zone for the "Single Family" Land Use Designation.
- P/T #8 - Change the title of the land use designation of "Residential Transition" to "Moderate Density Residential".
- P/T #9 - Add the "R-10, Residential" & R-16, Residential" zoning districts back as implementing zones for the "Residential Transition" or if recommended, to the "Moderate Density Residential" Land Use Designation.
- CPM #1 - Remove the "Mixed Use" land use designation remove category from the legend of the Land Use Map.
- CPM #2 - Change the mapped land use designation of a 0.98-acre city-owned park parcel from "Multiple Family Residential" to "Institutional".
- CPM #3 - Change the mapped designation of a group of 4 privately-owned, previously developed parcels from "Downtown Urban Center" to "Light Industrial".
- CPM #4 Change the mapped designation of south part of 2.15-acre, privately-owned, developed parcel from "Residential

Transition" to "Heavy Commercial".

- CPM #5 - Change the mapped land use designation of 3 parcels (2 privately-owned and 1 city-owned) from the "Open Space" to "Downtown Urban Center" land use designation.
- CPM #6 - Change the mapped land use designation (and zoning district) of various city-owned, parks properties from "Open Space" to "Institutional" land use designation.
- CPM #7 - Change the mapped land use designation of 3 Tribal parcels from the "Open Space" to the "Institutional" Land Use designation.
- CPM #8 - Change the mapped land use designation of 2 parcels from "Single Family Residential" to "Light Commercial" and to change the zoning designation from "R5, Residential" to "C1, Light Commercial" to agree.
- CPM #9 - Change the mapped land use designation of 2 privately owned vacant parcels at SE corner of SE 312th ST & 121st PL SE from "Multiple Family Residential" to "Light Commercial".
- CPM #10 - Change the mapped land use designation of a privately owned 0.91-acre parcel near the intersection of 124th AV SE & SE 307th PL from "Multiple Family Residential" to "Single Family Residential".
- CPM #11 - Change the mapped land use designation of a privately-owned, 13.84-acre parcel addressed as 521 - 8TH ST SW. from "Heavy Industrial" to "Light Industrial".
- CPM #12 - Change the mapped land use designation of 7.2-acre private parcel located NW of intersection of Mill Pond DR SE and Kennedy AV SE from "Single Family Residential" to "Multiple Family Residential".
- CPM #13 - Change the mapped land use designation of a group of 10 adjacent parcels located north side of Auburn WY S, east of Academy DR SE from "Single Family Residential" to "Multiple Family Residential".
- CPM #14 - Change the mapped land use designation of 23 parcels located at various locations in downtown from "Institutional" to "Downtown Urban Center".
- CPM #15 - Change the mapped land use designation of numerous parcels within the Lakeland Hills South PUD from "Residential Transition" to "Moderate Density Residential" and "Multiple Family Residential".
- CPM #16 - Change the mapped land use designation of 0.21-acre city-owned stormwater facility on the south side of 35th St SE, from "Institutional" to "Multiple Family Residential".
- CPM #17 - Change the mapped land use designation of an approximately 0.71-acre privately-owned parcel located east of end of B ST SE between 15th and 16th ST SE from "Residential Transition" to "Multiple Family Residential".
- Nexus Youth & Families to change the mapped land use designation of 3 parcels from "Single Family" with a "Residential Transition Overlay" to "Light Commercial" and change the zoning designation from "R-7, Residential" to "C-1, Light Commercial".

The Planning Commission recommends City Council approval of the Comprehensive Plan Amendments P/T #1-9, CPM #1 – 17, and the private map amendment and the related rezone (zoning map amendments) associated with CPM #6, #7, & #8 and associated with the private map amendment.

D. Ordinance No. 6668 - 2018 School Impact Fees (Snyder) (10 Minutes)
Amending Auburn City Code relating to school impact fees

Planning Services Manager Jeff Dixon presented Ordinance No. 6668, amending City Code to adjust school impact fees.

Chapter 19.02 addresses the establishment, calculation, collection and amendment of school impact fees within the school districts that are within the boundaries of the city of Auburn. The four school districts within Auburn are: Auburn, Dieringer, Federal Way, and Kent.

Ordinance No. 6668 will adjust the school impact fees for 2018 based on the Capital Facilities Plans submitted by the school districts.

The Capital Facilities Plans that were approved by each of the school boards contain proposed school impact fees for each of the Districts. The requests for adjustment of the school impact fees are required to be submitted concurrent with the submittal of the Capital Facilities Plans. A separate letter request is only required to be submitted to the City when the fee adjustment is requested to increase.

Per City Code, the City Council is not obligated to accept the fees proposed by the School Districts and may establish fees that the Council determines are more appropriate and consistent with the public's interest in reasonably mitigating school impacts within the affected portion of the city.

Planning Manager Dixon noted the Dieringer School District is requesting increases in both single-family dwellings and multiple family dwellings. The 2018 impact fee for single-family is proposed to be \$3,760 (an increase of \$360) and the impact fee for multiple family dwellings is proposed as \$1,081 (a decrease of \$678). However, in the past the City has adopted fees consistent with those assessed by Pierce County. Pierce County routinely establishes a uniform rate for all districts within their jurisdiction and only makes yearly adjustments based on the Consumer Price Index. Therefore, a lesser school impact of \$3,485 for single family residential and \$1,081 for multiple family residential is recommended.

Planning Manager Dixon noted the Federal Way School District Capital Facilities Plan identifies a significant increase in the single family school impact fee of \$6,842 (a \$3,644 increase) and a multiple family dwelling impact fee of \$20,086 (a \$11,700 increase). Manager Dixon reported the Federal Way School District explained two factors contributed to their

requested changed. The School District stated that for many years no multiple family dwelling developments occurred, so they were using the King County average. Subsequently there were three large multi-family developments that occurred and generated a substantial increase in the student generation rate for the developments.

Councilmembers discussed the regional impact of Federal Way School District's multiple family dwelling school impact fee.

The ordinance will be presented to the City Council on December 4th for action.

E. King County Franchise Fee (Snyder) (10 Minutes)

Utilities Engineering Manager Lisa Tobin presented information on King County's franchise fees. King County passed Ordinance 18403 that requires utility providers with franchise facilities in King County's right-of-way (ROW) to pay an annual fee for use of their ROW. The City of Auburn's water, sewer, and storm utilities each have a few facilities that are in unincorporated King County and within the City's utilities service area.

Manager Tobin illustrated three small areas that affect the City's utilities. The annual fee for the franchise fee is \$2,000 to be shared by the three utilities.

The question before Council is to either pass the fees on to non-City residents who are water and sewer utility customers or pay the fees from the utility operating fund and factor it into the rates for all customers.

Councilmember Holman stated the City Council can annex the areas and avoid the fees from King County. He suggested the City annex the areas. Assistant Director Gaub noted the most southern area is within the Federal Way potential annexation area.

Deputy Mayor Wales suggested Finance Director Coleman provide the estimated cost for the City to be able to bill the customers in the affected areas.

Councilmembers expressed an interest in discussing annexation of the areas and the legality of the fee being assessed by King County.

F. Ordinance No. 6669 - Auburn Poet Laureate (Faber) (10 Minutes)
Amending Auburn City Code relating to the Auburn Poet Laureate

Parks, Arts and Recreation Director Faber presented Ordinance No. 6669, which amends Auburn City Code Section 2.82.02 relating to the Auburn Poet Laureate. The purpose of the amendment is to expand the residency requirement of the Poet Laureate and allow the selection and recruitment of a Poet Laureate to be based on their work, the quality and subject matter, their involvement in the literary community, and how their experiences and sensibilities could relate to Auburn. The residency

requirement is extended to North Pierce County and South King County.

At 6:48 p.m., Deputy Mayor Wales recessed the meeting for a brief intermission. The meeting reconvened at 7:00 p.m.

G. Customer Service Dilemma

Assistant Director of Community Development Services Tate recalled that on August 28, 2017, staff presented Council with an overview of various types of development activities. As part of the presentation, he reviewed typical customer service dilemmas and considerations throughout the development/construction process. City staff have assembled a series of real life customer service dilemmas. The first two customer service dilemmas were discussed on October 9, 2017. Assistant Director Tate stated staff is not necessarily seeking a directive from Council but to initiate a discussion about balancing priorities and competing interests. The following scenarios were discussed:

Scenario 3 dealt with an engineer representing a developer who insists on submitting development plans for a new project although the submittal package is incomplete. Many Councilmembers expressed objection to allow anyone to submit an incomplete development package.

Scenario 4 dealt with a property owner who wishes to convert an older single family residence to an office for an attorney's office. The zoning allows for the conversion but the upgrades and increased parking trigger a requirement that right-of-way improvements must be made. Sidewalks, landscaping, curbs, power lines, and lighting must all be brought up to current code. The City Code does not grant authority to staff to waive the authority. Several Councilmembers commented the Code should be reviewed to potentially allow staff the discretion to deviate from the requirements.

IV. FINANCE AND ECONOMIC DEVELOPMENT DISCUSSION ITEMS

Councilmember Rich Wagner, vice chair of the Finance and Economic Development Special Focus Area, presided over the meeting during discussion of the Special Focus Area items.

A. Third Quarter 2017 Financial Report (Coleman) (30 Minutes)

Finance Director Coleman presented the third quarter 2017 Financial Report.

Through September 2017 General Fund revenue totaled \$47.4 million compared to a budget of \$46.7 million and \$733,000 higher than budget expectations. General Fund expenditures through the third quarter totaled \$47.9 million compared to a year-to-date budget of \$52.5 million, representing an 8.7% favorable variance.

Director Coleman reviewed the following revenues: property tax, sales

and use tax, sales tax on construction, utility tax, cable franchise fee, cable utility tax (new), business licenses, building permits fees, intergovernmental revenue (grants), charges for services, development service fees, culture and recreation, fines and penalties, miscellaneous revenues, real estate excise tax, and pet licensing.

Councilmember Pelozo requested information on the police extra duty contracts.

Councilmember Pelozo questioned the amount of unpaid fines. City Attorney Heid stated the collection of court fines is controlled by King County District Court, which allows payment over a long period of time.

Finance Director Coleman also reviewed the following funds: Fund 102 Capital Project Expenditures, Fund 103 Local Street Fund, Fund 105 Capital Project Expenditures, utility funds, including discussion of water revenue versus water sold, and Cemetery.

B. Ordinance No. 6665 - Budget Amendment No. 3 (Coleman) (15 Minutes)

An Ordinance of the City Council of the City of Auburn, Washington, amending Ordinance No. 6621, the 2017-2018 Biennial Budget, as amended by Ordinance No. 6646 and Ordinance No. 6656, authorizing amendment to the City of Auburn 2017-2018 Budget as set forth in Schedule "A" and Schedule "B"

Finance Director Coleman presented Ordinance No. 6665, amending the 2017-2018 Biennial Budget. The amendment is the third budget amendment for the 2017-2018 biennium and the final amendment for calendar year 2017. All projects/programs are underway and a budget amendment is requested to ensure sufficient budget authority to meet anticipated expenditures by year end.

Director Coleman reported the net impact of the amendment across all funds is \$750,000 with approximately \$500,000 in solid waste for increased roll-off revenue and expenditure to reflect increased quantities. Director Coleman reviewed the summary of proposed budget adjustments.

C. Council Budget Priorities (Coleman) (30 Minutes)

Councilmember Wagner reported he and Councilmember Baggett discussed the agenda item, which is preparatory to the 2019-2020 Budget.

Director Coleman referred to the Council's City-wide goals and priorities. Director Coleman suggested the Council update the goals and priorities to better define them and identify the strategies and activities to achieve them.

Director Coleman stated Mayor Backus would like to schedule a budget workshop to focus on establishing new Council goals, review of the budget document, and long-term planning for operations and capital. Mayor Backus stated the budget workshop will be scheduled for sometime in

February.

V. OTHER DISCUSSION ITEMS

There was no other discussion.

VI. NEW BUSINESS

There was no new business.

VII. MATRIX

A. Matrix

Councilmember Pelosa suggested adding a cemetery update, a Sister Cities update, and a multi-media and website presentation to the matrix.

Councilmember Trout-Manuel suggested adding an update on Court domestic violence filings to the matrix.

Councilmember Holman suggested adding a presentation on the model domestic violence firearms program to the matrix.

Councilmember DaCorsi suggested adding a follow-up on homelessness to the matrix.

VIII. ADJOURNMENT

There being no further discussion, the meeting adjourned at 8:40 p.m.

APPROVED this 19th day of February, 2019.


BILL PELOZA, DEPUTY MAYOR


Shawn Campbell, City Clerk

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