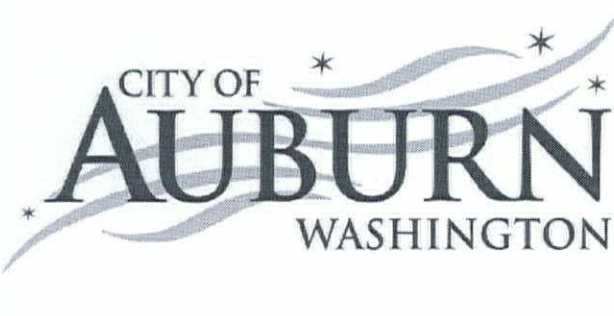


	City Council Study Session Finance - Econ Dev SFA September 25, 2017 - 5:30 PM Council Chambers - City Hall MINUTES Watch the meeting LIVE! Watch the meeting video Meeting videos are not available until 72 hours after the meeting has concluded.
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I. 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, Auburn.

A. Roll Call

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

Mayor Nancy Backus and the following department directors and staff members were present: City Attorney Daniel B. Heid, Police Chief Bob Lee, Finance Director Shelley Coleman, Community Development and Public Works Director Kevin Snyder, Assistant Director of Community Development Services Jeff Tate, Innovation and Technology Director Paul Haugan, Assistant Director of Engineering Services/City Engineer Ingrid Gaub, and Deputy City Clerk Shawn Campbell.

II. ANNOUNCEMENTS, REPORTS, AND PRESENTATIONS

There was no announcement, report or presentation.

III. AGENDA ITEMS FOR COUNCIL DISCUSSION

A. Ordinance No. 6660 (10 Minutes)(Snyder)

Area wide rezone that changes the Environmental Park, EP Zoning Designation to the M-1 Zoning Designation

Assistant Director of Community Development Services Tate presented Ordinance No. 6660 that would approve an areawide rezone for properties zoned Environmental Park (EP) to Light Industrial. There are approximately 270 acres of land currently zoned EP, and of that, approximately 112 acres include the Auburn Environmental Park (AEP).

Assistant Director Tate reported that in March 2014, several interested parties (landowners, realtors, and an attorney) provided a presentation to the City Council's Planning and Community Development Committee urging the City to revisit the viability of the EP zone.

In December 2015, the City Council adopted its new Comprehensive Plan, which eliminated the EP zone as one of the implementing zoning designations with the Light Industrial land use classification. Because the EP zone is no longer listed as an implementing zone within the Comprehensive Plan, the zone is inconsistent with the Plan and most existing land uses, developments, and businesses located within the EP zone do not conform to the criteria and list of allowed uses within the EP zone.

The portion of the EP zone that is comprised of the AEP is not proposed to be rezoned to M-1, since the 2015 Comprehensive Plan changed the area to the Open Space land use designation. A separate ordinance will be presented to Council to change the zoning of the AEP from EP to an Open Space zoning designation.

The Planning Commission held a public hearing on proposed Ordinance No. 6660 and subsequently forwarded its recommendation to the City Council to adopt the ordinance. The purpose of the ordinance is to make the City's zoning code and zoning map consistent with the City's current Comprehensive Plan.

There was considerable discussion regarding the history of the EP zone, the confusion it created for staff and developers and property owners, and the original intent of the EP zone.

Councilmember Wagner stated the City failed to provide sufficient incentives for environmentally friendly development in the EP zone. Councilmember Wagner urged a delay in the rezone and develop incentives for development in the EP zone.

Director Snyder offered two possible options to the Council to move the ordinance forward: adopt the ordinance implementing the M1 zone with inclusion of a work plan for incentives for development of the entire area or moving forward with the rezone of the M-1 on the south side of Main Street and retain the EP zone on the north side.

Councilmembers requested the subject come back at the next study session.

IV. FINANCE AND ECONOMIC DEVELOPMENT DISCUSSION ITEMS

Councilmember Bob Baggett, chair of the Finance and Economic Development Special Focus Area, presided over the meeting during discussion of the Special Focus Area items.

A. Mid Term Correction (15 Minutes)(Coleman) Budget Amendment #4 (Mid-Biennium Correction)

Finance Director Coleman presented the fourth budget amendment for the 2017-2018 biennium and the first budget amendment for 2018.

The purpose of the amendment is to: 1) amend the 2018 Budget for changes that occurred in 2017 for which there is an ongoing fiscal impact; 2) to carry forward capital project budgets that are not anticipated to be completed in 2017; and 3) to establish budget spending authority for new programs and other expected changes in 2018.

Director Coleman reviewed the carry forwards to adjust the 2018 ending fund balance to reflect approved 2017 budget amendments.

Director Coleman reviewed amendments to the General Fund, including the carry forwards, increases to revenues, impacts from 2017 budget amendments, and new funding requests.

General Fund new funding requests include homeless shelter costs, business incubator program, a new position of Economic Development Coordinator, the automatic vehicle location for Police vehicles, an increase in King County District Court costs, and restoration of funding for the Vegetation Field Supervisor.

Councilmember Pelosa requested the addition of District Court Costs for the next Municipal Services Special Focus Area Study Session.

Director Coleman reviewed the carry forwards and new funding requests for the Arterial Street Fund, Local Street Fund, Arterial Street Preservation Fund, Mitigation Fees Fund, Parks Construction Fund, Capital Improvements Fund, Local Revitalization Fund, Water Fund, Sewer Fund, Storm Drainage Fund, Solid Waste Fund, Airport Fund, Cemetery Fund, capital funds, Innovation and Technology Fund, Equipment Rental, Cemetery Endowment Fund, and Fire Pension Fund.

Director Coleman reviewed funding for Street Preservation Reserve Fund Initial Reserves, which are projects funded by REET funds for 2017 and 2018. The \$20 Car Tab Fee ad hoc committee recommendation is to postpone these projects and reallocate the funding to a fund for streets. There is an additional fund balance of \$1.3 million that would be added to the funding. The projects to be funded include: West Valley Highway paving (SR518 and Peasley Canyon Road); arterial street preservation program projects, and funding for South 277th Street Pavement Preservation. The funding would be allocated to Fund 106, Street Preservation Reserve Fund, which would be created by ordinance.

Councilmember Baggett said the parameters for the fund are that the funds could only be used for preservation, unless there is an emergency, and then the Council would want to have control on how those funds are spent. Also, \$500,000 would be added to the fund annually.

Councilmember Wagner expressed concern with the cuts proposed to Maintenance and Operations projects. Director Snyder added the

elimination of the projects is impactful, but staff will be resourceful and some of the projects will still be needed in the future.

Councilmember Wagner recommended the Council retain the Maintenance and Operation Master Plan project funding.

Mayor Backus added that some of the projects that are eliminated from REET funding will be accomplished by utilizing other funding sources.

At 7:54 p.m. the meeting recessed for approximately 10 minutes for a brief intermission. The meeting reconvened at 8:02 p.m.

B. Property Tax Levy (10 Minutes)(Coleman)

Finance Director Coleman briefly spoke regarding 2018 revenues.

She stated a public hearing will be called in October on the property tax levy. The proposed levy for 2018 is estimated at \$21,501,525. The levy rate per \$1,000 assessed value will drop to approximately \$2.0928.

Director Coleman briefly reviewed General Fund revenue adjustments for 2018. The adjusted revenues for the General Fund will be \$66.9 million.

Director Coleman reviewed the revenue sources and the consolidated budget amendments and funding requests.

V. OTHER DISCUSSION ITEMS

There was no other discussion.

VI. NEW BUSINESS

There was no new business.

VII. MATRIX

A. Matrix

The following items were added to the matrix:

Auburn Avenue Theater on October 23

Community Block Grant Matching Funds on November 13

Council Budget Priorities on October 23

Traffic Calming on December 11

Three Year Review of Court Costs on October 23

The item listed as "Property at 104th" should also include plans for Green River Park.

VIII. ADJOURNMENT

There being no further discussion, the meeting adjourned at 8:15 p.m.

APPROVED this 22nd day of January, 2019.

Bill Pelozo
BILL PELOZA, DEPUTY MAYOR

Shawn Campbell
Shawn Campbell, City Clerk

Agendas and minutes are available to the public at the City Clerk's Office, on the City website (<http://www.auburnwa.gov>), and via e-mail. Complete agenda packets are available for review at the City Clerk's Office.