

**City Council Meeting
February 16, 2016 - 7:00 PM
Auburn City Hall
MINUTES**

I. CALL TO ORDER

A. Pledge of Allegiance

Mayor Nancy Backus called the meeting to order at 7:00 p.m. in the Council Chambers at Auburn City Hall, 25 West Main Street in Auburn. Mayor Backus led those in attendance in the Pledge of Allegiance.

B. Roll Call

City Councilmember present: Deputy Mayor Largo Wales, Bob Baggett, Claude DaCorsi, John Holman, Bill Peloza, Yolanda Trout and Rich Wagner.

Department directors and staff members present: City Attorney Daniel B. Heid, Community Development and Public Works Director Kevin Snyder, Police Commander David Colglazier, Finance Director Shelley Coleman, Innovation and Technology Director Paul Haugan, Assistant Director of Engineering Services/City Engineer Ingrid Gaub, Parks, Arts and Recreation Director Daryl Faber, and City Clerk Danielle Daskam.

II. ANNOUNCEMENTS, PROCLAMATIONS, AND PRESENTATIONS

There was no announcement, proclamation or presentation.

III. APPOINTMENTS

There was no appointment for consideration.

IV. AGENDA MODIFICATIONS

There was no change to the agenda.

V. CITIZEN INPUT, PUBLIC HEARINGS & CORRESPONDENCE

A. Public Hearings

1. Moratorium on Marijuana/Cannabis Related Businesses and Uses (Heid)
City Council to conduct a public hearing to receive public comments and suggestions with regard to the moratorium on the allowance, acceptance or processing of applications for business licenses and other licenses, permits and approvals for marijuana/cannabis related business and uses

Community Development and Public Works Director Snyder presented the background on the public hearing. On January 4, 2016, the City Council passed Resolution No. 5194, establishing a moratorium on marijuana related businesses and uses. State law requires a public hearing on a moratorium, and the hearing was set for this evening.

Director Snyder presented the City Council and members of the audience a fact sheet, titled Quick Facts - Retail Marijuana in Auburn, Washington.

and read the following for the record:

Initiative 502 (I-502) approved by Washington State voters in November 2012. I-502 legalized the possession of specified amounts of marijuana and legalized private recreational use of marijuana (marijuana still remains illegal under federal law). I-502 authorized processing, production and retail sales of recreational marijuana—as distinct from medical marijuana, which is subject to separate State regulations.

The Washington State Liquor and Cannabis Board (WSLCB) is responsible for licensing of retail applications, location and number of retail stores and associated rules of conduct and operation.

City Ordinance No. 6525 passed on September 2, 2014, establishes the City processes and procedures for sales, processing and production of marijuana in the City. The City does not issue business licenses for retail stores, but will issue building permits to ensure compliance to local and state building safety requirements.

WSLCB initially allowed two retail store locations in Auburn. Senate Bill 5052 (effective July 24, 2015), directed WSLCB to reopen licensing for retail marijuana businesses. House Bill 2136 (effective July 2015) made changes to state law including allowing for local flexibility to reduce the current 1,000 foot buffer. Cities can adopt a buffer of between 1,000 and 100 feet from recreation centers or facilities, child care centers, public parks, public transit centers or game arcades admitting minors. The 1,000 foot buffer is still required for schools and playgrounds. The House Bill also clarified “public area” in provisions that prohibit the consumption of marijuana in a public place.

Effective October 12, 2015, WSLCB announced it would no longer limit the number of licensed retail stores.

City Resolution No. 5194 passed on January 4, 2016 established a one (1) year moratorium on all retail businesses that sell marijuana and/or products that utilize marijuana as an ingredient. This Resolution directed staff to work with the Planning Commission, interested citizens and other parties to hold public hearing and public meetings; review experiences of other jurisdictions, information, studies and legal cases; and develop proposals for regulation of retail marijuana. The Resolution specified that the moratorium does not prohibit operation of retail marijuana businesses that lawfully existed in the City under State law and/or City ordinances prior to the effective date of the Resolution (January 4, 2016).

Current status of retail sales of marijuana in the City include:

- 1 open location: Stash Box at 3108 A St SE, Suite F
- 2 other locations currently in for building permits:
 - The Evergreen Market of Auburn at 402 16th St NE
 - Green Solution Place at 2801 Auburn Way South
- License applications for 17 potential other locations in Auburn pending before the WSLCB (includes the two that are in for building permits with the City)

The City Attorney's Office is currently evaluating the applicability and effect of Resolution No. 5194 to The Evergreen Market of Auburn and Green Solution Place.

During the time the moratorium is in effect, the City will conduct enforcement, as needed, to address compliance to the moratorium.

Deputy Mayor Wales inquired regarding the status of the building permits for Evergreen Market and Green Solutions. Director Snyder reported the permits have been issued but the final approvals have not been granted. The applications were submitted prior to the effective date of the moratorium.

In response to questions from Councilmember Peloza, Director Snyder reported the City Attorney is currently evaluating the applicability and effect of Resolution No. 5194 on The Evergreen Market and Green Solution Place. Director Snyder also responded that an environmental impact statement is not required of either business. Under existing city code, state environmental impact review is not required for tenant improvements.

Councilmember DaCorsi inquired whether the City is aware of the status of the other 17 potential locations in Auburn. Director Snyder stated the City is notified once the State's review of an application is underway, and the City is given an opportunity to comment. In response to further questions from Councilmember DaCorsi, Director Snyder responded marijuana businesses must obtain a state retail license from the State and then a certificate of occupancy for their tenant improvements from the City.

In response to questions from Councilmember Trout, Director Snyder reported Green Solution applied for and was issued a permit for tenant improvements for the interior space. No final inspection has been conducted, and no certificate of occupancy has been issued.

In response to questions from Councilmember Peloza, Finance Director Coleman offered to provide information on the amount of revenue received by the City from marijuana sales.

Mayor Backus opened the public hearing at 7:19 p.m.

Justine Linder, 2726 Alpine Drive SE, Auburn
Ms. Linder stated she lives in the Forest Ridge neighborhood. She expressed opposition to a retail marijuana store in her neighborhood (at 2801 Auburn Way South). She stated there are school bus stops at 24th and 26th Streets in her neighborhood. She spoke about the existing drug use in her neighborhood.

Jay Berneburg, 705 South 9th Street, Tacoma
Mr. Berneburg stated he is the attorney representing Paul Brice and Sensi Solutions. According to Mr. Berneburg, Mr. Brice has been working with Auburn since in October 2015, on a short plat, land studies and surveys. Mr. Berneburg also stated he has represented approximately 70 I-502 businesses in production, processing and

retailing. Mr. Berneburg stated he believes I-502 is about eliminating the black market for drugs. Mr. Berneburg stated there are no secondary impacts to retail stores.

Mary Moon, 2720 Forest Ridge SE, Auburn
Ms. Moon spoke against the location of a retail marijuana business at 2801 Auburn Way South. She questioned whether the proposed location is too close to parks, schools, and day cares.

Paul Brice, 8507 SW 104th Street, Lakewood
Mr. Brice is the owner of Sensi Solutions and spoke in favor of retail marijuana businesses. He is attempting to open a marijuana retail business at 1535 Auburn Way North.

John Meteyer, 2618 Alpine Place SE, Auburn
Mr. Meteyer spoke against the location of a retail marijuana store at 2801 Auburn Way South.

Teresa Cancil, 2715 25th Street SE, Auburn
Ms. Cancil stated she recently moved to the Forest Ridge neighborhood. She spoke against the location of a retail marijuana business at 2801 Auburn Way South.

Michael Cancil, 2715 25th Street SE, Auburn
Mr. Cancil spoke against the location of a retail marijuana business at 2801 Auburn Way South. He stated a retail marijuana business should be in an industrial area and not next to a residential neighborhood.

Bryan Ebstyde, 1820 West Valley Hwy N, Auburn
Mr. Ebstyde stated he is a business owner in Auburn where he operates a 70,000 square foot warehouse and is involved in the marijuana processing industry. Mr. Ebstyde spoke in favor of I-502.

Philip Dawdy, 1608 E. Republican, Seattle
Mr. Dawdy stated he is a lobbyist and his current is on the priority list for retail marijuana. He urged the Council to work swiftly on the work plan outlined in the moratorium resolution.

Wanda Granquist, 2935 17th Street SE, Auburn
Ms. Granquist lives in the Forest Villa neighborhood and gave a brief history of her neighborhood. She also spoke about the changes to her neighborhood. She spoke against a retail marijuana store at 2801 Auburn Way South.

Kay Heckt, 1412 Elm Street SE, Auburn
Ms. Heckt spoke about the loss of businesses in her neighborhood that enhance the lives of her neighbors. She spoke against the location of a retail marijuana business at 2801 Auburn Way South.

Gary Murrell, 2520 Dogwood Street SE, Auburn
Mr. Murrell stated he is not opposed to retail marijuana sales, but he believes a retail marijuana business is not appropriate for 2801 Auburn Way South and the entrance to a residential neighborhood.

Jeremy Gray, 203 West Republican, Seattle
Mr. Gray suggested the City Council look more closely at zoning regulation of marijuana businesses. Mr. Gray also spoke regarding the need for safe access to medicinal marijuana.

Josh Lindholm, 2620 Alpine Place SE, Auburn
Mr. Lindholm expressed concern about the location of a retail marijuana business at 2801 Auburn Way South. Mr. Lindholm stated a school bus stop is located less than 100 feet from the store location.

Larry Linder, 2726 Alpine Drive SE, Auburn
Mr. Linder spoke about his personal experience of children using marijuana and the effect of marijuana on their children. He spoke against the location of a retail marijuana business at 2801 Auburn Way South.

Donna Mandrell, 2620 Forest Ridge Drive, Auburn
Ms. Mandrell spoke about the homeless population in the area and incidents of crime. She spoke against locating a retail marijuana business at 2801 Auburn Way South.

Dennis DeFrancesco, 2420 24th Street SE, Auburn
Mr. DeFrancesco agreed with prior comments from his neighbors. He spoke against the location of a retail marijuana business at 2801 Auburn Way South.

Mark Stepper, 2701 Z St SE, Auburn
Mr. Stepper stated he has lived in the Riverwalk neighborhood for the past two years. He spoke against the location of a retail marijuana business at 2801 Auburn Way South.

Andy Serr, 31805 109th Street SE, Auburn
Mr. Serr stated retail marijuana stores should be in commercial areas and not in residential areas.

Sabina Gundl, 2630 25th Street SE, Auburn
Ms. Gundl, spoke against the location of a retail marijuana business near her neighborhood.

Theresa Wren, 2530 Forest Ridge Drive SE, Auburn
Ms. Wren spoke against the location of a retail marijuana business at the entrance to her neighborhood.

Gary Moon, 2720 Forest Ridge Drive SE, Auburn
Mr. Moon spoke against the location of a retail marijuana business at the entrance to his neighborhood. He expressed concern with the potential negative impact on his property value.

Linda Tombarge, 2708 Fir Street SE, Auburn
Ms. Tombarge spoke against the location of a retail marijuana business at 2801 Auburn Way South. Rich Rutkowski, 2554 Forest Ridge Drive SE, Auburn

Mr. Rutkowski expressed concern with the increased traffic that would result from a retail store at 2801 Auburn Way South.

George Rottle, 2500 Forest Ridge Drive SE, Auburn
Mr. Rottle stated he is tired of the crime in the Forest Ridge neighborhood. He spoke against the location of a retail marijuana business at 2801 Auburn Way South and at the entrance to his neighborhood.

Ann Stoker, 2525 Forest Ridge Drive SE, Auburn
Ms. Stoker spoke against the location of a retail marijuana store at 2801 Auburn Way South.

Jeannie Rottle, 2500 Forest Ridge Drive SE, Auburn
Ms. Rottle spoke against the location of a retail marijuana store at 2801 Auburn Way South and the impact on property values in the neighborhood.

Jim Fletcher, 2710 Forest Ridge Drive SE, Auburn
Mr. Fletcher spoke against the location of a retail marijuana store at 2801 Auburn Way South.

B. Audience Participation

This is the place on the agenda where the public is invited to speak to the City Council on any issue. Those wishing to speak are reminded to sign in on the form provided.

Andy Serr, 31805 109th Avenue SE, Auburn
Mr. Serr spoke regarding the proposed car tab fees discussed at the last Transportation Benefit District Board meeting. Mr. Serr suggested allowing the citizens to vote on implementation of a car tab fee.

C. Correspondence

There was no correspondence for City Council review.

VI. COUNCIL AD HOC COMMITTEE REPORTS

Council Ad Hoc Committee Chairs may report on the status of their ad hoc Council Committees' progress on assigned tasks and may give their recommendations to the City Council, if any.

Councilmember Trout reported on behalf of the Council ad hoc committee that reviews claims and payroll vouchers. Councilmember Trout reported she and Councilmember DaCorsi reviewed claims and payroll vouchers as presented and described on this evening's agenda. The Committee recommends approval of the claims and payroll vouchers as presented.

Deputy Mayor Wales reported on behalf of the Council ad hoc committee on committees. Deputy Mayor Wales reported the Committee will be presenting information on the Council liaison matrix and meeting reporting form at a future study session.

VII. CONSENT AGENDA

All matters listed on the Consent Agenda are considered by the City Council to be routine and will be enacted by one motion in the form listed.

A. Minutes of the February 1, 2016 Meeting

- B. Minutes of the January 25, 2016 Special Meeting
- C. Minutes of the October 29-30, 2015 Special City Council Meeting
- D. Claims Vouchers (Coleman)
Claims voucher numbers 437349 through 437533 in the amount of \$2,588,573.43 and five wire transfers in the amount of \$537,699.18 and dated February 16, 2016.
- E. Payroll Vouchers (Coleman)
Payroll check numbers 536226 through 536260 in the amount of \$566,172.02 and electronic deposit transmissions in the amount of \$1,408,021.39 for a grand total of \$1,974,193.41 for the period covering January 28, 2016 to February 10, 2016.
- F. Public Works Project No. CP1414 (Snyder)
City Council approve Final Pay Estimate No. 7 to Contract No. 15-10 in the amount of \$21,232.18 and accept construction of Project No. CP1414, 2015 Local Street Reconstruction Project.

Deputy Mayor Wales moved and Councilmember Holman seconded to approve the Consent Agenda.

In response to questions from Councilmember Pelozo, Assistant Director of Engineering Services/City Engineer Gaub explained Project No. CP1414 includes reconstruction of portions of 7th Street SE, D Street SE and K Street SE. The project on 17th Street SE (not part of Project CP1414) is a storm and utility project that is still under construction and is anticipated to be completed in the next two months.

MOTION CARRIED UNANIMOUSLY. 7-0

VIII. UNFINISHED BUSINESS

There was no unfinished business.

IX. NEW BUSINESS

There was no new business.

X. ORDINANCES

- A. Ordinance No. 6587, Second Reading (Coleman)
An Ordinance of the City Council of the City of Auburn, Washington, authorizing the issuance of a Limited Tax General Obligation Refunding Bond of the City in the principal amount of not to exceed \$4,000,000 for the purpose of refunding certain outstanding Limited Tax General Obligation Bonds of the City; providing the form of the bond; and authorizing the sale of the bond

Deputy Mayor Wales spoke in favor of Ordinance No. 6587, which will allow the City to refund general obligation bonds to take advantage of the low interest rate market.

MOTION CARRIED UNANIMOUSLY. 7-0

- B. Ordinance No. 6588, Second Reading (Coleman)

An Ordinance of the City Council of the City of Auburn, Washington, establishing the Local Sales and Use Tax rate for Local Revitalization Financing for 2016

Deputy Mayor Wales spoke in favor of Ordinance No. 6588, which levies a sales tax credit against state sales tax for local revitalization financing.

MOTION CARRIED UNANIMOUSLY. 7-0

XI. RESOLUTIONS

- A. Resolution No. 5198 (Snyder)
A Resolution of the City Council of the City of Auburn, Washington, setting a public hearing to consider the renewal of Franchise Agreement No. 10-23 and amendment of Ordinance No. 6344 with New Cingular Wireless PCS, LLC

Deputy Mayor Wales moved and Councilmember DaCorsi seconded to adopt Resolution No. 5198.

MOTION CARRIED UNANIMOUSLY. 7-0

- B. Resolution No. 5201 (Haugan)
A Resolution of the City Council of the City of Auburn, Washington, authorizing the Mayor to execute an Interlocal Agreement between the City of Auburn and Valley Regional Fire Authority for GIS services

Councilmember Pelozo moved and Councilmember Trout seconded to adopt Resolution No. 5201.

MOTION CARRIED UNANIMOUSLY. 7-0

- C. Resolution No. 5209 (Snyder)
A Resolution of the City Council of the City of Auburn, Washington, authorizing the Mayor to execute a third amendment to the Transit Service Direct Financial Partnership Agreement between the City of Auburn, King County and Pierce County Public Transit Benefit Authority (Pierce Transit)

Deputy Mayor Wales moved and Councilmember Baggett seconded to adopt Resolution No. 5209.

MOTION CARRIED UNANIMOUSLY. 7-0

XII. MAYOR AND COUNCILMEMBER REPORTS

At this time the Mayor and City Council may report on their significant City-related activities since the last regular Council meeting.

A. From the Council

Councilmember Trout reported on her attendance at the Domestic Violence Prevention Task Force, the Senior Center coffee hour, and the Auburn Youth Resources fundraising breakfast.

Councilmember Baggett reported on the Councilmembers' tour of low impact development projects in the Puyallup area, including Puyallup City Hall and the Washington State University-Puyallup campus and low impact development research center.

Councilmember Pelozo reported on his attendance at the Sound Cities Association Regional Policy Committee and the King County Solid Waste Advisory Committee meeting.

Councilmember Wagner reported on the City Councilmembers' low impact development tour and the Transportation Policy Board meeting.

Councilmember Holman reported on his attendance at a meeting of the King County Aerospace Alliance held at Orion Industries and his participation in a National History Day project at Mountainview High School.

Councilmember DaCorsi reported on his attendance at the Regional Transit Committee meeting, the Auburn Youth Resources fundraising breakfast, and the City Councilmembers' tour of low impact development facilities.

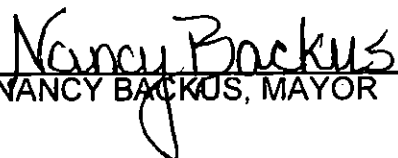
B. From the Mayor

Mayor Backus announced she will deliver the State of the City Address on February 23rd at the Auburn Avenue Theater. Following the State of the City Address, the historic post office building will be open for a tour.

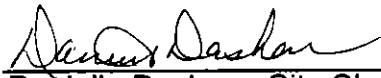
XIII. ADJOURNMENT

There being no further business to come before the Council, the meeting adjourned at 8:49 p.m.

APPROVED this 21st day of March, 2016



NANCY BACKUS, MAYOR



Danielle Daskam, City Clerk