

POULSBO CITY COUNCIL MEETING OF JUNE 28, 2011

MINUTES

PRESENT: Mayor Erickson, Berry-Maraist, Bauman, Henry, Lord, McGinty, Musgrove, Stern.

Staff: Bateman, Berezowsky, Boltz, Kasiniak, Loveless, McCluskey, Nelson, Stephens.

Also present: City Attorney Jim Haney.

MAJOR BUSINESS ITEMS

- * * * Settlement Agreement: Public Works Property
- * * * Change Order Settling Claims on New City Hall Project
- * * * Closed Records Meeting: Rose Master Plan and Comprehensive Plan Amendment
- * * * 6:15 PM Public Hearing: Rose Master Plan Developers Agreement
- * * * Ordinance No. 2011-10, Edward Rose Master Plan

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Mayor Erickson called the meeting to order in the Council Chambers at 6:00 PM and led the Pledge of Allegiance.

2. COMMENTS FROM CITIZENS

a. Jan Wold commented on the amendments to Title 19, the change to the public hearing process for Master Plans; and the public not being allowed to address the Council directly.

3. MAYORS REPORT AND COUNCIL COMMENTS

a. City Attorney Haney explained the processes of Master Plans, Comprehensive Plan amendments, rezone and Closed Record public meetings; and the role of the Council in the processes. Haney further explained the purpose of the Developer Agreement and the testimony allowed during the open record public hearing.

b. Mayor Erickson announced the City was awarded the Smart Vision Award by Governor Gregoire, for the Comprehensive Plan. Mayor Erickson expressed her appreciation to Planning Director Berezowsky and Consultant Karla Boughton for their work on the Comprehensive Plan.

Mayor Erickson also thanked City staff for their hard work on the Rose Master Plan.

c. Councilmember Lord commented on her attendance at the AWC Annual Conference and the great honor in receiving the Smart Vision Award.

4. CONSENT AGENDA

None.

5. BUSINESS AGENDA

a. Settlement Agreement: Public Works Property

Public Works Director Loveless explained a neighboring property owner appealed the Site Plan approval and SEPA determination for the new Public Works property. The appeal was heard before the Hearing Examiner and the decision was not satisfactory to either party. After the Hearing Examiner decision, the appellants and the City reached a settlement agreement.

Motion: Move to authorize the Mayor to sign the Settlement Agreement between the City and Mr. and Mrs. Grigg regarding the Public Works Property at 22125 Viking Way NW., **Action:** Approve, **Moved by** Stern, **Seconded by** McGinty.

b. Change Order Settling Claims on New City Hall Project

Public Works Director Loveless stated during the construction of City Hall the contractor identified several change orders, most were able to be settled; however seven change orders the City deemed as not having merit. In order to avoid further costs and potential risks of binding arbitration, the City reached a settlement with the Contractor for the outstanding change orders.

Motion: Move to authorize the Mayor to sign the Change Order with JTM Construction in the amount of \$134,761 settling all outstanding claims for the

City Hall Construction contract.

Action: Approve, **Moved by** McGinty, **Seconded by** Lord.

Motion passed unanimously.

c.  **Closed Record Meeting: Rose Master Plan and Comprehensive Plan Amendment**

Associate Planner Nelson presented the location of the proposed project, current zoning, proposed Master Plan and the project timeline. Nelson noted the Planning Commissions recommendation of approval, with modifications of reducing time to commence the project from 10 years to 7 years, with the potential for a 3-year extension; and requiring building height to meet current City requirements, not allowing a 45-foot maximum building height without providing under building parking. Nelson provided an overview of what development would be currently allowed under current zoning codes versus the proposal under the Rose Master Plan.

The Rose Master Plan has requested five alternative development standards including limitations to neighborhood commercial uses, allowing buildings to be a maximum of 45-feet in height, modifications to street standards, modification to City grading requirements; and density bonus to allow 11.76 units per acre in the residential medium zone. City staff recommends approval of all alternative developments standards requested.

The Master Plan is also requesting a Comprehensive Plan amendment redesignation and rezone, to allow approximately nine acres for the site to be zoned commercial with a Master Plan overlay with the proposed limited neighborhood commercial use table. Staff supports the request of redesignation and rezone, with the condition of approval that would require mixed use residential above the neighborhood commercial buildings.

 Charlie Wenzlau, Wenzlau Architects, introduced the project team members and outlined the proposed project, including critical areas, buffers, location of the residential buildings, Village Center (commercial and mixed use buildings), senior housing, and parks, open spaces and a shared use path which runs through the development. Wenzlau pointed out buildings are set back approximately 50 feet from the property lines. The architecture of the project includes 3 story senior housing structure, neighborhood retail building with residential units on the second floor, and three story residential buildings.

The proposed height of 45 feet is required for the project to have a 3-story building; the additional height will be used to develop roof forms. Some of the buildings will include parking within the building as well.

▶ Ray Stevens, Planning Commission Chair, commented on the Planning Commissions vote, the process of review and approval of these types of projects.

▶ Mayor Erickson requested public comments from those individuals that had submitted testimony to the Planning Commission.

a. Dale Rudolph commented on his written testimony expressing his appreciation and support of the project, stating the changes that have been made since the original proposal have demonstrated their willingness to make this project work better for North Kitsap and the Poulsbo community as a whole. Rudolph commented on his support for the 45 foot height restriction for residential buildings; and the commercial uses, suggesting not allowing ambulances services.

b. Jan Wold commented on the large project proposal and the high population allocation and growth rate of Poulsbo, compared to neighboring jurisdictions. Wold stated she supports higher densities as long as it is out of wetlands and buffers, and Low Impact Developments for stormwater management and natural vegetation is used.

c. Loretta Burns, Kitsap County Surface and Stormwater Advisory Group, commented on the Liberty Bay/Miller Shed Action Plan, which includes Dogfish Creek and stormwater runoff, and encouraged Council review this information when making decisions on these types of projects.

Councilmember Berry-Maraist noted the buffer from Dogfish Creek is far greater than what is required; and expressed her support of the pitched roofs of the three story buildings at a 45 foot height restriction.

Councilmember Stern commented on citizen concerns of the project regarding losing the small town feel. Stern stated the City does not have control over population allocation; however the City does have the control of the projects and density within the City. In order to accommodate to current and future citizens, the city needs to either grow out (outside current city limits) or in and

up (within City limits). Stern pointed out the large amount of open space in the proposed project; and level of wetland and creek buffers.

Councilmember Bauman requested further explanation on the specific public benefits as stated in the application. Planning Director Berezowsky stated the benefits include all 55 acres being developed as one project, opposed to multiple different projects; low impact development project, offsite pedestrian and bicycle trails, the public park, assisted living facility, and substantial open space.

City Engineer Kasiniak stated the additional benefit of the shared access path that connects Highway 305 and Bond Road; and the improved level of service of Bond Road/Highway 305 intersection.

City Attorney Haney stated the Master Plan, rezone and site specific rezone is before Council at this point, the discussion of benefits as stated in the development agreement, should be discussed during that business agenda item.

Councilmember Musgrove requested clarification regarding the proposed building height being necessary for the architecture and density. Berezowsky explained in order to capture the density the height is needed, and allows for architectural details. The Planning Commission rejected the staff recommendation of 45 foot building height, however the code provides for the Planning Director to allow a 10% deviation of height from the current code and provides for building height increase to 40 feet when there are topographical variations to adjoining properties.

Councilmember Musgrove questioned if there is a guarantee that project design will look like what is being presented; Berezowsky stated assuming the Master Plan is approved; a Master Plan amendment would be needed if any changes to size, density, number/size recreational amenities, parks, environmental setbacks and buffers are requested.

Councilmember Berry-Maraist expressed concern with the buffers on the north side of the site, where there is a 20 foot buffer and not allowing trails in the buffers; Berezowsky clarified trails in the buffers would be allowed.

Councilmember Stern commented on the accessibility to Highway 305 to the Bainbridge Island ferry and proximity to the proposed transit center, in response to citizen concerns on the location of the project.

Councilmember Bauman questioned the geology report regarding the soil condition; Mark Kuhlman, Team 4 Engineering, stated the site is a very stable site and there are no concerns in terms of stability. Bauman also questioned how maintenance responsibilities and access would occur for infrastructure outside of the City's right-of-way. Kasiniak stated there are only conceptual infrastructure designs at this point; however the City will have the option of either accepting the utilities as a public utility to be maintained by the City or determine the lines as a private utility to be maintained by the developers.

Councilmember Henry commented on the comprehensive proposal and stated his support of the project; however expressed concern with the project being completed and the developer having sufficient funds to complete the project.

Councilmember Lord recommended and recited the recommendations to the commercial uses made by Dale Rudolph; Council concurred.

Councilmember Berry-Maraist requested clarification on the buffers on the north side of the site; Eric Schmidt, Landscape designer, stated all evergreen vegetation can be placed at the corner of the building that falls below the 50 foot buffer.

Motion: Move to approve with modifications the Rose Master Plan and associated site-specific Comprehensive Plan amendments/rezone, Planning File 04-07-11-1, subject to SEPA Mitigations and Conditions of Approval for a site located north of SR 305 and SR 307; and to adopt the Planning Commissions Findings of Fact in support of this decision, with modifications to retain the requested 45 foot height specifications, increasing vegetative evergreen density buffer where it falls below 50 foot, and commercial uses, as discussed; and direct staff to bring back findings next week., **Action:** Approve, **Moved by** Musgrove, **Seconded by** Henry.

Motion passed unanimously.

At 9:04 PM Mayor Erickson recessed the meeting for a 5-minute break. Mayor Erickson reconvened the meeting at 9:12 PM.

d. ► **6:15 PM Public Hearing: Rose Master Plan Developers Agreement**

Mayor Erickson opened the Public Hearing at 9:13 PM.

Planning Director Berezowsky stated the developer has requested a Development Agreement be entered into between the City and developer. The agreement would vest the Master Plan, Site Plan review fees, mitigation fees under SEPA, public improvements and vests the Master Plan to the regulations at the time of agreement. Berezowsky outlined the fees, including traffic impact fees and how they are calculated.

Mayor Erickson requested public comment; no comments were received.

Councilmember Lord requested clarification on the Poulsbo Municipal Code (PMC) chapters referenced in the agreement and the landscaping requirements when maintenance occurs; Berezowsky stated the title for each PMC reference and noted the City will to the best of their abilities, minimize the impact to the landscaping.

Councilmember McGinty clarified the agreement term as discussed by the Planning Commission and Council should be revised to 7 years, opposed to 10 years; and addition of section 6.3.5, stating traffic mitigation fees can be used towards any project on the Capital Facilities Plan.

Councilmember Berry-Maraist suggested the Developer pay \$75,000 of the Public Improvements at the end of phase 1 for off-site pedestrian and bicycle improvements, specifically planning for pedestrian connectivity; Council concurred.

Mayor Erickson closed the public hearing at 9:47 PM.

Motion: Move to approve the Development Agreement for the Rose Master Plan, subject to changes to Section 2 – expiration to be 7 years from the date of this agreement; Section 6.3 - strike the word “10 year” from the last sentence; Section 6.3.5 - traffic mitigation fees can be used towards any project on the Capital Facilities Plan; Section 7.2 – Developer agreements to pay the sum of \$75,000 at the end of phase 1, Certificate of Occupancy, to City for offsite pedestrian and bicycle improvements at a location to be determined

by the City, and the balance of \$175,000 will be paid no later than phase 2 of the Rose Master Plan. **Action:** Approve, **Moved by** Lord, **Seconded by** Berry-Maraist.

Motion passed unanimously.

e.  **Ordinance No. 2011-10, Edward Rose Master Plan**

Councilmember Stern stated Section 1 will need to be amended, the Council did not adopt the findings of fact of Planning Commission as presented.

Motion: Move to adopt City of Poulsbo Ordinance No. 2011-10, an Ordinance of the City of Poulsbo, Washington, amending the Comprehensive Plan designation of and rezoning approximately nine acres of land commonly known as a portion the Edward Rose property located north of the intersection of State Route 305 and State Route 307 (Bond Road) from residential medium with Master Plan Overlay to Commercial with Master Plan Overlay; approving a development agreement for the entirety of the approximately fifty-five acre Edward Rose property; providing for severability and establishing an effective date; with modifications to Section 1.

Action: Approve, **Moved by** Stern, **Seconded by** Berry-Maraist.

Motion passed unanimously.

6. COUNCIL COMMITTEE REPORTS

a. Economic Development Committee: Councilmember Stern reported Councilmember Lord was appointed as Chair; Councilmember Lord reported on parking in downtown, and parking enforcement.

Motion: Move to extend the meeting to complete the agenda.

Action: Approve, **Moved by** Stern, **Seconded by** McGinty.

Motion passed unanimously.

7. CONTINUED COMMENTS FROM CITIZENS

a. Dan Baskins complimented the Council on the approval of Master Plan, and the quality of life and benefits to the community.

8. COUNCILMEMBER COMMENTS/BOARD/COMMISSION REPORTS

- a. Councilmember Berry-Maraist commented on the upcoming 3rd of July event.
- b. Councilmember Stern stated he invited Comcast to the July 13th Council meeting to discuss a low income student internet program.
- c. Councilmember McGinty complimented staff on their hard work on the Rose Master Plan.
- d. Councilmember Bauman commented on his attendance at the Parks and Recreation Commission meeting last night.

9. ADJOURNMENT

Motion: Move to adjourn at 10:09 PM.

Action: Approve, **Moved by** Bauman, **Seconded by** Stern.

Motion passed unanimously.

Rebecca Erickson, Mayor

ATTEST:

Jill A. Boltz, City Clerk, CMC