

POULSBO CITY COUNCIL MEETING OF JANUARY 16, 2008

MINUTES

PRESENT: Mayor Quade; Councilmembers: Berry-Maraist, Crowder, Erickson, Lord, McGinty, Rudolph, Stern.
Staff: Bauman, Berezowsky, Boltz, Booher, Jones, McCluskey, Swiney, City Attorney Haney.

MAJOR BUSINESS ITEMS

- * * * Appointments to Parks and Recreation Commission and Planning Commission
- * * * Claims – December 1 – 31, 2007 - Approved
- * * * Ordinance 2008-01, Amend Committee Meeting Day, Add Economic Development Committee and Re-assign Committee Liaisons
- * * * Public Hearing: Request for Vacation of Commerce Street Right-of-Way from Richard and Linda Waite, and Adopt Ordinance 2008-02, Approve Vacation
- * * * Workshop and Public Hearing: Consider Amendment to City's Zoning Ordinance Commercial Zoning District Off-Street Parking and Loading Standards, Establishing Regulations Applying to New Commercial Structures, New Residential Uses, and Enlargement of Existing Structures within the Downtown Commercial Core
- * * * Raab Park Caretaker Agreement – Approved
- * * * Resolution 2008-02; Mayors' Signature Authority
- * * * Review Mayor/Council/Staff Retreat Draft Agenda
- * * * Authorize Mayor to Enter Into Contract with Lewis Architects - Postponed
- * * * Directional Sign Nameplates - Approved

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Mayor Quade called the meeting to order in the Council Chambers at 7:04 PM and lead the Pledge of Allegiance.

2. MAYOR'S REPORT AND CHANGE TO AGENDA

a. Appointments to Parks and Recreation Commission and Planning Commission

MOTION: Lord/Crowder. Move to concur with Mayor Quade's appointments of Mike Regis and Carlotta Cellucci to the Parks and Recreation Commission for terms expiring December 31, 2010, and Donald Sarles to the Planning Commission for an unexpired term expiring December 31, 2009.

Motion carried unanimously.

Mayor Quade reported on the successful Inaugural Centennial Event and gave a heartfelt thank you to all who contributed to its success.

Mayor Quade reported on and presented pictures of the City Hall Project Team tour of the Woodinville and Burlington City Halls both designed by Lewis Architects. Future tours will include Gig Harbor, Kitsap County Administration Building and the Health District at the Norm Dick Government Center.

Mayor Quade removed Business Item 6.f, Authorize Mayor to Enter Into Contract with Lewis Architects, to allow Council the opportunity to review the agreement prior to the Special City Council Meeting on Wednesday, January 23, 2008 at 4:00 PM. Lewis Architects will be in attendance to discuss space needs with the City Council.

3. CITIZEN COMMENTS

- a. Molly Lee questioned whether the Mayor and Council have considered modern Scandinavian architecture for the City Hall design.
- b. Arnie Bockus, Port of Poulsbo Commissioner, congratulated newly-elected Councilmembers, brought up the discussion of the Port's use of Net Shed Park and invited Council and the public to attend a fourth meeting on Thursday, January 24, 2008 at 7:00 PM in the Port's meeting room.

4. MAYOR AND COUNCIL DISCUSSION

- a. Mayor Quade added Agenda Item g, Chamber Directional Signage.
- b. Councilmember Stern thanked Councilmember Lord, Mayor Quade, Carly Michelson, the Poulsbo Historical Society, Muriel Williams, Pauline Rindal and all who attended the Centennial celebration. Stern reminded everyone that the City celebrated 100 years on the Fjord in 1986 and that this Centennial celebrates the formation of the town's government.
- c. Councilmember Rudolph expressed how satisfying the entire Centennial event was and the great turn-out for both the day and evening portions. As Council liaison to the Historical Society he pointed out the great job accomplished on the exhibits and to imagine what is to come when the Historical Society has a permanent facility.

- d. Councilmember Crowder thanked Sharon Ferguson and all of the students at the North Kitsap High School for their hard work on the reenactment performance.
- e. Councilmember Lord pointed out that it took 22 years from the founding of Poulsbo to its incorporation.
- f. Councilmember Erickson expressed her pride in the community in coming together for the celebration.
- g. Councilmember Berry-Maraist shared her thoughts on the inspiring history and illustration of the displays and the history of the people in attendance.
- h. Councilmember McGinty thanked Councilmember Lord and all of the sponsors for their effort.

5. CONSENT AGENDA

MOTION: McGinty/Lord. Move to approve Consent Agenda items a and b.
Motion carried unanimously.

The items listed are:

- a. Claims – December 1–31, 2007
- b. Ordinance 2008-01, Amend Committee Meeting Day, Add Economic Development Committee and Re-assign Committee Liaisons

6. MAJOR BUSINESS ITEMS

- a. **Public Hearing: Request for Vacation of Commerce Street Right-of-Way from Richard and Linda Waite, and Adopt Ordinance 2008-02, Approve Vacation**

Mayor Quade opened the public hearing at 7:32 PM and asked for public comment. No public comments were received. Mayor Quade closed the public hearing at 7:32 PM.

MOTION: Crowder/McGinty. Move to adopt Ordinance 2008-02, an ordinance of the City Council of the City of Poulsbo, Washington, vacating the portion of right-of-way designated as Commerce Street, as legally described on Exhibit A and graphically shown on Exhibit B; waiving compensation; and establishing an effective date.

Motion carried unanimously.

- b. **Workshop and Public Hearing: Consider Amendment to City's Zoning Ordinance Commercial Zoning District Off-Street Parking**

and Loading Standards, Establishing Regulations Applying to New Commercial Structures, New Residential Uses, and Enlargement of Existing Structures within the Downtown Commercial Core

Karla Boughton, KB Consulting, gave the history of the proposed changes including the November 14, 2007 public hearing to consider amendments to the Zoning Ordinance including regulations for off-street parking and loading in the Commercial Zoning District. After testimony, deliberation and questions, Council pulled the changes for further study. Boughton noted this requirement to provide parking for enlarging existing structures is for new increased gross floor area and is not cumulative to the existing structure.

Councilmember Crowder questioned whether there was a square footage number associated with the parking requirements. Boughton read the requirement as "Whenever any existing commercial structure in the Downtown Core is *enlarged*..." and added the parking requirements would also be determined by the ratio as described in the City's Parking Standards.

Councilmember Berry-Maraist questioned Section 18.24.060 and the exception "...the threshold for providing parking shall not be the fifty percent of the value or fifty percent of the gross floor area set forth in Subsections 18.52.010(B) or (C)." City Attorney Haney explained that the current parking standards under the off-street parking and loading section state if a building exists on the effective date of the adoption of those standards, if the building is remodeled more than fifty percent of the value or the capacity is more than fifty percent then off street parking is required. Second, if off-street parking is required, it is to be provided in proportion to the amount of square footage added except if the building is increased more than fifty percent of the existing square footage, parking would have to be provided for the entire building not just the addition according to the current Code. This applies to the entire City except the downtown core where they are exempt from parking requirements. This draft section says all additional square footage in the downtown core will require additional off-street parking and the fifty percent requirements in the Code for other areas in the City would not apply to the downtown core.

Councilmember Berry-Maraist provided information on the history of the Local Improvement Districts (LIDs) downtown explaining that in 1999 there was an ordinance which allowed 100 percent lot coverage creating historic non-conforming buildings. In 1988 Ordinance 88-07 allowed for

replacement parking areas on or off-site within the LID 11 corridor. By adopting the proposed Ordinance the buildings in the downtown core would be locked in with no way to add more than a few hundred square feet.

Councilmember Stern expressed his concerns and suggested creating a parking impact fee to create a parking structure. The historic downtown core does not allow itself to easy regulations and zoning.

Councilmember Crowder concurred with Stern's suggestion of creating a parking impact fee.

Councilmember Rudolph reminded Council of the proposed parking study which will address the information needed to move forward. The action needed this evening is to extend the moratorium, remove the moratorium or adopt a new regulation.

City Attorney Haney clarified that this is not a moratorium, rather an Interim Zoning regulation. The interim regulation can be extended but not this evening. State law allows the interim regulation to be renewed on a rolling six-month basis and a public hearing must be held specifically to renew the interim regulation.

Councilmember Erickson expressed her concern for allowing existing business owners to expand at a nominal rate and the lack of information on the extent of the parking problem.

Councilmember Lord referenced the LIDs, specifically LID 11 which developed King Olav parking lot and questioned whether the existing property owners within the LID are aware of the changes in parking standards from what the original LID gave them.

Planning Director Berezowsky concurred that a study needs to be done. A Community Trade and Economic Development (CTED) grant has been approved however the study will not be completed until after this summer. The interim emergency ordinance and permanent ordinance being proposed by staff are virtually the same. Berezowsky explained that there is no benefit to extending the interim regulations, rather by approving the staff recommendations, issues and concerns could then be addressed and the ordinance changed at a later time. The reason the ordinance was proposed as it currently exists was to address new construction and not a result of staff finding existing property owners were going to expand their buildings in dramatic ways.

Councilmember Berry-Maraist stressed the importance of knowing the history of the LIDs and parking situation to avoid going to extremes, expressed her opinion that shared public parking provides a better use than private property parking and her concern for adopting the proposed changes to the ordinance.

Planning Director Berezowsky reiterated that the end effect of the interim ordinance and a permanent ordinance is the same and adopting the ordinance will allow for future discussion without being mindful of the time restrictions on the interim ordinance.

Boughton highlighted the four alternatives set forth in the proposed amendment and suggesting exempting existing commercial structures as stated in alternative number two.

City Attorney Haney noted that, after looking at the ordinance forming LID 11 and the ordinance confirming the final assessment roll and established credit for on-site parking, it appears the intent of LID 11 and its assessment method was to assess properties in their existing state, not on development potential. The assessment method talks about being heavily weighted on the existing square footage. LID assessments are to be based upon special benefit the property receives from the LID improvements, making property more valuable and because it makes the property more valuable to have parking associated that is a reason to make property owners pay the assessment. The LID 11 assessment method did provide that properties be assessed at their existing development and provide on-site parking credit. If an individual with on-site parking eliminated that on-site parking they would create a burden on the parking situation and the LID would need to be paid back.

Councilmember Erickson asked whether there is an opportunity to address the definition of off-site and on-site parking with the 300 foot limit and the nature of parking such as why we cannot have back-up parking.

Councilmember McGinty expressed the need to determine whether or not there is a parking problem and the need to protect what is downtown and not make the situation worse.

Councilmember Berry-Maraist pointed out that the Port of Poulsbo is a large user of the parking with intentions of expanding their facility and does not believe they contributed to the previous LID. Under LID 11 if a property owner received credit for having parking on-site and later built upon that parking there was a provision to either pay back the credit or

replace parking within the downtown core at a ratio of 300 square feet equaling one parking space.

Councilmember Rudolph encouraged Council to make a decision tonight, reinforce the requirement for residential parking and use the fifty percent rule and come back and talk about what off-street parking could be used.

Boughton reminded Council that all four alternatives were noticed and Council could make a decision within the context of those four alternatives.

Mayor Quade opened the public hearing at 8:34 PM.

Bill Austin stated he is against the proposed ordinance. City Hall was kept downtown so the City would thrive and this is same reason he likes the parking ordinance prior to May 2007. Austin suggested it is impossible to create additional parking downtown with zero lot line buildings. Austin stated he purchased the Almo building with the intent to expand the second floor for more usable space and improve the building. Prior to purchasing the building he and Mr. Berezowsky measured for parking spaces on the adjacent easement; concerns were also addressed with Linda Mueller and Stan Southworth. Austin volunteered to be part of a committee to look at a parking facility and advised Council of his intention to build a parking facility behind the Tracy building.

Marion Sluys, business owner in Poulsbo for 42 years, informed Council that he and Bruce Nilsen put together LID 11 and that the parking lot would not have been built if it were not for the downtown property owners. Sluys stated there is not a parking problem, there is a parking perception and if the parking is all full it is a good business day. Sluys suggested that a good business man would increase parking if they increase their building size without regulation from the City. Many years ago he had an option of purchasing the old Ralph's market building and had approved plans for a 36,000 square foot building without any requirement for additional parking. He convinced people to form LID 11 and that it would take care of parking. Sluys agreed with Austin that another LID should be formed to build a parking garage.

Mike Regis explained that when formulas for LID 11 were formed they were based on square footage of the use at the time. In the 1980s there was the old Ralph's grocery building, which is now two large restaurants, one medium size and one small coffee bar, a book store and a number other retail services. You have to keep in mind when you are changing structures you also can change the interior and create a parking

perception for a problem. There are seventeen places to get something to eat downtown, all serving lunch at the same time creating the parking perception and problem. What if all the restaurants closed downtown and filled up with attorney or dentist offices, would there still be a parking problem? Regis asked who was noticed for the hearing. Properties included in LID 11 should have been included in the noticing process or the City could be challenged in the process.

Mayor Quade closed the public hearing at 8:51 PM.

Councilmember McGinty questioned, if business owners do not feel there is a parking problem as heard in testimony this evening, then who is it that feels there is a parking problem.

Councilmember Stern explained that the parking discussion started when the City had a proposal for building residential in the downtown core, and the proposed parking would be in the King Olav parking lot. In 2010, the City will have an opportunity when the current city hall site is vacated for governmental use; in the meantime the City can do homework and get input from the citizens. Stern suggested tight lining against the original proposal for residential uses.

Councilmember Crowder agreed with Stern and stated she would not want residential uses utilizing King Olav parking lot as their parking requirement; she suggested adopting the third alternative. Crowder also stated that the perceived parking problem is determined by whether a business is established versus a new and struggling business.

Councilmember Rudolph stated that a residential requirement is necessary downtown and recommended residential and new construction as an alternative.

Councilmember Berry-Maraist suggested also including large expansion of commercial structures with a threshold.

Councilmember Lord questioned how to establish a reasonable threshold for remodel or expansion.

MOTION: Rudolph/Erickson. Move to approve with modifications amendment(s) to the Poulsbo Zoning Ordinance, Section 18.24.060 Commercial Zoning District's regulations regarding Off-Street Parking and Loading applying to the Downtown Commercial Core, consisting of new commercial structures, expansion of existing commercial structures if that

expansion is greater than fifty percent of the gross floor area and for increased residential uses as set for in the parking section.
Motion carried unanimously.

c. Raab Park Caretaker Agreement

Public Works Director Bauman clarified the reason this agreement is coming to Council is due to the fact the new caretaker is a City employee and the need to define caretaker responsibilities and employee responsibilities.

MOTION: Crowder/Lord. Move to approve and authorize Mayor Quade to sign the Raab Park Caretaker Services Agreement with Kris Watson.
Motion carried unanimously.

d. Resolution 2008-02, Mayor's Signature Authority

Finance Director Booher explained this resolution was recommended by the process study.

MOTION: Lord/Crowder. Move to approve Resolution 2008-02, a resolution of the City of Poulsbo to grant the Mayor signature authority for certain Public Works Contracts, grants and other contracts or agreements which have been approved through the budget process.
Motion carried unanimously.

e. Review Mayor/Council/Staff Retreat Draft Agenda

Mayor Quade made a correction to the agenda:
1:15 PM Update on the ~~Establishment of an~~ Economic Development Committee and Poulsbo Trolley System.

Councilmember Stern asked that the discussion of City properties, including the Marine Science Center and 10th Avenue, be added to the agenda.

Mayor Quade suggested reordering to put Asset Management earlier on the agenda and move prioritize Pet Projects along with Council Goals.

f. Authorize Placement of Hanging Placards on Direction Signs

MOTION: Stern/Lord. Move that nameplates identifying the project underwriters be permitted as hanging placards at the base of the signs.
Motion carried unanimously.

7. DEPARTMENT/COMMITTEE REPORTS

- a. Councilmember Stern reported on the Puget Sound Regional Council (PSRC) Transportation Policy Board meeting and distributed information submitted to PSRC addressing telecommuting.
- b. Finance/Administration: Councilmember Rudolph reported on the increased cost of the Centennial Clock and the need to confirm with Rotary and the Centennial Committee for participation in a proportionate share of the increased cost; discussion with Public Works Director Bauman on the Public Works Financing Strategies Plan utilizing Parametrix for the Sewer Comprehensive Plan portion of the financial and a financial expert for the remaining financing studies; County-wide sandbagging equipment purchase in which the City would pay a percentage of the equipment costs. Mayor Quade has asked for an internal budget amendment due to a staff medical condition, utilizing casual labor to backfill the Executive Assistant position. Judge Roof is seeking support to continue the position of Compliance Officer for the Drug Court program; the Finance/Administration Committee supports this program. Final year end sales tax report is 8% over projections and brought in \$200,000 above our sales tax projections.
- c. Public Safety Committee: Councilmember Crowder reported on a proposed ordinance providing Police Officers the ability to take action against public disturbances prior to a situation escalating. The Police Department has openings for a police officer and two clerical positions, the Deputy Chief job description is being drafted and Officer Smaaladen is temporarily filling the Detective position.
- d. Community Services Committee: Councilmember Crowder reported the Committee discussed parking improvements at Fish Park will begin soon; setting up a citizen committee to work on planning for Centennial Park with a soft opening on September 13, 2008; Tom Barfoot of Kiwanis is fine with the playground equipment at Betty Iverson Park being installed in the fall; Tammy Mattson new president of the Historic Downtown Poulsbo Association (HDPa), was in attendance and reported on the HDPa budget and advertising expenses; and wrap up for Councilmembers not continuing on the committee in which Councilmember Stern expressed his desire for the committee to continue discussion on a Metropolitan Park District, utilizing the North Kitsap School District as the boundary.

Crowder reported on the Special Community Services Committee meeting held early this evening to discuss Viking Fest. Viking Fest is proposing using and blocking off a portion of 7th Avenue from Forest Rock Lane.

There is a possibility of using the old Navy building for parking, minimizing the parking impact in the Village shopping center and providing easy accessibility. There is still a question of how the HDPa feels about the change in parade route which will be addressed at the next meeting.

Councilmember Lord elaborated on the plan for Viking Fest to move the entire festival to the north end of 7th Avenue including the encampment.

8. CONTINUED COMMENTS FROM CITIZENS

- a. Arnie Bockus reminded Council of the boaters who come to Poulsbo for Viking Fest; boaters will not have transportation to the new location.

9. COUNCILMEMBER COMMENTS

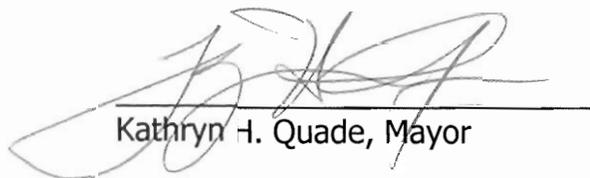
- a. Public works Director Bauman gave an update on the SR305 project and the opening of all lanes and turn lanes on January 26th. The HOV lanes will be in effect on January 28th, except the south bound lane from Olhava/SR3 to Bond Road will not be opened.

Councilmember Stern requested when all four lanes are opened that the sequencing of lights is as good as it can be. Bauman explained that the final sequencing cannot occur until the final lift is completed.

- b. Councilmember Erickson reported on the community meeting to be held at the Poulsbo Fire Station where Central Highland Builders for Poulsbo Place II will be presenting changes to the master plan amendment.
- c. Councilmember Berry-Maraist reported on the North Kitsap Regional Event Center Steering Committee and the controversy of artificial turf.

10. ADJOURNMENT

MOTION: McGinty/Lord. Move to adjourn at 9:57 PM.
Motion carried unanimously.



Kathryn H. Quade, Mayor

ATTEST:



Karol Jones, City Clerk

