

POULSBO CITY COUNCIL MEETING OF OCTOBER 16, 2019

MINUTES

PRESENT: Mayor Erickson; Councilmembers Garland, Lord, McGinty, Musgrove, Nystul, Stern, Thomas.

Staff: Finance Director Booher, City Clerk Fernandez, Director of Engineering Kasiniak, Planning Director Boughton, Project Manager Hendrickson, Police Chief Schoonmaker, Behavioral Health Navigator Lynch, Behavioral Health Navigator Stern, Transportation Engineer Bateman, Police Administrative Services Manager Zieman, Associate Planner Powers, IT Manager Stenstrom.

MAJOR BUSINESS ITEMS

- * * * Budget Amendment/BA #0308, PW Cartegraph Asset Management Software
- * * * Approval of Interlocal Agreement with Kitsap County for Stormwater Education
- * * * Approval of October 2, 2019, Council Minutes
- * * * Ordinance No. 2019-17, Release of Torval Terrace Rezone Concomitant Agreement
- * * * Public Hearing: Rose Master Plan Release
- * * * 2020 Revenue Sources Presentation
- * * * Public Hearing: 2020 Revenue Sources
- * * * Set Public Hearing for Mid-Biennium BA Ordinance
- * * * Ordinance No. 2019-18, 3rd Quarter 2019 Budget Amendments

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Mayor Erickson called the meeting to order in the Council Chambers at 7:00 p.m. and led the Pledge of Allegiance.

2. AGENDA APPROVAL

Motion: Move to approve the agenda as presented.

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

Motion carried.

3. COMMENTS FROM CITIZENS

Brenda Calderon attended the PACT meeting in Bremerton. She wants anti-bias training for Poulsbo staff and the community.

Marsha Cutting asked about decisions made during the event and if any consideration is given on how to do things differently. She asked if the City considered celebrating Indigenous People's Day on the second Monday in October.

Dana Steege-Jackson said many cities in the state have adopted Indigenous People's Day locally and the farmers market will also do that this Saturday.

Richard Kenny said he feels shame when he thinks about the July 3 incident. No one talks about training police and using less lethal force.

Philip spoke regarding the Suquamish forum two weeks ago. It was a fruitful discussion and it would benefit us to take their lead. People are losing faith in the institutions that are supposed to protect and serve the communities.

Amelia said she wants to ensure the process that happens is fair. They want this to lead to something better, and they want the city to do better than they are required.

Pam Keely asked if the council could give a weekly update on the investigation. She shared a notification she received on a social media site from a local business owner who had a hate message on their business's front door. Mayor Erickson asked her to talk to the Police Chief regarding the incident.

Mary Gleysteen hopes the City Council will pass a resolution that they are not going to tolerate hate and discrimination based on race, religion, sexual orientation, etc.

Chris Haight spoke regarding the tribal forum two weeks ago. There was a lot of pain in that room from families and victims of police violence. The family members had many ideas on what an independent investigation looks like.

Kori disagreed with the officer being on paid administrative leave. She wants the police officer fired and to be held accountable. She shared a quote from Kevin Crane, that leads her to not trust the investigation to be fair.

Maria Fergus said Milwaukee County issued a resolution declaring racism a public health crisis. She urged them to pass a resolution.

4. MAYOR'S REPORT AND COUNCIL COMMENTS

Councilmember Stern said they have heard things they haven't thought about tonight. He followed up on his comments from a few weeks ago regarding inclusivity.

Councilmember Thomas attended the Bremerton PACT meeting for the second time. There were two main topics: hate crimes and domestic violence. He asked for a notice of quorum for the next Public Safety/Legal Committee meeting's agenda to report out and give ideas.

Councilmember Musgrove stated they don't have an update on the investigation, as the Council is not informed with what is going on with the investigation.

Councilmember Musgrove attended the West Sound Ecosystem Fair on Saturday, and he suggested attending next year. He attended AWC regional meeting in Sequim last week.

He reported the Kitsap County Homeless Forum is October 22 at Poulsbo Library from 6:00-8:30 p.m. The Great Shake Out (earthquake drill) is tomorrow at 10:17 a.m.

Councilmember McGinty reiterated that the Council does not know anything about the investigation and when they do, they will share it.

Councilmember Nystul stated that last Sunday was the 244th birthday of the Navy.

Councilmember Lord stated that the July 3rd incident is such a tragedy, that she'd like to state, on behalf of herself that as the community grieves so does the Council. As much as they might want to, they cannot interfere with the investigation. She asks the community to open their hearts and put themselves in the Council's place.

a. Health, Housing, and Human Services Presentation

Project Manager Hendrickson and Administrative Services Manager Ziemann gave an update on the newly established Housing, Health, and Human Services Department and scheduled meetings for the Affordable Housing Task Force. She discussed county funding decisions for the Treatment Sales Tax, along with 2019 metrics for the Police Navigator outreach.

Mayor Erickson noted that November 2 is Daffodil Days. This Saturday is a lutefisk dinner at First Lutheran Church at 12:45 p.m. Halloween trick-or-treating is downtown on October 31 starting at 4:00 pm. Tomorrow night is a Habitat for Humanity fundraiser dinner.

5. CONSENT AGENDA

Motion: Move to approve Consent Agenda items a, b, c.

The items listed are:

- a.** Budget Amendment/BA #0308, PW Cartegraph Asset Management Software
- b.** Approval of Interlocal Agreement with Kitsap County for Stormwater Education
- c.** Approval of October 2, 2019 Council Minutes

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

6. BUSINESS AGENDA

- a. Ordinance No. 2019-17, Release of Torval Terrace Rezone Concomitant Agreement**

Planning and Economic Development (PED) Director Boughton presented the agenda summary, noting the Poulsbo Planning and Economic Development Department received an application requesting release of a concomitant agreement and concomitant agreement addendum attached to the property at the SE corner of Front Street and Torval Canyon Road. The concomitant agreement was for a rezone of the property from Residential Single-Family (R-1) to Residential Multiple Family (RM) in 1981. A 1982 concomitant agreement addendum occurred prior to construction of the project in 1983. Release of the concomitant agreement and addendum is a Type V permit and requires a public hearing and decision by City Council. The City Council held a public hearing on August 21, 2019 and approved the release of the concomitant agreement. The City Council now needs to adopt an ordinance approving the concomitant agreement release and adopt findings and conclusions.

Motion: Move to approve Ordinance No. 2019-17, an ordinance of the City of Poulsbo, Washington, adopting findings and conclusions; approving the Torval Terrace Rezone Concomitant Agreement and addendum release, Planning File 07-05-19-01; authorizing the Mayor to execute and record an instrument releasing the concomitant agreement; providing for severability and establishing an effective date.

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

Motion carried.

b. Public Hearing: Rose Master Plan Release

Associate Planner Powers presented the agenda summary, noting the Planning & Economic Development department received an application from the owner of the Rose Master Plan parcels requesting a release of the Rose Master Plan, an amendment to the Zoning Map to remove the Master Plan Overlay from these properties, and the Developer Agreement to be extinguished. Amendments to Master Plans and Zoning Maps related to Master Plans consistent with the Comprehensive Plan are a Type III Permit. Extinguishing a Developer Agreement is exempt from permit review. The review authority for these actions is the City Council. A neighborhood meeting was held on May 13, 2019 and the application was submitted on August 6, 2019. "Technically Complete" was issued on August 30, 2019. On September 6, 2019, the Notice of Application (NOA) with Optional DNS was published in the North Kitsap Herald, emailed to the NOA, SEPA and Rose Master Plan e-notice list, and posted at the Poulsbo Library, Poulsbo Post Office, City Hall and the City's website. On October 1, 2019, the SEPA Threshold Determination was issued. No public comments have been received. The Planning Commission held a public meeting on October 8, 2019, and voted 5-0 to recommend approval.

At 8:27 p.m., Mayor Erickson opened the public hearing and receiving no comments, closed the public hearing at 8:28 p.m.

Councilmember Stern asked for clarifications regarding the time period of the original master plan for enforcement and vesting for the project. Associate Planner Powers answered that seven years from approval, or June 28, 2018, would have been the initial expiration of the seven-year approval, and in 2017 the City extended it an additional three years, so they have until June 28, 2021, to fully engage to be vested to the master plan.

Councilmember Stern also asked, if the release is approved, what the new time frames are. Associate Powers answered that the release of the master plan would create no timeframes, the master plan would be extinguished, the City would change the zoning map, and they would have no developer agreement in place. The developer can submit their application when they are ready to submit the application. They go through the standard process, which would be a site plan review, it would stay with the review authority (PED Director Boughton), the public comment points would be the notice of application and the SEPA review process. There would be no public hearings nor public meetings.

Councilmember Thomas appreciated the work of the Planning staff, as well as the Planning Commission.

Councilmember McGinty asked what the difference would be if they didn't release the master plan and let it expire, would it result in the same thing. Associate Powers answered yes, this action allows them to move forward with their site development sooner instead of waiting for the expiration.

Mayor Erickson asked for clarification regarding the motion, the developer's agreement will not come back here, and that the Mayor signing it to be extinguished. PED Director Boughton noted that they would be bringing forward an ordinance that will take care of all three of the elements.

Councilmember McGinty asked if this affected the comprehensive plan. PED Director Boughton said it only lives in the zoning map and will not go through the annual comprehensive plan process.

Councilmember Lord read over the information regarding the Edward Rose Master Plan extinguishment justification, and she sympathized with the economic driving purposes behind it. She appreciated the dilemma that the developers were in regarding revisions that needed to be made to the master plan. She believes it will be a benefit for all to release the Master Plan.

Motion: Move to direct the Planning and Economic Development Department to work with the City Attorney to develop an Ordinance of the City of Poulsbo, Washington, to amend the Rose Master Plan to be released, amend the zoning map to remove the

master plan overlay from the four parcels associated with the Rose Master Plan, and to authorize the Mayor to sign for the developer agreement to be extinguished.

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

Motion carried.

c. 2020 Revenue Sources Presentation

Finance Director Booher presented the agenda summary, noting this is part of the mid-biennium budget process, and it is also required by state law to review the 2020 projected or amended revenue sources. Presentation highlights included:

- Review of 2020 adjusted budget revenue sources
- City's budgeted funds operating revenues
- General Fund by categories comparing actuals 2018 and adjusted budgets 2019 & 2020
- 2020 General Fund revenue by type (excluding beginning balances)
- Comparison of cities in Kitsap County 2020 Estimates of Populations
- Comparison of cities in Kitsap County Assessed Values
- Comparison of cities in Kitsap County taxes overall
- Comparison of cities in Kitsap County Real Estate Excise Tax
- City's property tax rate (statutory limits)
- City's property tax levy = \$2,689,999
- City's 2020 Property Taxes 2017-2019 actuals, and 2020 projection.
- City's assessed value and new construction values from 2010-2019
- Comparison in Kitsap County total property tax rate
- How Poulsbo spends the \$1.31
- Comparison of 2019-2020 City property taxes

Looking at the 2020 adjusted budget revenue sources, all the funds combined, the City has a beginning balance of over \$23,000,000. The City's operating revenues are projected over \$41,000,000, which includes every fund.

d. Public Hearing: 2020 Revenue Sources

At 9:06 p.m., Mayor Erickson opened the public hearing.

Rick Eckert said the North Kitsap School District did not max out their levy potential this last time around. Depending on the growth of the city, if they must expand or grow a school, they will have to increase the levy in the future.

At 9:09 p.m., Mayor Erickson closed the public hearing.

Councilmember Stern asked if the Mayor and PED Director Boughton could forecast the construction growth over the next year or two. PED Director Boughton stated that

they currently have three preliminary plats moving forward but at a slower rate than expected. The mixed-use building at the old police station just had a hearing before the Hearing Examiner, and they have pre-application conferences on three new preliminary plats. Mayor Erickson commented that they'll be slow in 2020 compared to the previous years. She believes things will pick up in 2021.

e. Set Public Hearing for Mid-Biennial Budget Amendment Ordinance

Finance Director Booher presented the agenda summary, noting the City Council, per RCW 35A.34.130, is required to hold a Public Hearing on the 2019-2020 Mid-Biennial Budget Amendment Ordinance for November 13, 2019.

Motion: Move to set a Public Hearing for November 13, 2019 at 7:15 p.m. to allow the public time to address the Council regarding the 2019-2020 Mid-Biennial Budget Amendment Ordinance.

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

f. Ordinance No. 2019-18, 3rd Quarter 2019 Budget Amendments

Finance Director Booher presented the agenda summary, noting budget amendments for the 3rd Quarter of 2019 were approved by Council during July, August, and September. Exhibit A includes these amendments and summarizes the revised budget by fund.

At 9:18 p.m., Mayor Erickson asked for public comments. No comments were received.

Motion: Move to approve Ordinance No. 2019-18, an ordinance for the City of Poulsbo, Washington, amending the 2019-2020 Biennial Budget adopted by Ordinance No. 2018-27 to revise the revenues and appropriations from certain funds and approving an ordinance summary for publication.

Action: Approve, **Moved by** McGinty, **Seconded by** Thomas.
Motion carried.

7. COUNCIL COMMITTEE REPORTS

Finance-Administration Committee: Councilmember McGinty reported that two cell tower agreements will be coming forward at the next meeting. They reviewed the preliminary 2019-2020 budget modification requests and the Mayor's recommendations. Engineering Director Kasiniak stated that the county will be coming out on November 6 to discuss their sewer department CIP and comp plan.

Public Safety/Legal Committee: Councilmember Nystul reported Judge Tolman and Judge Roof have a combined 48 years of experience in Poulsbo Court. The Court entered into a new collection agency agreement. They had a 30-day amnesty period, and they had 83 participants and collected \$22,000. There are still 3,000 people who are paying fines through the collection agency. The Police Department brought a draft ordinance for massage and reflexology. The Prosecuting Attorney reported on the public defender. Behavioral Health Navigator Project Manager presented a draft contract, which will eventually be presented to the Council.

8. DEPARTMENT HEAD COMMENTS

PED Director Boughton assured the Council that despite the Rose Master Plan release, the applicants are still moving forward. It's a complicated project, but they are committed to the project. It will be downscaled.

PED Director Boughton also noted that for the new Public Works site, they need to conduct a site and environmental assessment. They issued an RFP in September for professional consultants to do phase 1 and preparation for phase 2 assessments. They will be reviewing the RFPs later this month.

Finance Director Booher stated that her new person started today, and Finance is finally fully staffed.

9. BOARD/COMMISSION REPORTS

Councilmember Thomas recently attended the NKSD board meeting at Poulsbo Middle School. The principals would like more information on the Noll Road projects. The NKHS homecoming parade is October 23rd from 5:30 to 6:30 pm on Front Street.

Mayor Erickson attended the Project Selection Task Force at PSRC. They are recommending the executive board not to use the new 2050 document, but to stick with 2040 vision document. They retained the Kitsap set-aside.

10. CONTINUED COMMENTS FROM CITIZENS

Rick Eckert talked to the high school principal about the upcoming Johnson Parkway project.

11. MAYOR & COUNCILMEMBER COMMENTS

Councilmember Musgrove reminded everyone about the Great Shakeout at 10:17 a.m. on 10/17/19.

Mayor Erickson attended the Olympic College fundraiser, and they raised money for the school. She encouraged everyone to check out Waterfront Park that Public Works has been working on.

Councilmember Lord complimented Councilmember Stern on his article in Association of Washington Cities *City Vision*.

12. ADJOURNMENT

Motion: Move to adjourn at 9:35 p.m.,

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

Motion carried unanimously.

Rebecca Erickson, Mayor

ATTEST:

Rhiannon Fernandez, CMC, City Clerk