



**POULSBO CITY COUNCIL RETREAT**  
**Poulsbo City Council Chambers**  
**November 16, 2019, 9:00 AM**  
**RETREAT**

**PRESENT:** Mayor Erickson; Councilmembers Garland, Lord, McGinty, Musgrove (remote-connection), Nystul, Stern, Thomas; Councilmembers-Elect Livdahl, Phillips, McVey

Staff: City Clerk Fernandez, City Engineer Lenius, Planning Director Boughton, Public Works Superintendent Lund, Parks & Recreation Director McCluskey, Police Chief Schoonmaker, Human Resources Manager Kingery, IT Manager Stenstrom.

**WELCOME & INTRODUCTION**

Mayor Erickson welcomed everyone in attendance and introductions were given.

**CITY'S SHARED SUCCESSES OVER LAST TEN YEARS**

Mayor Erickson gave a presentation of the City's shared successes over the last ten years. Presentation highlights:

- Downtown improvements for economic development, infrastructure, property sales, city hall construction
- Old Town improvements, including Lions Park play equipment, new construction, 6th Ave storm water improvements, Fjord slide repair, critical area update, and renewed affordability of Hostmark Apartments
- Highway 305 improvements, such as the pump track, Centennial Park, Safeway, Coffee Oasis, and new businesses.
  - Discussions need to be had on if the City wants a skate park at Hatteland, and change zoning to create more residential.
  - Mayor Erickson asked the Council to consider how the City can help the Village, and if density can be increased in this area.
  - Commercial versus residential zoning is a policy question. The City needs more residential.
- Olhava improvements, including new restaurants, Gravitec, hotel ground-breaking in spring, new housing developments, WWU partnering with OC, and the PERC creation.
  - The commercial area still struggles from bankruptcy and they need new investment.
  - The City is working on a new shared-use pathway from Walmart to Vinland Elementary.
  - There's discussion needed on artwork, such as a dragon, on Vista Pathway to

- draw people to the area, and the need for more investment in the universities.
  - Western Washington University's Poulsbo tuition is \$5,000 more a year than at the Bellingham campus. The State does not subsidize the tuition. This needs to be fixed, especially because it doesn't happen with other satellite schools.
- Viking Avenue improvements, including Fish Park doubling in size, Lindvig Bridge painting, Norseman statue, Westside Watershed Park acquired, loss of car dealerships, building replacements, new brew pubs, new McDonalds, two new apartment complexes, Public Works decant facility, Kitsap Transit Park and Ride, and Nelson House. Edward Rose, the largest proposed development in Poulsbo, is still moving forward.
- East Poulsbo improvements, including an accessible playground at Raab Park, Poulsbo Cemetery restoration and the new pergola, seven new neighborhoods, seven planned new neighborhoods, apartment building expansion, repaved roads, infrastructure projects, Noll Road corridor policy established, Morrow Manor, Northpointe church, and daffodils.
  - They have a policy to fund/take care of neighborhood streets, and while nothing has happened in the past couple years, there will be some projects happening in 2020.
- Poulsbo by the Numbers:
  - Population: 11,180
  - Employment: 6,650
  - Size: 3,030 Acres
  - Total Assessed Value: \$1.87 Billion
  - Wealth Factor: \$167,667
  - Jobs per Housing Unit: 1.3
  - Activity Units per Acre: 5.9
  - Population to Job Ratio: 1.68

## **REVENUES DISCUSSION**

Mayor Erickson stated that in 2019 the City will use its reserves for \$806,000 and in 2020 for \$1,200,000. That was the biennium budget that was passed. She pointed out that expenses are greater than revenues in both years. In 2021, they will have used too much of their reserves. The City must get out in front of the problem in 2021. Is the City going to decrease levels of services (cut expenditures) or increase revenues (increase taxes)? Mayor Erickson believes both will have to occur. Poulsbo is the lowest taxed population in Kitsap County per capita. They are providing services to a lot of people who don't live in the City and pay the taxes.

## **COMPREHENSIVE PLAN UPDATE**

Planning and Economic Development (PED) Director Boughton gave a presentation on why the Comprehensive Plan matters. Presentation highlights included:

- How land use drives all city functions
- GMA requirements

- GMA's purpose statement
- Policy document
- Capital Facilities Plan
- Land Use map (this is important because GMA requires the comp plan map and zoning maps match)
- RCW 36.70A.070 Comp Plan Elements (Chapters)
- Why is the 2024 update different?
  - 1995-2016
    - 1995 Initial GMA Comp Plan adopted
    - 1998 population allocation by Kitsap County 14,808
    - 2001 Poulsbo UGA and Subarea Plan – addressed 14,808 pop
    - 2009 New Plan from 1995; created fully integrated CFP
    - 2016 Periodic Update to Functional Plans and Economic Development
  - 2024 Update
    - First new population and employment numbers from PSRC since 1998
    - Must ensure adequate land capacity for population and employment forecasts
    - Must ensure infrastructure capacity (sewer, water, stormwater, transportation, parks)
    - The GMA landscape is different since our original population allocation and UGA designation in 1998
- How do we fit into the larger picture?
  - PSRC – regional forecast
    - 5.8MM people in the 4-county region by 2050
    - 3.4MM jobs in the 4-county region by 2050
  - The requirement of consistent policies
  - Poulsbo is being designated as a High Capacity Transit Community (HCTC) at PSRC
    - We have a planned express bus from Poulsbo to BI and BI ferry is considered a high capacity transit line.
    - There are 32 HCTCs region-wide
      - Kitsap HCTCs includes:
        - Bainbridge Island
        - Poulsbo
        - Port Orchard
        - Kingston
- PSRC Regional Center Frameworks
  - PSRC
    - Adopted March 2018
    - Establishes regional policy that growth will be focused in urban centers
    - Established a framework and criteria for Centers hierarchy
      - Regional growth centers – Bremerton and Silverdale
      - Manufacturing/industrial centers – Puget Sound Industrial Center, which is between Gorst and Belfair

- Countywide center
    - Military installations
    - Local centers
  - Poulsbo has the density required to be a Regional Growth Center. If Poulsbo does not apply to become a Regional Growth Center, they forgo potential funding.
- KRCC
  - Requires update to Kitsap Countywide Planning Policies
  - New criteria for countywide centers
  - Will require technical demonstration by each City/UGA that it meets criteria
  - Currently working on this at LUTAC
    - Brief PlanPol in December
    - Full KRCC in Spring
  - Poulsbo will propose two Countywide Centers
- PSRC population vision 2050
  - 105,000 new persons to Kitsap County as a whole:
    - 33,000 to Bremerton
    - 15,000 to Silverdale
    - 34,000 to HCTC
    - 6,000 to Unincorporated UGAs
    - 8,000 to Rural
  - 57,000 new jobs to Kitsap County as a whole:
    - 20,000 to Bremerton
    - 15,000 to Silverdale
    - 18,000 to HCTC
    - 1,000 to unincorporated UGAs
    - 3,000 to rural
  - KRCC Retreat (October 25, 2019) - elected officials discussed population and employment distribution
  - What can be expected
    - Average growth rate has been 2.6% since 1990.
    - 2% = 7,383 more people in 2024
    - 2.5% = 9,438 more people in 2024
    - ~8K-10K people
  - The City has been planning to the 14,808 population for all these years, and that is why they have to start in 2020 for that additional 8K-10K population
    - Phase 1 – 2020 Policy discussions, data collection, ...
      - Joint workshops between City Council and Planning Commission
        - February 6, 2020 – Poulsbo will host Commerce’s Short Course on Local Planning
        - March 2020 — GMA requirements in depth; guest speaker and city attorney
        - June 2020 — Capital Facilities Planning

- September/Oct. 2020 — Results/Summary of Community Engagement
- November/Dec. 2020 – Results/Summary of Data Collection + Land use/population allocation discussion
- Technical & Data collection – land assessment, commercial supply & demand, and housing demand
- Public engagement – interactive website/social media, online community survey, pop-up studios, online open house

Mayor Erickson stated that in 2009 they talked a lot about populations. It's not just populations, because Poulsbo is an employment center. While they made add 10,000 people, Poulsbo will add about 8,000 jobs. If they don't plan correctly, they won't get it right.

PED Director Boughton clarified that under PSRC, they are required to plan for the jobs.

Councilmember Stern stated that it sounds like they're deciding what the City is going to look like. There are two growth engines in the region. The first is Gig Harbor with the bridge to Tacoma, and Poulsbo is the second in the north with the ferries from Kingston and Bainbridge [to Seattle]. Poulsbo is highly desirable, people want to live here, Poulsbo and Gig Harbor are historic towns that grew, and people want to live here. There is no stopping that. They either get in front of the curve and help direct it, or they don't.

Mayor Erickson stated that if you don't plan for growth, you won't have the infrastructure to deal with it. She also told all the Councilmembers, especially the newly elected ones, that they need to read the current Comprehensive Plan to get an understanding of it.

## **CITY ADMINISTRATOR REVIEW**

Mayor Erickson thanked the Council for discussing the potential City Administrator position. She wrote down everything she does as a Mayor, and it's equivalent to four full-time jobs. The City Administrator position is a Chief of Staff reporting to the Mayor. The City Administrator oversees the Department Heads. She supports a City Administrator position because she thinks that Poulsbo needs professional management in the Executive Department.

Councilmember Thomas spoke about the history of the Finance/Admin Committee discussions regarding the City Administrator position. He noted that because the Mayor has so many responsibilities, there will need to be a structural change soon.

Councilmember Stern thanked Councilmember Thomas for all the work and research he's done on the City Administrator position. He introduced Adam Smee, City Administrator from the City of Kalama.

Mr. Smee stated that Kalama is a small city of 3,000. He's lived in the Kalama area for 20 years with his wife and kids. Before he was a City Administrator, he spent seven years on the City

Council, which is a little uncommon. He gave a brief overview of Kalama and his position, including:

- The Council is still the policy group in Kalama
- Kalama has a part-time Mayor
- The staff works for the Mayor, but the Department Heads report to him
- He is the Mayor's chief of staff
- His authority is delegated by the Mayor, which means having a strong relationship with the Mayor
- He negotiates the collective bargaining agreements, he handles hiring and separations, budget development with the Finance Department, as well as economic development
- He briefs the Mayor on each of the things he works on and before anything is taken to the Council, he gets the Mayor's approval
- He acts as a resource for the Council
- He's in contact with the Department Heads every day
- There will always be challenges and opportunities, and it's important to have plans

Councilmember McGinty stated that they don't want a crisis to cause organizational change. How can the City inform the public about this position and show its value to justify the cost?

Mr. Smee answered it is not uncommon for "the wheels come off the organization" before there is change. He advocated for a smooth transition. The Mayor's advocacy is instrumental. Professional management and credibility are what needs to be talked about. That translates to the organization and how you interact with your neighboring agencies, your bond rating, your development community, planning, capital facilities, infrastructure, and economic development.

Councilmember Lord asked how they begin to get the public engaged and informed about a potential new position?

Mr. Smee answered that he would start by securing the finance in the budget. Then develop the message of what the advantages are of an administrator. The City is growing, and you want to maintain character/identity. That means that you need more executive advocacy. Public outreach is one of the biggest challenges we all have. How do you get people engaged? The digital communication platforms are a challenge, but they are what the public expects. If well done, they can convey a lot of information. If the Council is behind this, your opinion matters to your constituents, and they are trusting that you have their best interest in mind.

Councilmember Nystul agreed with the Mayor. It's important to be proactive and get it started. They don't want to wait for the wheels to come off the bus to make a change.

Councilmember-elect McVey pointed out that there are three new Councilmembers who are just learning about the possible City Administrator position, and while he thanked City Administrator Smee for attending the retreat, he asked that the new Councilmembers not be rushed into deciding.

## **COUNCIL HEALTH INSURANCE**

Human Resources Kingery gave a presentation on possible health insurance options for Councilmembers. This is potential insurance for part-time people, which includes eight staff members and seven Councilmembers. The options include:

- AWC, which covers everyone, but it needs to include 4 out of 7 Councilmembers and 75% of part-time employees
- PEBB, which covers everyone but must move the management group off Teamsters plan and onto the PEBB plan
- TEAMSTERS, which covers everyone, but requires 100% participation

## **COUNCIL COMMITTEES & COUNCIL RULES OF PROCEDURE**

City Clerk Fernandez handed out Poulsbo City Council Rules of Procedure packets to each Council Member, and she noted that at the first meeting in January that they will be picking Council Committees, so each member needs to submit their top three picks.

Councilmember Stern asked about limiting public comments or not, based on what happened at the last Council meeting. Councilmember McGinty gave a recap of the last meeting and wants the Council to consider going back to following the Council Rules of Procedure. At the last meeting the business agenda was not completed.

Councilmember Thomas thinks, that at some point, when business doesn't get done, that it is time to change, and that the public may need to sit through the meeting before they are able to speak. He thinks that, while it might be hard, they should remind the public about the 15-minute timeframe at the beginning of the meeting and that after the business portion of the meeting is over there is time for more public comment.

City Clerk Fernandez will research whether the Council ending time, that is in the Council Rules of Procedure of ending at 10:00 pm, is codified.

**3:11 PM      ADJOURNED**

  
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Rebecca Erickson, Mayor

ATTEST:

  
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Rhiannon Fernandez, CMC, City Clerk