

POULSBO CITY COUNCIL MEETING OF MAY 18, 2022

MINUTES

PRESENT: Mayor Erickson; Councilmembers Livdahl, Lord, McGinty, McVey, Musgrove, Phillips, Stern

Staff: City Clerk Fernandez, Finance Director Booher, Police Chief Harding, Engineer I Burgess, Special Projects Engineer Struck, Planning and Economic Development Director Wright, Housing, Health and Human Services Director Hendrickson

MAJOR BUSINESS ITEMS

- * * * Excuse Absences for Councilmembers McVey and Phillips
- * * * Payable Disbursements for April 2022
- * * * BA#22-0210 for Drone Purchase
- * * * BA#22-0211 for Investigations Purchase
- * * * Lincoln Cottages Deviation Request
- * * * Iverson/Lincoln/Front Street BLA and ROW
- * * * Discussion: UGA, ILA Negotiations & Regional Center
- * * * BA#22-0212 for PED Department Casual Labor Increase
- * * * Nordic Cottage Workshop

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Mayor Erickson called the hybrid meeting to order 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** Stern, **Seconded by** McGinty.

Motion carried unanimously.

3. COMMENTS FROM CITIZENS

Anne Blair spoke regarding Business Item 6b and being concerned about it looking like a gift of public land, what other options were considered for use of the land after the boundary line adjustment (and could be sold for revenue to the City), and asked why they are doing it. She questioned the ability of the Farmers Market and Coffee Oasis to

be able to maintain or manage the property. She also asked if they considered leasing the property.

Bob Russell said he is excited about Poulsbo doing affordable housing. He shared it would be good to have solar panels on the units, and shared his vision on things he would like to be incorporated into the design.

Pam Keeley spoke about the transfer of the Public Works property to Coffee Oasis and the Farmers Market and her concerns about Coffee Oasis being a religious organization and receiving the property for no cost. She said it was 2.5 acres of prime real estate. She also commented on the multifamily tax credit being rejected by the Council because it is not the right tool or the right time. If a property is going to be available, isn't that a tool at the right time. She asked for Councilmember Livdahl to give a report on the GARE relationship and an equity audit. She would like a monthly report on progress being made. She said it was disappointing to send emails to the elected officials and not receive a response. She hopes that can be improved in the future.

Shannon Turner said it was nice to see everybody back in the Chambers. He said he is now the new medical respite operations manager for PCHS and they bought the old Rescue Mission Building and hope to have it up and running by December 2023. He is happy to hear what Poulsbo is doing for affordable housing.

City Clerk Fernandez read the following written comments into the record:

- Rick Kunz wrote in support of transferring the public works property to the Poulsbo Farmers Market, and not supporting the transfer of the Coffee Oasis property to Coffee Oasis.
- Carollynn Zimmers wrote in opposition of transferring the Public Works property at no fee to the Poulsbo Farmers Market and Coffee Oasis.

4. MAYOR'S REPORT AND COUNCIL COMMENTS

Councilmember McVey thanked everyone who sent their condolences to him on his father's passing during the past few weeks. He shared he respects Viking Fest's decision to not continue with the 3rd of July fireworks presentation. He thanked the board members and volunteers for the decades of hard work in organizing the event. This weekend is Viking Fest and he is looking forward to that. He wished Bill Austin happy 87th birthday today.

Councilmember Musgrove wished Bill happy birthday. Viking Fest is coming and he hopes everyone will enjoy it.

Councilmember McGinty said it looks like things are going back to normal. It is nice to see everyone in the audience and wished Bill a happy birthday.

Councilmember Lord thanked everyone who attended in person and spoke at the podium and also thanked those who commented in writing. They may not instantly react, but they incorporate their comments into their thinking when making decisions. They have a great weekend coming up with Viking Fest.

Councilmember Livdahl thanked everyone for the comments. She said regarding the multifamily tax exemption, she felt the newspaper article headline was inflammatory. They are trying to find solutions that work for Poulsbo and doesn't just shift the taxation to the population here. Another option she wants to learn about is inclusive housing and fee in lieu (will be discussed at the next Planning & Economic Development Committee agenda). She attended the GARE (Government Alliance on Race and Equity) conference. She will not be doing the work alone; she is one person. She doesn't have the knowledge or capacity to do it by herself. She will not promise things she cannot maintain. She will do her best.

Councilmember Stern wished Bill Austin happy birthday. He called out work Bill has done. He had been instrumental with keeping the Marine Science Center open, which allowed them to eventually pass it onto Western Washington University and it has now become the SEA Discovery Center. He announced the SEA Discovery Center is going to open Friday for the first time. Regular hours will be Fridays and Saturdays, 11am-4pm, free admission. He shared the memorandum from the City of Bainbridge Island's exploratory committee meeting with the City of Poulsbo. The next meeting is Friday, June 10, at Poulsbo.

Councilmember Phillips said he appreciated Shannon for all he does. He asked everyone to be safe if they are out on the water. And he asked for everyone's patience during the weekend events, and to help each other out. He said NKHS's baseball team is number 1 seed in the state, track and field won their district championships, softball is number 4 seed, and the soccer team made it very far.

a. Department Head Reports

Chief Harding said they are very excited for Viking Fest. Lieutenant Leeming has been working for the past two months to provide for the structural needs of the event.

Mayor Erickson said she received a request from Viking Fest to support the event, because Safeway has pulled their support of the event. Mayor Erickson said she has been writing stern emails to Safeway to do something with the vacant building. She doesn't know if it is related, but she feels Poulsbo needs to support the event. They said they wanted to be the sole sponsor and didn't want Central Market involved with it.

Councilmember Lord said it was unfortunate they are not willing to help support the event, even if another competitor is also donating.

Councilmember Musgrove said they need to explore fundraising to support this event in the future to take some of the pressure off.

Councilmember McGinty said it was sad they pulled out at the last minute for this community event.

Mayor Erickson said the local Safeway employees are wonderful, this was a corporate decision.

Motion: Move to allocate \$5,000 to Viking Fest Corporation to come from the Mayor's discretionary budget or replacement funds if needed.

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

Discussion: Councilmember Stern asked for this come out of the City reserves, as this is an event for the community, and to leave the Mayor's discretionary funds for other projects. Finance Director Booher said they could look at reserves or increasing the lodging tax award. She understands the Council wants to supplement the funding of the event, and they can explore where the funding is coming from.

Amended motion: Move to allocate \$5,000 to Viking Fest Corporation from a funding source that will be determined at Finance-Admin Committee.

Motion carried unanimously.

Mayor Erickson discussed logistics for those who will be in the parade. The parking garage at City Hall will not be available.

Mayor Erickson said Bill Austin wants to fix the rotary clock. It needs to be repaired and painted, and he is requesting \$5,000. She wants to make sure what the full plan is before they fund the repairs.

She said she needs to get the Art Committee together to go over some requests.

5. CONSENT AGENDA

Motion: Move to approve Consent Agenda items a through d.

The item listed is:

- a. Excuse Absences for Councilmembers McVey and Phillips (Fernandez)
- b. Payable Disbursements for April 2022 (Booher)
- c. BA#22-0210 for Drone Purchase (Harding)
- d. BA#22-0211 for Investigations Purchase (Harding)

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

6. BUSINESS AGENDA

a. Lincoln Cottages Deviation Request

Engineer 1 Burgess presented the agenda summary, noting the applicant for Lincoln Cottages is requesting a deviation from City Construction Standards for the residential collector standard to allow for a reduction of lane width from 11-foot wide lanes to 10-foot wide lanes and allowance for alternative right of way width in order to accommodate parking on both sides of the street and to tie into existing improvements. The City Engineer is supportive of the deviation request and presented the justification materials to Public Works committee for discussion and recommendation to Council. Public Works committee recommended approval to City Council the proposed street deviation. City Council is the final decision authority per Section 1: General, of the City's Construction and Development Standards.

Councilmember Phillips said he has a hard time giving deviations and doesn't want it to become the standard for development companies to reduce lane sizes to create more homes. He asked for the homes that do not have driveways, is what they have to use just street parking. He doesn't want to see a neighborhood that is constricted by parking.

Engineer 1 Burgess said the houses are required to have parking to meet the layout requirements of a standard plat. As proposed, this provides more parking that is required, they are overparked.

Councilmember Phillips asked about the six-foot median and they are narrowing the road down. He asked about having a four-foot median and having the normal road width. He feels they are taking from the road to give to a planter.

Councilmember McGinty asked if they will have the two on-site required parking spaces per home. Engineer 1 Burgess said this deviation is specific to the roadway standard. The plat is still required to meet all requirements of Title 17, and they are. They are not utilizing this as a way to shift parking from the lots to the street. They are just asking for narrow roads and parking.

Councilmember McGinty asked why they are taking the width from the roads instead of the median. Engineer 1 Burgess said part of the request is to reduce impervious surfaces (less surface to treat). Narrower lanes are also a good speed reduction measure (road dieting).

Councilmember Livdahl said this seems to be a net-positive. If we are not reducing parking, then her concerns are mitigated. She feels trees are necessary for the median. She supports this deviation.

Councilmember Lord asked about the viability of traffic and safety vis-à-vis the fire department getting through narrower lanes. Engineer 1 Burgess said the plat will be providing minimum width of roadway per the fire department requirements. He said they can explore with the Fire Department if the medians need to have a mountable curb. They can flush out those details with the Fire Department.

Councilmember Musgrove said they reviewed this in Public Works Committee, and that exceptions should be exceptional. You need to have a good reason and a benefit to the community to alter code requirements. What he got out of the committee meeting was they were demonstrating an improvement for the community as well as other things, by these specific deviations from code, which is why he supported a recommendation to approve.

Councilmember McVey said he understands this is being recommended by the staff and Mayor. Mayor Erickson said she supports narrower roads with parking on both sides to slow speeds.

Councilmember Phillips said this neighborhood is going to be right next to the high school. He asked if the 400 ADTs account for just the neighborhood traffic or teenagers trying to get into the high school. Engineer 1 Burgess said the roadway is parallel to Lincoln, which is a designate arterial roadway designed for the traffic and larger vehicles. There will be some cut-through traffic, but it is not a major design element.

Councilmember McGinty feels they have done their due diligence on this, and it is a good project.

Motion: Move to approve the Lincoln Cottages Street Deviation Request as presented in the submitted application, Exhibit A.

Action: Approve, **Moved by** McVey, **Seconded by** Livdahl.

Vote: Motion passed (summary: Yes = 6, No = 1, Abstain = 0).

Yes: Livdahl, Lord, McGinty, McVey, Musgrove, Phillips.

No: Stern.

b. Iverson/Lincoln/Front Street BLA and ROW

Special Projects Engineer Struck presented the agenda summary with Mayor Erickson. They noted a proposed Boundary Line Adjustment for the existing Public Works property located on Iverson Street. Presentation highlights included: context and framework, existing conditions, draft boundary line adjustment proposal, technical considerations, potential next steps and schedule.

Mayor Erickson said this is the first step in exploring what to do. They have a lot of due diligence that needs to be done before they sign contracts for either of these tenants,

if it is even feasible. Up until this point, they didn't have an Iverson Road. The road was never dedicated right-of-way, it is not on maps. They have to do this BLA to identify the road. She is bringing this to the full council rather than a committee, because this is a big decision. It is a large piece of property that is severely encumbered. She doesn't want to do more work on this if this is not the direction the Council does not want to go. She knows the Council received an email today about gifting prime property to Coffee Oasis and the Farmers Market. She said there is much more due diligence that needs to be done for an incredibly encumbered piece of property. They were able to acquire a house on a separate lot for one dollar, because it was unsellable, because it systematically flooded. A piece of property that floods often has very little value.

Councilmember Livdahl said property can have prime location, but not have prime value. This site would not be feasible to build affordable housing. The Farmers Market as an organization's ethos is one of stewardship. She enjoyed the conversation she had with them during a site visit. There would be a lot of work for them about the site. But the shops could provide year-round shopping. From their point of view, they don't feel comfortable investing a lot of money in something they don't have security in (leasing versus donating). They would like some security. The Farmers Market remaining in Poulsbo is in danger due to them not being able to stay at the church parking lot due to State requirements. We want the market to stay in Poulsbo. She believes the Farmers Market will take good care of the property.

Mayor Erickson said the Public Works admin will be moving out of the Quonset hut after Viking Fest. The building will be empty. The lease they have with Coffee Oasis is expiring at the end of the year, and the building needs a new roof. This is a synergy of events all coming together at this point. She is not expecting the Council to say yes or no tonight about granting the properties. But if they do not want staff to continue forward in this direction, then she needs to know now. She doesn't want to go in this direction if they are not on board with this.

Councilmember Lord commented on acquiring Centennial Park, cleaning it up, and having it become an oasis in an urban area. She supports the opportunity for both of these agencies to permanently locate in the city. They are not gifting them by the sense of doing something wrong; they did the same thing with the SEA Discovery Center. The Farmer's Market is an asset to this community. Coffee Oasis is an asset to the youth who are being trained to do work there and the patrons that come in and support them. It is part of their outreach to do their best to make things better for the community as a whole. She supports moving forward. This is important and there is limited marketing potential for this property.

Councilmember Musgrove said they are still investigating and looking for viability. They would be open to hear any other viable opportunities for the property, but there aren't many other great ideas for this property. If there are better ideas, they would love to hear about it. He asked if a commercial appraisal had been done yet. Mayor

Ericksons said she didn't want to spend the money on that unless they are serious about moving forward. He asked if the Council would have multiple opportunities to either approve moving forward and/or stop the process as they move forward. Mayor Erickson said Public Works is moving in June. The financial analysis will begin after that (the property has flooded every year since they have owned it, and a house next door that they bought for a buck and tore down). If these buildings are removed, they will not be allowed to be rebuilt. You cannot clear it out and building something else. This needs to be done quickly, the Farmers Market needs a permanent home, and we are going to have an empty building that they will have to keep watch over.

Councilmember McVey said they need to explore possible uses for the property. If the building is left abandoned, there would be significant costs for demolition and costs to repair the Coffee Oasis building roof. He supports exploring potential uses for the property and having conversations with Coffee Oasis and the Farmers Market. He would like a basic market analysis and then perhaps put out a request for proposals. He doesn't want to limit themselves right now, but he is not opposed to looking at the farmers market and Coffee Oasis. Farmers Markets are great business incubators. But he wants to explore more options if they exist.

Mayor Erickson agreed, first they need to do the financials of the property.

Councilmember Phillips questioned if the non-profits could manage the upkeep of these properties if they were given to them. Mayor Erickson agreed, they could put a clause in the contract that if it wasn't done in a certain way, we could take it back.

Motion: Move to authorize the Mayor to begin exploring potential uses and provide a project analysis, and begin discussion with potential future property owners of the Public Works site property on Iverson Street.

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

Discussion: Councilmember Musgrove asked language to be added to do a property analysis for best use. The motion language was amended.

Motion carried unanimously.

c. Discussion: UGA, ILA Negotiations & Regional Center

Planning and Economic Development Director Wright presented the agenda summary with exhibits, noting the purpose of this item is to relay the permitting authority within our Urban Growth Area (UGA) as described in our Interlocal Agreement with Kitsap County and to inform the City Council of two items that will be analyzed as part of the 2024 Comprehensive Plan update including our UGA and Center designation.

She provided an overview of how we currently review and permit projects within the UGA. She requested Council decide if they would like staff to amend the Interlocal agreement to give the City a larger role in permitting projects within our UGA.

She also provided an overview of options on how the UGA could be considered through the comp plan process: stay as is, swapped with other lands, or annexed.

Mayor Erickson said this became important a few weeks ago when they learned the NKSD is going to be building a new school within our UGA. We need to be more involved with the permitting, because it will eventually be annexed into the City.

Councilmember Lord said this is crucial and we need to be in control of our own destiny. We need control of how things are developed within our UGA. We need these permits to adhere to our City's standards. She said this is long overdue.

Councilmember McVey asked if we take more of a lead on this, what sort of additional impact would this have on current staff. Mayor Erickson said she does not see this increasing staff work. This is a large building, and we need to make sure our standards are met. Our standards are more rigorous, but we benefit from them.

Councilmember Musgrove said he needed clarity on what the document means. On the first section, it is basically who takes lead. He presumes it is beyond improvement and efficiency, the impression he is getting we could apply some of our own requirements and codes into the UGA area if this were to take place. Conversely, there is an example in there where it says, like appeals, would be shared if the City adopts county regulations. Are we talking about changing to county regulations? Exactly how deep are we talking tonight? Is this triggering something we are not fully grasping.

Planning & Economic Development Director Wright said regarding the appeals, the City regulations do apply to those properties in the UGA. And currently, if there is an appeal, it is split between the County and City. What is being proposed is if there is an appeal and the City is the lead, that appeals would be heard by the City's hearing examiner as opposed to the County's.

Councilmember Musgrove asked if Poulsbo's code applied in the UGA instead of County. Would this trigger -- shared if city adopts county regulations -- would we be adopting any county regulations if we were to approve this.

Planning & Economic Development Director Wright said they would not be adopting county regulations. If there was a proposal to do county regulation adoption in the future, it would come before the city council for consideration.

Councilmember Stern said the UGA they adopted in the early 2000s some of the area is unbuildable and we are constrained with taking density. He was interested in

swapping with the County to get land that lends itself to the City and not sitting on land that does nobody any good.

Planning & Economic Development Director Wright said less buildable lands should be in the County, and the County is open to negotiating swaps to help us meet our capacity. Those talks will happen in early fall, and they will get Council's input.

Councilmember Livdahl asked if the County would like this to occur, Mayor Erickson said they are open to discussing it.

Councilmember Musgrove clarified that for most of these items, in a general sense, he is fully supportive of (we need to control our UGAs, we need to be able to help use it for things like housing and stuff like that), so he supports most of the statements and generalities in here. It is just the clarity of specific points he wasn't sure of, but he is sure they will get another look at it.

Motion: Move for the City to begin negotiations with Kitsap County to have a more prominent role in the permitting process in the Urban Growth Area, as described in Exhibit 2.

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

Motion carried unanimously.

Planning & Economic Development Director Wright provided a brief overview of the Center criteria and described the difference between a Regional and Countywide Center. These topics will be discussed as part of the Land Use Alternatives workshop between the City Council and Planning Commission in the late fall.

Councilmember Stern said this conversation was had in the early 2000s and they deferred. They said Poulsbo was not interested due to the fear of level of growth impacting our community character. What criteria is driving us to reconsider this.

Mayor Erickson said they already have enough activity units to be a regional center. They all would rather be smaller and quainter, but that is not where they are. The units are already in the 305 corridor. By not declaring it, they are forgoing the revenue to support it.

Councilmember Livdahl said they might get superseded by the state. If they do this, they might get the opportunity to decide where the density goes. Mayor Erickson said they will not receive more growth area. Her point is they are already there, they just aren't getting the revenue that is associated with the growth. They are taking the burden, but not taking the relief.

Councilmember Musgrove said there is concern that population requirements will densify our older neighborhoods changing the character of Poulsbo. Is there opportunity to shift some of the growth to the UGA areas rather than densifying existing neighborhoods.

Mayor Erickson said there is, but we are running out of UGA. The problem we are having is the State coming in and telling us we have to do it. We have a real housing issue right now, and they are pushing this to get more housing.

Planning & Economic Development Director Wright said we do have more control if we have a centers designation. By controlling the borders, we can direct the growth and provide relief to areas you want to further preserve.

d. BA#22-0212 for PED Department Casual Labor Increase

Planning and Economic Development Director Wright presented the agenda summary, noting the desire to utilize regular scheduled wages and benefits saved from planner vacancy (January to April 2022) and from hiring an assistant rather than associate planner totaling \$45,624 and increase an additional \$30,000 for casual labor.

Councilmember McVey clarified this is shuffling money around. Planning & Economic Development Director Wright said the \$45K is savings and the \$30K is additional for casual labor. Their first budget amendment last month was to accept a \$75K grant.

Councilmember Musgrove said the ask is for \$75,624 from two different sources. The \$45K was savings from unused funding. Planning & Economic Development Director Wright wants to use the \$45K savings, and an additional \$30K.

Finance Director Booher said normally we don't allow departments to use savings for casual labor. The agenda summary should have said there was a budget impact of \$30K to our reserves.

Motion: Move to approve BA#22-0212, a budget amendment to utilize regular scheduled wages and benefits saved totaling \$45,624 and increase an additional \$30,000 for casual labor.

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

Motion carried unanimously.

e. Nordic Cottage Workshop

Housing, Health and Human Services Director Hendrickson introduced Project Manager and Housing Kitsap representative Dean Nail, Architect Matthew Coates, and Planning and Economic Developer Heather Wright.

Housing, Health & Human Services Director Hendrickson provided the background on the project (2019 Housing Solutions Center data and rental prices increasing \$465 in the last year). We have lost Peninsula Glen and Winton Woods as affordable housing in Poulsbo in the past couple of years.

An Affordable Housing Task Force was created in 2019 and their recommendations were accepted:

- Support the creation of temporary shelter and temporary affordable housing, particularly “deeply affordable” homes (affordable for households earning 0-30% AMI)
- Preserve existing affordable housing, including mobile home parks and workforce housing.
- Support the creation of long-term affordable housing for chronically vulnerable individuals.
- In addition: discuss partnering with outside agencies to build and manage “Nordic Cottages” – small, attractive homes that align with Poulsbo character.

She reviewed the Council action and activity related to the Task Force from 2020 to 2022. She noted the Nordic Cottage Steering Committee has been meeting for a year and a half, and she shared the ideas they have come up with:

- Three small, two story cottages
- Each level has two bedrooms (potential -12 people on site)
- Attractive design, welcoming common areas, extensive landscaping-compliment and improve neighborhood
- Use of project based vouchers to keep rents low: use rents/voucher payments to offset cost of the project
- Critical partners:
 - Coates Design (architectural services)
 - Housing Kitsap (project management during construction, manage properties)
 - Kitsap Homes of Compassion (case management)
 - Gateway Fellowship (parking)
- Open questions: who will be housed? Temporary or permanent?

Nordic Cottage Developments:

- Results from 609 NE Lincoln site survey-clarity on utility issues, property lines (November 2021).
- Work with Planning Department to identify zoning/code issues (pre-application conference, March 2022).

- Notification of Department of Commerce “CHIP” award for \$240k.
- Identify architect to provide project vision and design ideas (April 2022).

Matthew Coates, Coates Design, presented the following items:

- Overview of the properties and issues associated with it that need to be resolved:
 - Three utility lines running through it
 - The south property lines and north property line from the property on the south are not coincident, and they are unsure who owns the land.
- The project offers an amazing improvement over what is exists there now.
- Three duplexes with some green space and garden area.
- Reviewed the floor plans, which are fully ADA
- Reviewed a rendering of the buildings
- They will need to create an easement for the properties to be accessed. But there is a long piece of triangle land that doesn't look like it is owned by anyone, and it could be used.

Dean Nail, Housing Kitsap, spoke regarding the commitment Housing Kitsap has towards completing a great project. They will be doing the construction management once there are plans/blueprints. He knows they are still early in the process.

Planning & Economic Development Director Wright presented the following:

- Exceptions for Housing Authorities
 - PMC 18.310.050
 - Supported RCW 35.83.010, Housing Cooperation Law
 - Purpose: provide the cooperation of the City with the goals and objectives of the housing authority for the development of low-income housing
- Review process
 - Pre-application Meeting
 - Neighborhood Meeting
 - Planning Commission Review and Recommendation
 - City Council Review and Decision
 - Resolution for exceptions
- List of criteria they will look at for findings

Housing, Health & Human Services Director Hendrickson shared next steps:

- Meet with Neighbors for Input.

- Work with Department of Commerce on Terms of Grant Award.
- Work with Engineering Department on a Utility Study: Feasibility and Cost of Moving Water and Stormwater Line.
- Apply for HOME and CDBG Funds for Project
- Back to Council in June with revised designs, timetable, budget-and “CHIP” Contract to Approve

Councilmember McVey asked about the feasibility of putting solar panels on the roof. Matthew said the only impediment is if it is in the budget. His only concern is the roofs don't face south. They could entertain a design change if it was a priority. Dean said it would be viable if they could find a way to afford it. They would not need a large system. It is a good opportunity they should consider.

Councilmember Musgrove asked how many square feet the units are. Matthew said the lower unit is 806 and the upper floor is 730. Councilmember Musgrove said the driveway easement is a little confusing, and as they go forward he would like a better idea of where the property ends and where the street begins (Paul Street). It is amazing how far this investigating for the suitability of the property for low cost affordable housing has gone. He encouraged them to keep moving forward.

Councilmember Lord asked about another pre-application, would it be the Engineering department going over the utility constraints and costs. Planning & Economic Development Director Wright said Engineering attended the first meeting and described the constraints, but the actual feasibility of relocation of the lines would need to happen outside of the pre-app. Councilmember Lord said that is her biggest concern is to make sure we can afford whatever the cost would be to relocate some severely buried lines that would have to go somewhere. It would alter the timeline of the construction as well. The deconstruction and reconstruction will take a lot of time after they figure out how to make it work.

Councilmember Phillips said we learn how we do this, get the process down, and do more of them. They look beautiful and they are a good asset for the community. He loves it.

Councilmember Lord said the team has worked so hard, and bravo on the inspiration of the design. The end result is so nice. Affordable housing residents should be proud of their homes and have that dignity.

Councilmember Stern congratulated Kim and the Housing, Health & Human Services Committee on a 0-60 in first gear about project inception. This is a potential model project for the state by incentive rather than heavy mandate.

Mayor Erickson said we only get \$500K annually, if we do it this way, and get the HUD vouchers, they will be subsidized, lowest level income, and will connect market rent rates because of the voucher. That money can pay the debt off and repeat the process.

Councilmember McVey encouraged citizens who live in this area to please be open to listening to the presentations, come to the presentations, and ask questions. If we can't do it in this location, then where would we do this? It is an ideal location, close to transit, on an unused gravel lot. The Mayor has begun to lay out how to finance it. Sometimes with affordable housing projects we get "not in my backyard" sentiments. What we have here is a really fine project that looks beautiful. He asked for everyone to be open, to participate in the process, and to think of those who desperately need this resource.

7. COUNCIL COMMITTEE REPORTS

Public Safety/Legal Committee: Councilmember McGinty reported they talked about the auto thefts going on around town and coming up with ideas to solve them; the contract for court security is in there Wednesday and Thursdays; the police department asked to hire in anticipation of attrition/loss (all positions filled, but processes take two months, so they are asking to get up to that point to make conditional offers); the police department received a grant for five radars for the patrol cars; on track for trials and caught up on back jury trials.

Community Services Committee: Councilmember Phillips reported there are a lot of special events coming up; they received the annual report for the Parks & Recreation department; discussed moving the approval of special events to the Parks & Recreation department from the Clerk's Office.

State Auditor Entrance Conference: Councilmember Stern said there will be an added cost for the audit of transportation grants associated with SR-305 (\$5,000 is budgeted).

8. BOARD/COMMISSION REPORTS

Councilmember Livdahl went to the HDPa board meeting last week and asked for the bylaws. It came to their attention that the HDPa is responsible for solving their parking problems. They are forming a designated parking committee but are afraid they won't get any volunteers.

9. CONTINUED COMMENTS FROM CITIZENS

Rick Eckert said as a resident of a resident collector near the high school, that when the project finishes, the high school kids will figure out they can avoid the light and go down this road. He said there were comments tonight about using the public works area and

draw the Council's attention to their opening statement about being a welcoming, diverse, and equitable city, and if they were not to consider transferring the property to Coffee Oasis because it is a faith-based organization, they would be violating that very policy they have adopted. It goes both ways. To use that as the only reason to not consider it violates their own policy. On Memorial Day, the American Legion will have a dedication at 10am at the American Legion Park, and the VFW will have its traditional ceremony at the Waterfront Park at noon. The VFW is looking to rehab the anchor at the Waterfront Park (repaint).

10. MAYOR & COUNCILMEMBER COMMENTS

Councilmember McVey acknowledged the wonderful work of the IT staff to allow them to meet with everyone both in person and remotely and having the meeting go seamlessly.

Councilmember Musgrove thanked Public Works for getting the City ready for Viking Fest. He said today he attended an AWC webinar for elected officials, and today was budget equity. He asked everyone to be kind, caring, and considerate.

Motion: Move to extend the meeting until the end of the agenda.

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

Motion carried unanimously.

Councilmember Lord asked everyone to enjoy themselves at Viking Fest this weekend. Be safe and be kind.

11. ADJOURNMENT

Motion: Move to adjourn at 10:01 p.m.,

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

Motion carried unanimously.

Rebecca Erickson, Mayor

ATTEST:

Rhiannon Fernandez, CMC, City Clerk