CITY OF Vancouver WASHINGTON

CITY COUNCIL MEETING MINUTES
Vancouver City Hall | Council Chambers | 415 W. 6th St.
PO Box 1995 | Vancouver, WA 98668-1995
www.cityofvancouver.us

Anne McEnerny-Ogle, Mayor
Bart Hansen · Bill Turlay · Ty Stober · Linda Glover · Laurie Lebowsky · Erik Paulsen

November 4, 2019

NO WORKSHOPS

Vancouver City Hall - 415 W 6th Street, Vancouver WA

COUNCIL REGULAR MEETING

Pledge of Allegiance

Call to Order and Roll Call

The regular meeting of the Vancouver City Council was called to order at 6:30 p.m. by Mayor McEnerny-Ogle in the Council Chambers of City Hall, 415 W. 6th Street, Vancouver, Washington.

Present:	Councilmembers Paulsen, Lebowsky, Glover, Stober, Turlay, Hansen, Mayor McEnerny-Ogle
Absent:	None

Approval of Minutes

Minutes - October 14, 2019

Motion by Councilmember Glover, seconded by Councilmember Paulsen, and carried unanimously to approve the meeting minutes of October 14, 2019.

Minutes - October 21, 2019

Motion by Councilmember Lebowsky, seconded by Councilmember Glover, and carried unanimously to approve the meeting minutes of October 21, 2019.

Proclamation: Veterans Day Parade

Mayor McEnerny-Ogle read and presented a proclamation to Larry Smith, board member for The Historic Trust, and Sarah Hannon, Special Events Manager for The Historic Trust, recognizing November 9, 2019, as the 33rd Annual Veterans Parade at Fort Vancouver.

Special Presentation: WSDOT/FHWA 2019 Best Special Project Award

Kathleen Davis, WSDOT Local Programs Director, Mindy Roberson, FHWA Washington Assistant Division Administrator, Michael Willams, WSDOT SW Regional Local Programs Engineer, and Keith Molyneaux, WSDOT Assistant Local Programs Engineer, presened the WSDOT/FHWA 2019 Best Special Project Award for the Waterfront Trail Redevelopment Project. Vancouver Parks and Recreation Director Julie Hannon accepted the award on behalf of the City .

Amendments to the Agenda

Mayor McEnerny-Ogle requested the Council approve two additions to the agenda for Council consideration:

1. A walk-on item to be added to the Consent Agenda for a moratorium on development in the Grand Blvd. and Evergreen Blvd. commercial corridors.

2. A walk-on item to be added under City Manager Communications for confirmation of appointment of Jonathan Young as the City Attorney.

Motion by Councilmember Glover, seconded by Councilmember Turlay, and carried unanimously to amend the agenda as stated above.

City Manager Eric Holmes explained that staff is bringing the development moratorium forward as the City has been engaged in an ongoing study focusing on key commercial corridors throughout the city to develop strategies to realize the unique potential of each. In the course of that work, staff has identified a segment of the Evergreen Blvd. corridor near Grand Blvd. as being significantly vulnerable to additional development that may be inconsistent with the ultimate policy objectives of this work as well as inconsistent with the character of the surrounding neighborhood.

Bryan Snodgrass, Principal Planner, provided an overview of the proposed moratorium.

Councilmember Paulsen noted that the commercial corridors work should be wrapping up in about a year. He stated that he is not philosophically opposed to moratoria like this, but he does not like to see them extended indefinitely. He asked that in the context of this moratorium staff find a way to complete the commercial corridors work so that this moratorium would only need to be extended once.

Councilmember Glover stated she is pleased that Council will be getting more guidance and direction related to commercial corridors, and noted that the neighborhood surrounding the area subject to this moratorium is a historic, walkable neighborhood with great character.

Citizen Communication (Items 1-18)

Mayor McEnerny-Ogle opened Citizen Communication and received the following testimony:

- Glen Yung, Vancouver, expressed concerns about Item 5 and asked whether the park land that is the subject of that agricultural lease could be put to better and more active use. Regarding Item 7, Mr. Yung urged the City to be prudent and careful in making future investments in the Waterfront Gateway area and not invest significant public funds into something that will not come to fruition for a long time.

- James Dougherty, Vancouver, spoke regarding the walk-on moratorium, and asked whether the commercial corridors strategy will take into consideration recent speed reductions on Grand Blvd. He stated his concern would be the amount of traffic able to get to future businesses in the area being different now that the speed has been changed and whether a traffic study was done prior to the speed change.

  Mr. Holmes explained the land use policy that is underway would primarily focus on how the City regulates and fosters certain character to a neighborhood through regulation of private investment. He stated if there are changes that would result in a dramatic increase or decrease in traffic, that would be taken into account in that study.

There being no further testimony, Mayor McEnerny-Ogle closed Citizen Communication.

Consent Agenda (Items 1-18

Mayor McEnerny-Ogle pulled Item 6 from the agenda to allow the family of Mr. Christensen to provide comments.

Paul Christensen, brother to Dave Christensen, thanked the Council on behalf of his family.

Kathy Maynard, Dave Christensen's daughter, thanked the City and spoke regarding her father's legacy and contributions in the community.

Motion by Councilmember Hansen, seconded by Councilmember Lebowsky, and carried unanimously to approve all items of the Consent Agenda.

WALK-ON: Moratorium on the acceptance and processing of

applications for permits for the development of new structures; the expansion of existing structures; or subdivisions in the Evergreen and Grand commercial corridors, which generally extends along Evergreen Blvd. from V St. to Grove St., and Grand Blvd. from Evergreen Blvd. to Mill Plain Blvd.

Staff Report 165-19

AN ORDINANCE declaring an emergency and adopting a six-month temporary moratorium upon the acceptance and processing of applications for permits for the development of new structures; the expansion of existing structures; or subdivisions in the Evergreen and Grand Commercial Corridors as defined herein; establishing six months as the tentative effective period of this ordinance; and establishing an immediate effective date.

Summary

The proposed moratorium will prohibit the acceptance and processing of applications for permits for the development of new structures; the expansion of existing structures; or subdivisions in the Evergreen and Grand commercial corridors for 6 months. The ordinance will provide staff time to prepare a plan for the corridors, any related land use regulations, and any required environmental review process. If additional time is needed to complete the planning process, the moratorium may be extended in the future subject to additional hearings.

The City is currently undertaking the Commercial Corridors Strategy, a community planning process intended to enhance existing commercial corridors, increase walkability and access to amenities and services, promote efficient and coordinated economic development and add housing at urban densities near transit lines. Evergreen Boulevard from East Reserve Street to Edward Street, and Grand Boulevard from East 6th Street to East Mill Plain Boulevard are two of the five corridors included in the scope of this project. These smaller, neighborhood-serving and locally-oriented corridors will be evaluated for the types of uses that are allowed, pedestrian environment, building orientation in relationship to the street, and creating an environment where small businesses can thrive. The moratorium is necessary to avoid applications for uses that would conflict with the achievement of the long-range vision for this area that will be defined by the plan.

Request: On November 4, 2019, approve an ordinance adopting an emergency moratorium, requiring a public hearing within 60 days.

Bryan Snodgrass, Principal Planner, 487-7946; Brent Boger, Assistant City Attorney, 487-8500

Motion approved Ordinance M-4277.

1. 2019 Joint Agency Slurry Seal Project, construction acceptance and release of retainage

Staff Report 149-19

Summary

The project applied approximately 228,000 SY of latex-modified slurry seal to various streets throughout Vancouver as part of the City's preventive maintenance program to extend the life of the existing pavement.

The original construction contract bid amount was $448,205.00. Quantity adjustments during construction decreased the contract amount by approximately 19% to $361,466.50. The reduction in contract value is attributed to underrunning the bid item for flagging hours and the removal of several streets from the contract. After contract award, several streets were removed from the contract due to conflicts with upcoming utility projects and street preparation.

The project was below the minimum contract value for the City's apprenticeship program and did not have an apprenticeship goal.

Blackline, Inc. of Vancouver, Washington, has satisfactorily completed the subject improvements in accordance with the plans and specifications.

Request: Accept the 2019 Joint Agency Slurry Seal Project as constructed by Blackline, Inc. of Vancouver, Washington, and authorize release of retainage in the amount of $18,073.33, subject to receipt of all documentation required by law.

Nicollette Roth, Civil Engineer, 487-7763

Motion approved the request.

2. Amendment to Professional Services Agreement C-90662 with engineering firm Brown and Caldwell to include design services for replacement of electrical systems associated with upgrades to Vancouver's industrial wastewater pretreatment lagoon system

Staff Report 150-19

Summary

The nearly 40-year old lagoon receives food-process wastewater from three industries in Vancouver (Frito Lay, Great Western Malting and Northwest

Packing). The lagoon is integral to Vancouver's wastewater treatment strategy, particularly with operations at the Westside Wastewater Treatment Plant. It is currently operating with certain treatment equipment, including the site's electrical system, near or beyond its expected service life.

The consultant engineering firm and City staff evaluated a wide range of technology options for upgrades to the lagoon and determined the existing system, with pertinent upgrades, is the most cost effective. Subsequently, the consultant engineer conducted a detailed facility and system assessment and found the electrical system:

- *Near or past its useful service life, increasing risk of equipment failure;*
- *Obsolete, with parts no longer manufactured or supported; 3rd party-sourced parts are currently 3 – 4 times historic costs;*
- *Does not meet current electrical code for working clearances.*

As a result, additional electrical system design work is recommended.

Request: Authorize an amendment to contract C-90662 with Brown and Caldwell, Inc. to include engineering design services for electrical equipment upgrades at Vancouver's industrial wastewater pretreatment lagoon system and authorize the City Manager or his designee to execute the professional services agreement with Brown & Caldwell, Inc. of Portland, Oregon, with a not-to-exceed total cost of $778,784.00, and authorize the City Manager or his designee to approve amendments to this contract, as needed.

Frank Dick, Wastewater Engineering Supervisor, 487-7179

Motion approved the request.

3. Job Order Contracting (JOC) Services for General Construction Contracts

Staff Report 151-19

Summary

The City has utilized the Job Order Contracting (JOC) program for a variety of projects since 2016. The original JOC contracts expired on June 27, 2019.

The JOC program is an indefinite delivery, indefinite quantity program in which the costs of the project are based on a fixed price per item and the adjustment factor submitted by the contractor for the contract term. The JOC program is intended to save time and money through value engineering when needed and save time as the competitive procurement requirements

have already been satisfied with the RFP process. With the award of these attached JOC Services for General Construction contracts, thereis no need to prepare bid packages for individual jobs. Therefore, the City could access these JOC contractors on an as-needed basis. Because there are no guarantees of future award of projects, the JOC program motivates JOC contractors to maintain high quality of work.

The City issued RFP 10-19 on July 26, 2019, and closed on August 21, 2019. The solicitation was advertised in the Columbian, the Daily Journal of Commerce (Portland), and published on the City's website.

Request: Authorize the City Manager or his designee to execute two (2) JOC Services for General Construction contracts with Halbert Construction Services LLC of Vancouver, WA, and SDB Contracting Services of Hillsboro, OR, as they are the two highest scored proposers. Each contract will have an initial period of two (2) years with the option to renew for one (1) additional year and a not-to-exceed value of $3,000,000 per year. Also, authorize the City Manager or his designee to amend these contracts asneeded and to amend the value up to 10% of the not-to-exceed value for the life of the contract.

Anna Vogel, Procurement Manager, 487-8429

Motion approved the request.

4. Approval of Purchasing Authority for Computer Equipment from Datec, Inc.

Staff Report 152-19

Summary

The City of Vancouver currently piggy-backs on the Washington State contract with Datec, Inc. for ruggedized and semi-ruggedized computer equipment and related software and services. This equipment is utilized by the Police Department, Fire Department, and other field workers who require computer equipment in their vehicles or other non-office environments.

Request: Authorize the City Manager or designee to approve purchases under NASPO Value Point Master Agreement No: MNWNC-124, Washington State Master Contract No: 05815-11, for the life of the contract.

Patrick Gilbride, Information Technology Director, 487-7650

Motion approved the request.

5. Agricultural lease for the undeveloped park property located at 16800 Fourth Plain Blvd.

Staff Report 153-19

Summary
The Parks and Recreation Department acquired a 45-acre parcel in northeast Vancouver in March of 2019. Throughout the property there were a number of residential and farm structures, debris, invasive and noxious weeds and a lack of fencing on property lines specifically on Fourth Plain Blvd. When the property was acquired, phase 1 began to clear the property and prepare the land; this phase is now complete and the land is ready to be leased out for agricultural purposes.

Request: Approve and authorize the City Manager or his designee to sign the agricultural lease for the undeveloped park property located at 16800 Fourth Plain Boulevard.

Jeremy Kanooth, Park Developer, 487-8320

Motion approved the request.

6. Renaming of SE 45th Place to SE Christensen Place

Staff Report 154-19

A RESOLUTION relating to the renaming of SE 45th Place to SE Christensen Place.

Summary
Vancouver resident Dave Christensen's 26-year career as a contractor and Real Estate developer, building hundreds of residential and commercial buildings throughout the region, provided jobs, housing and places to work for thousands in our community before he became one of the world's most unique yacht builders.

In 1984, after retiring from his successful construction business, Christensen applied his expertise to form Christensen Shipyards on the Columbia River in Vancouver to produce world class custom-built luxury motor yachts. Located on a seven-acre site with a marina, Christensen Shipyards had eleven bays enclosed in 180,000 square feet of climate-controlled space. All phases of yacht construction were performed in-house by local craftsmen to ensure the highest quality control.

In the course of more than 25 years in business, Christensen Shipyards became the world's largest builder of composite fiberglass motor yachts over 120 feet. Christensen raised the bar for American builders and set new international standards. His unique system of interlocking molds enables the size and design of each yacht to be customized according to the owner's individual preferences.

Christensen was widely recognized for his innovative approach to luxury yacht building and was one of the industry's leaders in the construction of composite fiberglass yachts.

A sign reading, "Through these doors pass the finest boat builders in the world" at the entrance of Christensen Shipyards reflected his personal pride, appreciation and respect for his employees.

There are no existing businesses with addresses on this street. Vigor, which is newly-located on the site, has an address on Columbia Way.

Request: Adopt a resolution assigning the name Christensen Place to SE 45th Place.

Teresa Brum, Economic Development Division Manager, 487-7949

Motion adopted Resolution M-4041 approving the request.

7. Memorandum of Understanding (MOU) with City Center Redevelopment Authority (CCRA) for Waterfront Gateway Properties

Staff Report 155-19

A RESOLUTION approving the Memorandum of Understanding between the City of Vancouver and the City Center Redevelopment Authority regarding planning and developing the Waterfront Gateway Properties.

Summary

With the level of development occurring and new businesses opening in downtown Vancouver, including the waterfront area, the market is continuing to perform well. The City-owned properties south and west of City Hall and the Convention Center/Hilton Hotel have been the discussion of possible development for years, including as part of a 2016 Downtown Asset Strategy Update prepared by Leland Consulting Group. Since 2016, the City and CCRA have utilized the report's patient approach, which *prioritized and encouraged development of waterfront properties and other properties such as Block 10 first to avoid competition from pursuing development of other City-owned properties such as Waterfront Gateway. However, with the growing success of waterfront development and momentum of overall downtown development (in both new construction and rehabilitations), conditions appear ripe to now take a more proactive approach to offer the Waterfront Gateway properties for development. Development of the properties would link downtown's historic core with the waterfront areas, which are both currently centers of development activity. As publiclycontrolled property, Waterfront Gateway can also provide opportunities to ensure future public uses are accommodated, such as potential expansions for the Convention Center and City Hall, parking, pedestrian connections, and potential public space(s) and/or visitor/cultural attraction(s). The overall size of the area would also provide opportunities for private development that could bring an active mix of land uses that, along with the public uses, create another destination to complement downtown's many others.*

Acquired by the City between 2005 and 2010, Waterfront Gateway is comprised of 17 individual parcels that collectively measure approximately 6.4 acres. The properties are currently used for City Hall parking, overflow parking for the Convention Center/Hilton Hotel, offices (within the Webber Building), or are vacant. In addition to these parcels, the site includes fringe areas of other parcels containing City Hall visitor parking, landscaped areas adjacent to the Convention Center/Hilton Hotel, the Veterans of Foreign Wars Memorial Plaza park, as well as rights-of-way for Phil Arnold Way and Esther Street.

Over the past several months, City staff have been working with the CCRA Board of Directors on how to structure the Waterfront Gateway project as well as the contents of a potential MOU. Leading the planning and development process for the Waterfront Gateway properties on behalf of the City is an appropriate role for the CCRA, both in respect to its on-going authorization as a public development authority established by the City to assist in downtown redevelopment, and the depth of expertise and experience of its board members in real estate and development. The complexity of developing in an urban environment necessitates the engagement of an experienced body like the CCRA to provide direction and advice to the project management team and City Council.

The major components of the proposed MOU include:

A. Project Intent: A statement signifying that the parties (City and CCRA) have a mutual interest in developing the site under a common vision.

B. Relationship between Parties: The City would agree to designate the CCRA as the lead body to manage the properties' planning and *development and support the CCRA through the allocation of staff resources and consultant funding. The CCRA would serve as the City's lead negotiator and review and recommend plans, agreements and related items that would be presented to City Council for final approval.*

C. Responsibilities of the Parties: Certain activities needed for the properties' planning and development are identified and their responsibilities assigned to the parties.

a. Jointly, the parties would commit to a development strategy and master plan that meets the project intent and develop a funding plan for potential public benefits and facilities included in the project.

b. The CCRA would provide oversight of staff and consultant work on the project; manage funding provided by the City in its 2019-2020 biennial budget to support the project; hold a series of visioning workshops open to the public to establish a conceptual development vision for the site including potential public benefits and mix of public and private uses; issue a request for qualifications (RFQ) to identify and select a master developer for the site; collaborate with the master developer on designing a master plan for the properties; lead negotiations with the master developer for the disposition and/or ground lease of parcels identified for private development; coordinate the construction of any publiclyowned facilities as necessary; and submit a recommended Master Development Package (consisting of a master plan, proposed disposition and/or lease agreements, proposed development agreements, funding plan for public benefits and facilities, and development schedule) to City Council for approval.

c. The City would provide City staff as necessary to assist with the project's planning, legal, financial, and administrative tasks; provide funding allocated for professional services for planning and development of the site, as well as outside legal counsel to represent the CCRA; fund one dedicated FTE position assigned to the CCRA for the project; determine near-term (within next 2-4 years) parking needs for City Hall that would need to be accommodated within a garage on the site; identify any long-term space and parking needs for City Hall that would need to be accommodated on the site; review the feasibility of expanding the Convention Center and how a potential expansion would need to be accommodated on the site; review the Master Development Package and determine whether its various components are sufficient and appropriate for City Council approval; and authorize the CCRA to serve on the City's behalf as the lead negotiator and undertake the responsibilities identified for the CCRA in the MOU.

D. Target Dates: Dates for some key project milestones are recognized:

a. Issue master developer RFQ during Q4 2019, with selection occurring during Q1 and Q2 2020.

b. Complete Convention Center feasibility analysis during Q1 2020.

c. Initiate work on Master Development Package during Q2 2020.

d. Complete Master Development Package and submit to City Council for approval no later than Q2 2021.

E. Future Agreement: The City and the CCRA would mutually agree that a future agreement related to certain provisions not covered in this MOU is necessary so that adequate resources and authorities are provided for CCRA to complete the Waterfront Gateway project and potentially oversee the redevelopment of other city-owned properties considered important to implement the Vancouver City Center Vision Plan.

On September 19, 2019, the CCRA Board of Directors approved the draft MOU and recommended it for submission to City Council for approval (discussion on pages 2-3 of attached CCRA minutes for September 19).

As part of a September 23, 2019, City Council workshop, staff presented an overview of the Waterfront Gateway site and preparations for its future planning and development; CCRA background, qualifications and interest in taking a leading role in the Waterfront Gateway project; and the potential contents of an MOU. Councilmembers indicated their support for moving forward with the project with CCRA taking the lead. Members also requested the formalization of an MOU with the contents provided in the staff presentation and adding references to workforce and business development strategies and housing options available to people with a variety of incomes (affordable/income-based, workforce and market rate) as core values to the project. Members also requested that CCRA monthly meetings be televised on CVTV and keeping the City's Planning Commission briefed and informed on the project as it moves forward.

On October 17, 2019, the CCRA Board discussed the proposed references to workforce and business development strategies and its members expressed concerns that additional restrictions placed on developers and contractors could potentially limit interest in developing the Waterfront Gateway properties, as well as increase development costs (discussion on pages 2 and 3 of the attached CCRA draft minutes for October 17). The board requested that a statement be included in the MOU expressing these concerns. The attached MOU includes the references requested by Council, along with the concerns expressed by the CCRA Board (see MOU Section 1.D). The MOU further indicates that aspirational goals, incentives and public benefit menu options may be utilized to help developers and *contractors incorporate workforce and business development strategies into the Waterfront Gateway project.*

Request: On Monday, November 4, 2019, adopt a resolution approving the Memorandum of Understanding between the City of Vancouver and the City Center Redevelopment Authority regarding planning and developing the Waterfront Gateway properties, and authorizing the City Manager or designee to sign it on behalf of the City.

John Collum, Economic Development Principal Planner, 487-7956; Chad Eiken, CCRA Executive Director, 487-7882

Motion adopted Resolution M-4042 approving the request.

8. Property Tax Levy for 2020

Staff Report 156-19

AN ORDINANCE relating to the annual property tax levy; authorizing an increase of 1.0% in the City's regular levy from the amount levied the previous year; and providing for an effective date.

Summary

On November 6, 2001, Washington voters approved Initiative 747 (I-747), which limits the allowable increase in the property tax levy to 1.0%, or the rate of inflation, whichever is less. The intent of the Initiative was reaffirmed by the Legislature in November 2007. The measure of inflation used under this law is the Implicit Price Deflator (IPD). The IPD inflation rate for 2020 levy calculations is 1.396%.

Staff recommends that City Council approve a 1.0% increase in the property tax levy. Because the inflation rate is higher than the 1.0% limit, the 1.0% increase is the maximum increase allowed. Based on last year's General Fund levy of $50,021,773.90, the increase will be $500,217.74. Authorization of this increase requires a simple majority vote of City Council.

Staff estimates that the City's general fund property tax levy rate in 2020 will range between $1.95 per $1,000 of assessed value to $2.05 per $1,000 of assessed value, compared to the actual 2019 general fund property tax levy rate of $2.114 per $1,000. The decrease in the property tax levy rate is attributed to assessed values in the City increasing by approximately 6.5% compared to the prior year. Because of the limit on property tax increases, as discussed above, the property tax levy rate declines as assessed value *increases. The statutory cap for the City's levy rate is $3.325 per $1,000 of assessed value.*

Example calculation of City Property Tax:

Assessed Value 2019 *$305,000*	***Levy Rate 2019*** *$2.114 (per $1,000 assessed value; General Fund Levy only)*	***2019 City Property Tax*** *= $644.77*
Assessed Value 2020 *$324,825 (assumes assessed value increases 6.5%)*	***Estimated Levy Rate 2020*** *$2.00 (per $1,000 assessed value; General Fund Levy only)*	***2020 City Property Tax** (hypothetical)* *= $649.65*
AV increases 6.5%	*Levy Rate declines*	*Annual tax increase $4.88 for this example taxpayer**

**If the assessed value of the resident's property as a percentage increased by less than 6.5%, the resident's annual taxes would be equal to or slightly less than the taxes paid to the City in 2019. If the assessed value of the resident's property increased by more than 6.5% from the previous year, the increase in the annual taxes would be slightly higher.*

Some citizens may qualify for tax relief, or qualify for a deferral program. To find out more information about this, residents should contact the Clark County Assessor's Office at 564-397-2391 or visit their website at http://www.clark.wa.gov/assessor/taxrelief/index.html.

In addition to the base levy, the City collects new property tax revenue based on the value of new construction added to the assessment rolls during the prior year. The revenue to the City is calculated using the assessed value of new construction multiplied by the prior year's levy rate. The value of new construction is still being finalized by the County Assessor's Office and includes the value of utility new construction provided to the County Assessor by the State. The most recent estimate from the County Assessor's Office indicates more than $378 million of new construction, which translates into $800,000 of additional City property tax revenue, which is slightly more than the $718,400 received for new construction values for 2019 taxes. The City's ordinance states the percentage and dollar amount increase in the City's base property tax levy as required by RCW 84.55.120. The County Assessor will determine the levy amount for new construction based on their final calculations.

Request: On November 4, 2019, approve the ordinance on first reading, setting the date of second reading and public hearing for November 18, 2019.

Carrie Lewellen, City Treasurer, 487-8482

Mayor McEnerny-Ogle read the title of the ordinance into the record.

Motion approved the request.

9. Property Tax Affordable Housing Levy for 2020

Staff Report 157-19

AN ORDINANCE relating to the annual property tax levy; authorizing an increase of 0.0% in the City's Affordable Housing Fund levy from the amount levied the previous year; and providing for an effective date.

Summary

Proposition 1 was approved by the citizens of Vancouver in November 2016, and authorized a $6,000,000 annual property tax levy for 7 years, beginning in 2017. Information provided by the Washington State Department of Revenue states that the dollar amount stated in the ballot title is a limiting amount, and the highest lawful levy amount is $6,000,000.

Staff recommends that City Council approve a 0.0% increase in the property tax levy for the Affordable Housing Levy. Based on last year's Affordable Housing Fund levy of $6,000,000, the increase will be $0.00. Authorization of this requires a simple majority vote of City Council.

Staff estimates that the City's Affordable Housing Fund property tax levy rate in 2020 will range between $0.23 per $1,000 of assessed value to $0.245 per $1,000 of assessed value, compared to the actual 2019 affordable housing fund property tax levy rate of $0.254 per $1,000. The decrease in the property tax levy rate is attributed to assessed values in the City increasing by approximately 6.5% compared to the prior year. Because of the limit on property tax increases, as discussed above, the property tax levy rate declines as assessed value increases. The statutory cap for the City's levy rate is $3.325 per $1,000 of assessed value.

Example calculation of City Property Tax:

Assessed Value 2019	***Levy Rate 2019*** *$0.25360337 (per*	***2019 City Property Tax***

$305,000	*$1,000 assessed value; Affordable Housing Levy only)*	*= $77.35*
Assessed Value 2020 *$324,825 (assumes assessed value increases 6.5%)*	***Estimated Levy Rate 2020*** *$0.23813 (per $1,000 assessed value; Affordable Housing Levy only)*	***2020 City Property Tax** (hypothetical) = $77.35*
AV increases 6.5%	*Levy Rate declines*	*Annual tax increase $0.00 for this example taxpayer**

**If the assessed value of the resident's property as a percentage increased by less than 6.5%, the resident's annual taxes would be equal to or slightly less than the taxes paid to the City in 2019. If the assessed value of the resident's property increased by more than 6.5% from the previous year, the increase in the annual taxes would be slightly higher.*

Some citizens may qualify for tax relief, or qualify for a deferral program. To find out more information about this, residents should contact the Clark County Assessor's Office at 564-397-2391 or visit their website at http://www.clark.wa.gov/assessor/taxrelief/index.html.

Request: On November 4, 2019, approve the ordinance on first reading, setting the date of second reading and public hearing for November 18, 2019.

Carrie Lewellen, City Treasurer, 487-8482

Mayor McEnerny-Ogle read the title of the ordinance into the record.

Motion approved the request.

10. Ad Valorem Taxes for 2020

Staff Report 158-19

AN ORDINANCE fixing and levying the amount of ad valorem taxes necessary to balance estimated revenue with estimated expenditures for the 2019-2020 Budget for the City of Vancouver; providing for an effective date.

Summary

Pursuant to RCW 35.33.135, Council must approve an ordinance to fix and *authorize the Clark County Assessor's Office to levy ad valorem taxes necessary to fund the City of Vancouver's 2019-2020 Biennial Budget.*

An ad valorem tax (Latin for "according to value") is defined as a tax based on the value of real estate or personal property. An ad valorem tax is typically imposed at the time of a transaction(s) (a sales tax or value-added tax (VAT)), but it may be imposed on an annual basis (real or personal property tax) or in connection with another significant event (i.e. inheritance tax).

Staff currently estimates the 2020 real and personal property tax levy as $58 million, which includes a preliminary estimate of $800,100 in property tax revenue from new construction. The estimate of property tax from new construction will be updated based on the final new construction valuation provided by the Assessor's Office. The estimate of property tax revenue does not include the change in value of state-assessed utility property. Both of these amounts will not be final until December 2019.

City staff recommends that Council approve ad valorem taxes in the amount of $58 million, which is needed to fund the City's 2019-2020 biennial budget. Of the total, $52 million is for general fund purposes, and $6 million is for the affordable housing fund. Approving ad valorem taxes of $58 million allows the County Assessor's Office to levy real and personal property taxes to the full extent allowed under Washington State law. Staff anticipates that the final certified levy will be between $57.5 million and $57.9 million in 2020. If Council authorizes the ad valorem tax amount too low, the County Assessor's Office will only be allowed to levy up to the amount authorized by Council.

Staff recommends that City Council approve ad valorem taxes in the amount of $58 million for the 2020 real and personal property tax levy within the city limits of Vancouver. This estimated revenue source is necessary to fund the 2019-2020 Biennial Budget for the City of Vancouver.

Request: On November 4, 2019, approve ordinance on first reading, setting the date of second reading and public hearing for November 18, 2019.

Carrie Lewellen, City Treasurer, 487-8482

Mayor McEnerny-Ogle read the title of the ordinance into the record.

Motion approved the request.

11. **Approval of Ordinance Imposing Sales Tax Credit for Affordable**

Housing

Staff Report 159-19

AN ORDINANCE of the City Council of the City of Vancouver, Washington, authorizing the maximum capacity of a local sales and use tax to fund investments in affordable and supportive housing, to be codified at chapter 3.45 of the Vancouver Municipal Code; providing for severability; and establishing an effective date.

Summary

SHB 1406 provides authority for cities and counties to impose a sales tax of .0146 percent that is credited against the state's share of the sales tax. The revenue can be used for the acquisition, construction or rehabilitation of affordable housing or facilities providing supportive housing, and for the operations and maintenance costs of affordable or supportive housing. Because it is credited against the state's share of the sales tax, the imposition of this tax will not result in any increase in the sales tax the consumer pays. On July 8, 2019, the City adopted a notice of intent to impose the sales tax. The current action adopts an ordinance imposing the sales tax.

Currently, work is underway to develop a comprehensive strategy to address the homelessness issues and affordable housing using the resources available to the City. Those resources include the CDBG grant, the Affordable Housing Fund and the revenue resulting from the adoption of this ordinance. The budget action authorizing expenditure of funds generated as a result of approving this ordinance will come before Council for approval in the future budget supplemental appropriation.

Request: On November 4, 2019, approve ordinance on first reading, setting date of second reading and public hearing for Monday, November 18, 2019.

Natasha Ramras, Chief Financial Officer, 487-8484

Mayor McEnerny-Ogle read the title of the ordinance into the record.

Motion approved the request.

12. Amendments to VMC 6.12 adjusting Garbage, Recycling and Organics Rates for 2020

Staff Report 160-19

AN ORDINANCE relating to the collection of solid waste, recyclable materials and organics, and amending certain sections of VMC 6.12 to increase or adjust rates and charges consistent with approved utility user taxes and rates and in accordance with current contracts for the coming year; providing for savings, severability and an effective date.

Summary

City Council is the rate-making authority for garbage, residential recycling, and organics collection services within the City of Vancouver. The City contracts with a private hauling company, Waste Connections of Washington, to provide comprehensive garbage, recycling and organics collection services to residents and businesses within city limits. The contract terms authorize Waste Connections to receive annual adjustments to customer rates based on changing operating conditions including: an inflation adjustment factor tied to a percentage of the CPI and fuel costs, disposal tip fees, the number of customers served and fees paid to the City to support solid waste related programs. All adjustments to rates are made in accordance with Exhibit D of the contract. Garbage rates also include the City's utility tax that is embedded within them. The City's utility tax does not apply to recycling or organics collection services.

For 2020, Public Works staff updated the model consistent with the contract and the previously approved increase in the utility tax set for January 1, 2020 and determined that garbage rates will need to increase by 4.0 to 4.5 percent while recycling and selected other fees, not linked to the disposal tip fee or utility tax, will need to increase by 2.3 percent, effective January 1st. Key reasons for this increase are a 1.6 percent increase in the solid waste utility tax, a 2.23 percent increase in the CPI, a 10.50 percent increase in the diesel fuel index, and a 0.1 percent increase in the disposal tip fees.

Scheduled Utility Tax Increase

Ordinance M-4239 adopted by City Council on October 1, 2018 provides for a 1.6 percent increase in the Solid Waste Utility Tax rate from 27.3 percent to 28.9 percent as of January 1, 2020. This increase is to be used for the purpose of funding police staffing and associated services consistent with recommendations of the community resource team. Because this is a gross receipts tax, the garbage rates must increase by 2.3 percent to cover the 1.6 percent increase in the tax rate.

Inflation Adjustment Factor

Under the contract, collection costs for garbage, recycling and organics adjust at 80 percent of a blended and combined CPI (92 percent of the CPI increase of 2.23 percent) and diesel fuel index (8 percent of the fuel index increase of 10.50 percent) factor which leads to an overall blended 2.31 percent increase for the collection cost component, the City fee and other miscellaneous fees.

Disposal Tip Fees

On January 1st, the disposal tip fee is scheduled to increase $0.15 per ton as a result of an increase in Oregon DEQ fees of $0.06 and a $0.09 increase in additional work requested by Clark County for engineering work being done by Columbia Resource Company at the Central Transfer and Recycling Station. The CPI adjustment on disposal tip fees is not being taken this year as a result of contract language related to recent growth in total system tonnage. Effective January 1, 2020 the tip fee will increase from $95.71 per ton to $95.86 per ton.

Recycling Fees

The rates proposed for January 1, 2020, include adjustments to curbside and multi-family fees based on the Inflation Adjustment Factor detailed above as well as adjustments to the recycling processing surcharges which were added April 1, 2019 to recover costs associated with the local response to the global market issues and the ongoing need for supplying quality materials to these markets. A recent review, in partnership with Clark County, found that the cost of processing recyclables passed through to the collector should increase from $68.91 per ton (approved on February 19, 2019) to $74.76 per ton effective on January 1, 2020. Curbside customers averaged lower volumes of materials set out than in the prior year so the recycling processing surcharge will decrease from $1.77 per month to $1.59 per month. Multi-family average volumes collected per unit increased slightly so the recycling processing surcharge for these customers goes from $0.78 per month to $0.84 per month. The combined impact for recycling fee components is a 2.1 percent decrease ($0.10 per month) in curbside recycling charges and a 4.3 percent increase ($0.09 per month) in multi-family recycling charges.

Organics Fees

The rates proposed for January 1, 2020, include adjustments to the organics rates. For the standard subscription service of 96-gallons every-other-week the Inflation Adjustment Factor increases the current rate from $7.43 per month to $7.60 per month (a 2.3% increase). Changes to the air quality permitting requirements, within the last six months, at the Dirt Hugger organics processing site have resulted in additional operational and capital costs to control for VOC emissions. This adds an additional $4.90 per ton to the cost of processing organics. Section 4.3.2 of the City's comprehensive collection contract allows for the City to pass-through this cost in customer rates. For the 96-gallon service level this adds an additional $0.20 per month and results in a total 2020 rate of $7.80 per month (a net increase of $0.37 per month – 5% overall increase).

Contract Change Impacts and City Fee

The new comprehensive collection contract with Waste Connections of Washington runs from April 1, 2019 through April 30, 2030. New service levels associated with the contract, including the addition of food scraps to *the previous yard debris service to comprise the Organics collection element of the contract, were largely incorporated into the April 1, 2019 rate adjustments. The option for on-call yard debris service went away, as of October 1, 2019, as organics need to be collected on a regular every-other-week schedule. As a result this service and rate option goes away. The rates for commercial container service also have been adjusted to reflect a negotiated one-time one half a percent increase on January 1, 2020 as a result of the new contract which now allows an option for "space saver" rates in VMC 6.12.210.*

For 2020 overall, the typical residential customer rate for 32 gallons of weekly garbage service with recycling and organics collection increases 3.2 percent or \$1.03 per month (this reflects a \$0.76 increase in garbage charges, a net \$0.10 decrease in combined recycling and recycling processing surcharge fees, and a \$0.37 increase in the organics charge). Households with alternative service levels may experience slightly different impacts. The \$7.80 per month fee for subscribing to standard 96-gallon organics service may be reduced to \$6.75 by choosing a 64-gallon cart, \$5.70 with a 32-gallon cart or \$4.65 with a 20-gallon cart.

Staff recommends adjusting customer rates to meet the contractual obligations associated with the defined Inflation Adjustment Factor and the City's increase in the Solid Waste Utility tax as well as other factors noted and detailed in the attached Summary of Proposed Solid Waste Collection Rates. All adjustments will be effective January 1, 2020.

Request: On Monday, November 4, 2019, approve ordinance on first reading, setting date of second reading and public hearing for Monday, November 18, 2019.

Julie Gilbertson, Solid Waste Supervisor, 487-7162

Mayor McEnerny-Ogle read the title of the ordinance into the record.

Motion approved the request.

13. Proposed changes to VMC 20.630 Downtown District standards governing building extensions into the right-of-way

Staff Report 161-19

AN ORDINANCE relating to downtown standards for horizontal building extensions into the right-of-way, amending Vancouver Municipal Code (VMC) 20.630, Downtown District, providing for severability, and providing for an effective date.

Summary

At the October 8 Planning Commission public hearing, staff recommended adding an allowance for horizontal extensions of up to 5 feet into the right-of-way for up to 85 feet of building height, and other changes also consistent with the Block 10 proposal. Commissioners acknowledged the importance of efforts to develop Block 10 but expressed varying degrees of concern about the policy implications the proposal could have for building size, street front function and public safety if the proposed extensions and potential use of supportive columns are allowed throughout downtown. Motions to forward the staff recommendation with added requirements for safety monitoring, to forward it with added limits on the extensions to 75% of any one block face and 50% of all four faces of any one building, and to oppose the staff recommendation as currently formulated without amendments all failed by votes of 2-4, 3-3, and 3-3, respectively. Planning Commission staff report on page 4 and draft minutes on page 9.

The proposed code change is before City Council without a majority position from the Planning Commission. Following discussion at the October 14 City Council worksession, staff recommends adding the allowance for horizontal extensions of 5 feet into the right-of-way up to 85 feet of building height, but only for projects subject to a Development Agreement; eliminating the existing allowance for extensions up to 15 feet into the right-of-way for up to 35 feet of building height; prohibiting supporting columns in the right-of-way; eliminating the existing 10-foot maximum sidewalk-to-extension height requirement, and raising the minimum height to 12 feet; and revisiting all downtown standards in the VCCV update beginning in 2020.

Request: On Monday, November 4, 2019, approve ordinance on first reading, setting second reading and public hearing for November 18, 2019.

Bryan Snodgrass, Principal Planner, 487-7946

Mayor McEnerny-Ogle read the title of the ordinance into the record.

Motion approved the request.

14. Proposed New Zoning Standards for Self-Service Storage Facilities

Staff Report 162-19

AN ORDINANCE of the City of Vancouver, Washington regarding self-service storage zoning standards; amending Vancouver Municipal Code (“VMC”) VMC 20.895 “Miscellaneous Special Use Standards”, VMC

20.160.020 “Listing of Use Classifications”, VMC 20.430.030 “Uses”, VMC 20.440.030 “Uses”; providing for severability; and establishing an effective date.

Summary
Self-storage is recommended to continue to be permitted in zoning districts where it is currently allowed (General Commercial, Community Commercial, Office Campus Industrial, and Light Industrial), but subject to the following:

- *Prohibit new storage uses on properties located in whole or part within 500 feet of major corridors as identified in the map.*
- *Allow existing self-storage businesses to expand or construct new buildings within parcels currently being used for self-storage if they are rendered nonconforming by new code changes.*
- *Require new self-storage to be two or more stories with interior access to storage units only.*
- *Prohibit outdoor storage on the property.*
- *Prohibit activities not appropriate within storage units such as heavy industrial activity, storage of hazardous materials or animals, or conducting garage or estate sales.*
- *Require each floor above the ground floor facing a street to be at least 15% glass.*
- *Require at least 75% of any ground floor building wall facing a primary, minor, or collector arterial street to incorporate interest-creating features.*
- *Update VMC 20.160 Use Classifications to specify that self-storage does not include outdoor storage, and specifically include outdoor storage in the warehouse/freight movement use category instead; prohibit tenants from using storage units for residential purposes; and state that the term mini-storage used in the code is meant to mean self-storage.*
- *Update use tables in VMC 20.430 Commercial and Mixed Use Districts and 20.440 Industrial Districts to add footnotes that reference the new self-storage standards.*

Request: On Monday, November 4, 2019, approve ordinance on first reading, setting date of second reading and public hearing for Monday, November 18, 2019.

Bryan Snodgrass, Principal Planner, 487-7946

Mayor McEnerny-Ogle read the title of the ordinance into the record.

Motion approved the request.

15. Appointment to the Planning Commission

Request: Reappoint Steve Schulte to the Planning Commission, term beginning January 1, 2020, and expiring December 31, 2023.

Council Committee 1

Motion approved the request.

16. Appointment to the Telecommunications Commission

Request: Reappoint Lance Leland and appoint Lloyd Johnson and Robert Hinds to the Telecommunications Commission, terms beginning January 1, 2020, and expiring December 31, 2022.

Council Committee 1

Motion approved the request.

17. Appointment to the Lodging Tax Advisory Committee

Request: Appoint Brad Richardson and Carla Rise to the Lodging Tax Advisory Committee, mid-term appointments beginning immediately and expiring September 30, 2020.

Council Committee 2

Motion approved the request.

18. Approval of Claim Vouchers

Request: Approve claim vouchers for November 4, 2019.

Copy available upon request.

Motion approved claim vouchers for November 4, 2019, in the amount of $14,119,512.18.

Public Hearing (Item 19)

19. Disposition of Real Property - Waterfront parcel

Staff Report 163-19

A RESOLUTION of the City of Vancouver authorizing disposition of certain real property and its method of disposition.

Summary

On October 19, 2009, the City of Vancouver and Columbia Waterfront LLC (CWLLC) entered into a development agreement regarding the future development of the Vancouver Waterfront, approved by Council under Resolution No. M-3700. Section 3.2.2 of the agreement (page 6) contains a commitment by the City of Vancouver to surplus and dispose an approximately 36,327 square foot remnant parcel located adjacent to and south of the BNSF railroad berm to CWLLC, in exchange for CWLLC constructing public streets and dedicating their property for such streets throughout the Waterfront project area.

CWLLC has completed all public improvements required in order for the surplus/disposition of this property to be executed, and such improvements have been inspected and accepted by the City. CWLLC has advised the City that they intend to transfer the land to the Port of Vancouver in order to facilitate the Port's master plan development.

Pursuant tothe requirement of the D.A., an appraisal was completed for the City-owned property by an MAI appraiser, and the public rights-of-way dedicated to the City by CWLLC have also been appraised. The property dedicated by CWLLC to the City for public rights-of-way has been estimated at a 6.65-acre total and valued at $12.17 million. The parcel that was surplused by the City on October 21, 2019, is 36,237 square feet and is valued at $510,000. Both appraisals have been accepted by the City and CWLLC.

CWLLC has met the conditions required prior to surplus and disposition of the property. Upon approval of disposition, and after the sewer easement is recorded, the property will be transferred to CWLLC per the adopted Development Agreement.

Request: On November 4, 2019, following a public hearing, adopt a resolution approving disposition of certain real property located north of SE Columbia Way immediately west of Columbia Street (Assessor parcels 48840000 and 48850000) and authorize the City Manager or his designee to execute necessary documentation to complete transfer.

Linda Carlson, Property Management Specialist, 487-8423

Chad Eiken, Community and Economic Development Director, provided an overview of the proposed disposition of the subject property. He noted the first step of this process, declaring the parcel as surplus, was approved by Council on October 21, 2019.

Mayor McEnerny-Ogle opened the public hearing and received the following testimony:

- Matt Grady, representing Gramor and Columbia Waterfront LLC, spoke in support of the item and thanked the City for its partnership on the project.

There being no further testimony, Mayor McEnerny-Ogle closed the public hearing.

Motion by Councilmember Glover, seconded by Councilmember Hansen, and carried unanimously adopted Resolution M-4043 approving the disposition of the parcel.

Public Meeting (Item 20)

20. Presbytery of the Cascades Annexation

Staff Report 164-19

A RESOLUTION relating to support of an annexation request (Exhibit "E") using the 60% direct petition method pursuant to RCW 35.13.125; establishing the geographic extent, determining the comprehensive plan and land use designations, and determining whether the property owners will assume all or any portion of existing City indebtedness for the proposed annexation area.

Summary

City staff has received a notice of intent to annex from a singular property owner. The Presbytery of the Cascades church is located at 16210 NE 20th Street (at 162nd Ave). The site is 4.4 acres in size. Surrounding uses include both residential and commercial uses.

The current County Comprehensive Plan designation is Commercial (C) with a zoning designation of Community Commercial (CC). The applicant is requesting to change the zoning on the eastern two acres of the site to a City Comprehensive Plan designation of Urban High (UH) density and an R-18 zoning designation. The applicant completed a pre-application conference regarding the change and will complete the Planning Commission recommendation process on the change prior to returning to Council for the final annexation ordinance. Should the plan and zone change application and annexation applications be successful the applicant intends to subdivide the eastern two acres of the property into a 26-lot single family residential development with the church remaining on *its own 2.4-acre site.*

The site is currently served by City water, sewer, stormwater and fire (FD5) services. With the annexation the City would also accept approximately 620 linear feet of right-of-way in NE 20th Street from 162nd Avenue to 164th Ave. With the current owner being a non-profit entity the property is currently exempt from property tax.

Request: On Monday November 4, 2019 adopt a resolution to proceed with requested annexation.

Bryan Monroe, Associate Planner, 487-7958

Bryan Monroe, Associate Planner, provided Council with an overview of the annexation application and the overall process moving forward.

Councilmember Stober expressed concerns about the pedestrian flow of the proposed development and noted, in general, his concern about City infrastructure being improved to the point that it can support such developments so they are no so dependent on cars.

Councilmember Lebowsky stated that this annexation is relatively small, but over time, small annexations can add up to have a significant impact. She stated the City needs to develop an annexation blueprint and stated she would like to see this topic added to the work plan next year.

Mayor McEnerny-Ogle opened the public hearing and, receiving no testimony, closed the public hearing.

Motion by Councilmember Hansen, seconded by Councilmember Turlay, and carried unanimously to adopt Resolution M-4044 approving the request.

Communications

A. From the Council

B. From the Mayor

C. From the City Manager

WALK-ON: Confirmation of Appointment of City Attorney

Mr. Holmes provided background information on the search, interview and selection process for the recruitment of a new City Attorney. He summarized Mr. Yung's qualifications and background prior to working with the City.

Mr. Yung stated he was honored by this appointment.

Motion by Mayor McEnerny-Ogle, seconded by Councilmember Paulsen, and carried unanimously to confirm the appointment of Jonathan Young as the City Attorney.

a. Proposal - an Opioid Treatment Program at Clark County Jail

Kevin Fischer, Medical Director for Substance Use Disorder Services at Columbia River Mental Health, Clark County Sheriff Chief Deputy, and Steven Morrison, Chief Substance Use Disorder Officer for Columbia River Mental Health, provided Council with an overview of the proposed Opioid Treatment Program at the Clark County jail.

Adjournment

8:02 p.m.

DocuSigned by:
Anne McEnerny-Ogle
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Anne McEnerny-Ogle, Mayor

Attest:

DocuSigned by:
Natasha Ramras
BCF6734E40E94AE...
Natasha Ramras, City Clerk

Meetings of the Vancouver City Council are electronically recorded on audio and videotapes. The audio tapes are kept on file in the office of the City Clerk for a period of six years.