



CITY COUNCIL MEETING MINUTES

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

Anne McEnery-Ogle, Mayor

Bart Hansen · Bill Turlay · Ty Stober · Linda Glover · Laurie Lebowsky · Erik Paulsen

August 19, 2019

WORKSHOPS

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

Councilmember Hansen was absent from workshops

4:00-4:45 p.m. Shared Micromobility Programs

Presenters: Rebecca Kennedy, Long Range Planning Manager, 487-7896; Jennifer Campos, Principal Transportation Planner, 487-7728

Summary

City staff updated Council on Shared Micromobility Programs, provided an overview of the programs and received feedback from Council.

4:45-5:45 p.m. Washington State Department of Transportation (WSDOT) Transportation System Management & Operations

Presenter: Scott Langer, Assistant Regional Administrator for Operations and Planning, WSDOT Southwest Region

Summary

WSDOT staff provided Council with an update on the Transportation System Management & Operations Plan and updated Council on the timeline for construction to the Interstate Bridge in September, 2020.

COUNCIL DINNER/ADMINISTRATIVE UPDATES (5:45 PM)

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, Mayor McEnerny-Ogle

Absent: Councilmember Hansen

Motion by Councilmember Paulsen, seconded by Councilmember Turlay, and carried unanimously to excuse Councilmember Hansen.

Approval of Minutes

Minutes - August 5, 2019

Motion by Councilmember Glover, seconded by Councilmember Paulsen, and carried unanimously to approve the meeting minutes of August 5, 2019.

Citizen Communication (Items 1-3)

Mayor McEnerny-Ogle opened Citizen Communication and, receiving no testimony, closed Citizen Communication.

Consent Agenda (Items 1-3)

Motion by Councilmember Stober, seconded by Councilmember Glover, and carried unanimously to approve the Consent Agenda.

1. 39th St Water Main Replacement - Final Construction Acceptance (Bid#18-18)

Staff Report 111-19

Summary

Halme Excavating, Inc., of Battle Ground, Washington, installed 3,100 linear feet of 8-inch water main to replace a 108-year-old pipeline in 39th Street, from Washington Street to I-5. The utility improvements extended a new water main through major streets and high traffic areas such as the intersection of 39th Street with Main Street and across the top of the I-5 on- and off-ramps connecting 39th Street to southbound I-5. Coordination between the City's Water, Transportation, and Construction groups lead to additional pavement improvements along the 39th Street corridor at the

contracted bid prices. Halme Excavating, Inc. completed additional work to fully repave the east bound lanes of 39th Street after the utility was installed, improving driving surfaces.

The work was satisfactorily completed in accordance with the plans and specifications. Contract costs are summarized below:

TOTAL CONTRACTOR COSTS	
	AMOUNT
<i>Labor, Equipment, Materials</i>	<i>\$748,553.03</i>
<i>Sales Tax</i>	<i>\$ 41,909.27</i>
Total	\$790,442.30
<i>Retainage</i>	<i>\$ 37,426.65</i>

The original bid amount was \$737,397.26 compared to a final amount of \$790,442.30, a nearly 7% increase. The increase can be attributed to additional pavement improvements which were funded by the Pavement Management Budget.

Apprenticeship utilization goals of 3% were met and exceeded by 5% for a total of 8% of the labor hours used on this project.

Request: On August 19, 2019, accept the 39th St Water Main Replacement project as constructed by Halme Excavating, Inc., of Battle Ground, Washington, and authorize release of retainage in the amount of \$37,426.65, subject to receipt of all documentation required by law.

Michelle Henry, Senior Civil Engineer, 487-7155

Motion approved the request.

2. Approval of Webber Building 4th Lease Extension

Staff Report 112-19

Summary

Kramer-Gehlen has leased the Webber Building located at 400 Columbia Street since 2007. This building has been identified as one of the properties associated with the Waterfront Gateway Project.

In 2016 Kramer-Gehlen requested a 5-year renewal. At that time, the City anticipated the development of the Waterfront Gateway Project master plan to be near completion and therefore was only willing to commit to a 3-year term. In early 2019 the City was approached by Kramer-Gehlen regarding the status of this property and the Waterfront Gateway Project. In order for

Kramer-Gehlen to obtain a tenant to sub-lease the space, they needed to be able to commit to a minimum of 3years; therefore, they were interested in extending their current term. The current lease agreement will expire on December 31, 2020 unless extended by a 4th Lease Extension.

Upon discussion with the City's Community and Economic Development Department, it was determined that it is advisable that the City extend the lease for another two-year period, which would provide a new expiration date of December 31, 2022. This will allow Kramer-Gehlen to secure a long-term sub tenant throughout the balance of their lease term.

Request: Authorize the City Manager, or his designee, to execute the 4th Lease Extension between City of Vancouver and Kramer-Gehlen for property located at 400 E. Columbia Street.

Linda Carlson, Property Management Specialist, 487-8423

Motion approved the request.

3. Approval of Claim Vouchers

Request: Approve claim vouchers for August 19, 2019.

(Copy available upon request.)

Motion approved claim vouchers for August 19, 2019, in the amount of \$14,323,649.56.

Public Hearings (Items 4-6)

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

4. New CDBG Project - Lifeline Connections Women's Recovery Home

Staff Report 113-19

A RESOLUTION relating to changes to the City's Community Development Block Grant (CDBG) and HOME Investment Partnerships Annual Action Plan to authorize funding for Lifeline Connections Women's Recovery Home, and providing for severability and an effective date.

Summary

Every year, the Department of Housing and Urban Development (HUD)

requires an Action Plan outlining how the City intends to allocate its annual CDBG and HOME entitlements to meet the goals and objectives of the Consolidated Plan. City Council adopted the 2019 Action Plan for the program year of July 1, 2019, to June 30, 2020, on May 6, 2019. Final HUD entitlement amounts for 2019 are \$1,240,677 in CDBG funds and \$646,431 in HOME funds.

Following the May 6 Council approval of the 2019 Action Plan, the City received additional CDBG resources due to program income from loan payoffs, and as a result funding in the amount \$134,000 is available for an additional project. Staff is proposing to use this money to fund the highest-scoring proposal from the 2019 CDBG/HOME application cycle that did not receive an award: Lifeline Connections Women's Recovery Home. The 2019 CDBG/HOME committee has reviewed and agrees with this funding recommendation.

Lifeline Connections intends to acquire a single-family home for use as transitional housing serving women recovering from substance use disorders and co-occurring mental/behavioral health issues who are homeless or at risk of homelessness. The organization has identified a six-room property located at 3402 Kauffman Avenue in Vancouver for potential acquisition at a cost of \$375,000. The purchase could be completed as early as late summer or fall of 2019.

Lifeline Connections estimates serving 24 women per year (two women per room, for an average stay of six months). The agency will use a Recovery Housing group living model paired with treatment services to help stabilize residents.

A summary sheet providing additional details about the proposed Women's Recovery Home is attached. The City has also awarded \$100,000 in 2018/2019 Affordable Housing Funds to this project. Lifeline Connections will use internal resources and/or bank financing to cover the remainder of the acquisition cost.

Request: On Monday, August 19, 2019, following a public hearing, adopt a resolution authorizing the Lifeline Connections Women's Recovery Home project to be added to the Action Plan and receive CDBG funding.

Peggy Sheehan, Community Development Programs Manager, 487-7952

Ms. Sheehan provided an overview of the project.

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

Motion by Councilmember Paulsen, seconded by Councilmember Glover, and carried unanimously to adopt Resolution M-4031 approving CDBG - Project - Lifeline Connections Women's Recovery Home.

5. **Multifamily Tax Exemption: Mill Plain Center Phase II**

Staff Report 114-19

A RESOLUTION of the City Council of the City of Vancouver approving an agreement with Angelo Property CO LP for property tax exemption.

Summary

The multi-family property tax exemption program in general is designed to incentivize new private multi-family development in targeted areas in the City. The program is a tool to assist cities in accommodating future population growth in designated centers, close to employment, shopping, and transit services and to encourage affordable housing where appropriate.

The applicant for development of Mill Plain Center Phase II is proposing an eight year market-rate exemption for 44 residential units. The development is a six story residential building 22,000 square feet of commercial space on the ground floor and 184 on-site structured parking spaces. The tax exemption applies only to the residential portions of the project; the non-residential portions will be subject to property tax in the usual manner.

Market rate units require an additional negotiated "public benefit" to be memorialized in a development agreement. For this project, the City negotiated inclusion of an approximately 3,500 square foot publicly accessible plaza and art installation on the ground floor of the project. In addition, the project will provide structured parking in excess of the minimum code requirement.

The multi-family tax exemption program is generally established as a "pass/fail" program (either an applicant meets the program requirements or they don't) with the exception of the market rate exemption, which provides for discretionary decision making through a negotiation of public benefit and approval of a development agreement by the City Council.

The proposed exemption request was reviewed by the City Center Redevelopment Authority (CCRA) on July 18, 2019, and they found that the proposed public amenity was sufficient to satisfy the requirement of VMC 3.22, and unanimously recommended approval of the requested tax exemption and development agreement.

The municipal code authorizes the tax exemption generally establishes as a "pass/fail" program (either an applicant meets the program requirements or they don't) with the exception of the market rate exemption, which provides

for discretionary decision making through a negotiation of public benefit and approval of a development agreement by the City Council.

The tax impact of the project is estimated as follows:

	Total – all taxing districts	City of Vancouver
<i>Net Present value of future tax revenue* (20 year)</i>	\$3,514,000	\$851,000
<i>Net present value of “foregone” tax revenue (8 years)</i>	(\$259,000)	(\$85,000)
NET PRESENT 20 YEAR BENEFIT	\$3,255,000	\$766,000

**Estimated discounted present value of construction sales tax, utility tax and property tax over 20 years*

The current property tax for land only is \$16,806 for 2019 (all taxing districts), and is not included in the above analysis because it is not impacted by the exemption.

In addition to the above considerations, the exemption accelerates a project that will be on the tax rolls for decades beyond the end of the 8-year exemption period.

Request: Following a public hearing, adopt a resolution approving the Development Agreement and conditional tax exemption certificate for Mill Plain Center Phase II.

Peggy Sheehan, Community Development Programs Manager, 487-7952

Peggy Sheehan, Community Development Programs Manager, Ryan Wilson, Wilson Architects, and Albert Angelo III, provided an overview of the proposed development.

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

Motion by Councilmember Glover, seconded by Councilmember Lebowsky, and carried unanimously to adopt Resolution M-4032 approving Multifamily Tax Exemption: Mill Plain Center Phase II.

6. **Multifamily Tax Exemption: VW 10 Apartments**

Staff Report 115-19

A RESOLUTION of the City Council of the City of Vancouver approving an

agreement with WDC CONSTRUCTION, LLC for an 8 year property tax exemption for the property located at 1660 D Street and 1655 C Street (TL 40870000, 40890000) in Vancouver, Washington.

Summary

The multi-family property tax exemption program in general is designed to incentivize new private multi-family development in targeted areas in the City. The program is a tool to assist cities in accommodating future population growth in designated centers, close to employment, shopping, and transit services and to encourage affordable housing where appropriate.

The applicant for development of VW 10 Apartments is proposing an eight year exemption for a total of 96 residential units, 20 of which will be affordable to households earning 100% of the area median income. The development is a four story residential building with 43 surface parking spaces.

The proposed exemption request was reviewed by the City Center Redevelopment Authority (CCRA) on April 18, 2019, and they found that the project qualifies for the 8 year exemption through provision of affordable housing.

The municipal code authorizing the tax exemption generally establishes as a “pass/fail” program (either an applicant meets the program requirements or they don’t) with the exception of the market rate exemption, which provides for discretionary decision making through a negotiation of public benefit and approval of a development agreement by the City Council.

The tax impact of the project is estimated as follows:

	Total – all taxing districts	City of Vancouver
<i>Net Present value (20 Year) with exemption</i>	<i>\$1,965,000</i>	<i>\$828,000</i>
<i>Net present value of “foregone” tax revenue</i>	<i>(\$475,000)</i>	<i>(\$156,000)</i>
<i>Potential tax revenue without exemption NPV</i>	<i>\$1,490,000</i>	<i>\$672,000</i>

**Estimated discounted present value of construction sales tax, utility tax and property tax over 20 years*

The current property tax for land only is \$7,985 for 2019 (all taxing districts), and is not included in the above analysis because it is not impacted by the exemption.

In addition to the above considerations, the exemption accelerates a project that will be on the tax rolls for decades beyond the end of the 8 year exemption period.

Request: Following a public hearing, adopt a resolution approving the Development Agreement and conditional tax exemption certificate for the VW 10 Apartments.

Peggy Sheehan, Community Development Programs Manager, 487-7952

Ms. Sheehan provided an overview of the project.

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

Motion by Councilmember Lebowsky, seconded by Councilmember Glover, and carried unanimously to adopt Resolution M-4033 approving Multifamily Tax Exemption: VW 10 Apartments.

Communications

A. From the Council

B. From the Mayor

C. From the City Manager

a. A Stronger Vancouver - Outreach Update

Eric Holmes, City Manager, provided City Council with an update on the Stronger Vancouver Outreach efforts and received feedback

Executive Session re: City Manager Performance Evaluation (1 hour)

Mayor McEnerny-Ogle announced the Council would be entering into executive session from 7:23 to 8:23 p.m. for the purpose of conducting the City Manager's performance evaluation. No action would be taken

At 8:18 p.m., Mayor McEnerny-Ogle announced in public session that Council would be extending the executive session for fifteen more minutes.

Council re-entered public session at 8:29 p.m. and took no further action.

Adjournment

8:29 p.m.

DocuSigned by:

58CB15C00327403...
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.