CITY OF Vancouver WASHINGTON

Anne McEnerny-Ogle, Mayor
Bart Hansen · Ty Stober · Linda Glover
Laurie Lebowsky · Erik Paulsen · Sarah J. Fox

July 12, 2021 - Vancouver City Council Meeting Minutes

WORKSHOPS

Workshops were conducted remotely over video conference utilizing a GoToMeeting platform. Members of the public were invited to view the meeting via the live broadcast on www.cvtv.org and CVTV cable channels 23 or HD 323, or on the City's Facebook page, www.facebook.com/VancouverUS, or listen via the GoToMeeting conference call.

4:00-5:00 p.m. Vancouver Parks, Recreation & Cultural Services Comprehensive Plan 2022-2032 Update

Julie Hannon, Parks and Recreation Director, 360-487-8309; Monica Tubberville, Senior Planner, 360-487-8353; Laura Hoggatt, Planner

Summary
Staff provided Council with an overview of the purpose, requirements and upcoming process for the 2022-2032 update to the Parks, Recreation and Cultural Services Comprehensive Plan.

5:00-6:00 p.m. Vancouver Innovation Center Plan / Zone Change, Master Plan, and Development Agreement

Chad Eiken, Community and Economic Development Director, 360-487-7882; Bryan Snodgrass, Principal Planner, 360-487-7946; Ryan Lopossa, Streets and Transportation Manager, 360-487-7706; Julie Hannon, Parks and Recreation Director, 360-487-8309

Summary
Staff provided Council with an update on the Vancouver Innovation Center and an overview of the proposed zone change, master plan and development agreement associated with the project.

REGULAR COUNCIL MEETING

This meeting was conducted remotely over video conference utilizing a GoToMeeting platform. Members of the public were invited to view the meeting via the live broadcast on www.cvtv.org and CVTV cable channels 23 or HD 323, or on the City's Facebook page, www.facebook.com/VancouverUS. Public access and testimony on Consent Agenda and Public Hearing items were also facilitated via the GoToMeeting conference call.

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. This meeting was conducted remotely over video conference.

Present: Councilmembers Fox, Paulsen, Lebowsky, Glover, Stober, Hansen, Mayor McEnerny-Ogle

Absent: None

Also present on the call were the following: Eric Holmes, City Manager; Brian Carlson, Deputy City Manager; Jonathan Young, City Attorney; Amanda Delapena, Assistant to the City Council; Brennan Blue, Vancouver Fire Chief; Lisa Brandl, Deputy Finance Director; Tim Buck, Operations Manager; Pete Capell, Facilities Capital Projects Manager; Scott Cooley, IT Application Services Manager; Chad Eiken, Community and Economic Development Director; Patrick Gilbride, IT Director; Katherine Kelly, Senior Policy Advisor; Rebecca Kennedy, Long Range Planning Manager; Aaron Lande, Policy and Program Manager; Carrie Lewellen, City Treasurer; Ryan Lopossa, Streets and Transportation Manager; James McElvain, Vancouver Police Chief; Rich McKee, IT Systems Analyst; Jeff Mori, Assistant Police Chief; Jason Nortz, Development Review Manager; Natasha Ramras, Chief Financial Officer; Cara Rene, Communications Director; Rebecca Rude, Assistant City Attorney; Terry Snyder, Senior Park Developer; Monica Tubberville, Senior Planner; Dan Zenger, Equipment Services Manager; and members of the public.

Approval of Minutes

Minutes - June 14, 2021

Motion by Councilmember Fox, seconded by Councilmember Stober, and carried unanimously to approve the meeting minutes of June 14, 2021.

Minutes - June 21, 2021

Motion by Councilmember Glover, seconded by Councilmember Paulsen, and carried unanimously to approve the meeting minutes of June 21, 2021.

Community Communication (Items 1-10)

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

- Don Steinke, Vancouver, spoke regarding Item 1 and requested fleet vehicles comply with the California Advanced Clean Truck Rule; he also spoke regarding Item 3 and urged the City to utilize green building standards in renovating the new police headquarters and training building.
- Glen Yung, Vancouver, spoke in support of Item 8.

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

Consent Agenda (Items 1-10)

Council requested Item 3 be pulled for separate discussion as summarized below.

Councilmember Fox asked for clarification of the design costs for the police headquarters and training facility. Pete Capell, Facilities Capital Project Manager, explained a significant piece of the work is related to seismic upgrades to the facility to bring the building up to the essential building status.

Motion by Councilmember Hansen, seconded by Councilmember Paulsen, and carried unanimously to approve the Consent Agenda.

1. Approval of an Extension and Increase to an Existing Contract with Gordon TruckCenters #00814

Staff Report 095-21

Summary

The City uses State of Washington contract #00814 with Gordon Truck Centers for purchase of walk-in vans, parts, and accessories for various replacements. This contract awarded to Gordon Truck Centers includes many of the City's uniform unit platforms. In keeping with Fleet Service's *effort to streamline the City's fleet, staff is requesting the ability to purchase from this contract and take advantage of the contract pricing.*

Request: Authorize the City Manager or his designee to approve purchases under Washington State Contract #01513 for the life of the contact with Gordon Truck Centers, up to the current authorized budget.

Dan Zenger, Equipment Services Manager, 360-487-8205

Motion approved the request.

2. **Approval of spending increase to an existing contract with OSW Equipment & Repair, LLC, by way of City of Seattle Contract #0000003205**

Staff Report 096-21

Summary

The City purchases various custom bodies and miscellaneous auxiliary equipment utilizing the City of Seattle contract.

Staff is requesting authorization to use this contract to purchase up to the Council approved annual budgeted amount for these commodities through the end of the contract, which is November 30, 2021, and into any extended period negotiated by City of Seattle.

Request: Authorize the City Manager or his designee to approve purchases under piggyback contract #0000003205 with City of Seattle for the life of the contact, up to the current authorized budget.

Dan Zenger, Equipment Services Manager, 360-487-8205

Motion approved the request.

3. **Amendment to Professional Services Agreement with Scott Edwards Architecture LLC for design of the Vancouver Police Department Headquarters and Training Facility**

Staff Report 097-21

Summary

The Vancouver Police Department Headquarters is undersized and does not meet the needs for growth of the department. The Police Department *currently lacks training facilities to serve the current needs and expectations of the community. The Fire Marshal's Office currently does not have adequate space in other City locations.*

Scott Edwards and Associates have been under a professional services contract since 2020 (RFQ 9-20) for the master planning that has been done for this project. The RFQ scope allowed for the amendment of the contract for added design services at the sole discretion of the City.

Request: Authorize the City Manager or his designee to execute a Service Agreement Amendment No. 4 to provide professional architectural services for the Vancouver Police Department Headquarters and Training Facility design in an amount not to exceed $645,000, and authorize the City Manager or his designee to amend the agreement as needed and amend the value up to 10% of the not-to-exceed value stated here-in.

Pete Capell, Facilities Capital Project Manager, 360-487-7792

Motion approved the request.

4. **Designation of TV ETC and CVTV respectively as the education and government access providers on the Comcast cable system**

Staff Report 091A-21

A RESOLUTION relating to cable television and to the designation of the Vancouver Educational Telecommunications Consortium (“TV ETC”) as the educational access provider on the Comcast cable system for Vancouver and Clark County.

A RESOLUTION relating to cable television and to the designation of Clark Vancouver Television (“CVTV”) as the governmental access provider on the Comcast cable system for Vancouver and Clark County.

Summary

The City and County have a cable television franchise agreement with Comcast of Washington, V LLCC that was effective on July 1, 2013. Under the terms of this agreements, Comcast provides channels for Public, Education and Government (PEG) programming and it is the responsibility of the City and County to designate authorized entities to provide programming on those channels.

Organizations that are designated as access providers have authorization to broadcast programs over assigned channels on the Comcast cable *system. They are also able to apply for annual PEG grants, administered by the City, for equipment and other capital expenses associated with producing and broadcasting programming.*

TV ETC is a consortium of K-20 educational institutions operated by Educational Service District 112 and is the current educational access provider for Vancouver and Clark County. CVTV, operated by the City/County Cable Television Office, is the current government access provider for Vancouver and Clark County.

The City/County Telecommunications Commission ("Commission") recommends organizations to serve as access providers to the City Council, per VMC 5.19.320(7). The Commission met on June 2, 2021, to review designation applications and annual reports and to receive presentations from the applicants. Based on their review, the Commission is recommending re-designation of TV ETC and CVTV, respectively, as the education and government access providers for Vancouver and Clark County.

Request: Adopt resolutions approving The Vancouver Educational Telecommunications Consortium (TV ETC) as the designated educational access provider and Clark Vancouver Television (CVTV) as the designated government access provider for Vancouver and Clark County on the Comcast and CenturyLink cable systems.

Aaron Lande, Policy and Program Manager, 360-487-8612

Motion approved Resolutions M-4134 and M-4135 to approve the request.

5. **Merchant Services Agreement with Paymentus Corporation**

Staff Report 098-21

Summary

The City's current banking and merchant services contract with Bank of America expires on December 31, 2021. On December 1, 2020, the City issued a Banking Services and Merchant Services Request for Proposals (RFP). Proposals were due January 27, 2021. Six financial institutions responded to the RFP: Bank of America; US Bank; Wells Fargo; Key Bank; JP Morgan Chase Bank, NA; and Columbia Bank. In addition, the City received two responses to provide merchant services (credit card processing) from Paymentus and Forte. Most of the banks also included merchant services as part of their response. The proposers had the option to only propose on banking services, or merchant services, or both.

The City Procurement Department published the RFP, received responses, and monitored compliance with the solicitation process. The RFP was sent to most of the local banks and/or merchant processing companies and published on the City's Procurement website at Procureware.com, and in the Columbian newspaper.

In order to respond to the RFP, the merchant services provider had to have a minimum of three (3) years of experience processing credit/debit card records transmitted for processing and settlement from major credit/debit processing networks; a payment card industry (PCI)-compliant financial system; have all required licenses, facilities, equipment, and trained personnel necessary to perform the work; provide daily automated clearing house (ACH) electronic funds settlement to a City-designated depository account; provide daily and monthly electronic reports and City access to their software system to research transactions; and provide on-line details related to any chargeback processed for returns. In addition, the City was interested in providing additional on-line payment options such as PayPal, PayPal Credit, Apple Pay, Venmo, Amazon Pay, etc. As new technology is developed, Paymentus is dedicated to improving its platform to meet consumer expectations.

The evaluation committee scored the response from Paymentus for merchant services the highest. The functionality within Paymentus' platform and their partnership with Selectron will improve the payment processing functions for customers, expand and simplify payment options. Currently credit/debit card payments are accepted on-line and/or over the counter at Utilities, CED, Parking, Fire Inspections, Police Alarms, Parks and Recreation, and City Hall/Finance. In 2019, the City processed more than $57 million in annual sales by credit/debit cards.

Staff recommends that Council approve award of the merchant services agreement to Paymentus from July 26, 2021, through July 25, 2026. The estimated cost over the life of the five-year contract is $9,000,000. This includes interchange fees charged by the various credit/debit card providers such as Visa, MasterCard, Discover, AmEx, etc. Interchange fees are pass-through fees. In 2019 Interchange fees represented approximately 81% of the merchant services fee paid. The individual transaction fee of $0.38 paid to Paymentus will be higher than what was paid to Bank of America at $0.10 per transaction; however, the improved payment options for City customers and the improvements of the customer interface, achieved through integration with Selectron for utility and permit payments, partially offset the additional cost. It is estimated that the City will pay approximately $200,000 more per year that what is currently being paid for merchant services, without the actual interchange fees. These fees are incorporated into the rates established for each supported service area.

Request: On Monday, July 12, 2021, approve the contract with

Paymentus authorize the City Manager or his designee to sign merchant services agreements with Paymentus Corporation.

Carrie Lewellen, City Treasurer, 360-487-8482

6. **Banking Services Agreements with JP Morgan Chase, N.A.**

Staff Report 099-21

AN ORDINANCE authorizing the City Manager or designee to execute Agreements with JPMorgan Chase Bank, N.A., (hereinafter "JPMorgan"), for the provision of banking and related services; providing required Terms that such Agreements be for an initial term of not more than five (5) years; providing authorization to enter into a separate Pcard agreement which may be extended in annual increments after the fifth year of the City's Agreement with JPMorgan; providing for severability; and setting an effective date.

Summary

The City's current banking services contract with Bank of America expires on December 31, 2021. On December 1, 2020, the City issued a Banking Services and Merchant Services Request for Proposals (RFP). In addition, financial institutions were able to provide responses for optional services they provide such as Pcard and Health Savings Accounts, as well as other services.

Proposals were due January 27, 2021. Six financial institutions responded to the RFP: Bank of America; US Bank; Wells Fargo; Key Bank; JP Morgan Chase Bank, NA; and Columbia Bank. In addition, the City received two responses to provide merchant services (credit card processing) from Paymentus and Forte. Most of the banks also included merchant services as part of their response. The RFP was issued to identify the banking institution that could offer the highest quality service, create efficiencies, and take advantage of new applicable technologies at the best overall value. The proposers had the option to only propose on banking services, or merchant services, or both.

The City Procurement Department was responsible for publishing the RFP, receiving responses, and the general responsibilities associated with monitoring compliance with the solicitation process. The RFP was sent to most of the local banks and/or merchant processing companies and published on the City's Procurement website at Procureware.com, and in the Columbian newspaper.

In order to respond to the RFP, the banking institution had to be a "full service" bank, which meets the statutory requirement of a qualified Washington State public depository throughout the term of the contract (as required by RCW 39.58). This Washington State law requires that banks *that hold public funds fully collateralize an equal amount of funds with their depository's trustee. Because of this requirement, many smaller institutions have made a business decision to use their collateral for other business purposes and to not respond to RFPs of this type.*

The responding Financial Institution had to meet the following mandatory requirements during the contract period: 1) Branch banking facilities located within the State of Washington; 2) Approval by the Washington State Public Deposit Protection Commission as a qualified public depository; and 3) Branch banking facilities located within the City and the County.

The evaluation committee scored the response from JP Morgan Chase the highest for general banking services, and Paymentus for merchant services. Award of the merchant services agreement with Paymentus is proposed under a separate action.

Staff recommends that Council approve award of these banking services agreements to JP Morgan Chase Bank from July 1, 2021, through December 31, 2026. The contract is slightly longer than five-years because the bank wanted to provide the greatest flexibility for Pcard services if the City transitioned to another provider at the end of the five-year period. The estimated cost over the life of the five-year contract is $500,000. This does not include fees associated with processing credit/debit card transactions.

Request: Approve ordinance on first reading, setting date of second reading and public hearing for Monday, July 19, 2021.

Carrie Lewellen, City Treasurer, 360-487-8482

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

Motion approved the request.

7. Contract with Selectron Technologies to Upgrade Utility Billing Payment and Building Permit Inspection Portals to Cloud-Hosted Platform

Staff Report 100-21

AN ORDINANCE authorizing the City Manager or designee to execute an Agreement with Selectron Technologies, Inc., an Oregon corporation (hereinafter "Contractor"), for the provision of software and materials, identified more particularly in the Agreement (collectively "Licensed Software") for the benefit of providing the City of Vancouver, Washington ("City") with upgraded utility billing and building permit payment portals; requiring Terms that such Agreement be for an initial term of five (5) years with successive one (1) year terms thereafter until terminated by either of the parties; providing for severability; and setting an effective date.

Summary

The City implemented the current generation of the Selectron software in 2007. The system is outdated and is not efficient for our customers or staff. Although the system works, it lacks many of the modern features and the user experience that you would find in today's e-commerce sites. For our customers to initiate or change credit card recurring payments, they must contact City staff for manual setup. There is no modern username/password capability, so customers must rely on outdated techniques to login to the system.

The Selectron upgrade will allow our customers to establish and maintain their own user accounts for accessing City Utility and building permit inspection information. This will allow our customers to setup and maintain how they pay for City services – a capability that customers have repeatedly requested. Not only will the upgrade provide many efficiencies, it will also enhance security for sensitive credit card information. In addition to Utility payments and Permits, the Selectron platform has the potential to be used in the future as a common portal for making payments to other systems that allow payment integrations.

Request: On Monday, July 12, 2021, approve ordinance on first reading, setting date of second reading and public hearing for Monday, July 19, 2021.

Patrick Gilbride, IT Director, 360-487-7650

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

Motion approved the request.

8. Impact Fee Vesting Amendments

Staff Report 101-21

AN ORDINANCE of the City of Vancouver relating to Title 20, Land Use and Development, of the Vancouver Municipal Code (VMC), amending Chapter 20.915 titled "Impact Fees" to prospectively remove the vesting of impact fees, calculate impact fees at the time of building permit application, collect impact fees at the time of building permit issuance, and allow impact fee reduction requests to be reviewed at staff level based on specified criteria; provide for severability; and provide for an effective date.

Summary

In the context of the budget adoption last fall and more recently related to multiple requests from developers to adjust school impact fees (SIF), City Council has expressed interest in considering an ordinance that would eliminate the vesting of all impact fees in order to collect the most current fees at the time a building permit is issued.

On November 16, 2020, the City Council approved an ordinance relating specifically to park impact fee adjustments, amending Vancouver Municipal Code Sections 20.915.050 and 20.915.100, and changing the method and timing of fee adjustments. In addition to the approved amendments City staff proposed amending other sections of VMC 20.915 including:

• VMC 20.915.020: the timing of when impact fees are calculated and due and payable; and

• VMC 20.915.070: the removal of the impact fee determination provision that currently vests project impact fees for 1 year upon applicant request.

The above noted code sections were not included as part of the overall park impact fee adjustments considered by Council in the recent biennial budget process, in order to provide for additional stakeholder outreach.

Additionally, within the last year the City has received three separate requests from multi-family developments to adjust the Evergreen School District school impact fee (SIF) rate. The primary reason for the requests was the SIF for multi-family development decreased by approximately 50% per multi-family unit as part of the update to the 2019-2015 Evergreen Public School Capital Facilities Plan (CAP).

City Council approved all three requests but directed staff to review the City's municipal code regarding the timing of calculating and collecting impact fees. The City also received feedback from Evergreen School District and the proponents of the SIF reduction requests that they would support a code change to bring the timing of the impact fee assessment and collection closer together for development projects.

This item went before the Planning Commission as a workshop item on February 23, 2021, and as a public hearing item on May 11, 2021. At the workshop on February 23 there was consensus among the Planning Commission that calculating impact fees at preliminary plat or site plan approval and allowing the impact fees to vest for three years is not conducive to accurately collecting the true cost of facility improvements at the time the building permit is issued. Several Planning Commissioners encouraged staff to explore calculating impact fees at the time of building permit application instead of building permit issuance.

Based on the feedback received from the Planning Commission, the

Building Industry Association, the Southwest Washington Contractor's Association, school districts and City Parks, Transportation and Development Review staff, the timing of calculating the impact fees has been adjusted from building permit issuance to building permit application. Based on staff's review of permit activity from 2020 approximately 90% of all building permit applicants subject to payment of impact fees were issued their building permit within the same calendar year. Given the high percentage of building permits issued within one year of application, staff is supportive of calculating impact fees at building permit application. Calculating fees at this point in the process would be a fair representation of the true cost of facility improvements. It also provides the applicant with a high level of certainty as to what the actual permit costs will be by the time the building permit is ready for issuance. Impact fee estimates can still be provided to applicants at site plan and plat plan approval with the caveat that these are merely estimates based on the current fee amounts and the actual impact fees will be calculated at building permit application.

The proposed amendment would be applicable to school, transportation and park impact fees. Representatives of the PIF, TIF and SIF programs are equally supportive of removing the vesting of impact fees in order to keep fees as current as possible to meet the intent of state legislation to serve future development. The proposed removal of impact fee vesting would not be retroactive, and therefore, would not apply to projects currently vested in the project review process by Preliminary Plat or Site Plan approval. Projects that are vested under current code provisions of Preliminary Plat and Site Plan Review approval would remain vested for three-years from their approval date, after which the impact fees that are in effect at the time of building permit issuance shall apply.

VMC 20.915.070.C Calculation of Impact Fee allows the development approval authority setting the impact fee, upon application by the developer supported by studies and data, to reduce or eliminate such fee. The City Council is the authority that sets the impact fees. The City is not proposing amending this section in its entirety but is proposing minor revisions to 20.915.070 that include:

- *Requiring reduction requests be reviewed at staff level (i.e.; CED Director, Parks Director, or Public Works Director) therefore not requiring a public hearing. This is consistent with other jurisdictions regionally.*

- *More specificity on what is required to be provided by the developer to demonstrate the adopted formulas or methodologies do not accurately reflect the cost of the system improvements generated by their proposed development*

The proposed amendments to VMC 20.915 would direct impact fees to be calculated at building permit application based on the rates in effect at that *time. The impact fees would be due and payable at building permit issuance. All impact fees would be required to be recalculated for building permit applications that have not been issued within one year of application.*

This policy is consistent with multiple jurisdictions surveyed, including Camas and Washougal and others throughout the state – none of which have shown any decline in growth as a result.

On May 11, 2021, the Planning Commission unanimously approved staff's recommendation to approve the proposed text changes to VMC 20.915.

Review Criteria and Findings

Vancouver Municipal Code 20.285.070 provides the approval criteria for comprehensive plan or zoning code text amendments:

A. Text amendments to the comprehensive plan or VMC Title 20 zoning standards shall demonstrate the following:

1. The proposal is consistent with applicable policies of the Vancouver strategic plan and comprehensive plan; and

2. The proposal is necessary to further the public interest based on present needs and conditions.

Applicable Vancouver Comprehensive Plan Policies

CD-9 Compatible uses: Facilitate development that minimizes adverse impacts to adjacent areas, particularly neighborhoods.

PFS-3 Impact fees: Establish and maintain policies and regulations, including traffic, park and school impact fees, to ensure new development pay for a proportionate share. Impact fees should be reduced or eliminated for low-income housing developments.

PFS-33 Parks coordination: Plan for parks, trails, open spaces and recreational services in coordination with other local and regional public agencies and private entities. Facilitate provision of lands and/or impact fees for parks as part of the development review process.

Staff Findings

The proposed amendments to VMC 20.915 Impact Fees are consistent with the Vancouver Strategic Plan, Vancouver Comprehensive Plan and other applicable laws, and the public interest. The proposed amendments further Comprehensive Plan policy PFS-3 by ensuring new development *pay for a proportionate share of the cost of facility improvements that most accurately reflect the cost of the improvement. Additionally, ensuring new developments pay a proportionate share will help enable the City to develop high quality parks and trail systems that help improve our community's livability and prosperity which align with Strategic Plan Goals 1, 4 and 10.*

Request: On Monday, July 12, 2021, approve the ordinance on first reading, setting date of second reading and public hearing for Monday, July 19, 2021.

Jason Nortz, Development Review Manager, 360-487-7844

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

Motion approved the request.

9. Appointment to the Parks and Recreation Advisory Commission

The Parks and Recreation Advisory Commission (PRAC) is a 10-member volunteer community group made up of seven city residents, two school district representatives and a liaison from the Parks Foundation of Clark County. The commission advises Vancouver City Council and city staff on needs, plans and programs necessary to provide a stellar system of parks, open space, playgrounds and recreation services to the residents of Vancouver.

The Mayor recently interviewed four candidates for two full-term positions and recommends the reappointment of Matthew Kuntz and the appointment of Angilo Fletcher, with a terms beginning July 31, 2021 and expiring July 31, 2024.

Request: Reappoint Matthew Kuntz and appoint Angilo Fletcher to the Parks and Recreation Advisory Commission, terms beginning July 31, 2021, and expiring July 31, 2024.

Mayor McEnerny-Ogle

Motion approved the request.

10. Approval of Claim Vouchers

Request: Approve claim vouchers for July 12, 2021.

Motion approved claim vouchers in the amount of $10,846,086.81.

Public Hearings (Item 11)

11. **Public Hearing Continued - Renaissance Boardwalk Development Agreement**

Staff Report 083A-21

A RESOLUTION approving a development agreement with Kirkland Development, LLC for an approximately two-acre parcel located east of Interstate 5 and south of SE Columbia fronting along the Columbia River.

Summary

Kirkland Development has an option to purchase a 2.03-acre parcel on the Columbia Waterfront immediately east of the I-5 Bridge and is proposing to redevelop the property for a high density mixed use project.

The subject property is located south of SE Columbia Way and existing improvements include two restaurant buildings (Who Song and Larry's and former Joe's Crab Shack) and two surface parking lots with two driveways onto SE Columbia Way. The property has approximately 430 feet of frontage along the Columbia River and a tall concrete bulkhead wall extends along most of the shoreline frontage.

The City owns a wooden "fishing pier" structure along the west 130 feet of property but this structure has fallen into disrepair and has been fenced off by the City due to safety concerns. A narrow pedestrian path exists along the top of the shoreline wall south of the restaurants but access to the pathway has been restricted from the west due to the closure of the pier structure. The City's Waterfront Renaissance Trail is located north of the property along Columbia Way. A pedestrian crossing exists at the northeast corner of the property to the Old Apple Tree Park. The property to the east of the project site is owned by the National Park Service and has a small surface parking lot, pedestrian pathways, and lawn area.

Kirkland intends to redevelop the site following removal of the two restaurant buildings for a large mixed use project, with an 8-story residential tower above four retail and restaurant buildings, with underground parking and outdoor eating areas and reconstruction of a 15-foot wide public pedestrian boardwalk from along the top of the existing shoreline wall.

The proposed development agreement provides certainty to the Developer that certain development standards will apply to the project, certain system development charge credits and transportation impact fee credits will be made available to the project. The development agreement provides the City with certainty that the project will be constructed as proposed, the

public walkway along the shoreline will be reconstructed, the wooden fishing pier, which has been closed, will be removed by the Developer, and sustainable design features will be incorporated.

At the June 7 City Council public hearing to consider the development agreement, Council continued the public hearing to allow for additional development of the sustainability features of the project. Subsequent to this public hearing, City staff and the Kirkland team discussed what additional measures could be taken to increase sustainability levels, and Kirkland has agreed to modify the language of the development agreement to meet no less than LEED Gold energy efficiency and sustainability standards. Kirkland has also indicated they would accept a requirement in the development agreement to use only electric power for the residential units, with no natural gas use except for possibly a gas-burning fire pit on the common patio. Additional details regarding the negotiations pertaining to the sustainability features and the related revisions within the development agreement are outlined in the attached memorandum.

City Council has been briefed on the project at two previous workshops, and recently extended the boundaries of the City's Multi-Family Tax Exemption Program to include the subject property. The Developer intends to utilize the 8-year Market Rate Tax Exemption option under a separate request, and subject to a requirement to provide one or more substantial public benefits.

The City Center Redevelopment Authority reviewed the proposed development agreement on April 15, 2021, and unanimously recommended that City Council approve the agreement as drafted.

Request: Subject to public hearing, adopt a resolution approving the development agreement between the City and Kirkland Development LLC for the Renaissance Boardwalk project.

Chad Eiken, Community and Economic Development Director, 360-487-7882

Chad Eiken, Community and Economic Development Director, reviewed the Council's previous consideration of this development agreement (DA) on June 7 and their direction at that time. He summarized the discussions staff has had with the applicant since then and reviewed proposed changes to the DA since that hearing. Mr. Eiken explained that the applicant was also willing to increase the number of electrical charging infrastructure stations to a minimum of one hundred, if Council so desired.

Mr. Eiken noted the issue of requiring a separation of restaurant seating from the public right-of-way with a physical barrier is a requirement of state law for facilities serving alcohol.

Councilmember Stober asked that this issue be placed on the City's state legislative agenda.

Mr. Eiken explained the applicant had requested a wording change to Section 4.2.1 in the development agreement to add that the development of the project site shall be constructed in a single phase <u>subject to commercially reasonable construction scheduling for permitting, demolition, laydown and staging.</u>

Mayor McEnerny-Ogle expressed concerns about impacts to local traffic through the area in the event development of the site lingers for several years and asked what a reasonable timeframe is. Mr. Eiken stated that is evaluated on a case-by-case basis and the DA includes a project construction schedule. If the developer breaches that schedule, it triggers the enforceability measures outlined in the DA. He clarified that the developer intends to build the entire project in one phase, but there could be unforeseen circumstances that cause delays.

Mayor McEnerny-Ogle noted that some of the projects being built on the western end of the Waterfront have been moving more quickly than others, and the area near the Renaissance Trail is a delicate area where extended impacts from construction should be avoided. She stated she did not see a need to add the requested language when the project schedule includes some flexibility already.

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

- Peter Fels, Vancouver, thanked the Council for sending the DA back for further development on the sustainability features of the project. He referred to written comments he had submitted (attached) and urged the Council to require or implement further measures to address sustainability.

- Cathryn Chudy, Vancouver, thanked the Council for sending the DA back for further development on the sustainability features of the project. She referred to written comments she had submitted (attached) and encouraged the City to work towards reducing energy use and carbon emissions in the built environment.

- Dana Gardner, representing the applicant, stated she was available to answer any questions.

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

Councilmember Stober asked how the project will be certified to LEED Gold standards and who would be doing the certification. Mr. Eiken stated the City would most likely bring in a third party to verify for the City that the proposals meet LEED Gold standards, as the City currently does not have the expertise in-house to complete this work.

Councilmember Paulsen stated that because the schedule targets in the DA are flexible, he shares the Mayor's concerns about a prolonged build timeline.

Council reviewed Exhibit G to the DA and spoke at length regarding the project schedule targets, the timeline and phasing possibilities.

Mr. Eiken noted there is a secondary timeline that would become applicable if the applicant applies and is approved for a Multi-Family Tax Exemption (MFTE) agreement for the project. That benefit requires residential units be ready for occupancy within three years of the MFTE agreement approval.

Councilmember Paulsen stated he would like to take the applicant up on their offer to increase the number of electrical vehicle charging infrastructure or stations to a minimum of one hundred.

Motion by Councilmember Paulsen, seconded by Councilmember Glover, and carried unanimously to amend section 4.3.2 (c) of the development agreement to read "minimum of one hundred (100)" electric vehicle charging infrastructure or charging stations within the parking garage or in surface parking area.

Council further reviewed the construction timeline outlined in the development agreement.

Brian Fleener, project architect, explained several of the buildings are designed to connect with an external corridor system and so will need to be built simultaneously, and the project has been designed to be built at one time.

City Manager Eric Holmes stated the intent of the applicant is for the project to be developed all together due to the building interdependency. He noted it may be beneficial for Council to add clarity to the construction timing, such as an umbrella timeline.

City Attorney Jonathan Young stated Council could make a motion to add such a timeline in Section 4.2.1 of the DA.

Councilmember Fox stated she is most concerned about the impacts to public access to the trail in the area during construction, regardless of the overall construction timeframe. Mr. Eiken stated the Renaissance Trail will remain open during construction.

Motion by Councilmember Paulsen, to amend Section 4.2.1 to read "Development of the Project Site shall be constructed in a single phase, <u>not to exceed thirty-six months from time of final permit,</u> consisting of the construction of retail and residential units on the northern portion of the Project Site, construction of restaurant, office, residential, and retail space on the southern portion of the Project Site,

construction of underground parking beneath portions of the Project Site, and the construction of the Renaissance Boardwalk. A Project schedule, with target dates for land use and building permit submittals, permit approvals, start of construction, and anticipated completion, is attached hereto as Exhibit G ("Project Schedule")."

Mayor McEnerny-Ogle asked if construction permits will need to come in sequentially, or all together. Mr. Eiken stated they could come in together and they will need to be reviewed at the same time. He stated right now the applicant would have 24 months from the final permit issuance to complete construction. He asked Councilmember Paulsen if he intended to require completion within 36 months from the time of the first permit issuance.

Councilmember Paulsen confirmed that was his intent and the concern is both maintaining public access in the area as well as ensuring that construction moves forward. Mayor McEnerny-Ogle asked Councilmember Paulsen to clarify his motion.

Motion by Councilmember Paulsen, seconded by Councilmembers Fox to amend Section 4.2.1 to read "Development of the Project Site shall be constructed in a single phase, <u>not to exceed thirty-six months from time of final permit,</u> consisting of the construction of retail and residential units on the northern portion of the Project Site, construction of restaurant, office, residential, and retail space on the southern portion of the Project Site, construction of underground parking beneath portions of the Project Site, and the construction of the Renaissance Boardwalk. A Project schedule, with target dates for land use and building permit submittals, permit approvals, start of construction, and anticipated completion, is attached hereto as Exhibit G ("Project Schedule")," and to add the language "<u>During construction, the currently available Renaissance Trail abutting Columbia Way shall remain available for use.</u>"

Councilmember Stober expressed concerns about the City's ability to enforce this provision. He stated even if the City brought litigation against the developer in the event of non-compliance, it would take months to get to a ruling from a court on top of the 36 months that would have already lapsed, and a court ruling would simply require the applicant to finish construction, which they may no longer have the funding to complete. At that point, the outcome is less desirable than a delay in construction. He stated he does not understand what adding this timeline requirement accomplishes.

Motion to amend Section 4.2.1 as stated above carried 6-1. Councilmember Stober voted No.

Motion by Councilmember Paulsen, seconded by Councilmember Glover, and carried unanimously to approve Resolution M-4136 approved the Renaissance Boardwalk Development Agreement as amended.

Communications

A. From the Council

B. From the Mayor

a. Board and Commission Recognitions

Mayor McEnerny-Ogle recognized the service of John Caton and Joan Caley, long-time members of Vancouver advisory boards and commissions. Dr. Alan Melnick, Clark County Public Health Director, spoke regarding Ms. Caley's service on the Public Health Advisory Board.

C. From the City Manager

a. I-5 Bridge Replacement Program - Vancouver's Desired Outcomes

Councilmember Lebowsky stated she is an employee of the Washington State Department of Transportation and as such would be recusing herself from this discussion. She left the meeting at 8:17 p.m.

Katherine Kelly, Senior Policy Advisor, presented Council with a draft resolution outlining Vancouver's desired outcomes pertaining to the Interstate 5 Bridge Replacement Program. Council provided feedback regarding edits to the draft resolution, which will be considered for final action at a future Council meeting.

Adjournment

DocuSigned by:
Anne McEnerny-Ogle
58CB15C0632F403...
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 video. The audio files are kept on file in the office of the City Clerk for a period of six years.

From: Don Steinke
To: City of Vancouver - Office of the City Manager
Subject: Agenda items #1 and #3 for July 12, 2021
Date: Monday, July 12, 2021 11:49:08 AM

From Don Steinke

Hello, I'm Don Steinke, Regarding Agenda Item #1 the contract with Gordon Trucking.

I didn't see any of the details about this contract on your website, so my comments might be rather general.

I believe that at a minimum, all trucks should have the latest emissions control technology installed and working properly, and urge all truck services to gear up to comply with the new California Advanced Clean Truck Rule. This is from the California Air Resources Board Webpage

- Manufacturers who certify trucks with combustion engines will be required to sell zero-emission trucks as an increasing percentage of their annual California sales from 2024 to 2035. By 2035, zero-emission truck/chassis sales would need to be 55% of Class 2b – 3 truck sales, 75% of Class 4 – 8 straight truck sales, and 40% of truck tractor sales.

Today, electric drivetrains are well suited to operating in congested urban areas for stop-and-go driving where conventional engines are least efficient. Battery-electric and fuel-cell electric trucks, buses, and vans already are being used by fleets that operate locally and have predictable daily use where the trucks return to base to be charged or fueled.

California estimates that removing diesel trucks from the roads would delivering at least $9 billion in public health benefits. The Governors of Oregon, Washington, and Colorado have signed Memoranda of Understanding that they will seek similar authority.

https://ww2.arb.ca.gov/resources/fact-sheets/advanced-clean-trucks-fact-sheet

Clark PUD has incentives for this.

All of my remarks regarding agenda Item 1 could apply to agenda item 2 but I don't know the details of either.

In conclusion, urge all truck services to gear up to comply with the new California Advanced Clean Truck Rule.

Regarding Agenda item #3 The new police station.

Consider learning from the PAE. The PAE Building in Portland is intended to be a showcase of sustainable design. As I understand it, that building is LEED Platinum, plus net zero energy, plus Living Building Certified.

That building is the world's largest and first developer-driven Living Building. It is a five-story, mixed-use building that demonstrates replicable and cost-effective solutions for sustainable design and removing barriers to entry for highly sustainable projects while revitalizing the community.

I have provided the link in my written comments.
https://www.pae-engineers.com/projects/pae-portland-living-building

Also consider learning from the New Buildings Institute. Based on what I learned from them I make the following suggestions for the new police station.

Maybe lay water tubing in trenches around the police station or under the parking lot for ground source heat pumps.

For sure install conduit for EV charging plugs in the ground for each squad car before pavement is poured in new parking lots.

Design the roof to be solar ready and install wiring for solar before sheet rock is installed.

The story about the condo collapse in Florida has lessons for us. The Condo Board was warned but didn't have the courage to do what needed to be done. The consequences were more costly than prevention would have been.

We've been warned about global warming for 50 years and the evidence is piling up all around us every day. The drought near Klamath Falls has made the Bootleg Fire, the most extreme ever known.

I urge you to lead by example. Consider installing carports in full public view with solar panels on top and charging plugs below including a sign saying cars fueled by sunshine.

The Hill reported this weekend that we need to remove heat-trapping carbon dioxide we've already put into the air.

This morning I attended a meeting with Senate Energy Committee Chairman Joe Manchin (D-W.Va.) and former Secretary Monize. There I learned of a $3.5 billion funding proposal for large regional direct air capture pilot projects for Carbon capture use and sequestration.

The bill is due to be heard this week. One thing should be clear. It will be a lot cheaper for our children if we put less CO2 into the air beginning today. All of this applies to the Kirkland Development as well.

[Direct air capture is a crucial bipartisan climate policy (msn.com)]

Peter Fels
5121 NW Franklin Street
Vancouver WA 98663
TELEPHONE: (360) 737-3154 • plfels@gmail.com

July 12, 2021

RE: Renaissance Boardwalk Development Agreement

Thank you for your initial denial of this DA and sending it back to develop better sustainability standards. As you and the developer have noted, there is uncertainty until the City has adopted a climate plan. I hope you will move more quickly to do so.

The urgency of climate action is more and more apparent. The collapse of the condos in Surfside FL can be attributed to failure of the condo association board's failure to heed engineers' warnings about the danger. Similarly, the collapse of the Pacific NW environment can be attributed to decades of delay in adopting stronger environmental regulations. Two days ago, all the buildings on my friend's ranch in Southern Oregon, some of which I helped build 50 years ago, burned to the ground in the Bootleg fire, despite his continuing efforts to reduce fire hazards on the property. I have children and grandchildren who may have to live in a world of constant fire hazard, drought and other extreme conditions. Locally and individually we all have parts to play in reducing our climate impact. It is urgent and personal.

The proposed DA provides for 10 year vesting in Section 6 but excludes "environmental laws or development requirements" at Section 6.6. It is unclear to me whether this means electrical and other building codes in effect now or at the time of permitting will be applied. The VIC proposed DA specifically spells out that the codes in effect at time of permit application will be applied. I ask that the same language be added here.

I appreciate the developer has agreed to meet LEED Gold standards. However, some issues remain. Only a minimum of 4 EV charging stations are proposed. This hardly provides for sufficient charging for all residents and commercial and restaurant visitors. At the very least, the developer should be required to place cable and outlets before completion of the parking areas so that additional charging stations can be installed later without great expense.

The draft LEED checklist allows 5 points for access to quality transit. I was unable to find on the C-Tran route maps any C-Tran bus route that passes the development, although I think I have seen buses on Columbia Way. I have previously urged you to develop an electric tram or bus service circulating around the Waterfront, downtown and Uptown, similar to the RYD service but open to the public. It looks to me as though there will be insufficient public parking at the Renaissance Boardwalk development and insufficient public transit to and from there. Transit options need to be expanded, possibly including electric scooters, and I hope the City, C-Tran and Kirkland will work on this.

The DA agrees to supply electricity only to the residential units. This is good, but does not address the retail and commercial spaces. Heat pump HVAC systems are a bit more costly to install but far more efficient and environmentally friendly. I hope Kirkland will not be using gas-fired heating units in any of the structures.

Also the proposed DA requires City planning staff to evaluate LEED Gold equivalence, rather than the developer providing independent certification. I wonder if City staff is trained to do this. We do need a process to do energy audits of existing and proposed buildings in order to meet whatever climate goals you adopt. This proposal brings that need to your attention. If you don't want staff to be burdened with certifying permit applications, then the developer should be required to provide an independent certification.

Finally I want to remind you that Kirkland is claiming a public benefit by rebuilding the old pier walkway and extending the waterfront trail in front of their buildings. While there will be a public benefit, the connection is going to greatly benefit them, avoid potential liability and enhance visibility of the retail and restaurant spaces. They would probably be doing these things anyway, so whether it entitles them to significant MFTE tax credits is debatable.

s/Peter Fels

To: Vancouver City Council and Staff
Public Hearing Renaissance Boardwalk Development Agreement/July 12, 2021/Cathryn Chudy

I appreciate City Council for the decision you made on June 7th to send Kirkland Development back to the drawing board in order to secure a stronger energy efficiency standard in exchange for the substantial benefits the city will provide to Kirkland in return.

Buildings represent the second largest source of greenhouse gas emissions in Washington. Your own public survey for the Climate Action Plan to reduce emissions showed a majority want you to be "much more ambitious" in taking action on sustainability and climate action. It makes sense then that every development agreement that comes before you should be carefully scrutinized and held to the highest and most ambitious energy efficiency standards possible.

The Washington Clean Buildings Act that went into effect in 2019 noted that "Energy efficiency investments that reduce energy use in buildings bring cobenefits that directly impact Washingtonians' quality of life. These benefits include improved indoor air quality, more comfortable homes and workplaces, and lower tenant energy bills."

Expecting the highest possible energy efficiency standards in new buildings going forward means a win for those who will live, work, or spend time in those buildings for decades to come, and for a cleaner and more sustainable Vancouver in the face of the increasingly visible signs that catastrophic climate change will continue to exact a heavier toll on our region, and especially those among us who are most vulnerable.

Already we know from the recently updated Washington Health Disparities Map (prepared by the University of Washington in cooperation with the Washington State Department of Health) that Vancouver has some of the worst air pollution levels that impose health burdens on our most vulnerable citizens. The Map shows most of Vancouver classified as a 9 or 10, with 10 having the greatest health disparity based on exposure to health harming pollution and ability to afford healthcare. We are behind the curve when it comes to taking action to protect our citizens, and the guiding principle for Council decisions on new development should be, quite simply, no more polluting buildings.

In order to get to "no more polluting buildings" on the road to a carbon neutral future, which is the ultimate "win" for Vancouver, we need to be serious about reducing the energy use and carbon emissions from the built environment, which means implementing a progressive code and policy approach as advocated by the New Buildings Institute, which is a leading resource on energy codes and standards for efficient and carbon neutral buildings.
https://newbuildings.org/hubs/codes-policy/

From a purely business sense, developers will seek development agreements pushing for "what's in it for them" in the short run, while you as our elected representatives have an obligation to see the larger picture and to pursue "what's in it for all of us, present and future", and we ask that you keep that overarching obligation in mind when you make these crucial decisions.