



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

December 16, 2019 - City Council Meeting Minutes

WORKSHOPS

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

4:30-5:30 p.m. Affordable Housing Fund: Shelter Funding Recommendations

Presenter: Peggy Sheehan, Community Development Programs Manager, 487-7952; Danell Norby, Community Development Coordinator, 487-7953

Summary

Staff provided Council with an overview of the proposed Affordable Housing Fund awards for shelter projects.

Farewell Reception for Councilmember Turlay (5:30-6:30 p.m.)

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 - November 25, 2019

Motion by Councilmember Turlay, seconded by Councilmember Paulsen, and carried 6-1, with Councilmember Turlay voting No.

Citizen Communication (Items 1-10)

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

Consent Agenda (Items 1-10)

Council returned Item 5 to staff for further development.

Motion by Councilmember Turlay, seconded by Councilmember Lebowsky, and carried unanimously to approve the Consent Agenda.

1. Public Defense Services - Conflict Contract

Staff Report 189-19

Summary

The City is constitutionally mandated to provide public defense counsel to indigent persons entitled to representation as authorized by law. These services are currently provided through contracts with private attorneys. The City's primary contract for legal and other professional public defense services is with Jeffrey D. Barrar (dba Vancouver Defenders). In some cases, Vancouver Defenders may have a conflict of interest with an indigent client assigned to them. This conflict can occur through circumstances such as when there is more than one defendant in a case and it would be conflict for Vancouver Defenders to represent both clients; when the client has been served by Vancouver Defenders in the past and requests a different attorney, etc.

The City contracts with a separate firm to provide indigent defense services when there is a conflict with the primary attorney. On October 18, 2019, the City issued a Request for Qualifications (RFQ) for a firm to provide conflict indigent defense services. One qualified response was received from W. Todd Pascoe, PLLC, who is currently providing conflict indigent defense services for the City.

Request: Authorize the City Manager or his designee to sign an agreement with W. Todd Pascoe, PLLC to provide public

defense services to indigent clients in the City of Vancouver.

Jeanette (Jan) Bader, Program and Policy Development Manager, 487-8606

Motion approved the request.

2. Award of Grant Funds from the PEG Capital Support Fund

Staff Report 190-19

A RESOLUTION relating to cable television and to the award of Public, Educational and Governmental (“PEG”) capital contribution funds to The Vancouver Educational Telecommunications Consortium (“TV ETC”) and Clark Vancouver Television (“CVTV”) respectively, the designated educational and government access providers for the City of Vancouver.

Summary

The franchise agreements between the City of Vancouver, Clark County and Comcast Corporation provide for a capital contribution in the amount of \$1/month per subscriber for support of Public, Education, and Government (PEG) access and monthly transport costs for public I-NET users. This contribution may only be awarded to designated access providers and iNET users.

The Vancouver Educational Telecommunications Consortium (“TV ETC”), the Designated Access Provider for Education, and Clark/Vancouver Television (“CVTV”), the Designated Access Provider for Government, submitted applications for PEG capital support funds under the requirements established by the City/County Telecommunications Commission (“Commission”). In total, fourteen proposals were received totaling \$632,480. Estimated funds available for distribution in 2019 are approximately \$825,000. The grant applications were reviewed by outside technical experts and the PEG Committee, a subcommittee of the Commission.

The Telecommunications Commission through Resolution 2019-04 (attached) recommends that Vancouver City Council award PEG Capital Support Funding as follows:

Applicant	Total Amount Requested	Total Amount Funded
TV ETC	\$337,989	\$340,256
CVTV	\$294,491	\$294,491
Total PEG Access Capital Grant Funds	\$632,480	\$634,747

Request: On December 16, 2019, adopt a resolution, under the terms of the interlocal agreement between the City of Vancouver and Clark County, awarding from the PEG Capital Support Funds grants in the amount of \$ to \$340,256 to TV ETC and \$294,491 to CVTV. *(Note: Under the terms of the Interlocal agreement between the City and the County, both Councils must approve the grants for funds to be awarded.)*

Jeanette (Jan) Bader, Program & Policy Development Manager, 487-8606

Motion adopted Resolution M-4051 approving the request.

3. Amended Local Grant Agreement For Litter Collection and Cleanup in Vancouver

Staff Report 191-19

Summary

For the last two and a half years, Share has provided litter pick up services to downtown Vancouver, public parks and other City property, including the Navigation Center and surrounding neighborhoods, through its Talkin' Trash crew. The Talkin' Trash crew is limited to removing litter only within City right-of-way and Council-approved private property near the Navigation Center five days a week.

This program receives the majority of it's funding from the City's Solid Waste program. In August, the City Manager authorized staff to apply for state grant funds (RFP No. 20-46116-126) to expand the current Talkin' Trash program, for which the City was the successful applicant. With Council approval, effective November 1, 2019, through June 30, 2021, the City will be awarded \$180,000.00 by the Washington State Department of Commerce to expand Share's current labor program and provide additional jobs to individuals experiencing homelessness that leads to full-time employment and stable housing.

In September 2019, the Nonprofit Network of Southwest Washington recognized Share's Talkin' Trash program with the Nonprofit Excellence Award for Excellence in Innovation for the program's creative approach to helping those affected by homelessness while providing critical cleanup services to the City. Furthermore, Share was recently awarded a private grant to purchase a second, more reliable vehicle for the crew. The additional vehicle positioned the program to be able to expand from one full time crew working weekdays, to grow into two teams, available to work full

time, seven days a week.

Since October 2019, the City has utilized the Talkin' Trash crew to address health and safety concerns posed by specified human waste and debris in the vicinity of the Navigation Center, by piloting a program calling for removal of specified items from private property with owner consent, within a Council-defined boundary surrounding the Navigation Center. City staff continue to work with Share and the Talkin' Trash crew to pilot this effort to address collection of items that present a public health and/or safety concern on private property to the benefit of these entities and the broader community. The proposed amendment furthers their role in providing support and fulfilling the Good Neighbor Commitment by extending service expectations to seven days a week service, twice daily cleanup of the Navigation Center grounds and surrounding neighborhood, and requires their availability for timely litter response when requested by designated City staff for private properties in the identified pilot area.

If authorized by Council, the City and State Department of Commerce Housing Assistance Unit agree to enter into an interagency agreement for the Expansion of the Talkin' Trash program and the Recipient, SHARE, is the designated subcontractor to perform the expanded scope of work. A retroactive date of November 1, 2019, is proposed to allow for full compensation of Share for the expanded crew and additional service capacities, such as seven days a week service.

Based on favorable performance and an existing community need, staff proposes to extend approval to accept Commerce funding and adjust the scope of work, and benefits to maintain agreements.

Request: Authorize the City manager or his designee to execute the Amended Local Grant Agreement for Litter Collection and Cleanup in Vancouver between Share and City of Vancouver for an additional four years; and authorize the City manager or his designee to execute the Interagency Agreement with the Department of Commerce for Expansion of Talkin' Trash Program.

Julie Gilbertson, Solid Waste Manager, 487-7162

Motion approved the request.

4. Watershed Alliance of Southwest Washington - 2020-2024 Grant Agreement

Staff Report 192-19

Summary

The Watershed Alliance of Southwest Washington (formerly the Vancouver

Watersheds Council) is a 501(c)(3) entity that was initially created by the City in part to comply with the settlement of a Clean Water Act lawsuit between the City and the Rosemere Neighborhood Association and for the purpose of furthering the City's goals of environmental preservation and restoration in both riparian and upland areas through engagement and participation of the Vancouver community. The Watershed Alliance provides ongoing education and outreach efforts to inform the public on topics related to environmental and water quality issues and this supports the City's surface water program in meeting its Stormwater NPDES permit requirements (specifically S5.C1 Public Education & Outreach and S5.C2 Public Involvement and Participation).

The new five year agreement utilizes a direct grant approach which supports the organization in continuing to address the City's intended outcomes while being accountable for meeting specific deliverables and standards. Quarterly and annual program and financial reporting will keep the City's program staff informed of key Watershed Alliance accomplishments and the steady progress being made on City priorities. New tasks are identified that support expansion of services provided to the City though without additional expenditures. The Watershed Alliance has grown in recent years to offer similar services to other regional jurisdictions and partners through a steady increase in non-City funding.

Request: Authorize the City Manager or his designee to sign the agreement with the Watershed Alliance of Southwest Washington.

Rich McConaghy, Environmental Services Manager, 487-7165

Motion approved the request.

5. Award of Lodging Tax Grants for 2020

Staff Report 193-19

Summary

RCW 67.28.180 allows municipalities to impose a 4% lodging tax on stays of more than 30 days at hotels, motels, campgrounds, bed and breakfasts and RV parks. Those funds can only be used for tourism-related projects, events and facilities. Vancouver increased its lodging tax from 2% to 4% in 1998 with the second 2% dedicated to debt service and capital improvements for the downtown Hotel/Convention Center. The original 2% continued to be used to fund other tourism related projects. One of the impacts of the recession was that from 2009-2016, all of Vancouver's lodging tax funds were allocated to support the Hotel/Convention Center.

For 2020, 15% of lodging tax revenue (\$385,294) will be allocated to Visit Vancouver USA. Additionally, the City has \$114,500 in lodging tax revenue that is excess to the needs of the Hotel/Convention Center and is available for other tourism-related projects. The RCW requires that in order to expend lodging tax funds, municipalities must appoint a Lodging Tax Advisory Committee, comprising equal numbers of lodging tax generators and potential lodging tax recipients, who will make recommendations on proposed expenditures to the City Council. The Committee was appointed in May 2016, and in July, the City solicited lodging tax grant proposals from interested parties. Nine proposals were received totaling \$229,000. The Committee reviewed the proposals and is recommending full or partial funding of seven, which totals \$114,500.

Per state regulations, the City Council only may approve awards to candidates recommended by the Lodging Tax Advisory Committee and only at the amount recommended unless Council submits its change in the amount to the LTAC for comment. All approved grant recipients must enter into a professional services agreement with the City.

Request: On December 16, 2019, adopt a resolution approving the 2020 Lodging Tax Grants as recommended by the Lodging Tax Advisory Committee and authorizing the City Manager or his designee to execute professional services agreements with the grant recipients.

*Teresa Brum, Economic Development Division Manager,
487-7949*

Item returned to staff for further development.

6. Third Lease Amendment between the City of Vancouver and Charles Milne for property located at 703 North Devine Road, Vancouver, Washington, 98661

Staff Report 194-19

Summary

Mr. Milne has operated Vanco Driving Range at the current site for a number of years, and it provides a community recreation amenity to Vancouver residents. In 2018, the City initiated a subarea planning process for the Heights District, with the goal of providing a vision for the overall District and the Tower Mall Redevelopment Area, which includes the subject property where Vanco Driving Range is currently located.

The Heights District Plan has involved significant public input and

engagement, and envisions a future neighborhood center with a mix of uses, connectivity improvements, and public open space. Implementation of the Heights District Plan will occur over a 20-year time period and include several phases; redevelopment of the Tower Mall Redevelopment Area will include demolition of the existing Town Plaza structure and other steps to prepare the site for new development.

Mr. Milne has expressed his desire to continue operating Vanco Driving Range at this location until such time as the site is needed for redevelopment in alignment with the vision set forth in the Heights District Plan.

Request: Ratify the Third Lease Amendment between the City of Vancouver and Charles Milne and authorize the City Manager or his designee to execute the Third Lease Amendment.

Rebecca Kennedy, Long Range Planning Manager, 487-7896

Motion approved the request.

7. Affordable Housing Fund Contract for Van Vista Rehabilitation

Staff Report 200-19

Summary

City Council approved Affordable Housing Funding for the Van Vista Rehab project on February 4. Since that time the City has completed the environmental review required by HUD, as the project uses federal funds for the rental assistance. The City has also approved the language in the note, deed and covenant. The Vancouver Housing Authority has been in negotiations with tax credit investors and completing the architectural designs and needs assessments as well as applying for permits. The closing (required for tax credits) will be the week of December 13.

Request: Authorize the City Manager or his designee to execute the Affordable Housing contract with Vancouver Housing Authority to rehab Van Vista.

Peggy Sheehan, Community Development Programs Manager, 487-7952

Motion approved the request.

8. **Appointment to the Building/Fire Code Commission**

Request: Reappoint Jason Olson to the Building/Fire Code Commission, term beginning immediately and expiring December 2026.

Council Committee 1

Motion approved the request.

9. **Appointment to the Planning Commission**

Request: Appoint Tim Schauer to the Planning Commission, term beginning immediately and expiring December 31, 2021.

Council Committee 2

Motion approved the request.

10. **Approval of Claim Vouchers**

Request: Approve claim vouchers for December 16, 2019.

Motion approved claim vouchers for December 16, 2019, in the amount of \$2,820,005.10.

Public Hearings (Items 11-16)

11. **Declaration of Real Property as Surplus**

Staff Report 195-19

A RESOLUTION declaring that certain land originally acquired for public utility purposes is now surplus to the needs of the City of Vancouver (the "City") and authorizing the disposition of the surplus real property.

Summary

In 2006 the City of Vancouver purchased approximately 15 acres of property located at SE 162nd Avenue and SE 65th Street for a future east side Operations Center. As the City continued to find increased efficiencies and processes in our Central Operations Center it was determined that our

citizens could be served best with one Operations Center more centrally located.

The current Operations Center has outlived its useful life and needs replacement. A 35-acre site has been purchased near the Leichner Landfill. The City will be able to efficiently serve our customers from the new Operations Center location. Accordingly it has been determined there is no longer a public need for the 15 acres purchased in 2006.

Because the subject property was originally acquired by and owned by the City's Water Utility, RCW 35.94.040 applies to the surplus and disposition of the subject property, rather than VMC Chapter 3.30. RCW 35.94.040 provides that whenever the City determines that any land "is surplus to the city's needs and is not required for providing continued public utility service, then such legislative authority by resolution and after a public hearing may cause such lands, property, or equipment to be leased, sold, or conveyed," and that the resolution should state the fair market value or other consideration to be paid. Proper notice was provided and this matter is scheduled for public hearing on December 16, 2019.

In July 2018, the 15 acres was appraised at \$4,260,000. Current value is somewhat higher based on recent market trends. An updated appraisal will be performed in early 2020.

Request: On December 16, 2019, following a public hearing, adopt a resolution approving certain real property located at SE 162nd Avenue and SE 65th Street (Assessor's parcel numbers 159145-010 and 159147-000) as surplus to the needs of the City.

Linda Carlson, Property Management Specialist, 487-8423; Brian Carlson, Public Works Director, 487-7131

Chris Malone, Public Works Finance and Asset Manager, provided an overview of the proposed surplus item.

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

Motion by Councilmember Turlay, seconded by Councilmember Glover, and carried unanimously to adopt Resolution M-4052 approving the request.

12. **Amendment to The Landing Development Agreement**

Staff Report 196-19

Summary

Portions of the overall master plan have been developed. Multifamily

residential and a congregate care facility have been developed on Phase 2 as well as a hotel on Phase 3A. Phase 1 (central portion of the site fronting Mill Plain) and Phase 3B (eastern portion of the site fronting Mill Plain) have yet to be developed. In the course of developing the site, the owners have invested significant resources (currently over \$100 million) for a variety of costs related to on-site development, off-site improvements and costs related to traffic impacts.

The request is to extend the vesting of the Development Agreement and all associated approvals for an additional 10 years to 2029. The vesting includes all transportation-related approvals including transportation concurrency and traffic impact fees already paid. The vesting extension would also apply to the existing project approvals as well as the development standards and alterations procedures.

The requested extension would, however, be in potential conflict with the some of the upcoming City planning efforts since the development of the site would be vested to the current City code. Council should be aware that the subject site is located within the area identified for the City's upcoming planning effort with regard to enhancing identified commercial corridors. The Commercial Corridor Strategy project is intended to enhance 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. The project will result in the development of general corridor design concepts, amendments and updates to zoning designations and standards related to allowed uses, building densities, building orientation in relationship to the street, and access and parking requirements, recommendations related to the location and density of housing, improvements to multi-modal transportation and access and place making recommendations to provide services and amenities to nearby residents. One of the focused corridors for this effort is Mill Plain Boulevard, from East Reserve to SE 192nd Avenue which includes The Landing site. The extension of the Development Agreement could potentially lead to development inconsistency in what is permitted and built on the subject site with the upcoming commercial corridor development strategies. The existing development agreement vests the development to the development standards in place at the time and the Commercial Corridor Strategy project will facilitate the development of a new set of design standards.

Additionally, the City's identified scope for the Commercial Corridors Strategy project includes developing placemaking recommendations as appropriate in older commercial corridors, and near existing and planned Bus Rapid Transit stations on Fourth Plain and Mill Plain Boulevard. Mill Plain Boulevard has been identified by C-Tran as the next bus rapid transit corridor. The planning process for the new BRT line is currently underway. Two of the identified preliminary station locations are in close proximity to

The Landing development with one at 136th and Mill Plain and the other at Hearthwood and Mill Plain. The location of the subject site is located within an older commercial corridor and the extension of the development agreement for this project could potentially hinder the City's placemaking efforts in relation to BRT stations.

Because of these reasons, staff is recommending that Council deny the extension request. An affirmative vote by Council to approve the Action Requested will enact Staff's Recommendation and deny the extension request by the Developer.

Please note that a Resolution and a DA Amendment approving the requested extension have been included in your packets. Adoption of these these documents is not recommended. They have been included solely to provide the City Council with the widest decision-making latitude on this item because this is the last Council meeting prior to expiration of the DA. If the Council hears compelling testimony at the public hearing in favor of an extension, the fact that this resolution is included with the public agenda assures Council has the latitude to make a decision contrary to the recommendation.

In the event Council wishes to approve the requested development agreement extension, an appropriate set of actions would be:

- Move to deny the Action Requested within the Staff Report for the Evergreen Landing development agreement.*
- Move to adopt the attached resolution authorizing the City Manager or designee to sign the amendment to the Landing DA.*

Request: On December 16, 2019, subject to public hearing, deny the request to modify The Landing Development Agreement.

Greg Turner, Land Use Manager, 487-7883

Greg Turner, Land Use Manager, provided an overview of the proposed request, development history of the site, staff findings and the recommended denial of the request.

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

- Matt Harrell, representing the applicant, spoke in opposition to the proposal to deny the amendment, and stated there is uncertainty about what recommendations will come out of the Commercial Corridors Strategy, and if The Landing development agreement is not longer in place at that point in time, he is unsure how that will impact other land use approvals for the project.

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

Councilmember Stober noted the original development agreement was approved in 2005 and Vancouver's vision and growth has progressed significantly since that time. He stated there are two pieces of property in the corridor that have been managed in non-standard ways, but the City has come to a point where it can manage development in standard ways across the city. He stated it is time to take a pause and make sure there is consistency in development along this corridor.

Councilmember Glover stated she agrees with the staff findings regarding this development agreement.

Councilmember Lebowsky stated she also agrees, noting there is a significant planning effort underway and this property should be included in that effort.

Mayor McEnerny-Ogle asked what the next step for this project would be if the DA is not extended. Mr. Turner stated future projects on the site would need to be developed under current standards.

Councilmember Turlay stated he has concerns with the proposed denial, stating the developer has invested a lot on this project and will be the one to take the hit.

City Manager Eric Holmes noted that the original development agreement included an end date and there is no requirement for Council to extend it, and that has been clear to all parties since the inception of the DA.

Motion by Councilmember Stober, seconded by Councilmember, and carried 6-1 to deny the request to modify the The Landing development agreement. Councilmember Turlay voted No.

13. **Establishment of a Transportation and Mobility Commission**

Staff Report 188-19

AN ORDINANCE establishing a Transportation and Mobility Commission under Title 11 of the Vancouver Municipal Code; adding a new Chapter 11.75; and providing for an effective date.

Summary

The City of Vancouver is experiencing significant growth, which has led to increases in both the number and complexity of the transportation challenges it must address. Given competing demands for this limited right-of-way and the need to evolve the transportation system to more efficiently move people throughout the City, there is a need to develop a new citizen oversight function to advise staff and the City Council on transportation

programs, policies and projects.

Within the City of Vancouver, there are no existing boards or commissions tasked with advising City Council on transportation policy and implementation or providing guidance on citywide transportation issues. At their 2019 retreat, City Council directed the creation of a Transportation and Mobility Commission that would be responsible for making recommendations on transportation matters affecting the public right-of-way.

The proposed commission will utilize diverse representation and experience to provide advice to City Council, the City Manager and City staff on programs, policies, and large capital projects related to the public right-of-way. The Transportation and Mobility Commission will also provide ongoing feedback and guidance on the development of citywide transportation policy through the update to the Transportation System Plan that is currently underway.

Request: On Monday, December 16, 2019, subject to second reading and public hearing, approve ordinance.

*Shannon Williams, Active Transportation Planner, 487-7898;
Jennifer Campos, Principal Transportation Planner, 487-7728*

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

Jennifer Campos, Principal Transportation Planner, provided an overview of the proposed commission.

Councilmember Glover stated she is excited to have this commission established, as the city has experienced significant growth and associated congestion. She stated she is pleased with the anticipated outreach moving forward in recruiting for members of the commission.

Councilmember Glover stated she is excited to have a commission tasked with looking at transportation modes comprehensively and not in silos. She asked if this group is intended to be a technical advisory body as the City begins reviewing and revising the Transportation System Plan in 2020. Ms. Campos stated the commission will be responsible for the oversight of the development of the work that goes into that review.

Councilmember Stober asked about the designated neighborhood seat and who that is intended to target, as anyone who lives within a neighborhood association is considered a member. He asked if the intent is for it to be a neighborhood officer, why that would not be spelled out in the ordinance. Ms. Campos explained it is intended to include officers of a neighborhood association but staff did not want to be so prescriptive in the ordinance. Mr. Holmes explained that these will be Council appointments, and the narrower

the definition in the ordinance, the narrower the choices will be for Council.

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

- Glen Yung, Vancouver, noted that the ordinance published for this second reading did not include the same commission membership designations as the version published under first reading and asked for clarification.

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

City Manager Eric Holmes confirmed the incorrect version of the ordinance had been posted for second reading due to a publishing error. The correct version had been read at first reading on December 9.

City Attorney Jonathan Young advised the Council hold a second reading and public hearing on the correct version of the ordinance at its next regular meeting on January 6, 2020, and nullify the activities of this meeting.

Item returned to staff with second reading and public hearing to be held on Monday, January 6, 2020.

14. Proposed 2019 Vancouver Comprehensive Plan and zoning map corrections, and text changes

Staff Report 197-19

AN ORDINANCE relating to Comprehensive Plan and Zoning for the City of Vancouver and Vancouver Municipal Code (VMC) Title 20; amending text of Vancouver Comprehensive Appendix E, and Vancouver Municipal Code 20.150, 20.225, 20.245, 20.270, 20.290, 20.320, 20.330, 20.410, 20.420, 20.430, 20.440, 20.450, 20.630, 20.680, 20.700, 20.730, 20.740, 20.790, 20.890, 20.945, 20.960; providing for severability; and establishing an effective date.

Summary

Council is requested to review and make final determinations on the proposed map corrections and text changes:

- *Four Comprehensive Plan or zoning map corrections* – resolution of split-zoning designations on six single-family residential properties at 28th Way and 87th Avenue, removal of an inappropriate Open Space Comprehensive Plan designation on homesite and school properties, addition of Open Space designation on a park site.
- *One Comprehensive Text Change* – Adoption by reference of the

Evergreen School District Capital Facilities Plan 2019-2025

- *Twenty-One Zoning Code Text Changes* - *Changes with policy implications consist of:*
 - *Updates to Planned Development standards to allow densities of up to 15% beyond base zoning; to allow duplexes, triplexes and town homes within overall density limits; and to clarify that open space must be centralized*
 - *Updates to School Impact Fees in the Evergreen School District pursuant to the District Capital Facilities Plan, increasing fees per single family unit from \$6,100 to \$6,432, and decreasing fees per multi-family unit from \$7,641 to \$3,753.*
 - *Streamlining of Conditional Use Permit requirements for schools and other uses*
 - *Elimination of 800 s.f. limit on residential accessory structures other than Accessory Dwelling Units. Detached ADUs remain limited to 800 s.f. in size.*

Request: On Monday, December 16, 2019, following second reading and public hearing, approve the ordinance.

Bryan Snodgrass, Principal Planner, 487-7946

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

Bryan Snodgrass, Principal Planner, provided an overview of the proposed Comprehensive Plan and Zoning Code amendments.

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 approve Ordinance M-4289.

15. Block 10 Disposition and Development Agreement First Amendment

Staff Report 198-19

A RESOLUTION relating to the approval of a the first amendment to the disposition and development agreement pursuant to RCW Chapter 36.70B entered into between the City of Vancouver (City) and Holland Acquisitions Co., LLC (Holland); and authorizing the City Manager to execute a disposition and development agreement.

Summary

As lessee of Block 10, Holland is entitled to a due diligence period to

examine any and all aspects of the property such as grading, settling, soil composition and conditions, drainage, hydrology, existence of Hazardous Materials (if any) structural aspects, easements, rights-of-way, feasibility, building and other permits, approvals, laws and restrictions, land use and other governmental conditions and restrictions, zoning matters, traffic and flight patterns, demographics, title matters, etc. Due to extenuating circumstances, Holland has not been able to thoroughly complete its due diligence within 60 days and is asking for an additional six weeks.

The initial deadline for closing on the lease agreement of December 31, 2019, was requested by Holland in order to fully utilize the Opportunity Zone benefits; however, they have now indicated that they would like to extend the deadline to February 28, 2020, with a right by Holland to extend the closing date upon request to no later than March 31, 2020.

There will be no changes to the target dates for submitting permit applications or commencing and completing construction.

Request: On Monday, December 16, 2019, subject to public hearing, adopt the resolution authorizing the City Manager or designee to sign the proposed First Amendment to the Block 10 Disposition and Development Agreement.

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

Chad Eiken, Community and Economic Development Director, provided an overview of the proposed amendment to the Block 10 Disposition and Development Agreement (DDA).

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

Motion by Councilmember Turley, seconded by Councilmember Stober, and carried unanimously to adopt Resolution M-4053 approving the request.

16. **HP Development Agreement**

Staff Report 199-19

A RESOLUTION relating to the approval of a development agreement pursuant to RCW Chapter 36.70B; establishing various development regulations under which the HP, Inc. Section 30 development shall be vested; authorizing the City Manager to execute a development agreement; and providing for an effective date.

Summary

In the fall of 2018, the City was contacted by a national site selector firm under a Request for Proposals (RFP) regarding a retention/recruitment project. The project was described as a facility for more than 1,000 highly skilled advanced research and development employees. Two local sites in Vancouver were suggested as possible locations, and City staff assumed that other cities were in the running as possible alternative locations. The City, as is typical of such RFPs, submitted a formal response with a list of possible incentives that might be considered in order to make Vancouver as enticing a site as possible for the opportunity.

Soon after the City submitted its response to the site selector, staff was informed that Vancouver was being strongly considered. In early fall of 2019, the City was informed that Section 30 had been selected, and that the company wanted to formalize the City's proposal from the RFP response in the form of a development agreement (DA). For the past four months, staff has been discussing elements of a possible development agreement with the HP, Inc. real estate team in order to facilitate the phased development of 68 to 98 acres in the southwest corner of Section 30.

HP Inc.(HP) has had a major presence in east Vancouver for the past 40 years and currently employs approximately 700 permanent and 400 contract employees. HP is currently leasing space at Columbia Tech Center.

The property is anticipated to be developed in phases over 15-20 years. Phase 1 will consist of at least two multi-story buildings totaling 330,000 square feet for office, research and development and manufacturing uses, with related on-site parking and landscape improvements, an extension of NE 184th Avenue with an adjacent multi-use path north from SE 1st Street by approximately 1/4 mile, on-site storm water facilities and extension of water and sewer utilities. Construction would be anticipated to occur between 2023 and 2025 for the first phase. Future phases could potentially result in a total of 1,500,000 square feet of new office and R&D related uses, as well as further extensions of street and utility infrastructure into Section 30.

The proposed project is significant as the first major employer to develop in Section 30, which is approximately 553 acres in size and designated for a future employment center through the Section 30 Subarea Plan, adopted by City Council in 2009. Section 30, located between SE 1st Street and NE 18th Street and west of NE 192nd Avenue, consists of a number of former gravel mines (at least one that is currently active), as well as recreational uses, a winery, and The Humane Society. The subarea plan envisions a 20-30 year build-out for urban scale employment uses (office, clean industrial and tech/flex) with residential and supporting commercial uses in one or two centers. The plan also calls for a well-connected street network

and identifies public utilities needed and public paths for walking and cycling throughout. Approximately 440 acres have redevelopment potential for employment and supporting uses, but due to a number of constraints, have to-date remained undeveloped.

The proposed DA includes a description of the project and anticipated construction timelines. In order to facilitate HP's move, the development agreement will formalize the following commitments negotiated between City staff and HP, as follows:

- City will allow Phase 1 to be reviewed using a Type 2 administrative site plan process because of its relatively small impact on adjacent properties in terms of future street connections, provision of utilities, and site grades; however, future phases must be processed under a Type 4 master plan process.*
- City will consider a code amendment to VMC 5.04 to apply a business license surcharge reduction incentive to businesses that relocate significant jobs within city boundaries, subject to certain minimum wage and capital investment criteria. Such an amendment will be subject to a separate ordinance and public hearing before City Council.*
- City will consider a code amendment to VMC 20.915 Impact Fees to apply a transportation impact fee reduction incentive to businesses that relocate at least 700 jobs within city boundaries, subject to certain minimum wage criteria. Such an amendment will be subject to a separate ordinance and public hearing before City Council.*
- City will 'lock in' a current building permit valuation cap of \$10 million for purposes of calculating building permit fees for all phases. This valuation cap, which is available to all qualifying projects, results in fees being based on construction that is valued at \$10 million.*
- A new sewer pump station will be needed in order to serve Section 30 beyond HP's first phase of development. City will provide for reservation of sanitary sewer capacity for the project, including future phases.*
- City will vest the project to current development standards as allowed by law; development review fees and impact fees will not be vested.*
- City will reserve transportation capacity for future phases up to 5,565 daily trips.*
- City will commit to funding up to \$3.5 million in public infrastructure costs as part of Phase 1, to be determined by HP; likely this will be*

used toward public roads, or other public infrastructure.

- *City will commit to funding up to an additional \$6.5 million in public infrastructure as part of subsequent phases; likely to be applied toward construction of a public sewer pump station, public streets further north, or other infrastructure.*
- *City will utilize its streamlined permit review process for land use, engineering and building review at no additional charge.*
- *Term of the agreement will be 15 years, with one option to extend by 5 years through a Type I review process.*

Request: On Monday, December 16, 2019, subject to public hearing, adopt a resolution approving the Development Agreement between HP and City of Vancouver.

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

Mr. Eiken and Bob Brackin, representing HP, provided an overview of the proposed development agreement (DA). Jennifer Brager, legal counsel for HP, also provided comments.

Mr. Eiken stated that HP had developed a proposed amendment to the recitals of the DA that outlines specific sustainability goals for the development in response to some of the comments and testimony the company's representatives had heard during the December 9 Council meeting. Mr. Eiken read and presented the proposed amendment for Council's consideration.

Mayor McEnerny-Ogle expressed concerns about enforcing such standards if HP was bought by another company.

Councilmember Stober stated the challenge is the City does not currently have any climate targets or goals in place, and putting specific sustainability goals into this DA could potentially bind future Councils to those goals.

Councilmember Paulsen noted the language proposed by HP is not binding. He applauded the intent but he did not see how the language would actually accomplish anything.

Ms. Brager stated HP was attempting to be proactive in responding to what it had heard at the previous meeting. She stated the company has high aspirations in regards to sustainability, which will come through in the master planning process, but as that process has not been completed there is nothing concretely proposed yet. She stated the DA is acceptable to HP without the amendment but HP is also happy to accommodate Council feedback on what might be included alternatively in regards to sustainability goals.

Council spoke at length regarding how the language could be changed to meet the City's needs and HP's aspirations for the project, as well as the outline of the master planning process moving forward and how that would relate to potential environmental mitigation.

Councilmember Lebowsky stated the difficulty Council is having with this particular amendment serves as a reminder that the City has no adopted climate action plan or associated targets.

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

- Peter Fels, Vancouver, stated the Council should not consider amending the recitals, but rather look at the section pertaining to vesting rights and reconsider removing that incentive so future development at the site has to meet the whatever the current development standards at the time, as those standards will surely evolve over the life of the project.
- Dawn Zukas, Vancouver, expressed concerns about how this development would impact the surrounding neighborhood.
- Glen Yung, Vancouver, expressed concerns that any fees waived for HP would have to be made up for by other businesses.
- Karen Morrison, representing Odyssey World International, stated this discussion was confusing and she urged the Council to have a clearer vision in 2020 and to articulate that to smaller nonprofits in the community.
- Marian English, Vancouver, stated she is concerned about other projects in Section 30, particularly an asphalt plant that does not seem to be a compatible neighbor to what HP is proposing.
- Chris Dickinsen, Vancouver, stated she supports HP, but expressed concerns about the business license surcharge waiver proposed in the DA as it seems to contradict what is being proposed in the Stronger Vancouver initiative. She stated smaller businesses would be asked to pay an increase in that fee while the fee would be potentially waived for HP.
- Mike Bomar, representing CREDC, spoke in support of the proposed DA and stated the project will be a catalyst for economic development in Section 30 and drive infrastructure improvements in the area.

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

City Attorney Jonathan Young presented an updated version of the amendment HP had proposed. Council discussed at length further possible

edits to the proposed language.

Motion by Councilmember Hansen, seconded by Councilmember Turlay, to approve the development agreement as originally presented without the proposed amendment to the recitals.

Councilmember Hansen stated that anything that is added to the recitals will not have the teeth to do what the Council wants. He stated he appreciates HP's gesture, but he does not want to see the Council legislate on the fly.

Councilmember Paulsen agreed, stating the proposed language is aspirational but not binding. He stated this project is about jobs in our community, and HP has been a community partner and has done great things in Vancouver for years. He stated that track record affords the company a lot of trust moving forward, and the City should expect the same kind of collaboration in the future.

Councilmember Stober stated he shares the equity concerns brought up during the testimony regarding the fee waivers being proposed while other smaller businesses would be expected to pay the fees, and the Stronger Vancouver initiative proposes potentially increasing the business license surcharge. He stated this will be a long-term commitment to whoever occupies this site, and the City leaves itself very open to vesting development standards for a great deal of time.

Motion carried 5-2 to adopt Resolution M-4054 approving the development agreement with HP. Councilmember Stober and Mayor McEnerny-Ogle voted No.

Communications

A. From the Council

B. From the Mayor

a. Clark County Transportation Alliance 2020 Policy Statement

Mayor McEnerny-Ogle asked the Council to consider that Clark County Transportation Alliance 2020 Policy Statement. By consensus Council expressed its support for the statement.

C. From the City Manager

Adjournment

8:56 p.m.

DocuSigned by:

Anne McEnery-Ogle

58CB15C0632F403...

Anne McEnery-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.