

November 9, 2020 - Vancouver City Council Meeting Minutes

NO WORKSHOPS

COUNCIL CONSENT AGENDA 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 items and under the Citizen Forum was also facilitated via the GoToMeeting conference call.

Call to Order and Roll Call

The Consent Agenda 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; Jonathan Young, City Attorney; Amanda Delapena, Assistant to the City Council; Brian Carlson, Interim Deputy City Manager; Brent Boger, Assistant City Attorney; Chris Christofferson, City Traffic Engineer; Julie Gilbertson, Solid Waste Supervisor; Patrick Gilbride, IT Director; Julie Hannon, Parks and Recreation Director; Carrie Lewellen, City Treasurer; Rich McConaghy, Solid Waste Manager; Natasha Ramras, Chief Financial Officer; Heidi Scarpelli, Fire Marshal; Dan Swensen, Interim Public Works Director; and members of the public.

Mayor McEnerny-Ogle stated there was a request to add a walk-on item to the Consent Agenda to appoint Council representatives to the City/County Joint Executive Group to discuss homelessness.

Motion by Councilmember Stober, seconded by Councilmember Lebowsky, and carried unanimously to amend the agenda to add appointment of Councilmembers Stober and Lebowsky to the City/County Joint Executive Group to discuss homelessness, with appointment of Councilmember Glover as an alternate, as a walk-on Consent Agenda item.

Citizen Communication (Items 1-13)

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

- Carmen McKibben, Vancouver, urged the Council to invest a portion of the proposed police budget into more direct services for crisis intervention, mental health services, and support for people experiencing homelessness, as well as full budget for a body-worn camera program.
- Mike Jokela, Vancouver, echoed the comments of a letter (attached) submitted to the Council on behalf of a number of community organizations proposing reinvestment of a portion of the proposed police budget into social service programs.
- Cindi Fisher, Vancouver, asked the Council to listen to the community regarding budget priorities.
- Chelsea Unger, Vancouver, questioned why so much of the proposed biennial budget is dedicated to the police department, and urged the Council to reinvest a portion of that budget into social service programs.
- Mike Ellison, Vancouver, stated he is a signer of the letter requesting reinvestment of a portion of the proposed police budget into social service programs.
- Joyce Brekke, Vancouver, stated she endorsed the letter requesting reinvestment of a portion of the proposed police budget into social service programs. She stated police officers should not be called on to be the solution for every crisis situation.
- Cale Baker, Vancouver, representing the Vancouver Fire Department Guild, expressed concerns about the proposed biennial budget and reductions that would impact the capacity of the deputy fire marshals.

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

Consent Agenda (Items 1-13)

Motion by Councilmember Stober, seconded by Councilmember Glover, and carried unanimously to approve the Consent Agenda, Items 1-13 and walk-on appointments to the Joint Executive Group on homelessness.

1. Request to Reject ALL Bids for Street Light Materials, ITB#20-28

Staff Report 155-20

Summary

On Aug 25, 2020, the City received one bid for Street Light Materials. Upon review of the bid, staff became aware that the bidder included prices for street lighting materials that are no longer available for purchase. Staff intends to re-bid this contract to correct for the materials items that are no longer available. The bid is as follows:

SUMMARY OF BIDS	
BIDDER	AMOUNT
Rexel Inc, Wilsonville, OR	\$ 1,979,094.57

Request: Reject all bids for Street Light Materials, ITB#20-28, and direct staff to re-advertise the project.

Chris Christofferson, City Traffic Engineer, 360-487-7716

Motion approved the request.

2. Property Tax Affordable Housing Levy for 2021

Staff Report 156-20

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

Summary

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

Staff recommends that City Council approve a 0.0% increase in the

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

Staff estimates that the City's Affordable Housing Fund property tax levy rate in 2021 will range between \$0.22 per \$1,000 of assessed value to \$0.23 per \$1,000 of assessed value, compared to the actual 2020 affordable housing fund property tax levy rate of \$0.238 per \$1,000. The decrease in the property tax levy rate is attributed to assessed values in the City increasing by approximately 5.2% compared to the prior year. Because of the limit on property tax increases, as discussed above, the property tax levy rate declines as assessed value increases. The statutory cap for the City's levy rate is \$3.325 per \$1,000 of assessed value.

Example calculation of City Property Tax:

Assessed Value 2020 \$370,000	Levy Rate 2020 \$0.23805 (per \$1,000 assessed value; Affordable Housing Levy only)	2020 City Property Tax = \$88.08
Assessed Value 2021 \$389,240 (assumes assessed value increases 5.2%)	Estimated Levy Rate 2021 \$0.22629 (per \$1,000 assessed value; Affordable Housing Levy only)	2020 City Property Tax (hypothetical) = \$88.08
AV increases 5.2%	Levy Rate declines	Annual tax increase \$0.00 for this example taxpayer*

*If the assessed value of the resident's property as a percentage increased by less than 5.2%, the resident's annual taxes would be equal to or slightly less than the taxes paid to the City in 2020. If the assessed value of the resident's property increased by more than 5.2% from the previous year, the increase in the annual taxes would be slightly higher.

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

Request: On Monday, November 9, 2020, approve the ordinance on first reading, setting the date of second reading and public hearing for Monday, November 16, 2020.

Carrie Lewellen, City Treasurer, 360-487-8482

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

Motion approved the request.

3. **General Property Tax Levy for 2021**

Staff Report 157-20

AN ORDINANCE relating to the annual property tax levy; authorizing an increase of 0.602% in the City's regular levy from the amount levied the previous year; and providing for an effective date.

Summary

On November 6, 2001, Washington voters approved Initiative 747 (I-747), which limits the allowable increase in the property tax levy to 1.0%, or the rate of inflation, whichever is less. The intent of the Initiative was reaffirmed by the Legislature in November 2007. The measure of inflation used under this law is the Implicit Price Deflator (IPD). The IPD inflation rate for 2021 levy calculations is 0.602%.

Staff recommends that City Council approve a 0.602% increase in the property tax levy. Because the inflation rate is lower than the 1.0% limit, the 0.60152% increase is the maximum increase allowed. Based on last year's General Fund levy of \$51,357,181.44, the increase will be \$309,170.23. Authorization of this increase requires a simple majority vote of City Council.

Staff estimates that the City's general fund property tax levy rate in 2021 will range between \$1.93 per \$1,000 of assessed value to \$1.98 per \$1,000 of assessed value, compared to the actual 2020 general fund property tax levy rate of \$2.0376 per \$1,000. The decrease in the property tax levy rate is attributed to assessed values in the City increasing by approximately 5.2% compared to the prior year. Because of the limit on property tax increases, as discussed above, the property tax levy rate declines as assessed value increases. The statutory cap for the City's levy rate is \$3.325 per \$1,000 of assessed value.

Example calculation of City Property Tax:

<i>Assessed Value 2020 \$370,000</i>	<i>Levy Rate 2020 \$2.0376 (per \$1,000 assessed value; General Fund Levy only)</i>	<i>2020 City Property Tax = \$753.91</i>
<i>Assessed Value 2021 \$389,240 (assumes</i>	<i>Estimated Levy Rate 2021</i>	<i>2021 City Property Tax (hypothetical)</i>

assessed value increases 5.2%)	\$1.948 (per \$1,000 assessed value; General Fund Levy only)	= \$758.24
AV increases 5.2%	Levy Rate declines	Annual tax increase \$4.33 for this example taxpayer*

**If the assessed value of the resident's property as a percentage increased by less than 5.2%, the resident's annual taxes would be equal to or slightly less than the taxes paid to the City in 2020. If the assessed value of the resident's property increased by more than 5.2% from the previous year, the increase in the annual taxes would be slightly higher.*

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

In addition to the base levy, the City collects new property tax revenue based on the value of new construction added to the assessment rolls during the prior year. The revenue to the City is calculated using the assessed value of new construction multiplied by the prior year's levy rate. The value of new construction is still being finalized by the County Assessor's Office and includes the value of utility new construction provided to the County Assessor by the State. The most recent estimate from the County Assessor's Office indicates more than \$331 million of new construction, which translates into \$675,000 of additional City property tax revenue, which is slightly less than the \$800,400 received for new construction values for 2020 taxes. The City's ordinance states the percentage and dollar amount increase in the City's base property tax levy as required by RCW 84.55.120. The County Assessor will determine the levy amount for new construction based on their final calculations.

Request: On Monday, November 9, 2020, approve ordinance on first reading, setting date of second reading and public hearing for Monday, November 16, 2020.

Carrie Lewellen, City Treasurer, 360-487-8482

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

Motion approved the request.

4. Substantial Need to Increase Limit Factor to 101% for Property Tax Levy in 2021

Staff Report 158-20

AN ORDINANCE relating to the annual property tax levy; making a finding of substantial need; authorizing to bank future levy capacity in the City's regular levy equal to the limit factor of 101% for the 2021 property tax levy; making a finding of future substantial need and preserving unlevied property tax levy capacity for future needs; providing for an effective date.

Summary

On November 6, 2001, Washington voters approved Initiative 747 (I-747), which limits the allowable increase in the property tax levy to 1.0%, or the rate of inflation, whichever is less. The intent of the Initiative was reaffirmed by the Legislature in November 2007. The measure of inflation used under this law is the Implicit Price Deflator (IPD). The IPD inflation rate for 2021 levy calculations is 0.602%.

Staff Report 157-20 recommends that City Council approve a 0.602% increase in the property tax levy. Because the inflation rate is lower than the 1.0% limit, the 0.602% increase is the maximum increase allowed. Based on last year's General Fund levy of \$51,357,181.44, the increase will be \$309,170.23.

The City would like to preserve and bank the levy capacity between the IPD rate of 0.602% and 1.0%, thus increasing the limit factor to 101% in 2021.

Chapter 84.55.0101 RCW states that upon a finding of substantial need, the legislative authority of a taxing district other than the state may provide for the use of a limit factor under this chapter of one hundred one percent or less. In districts with more than four members, a majority plus one vote must approve an ordinance or resolution under this section. The new limit factor shall be effective for taxes collected in the following year only.

Banked capacity is the difference between the highest lawful levy that could have been made under chapter 84.55 RCW and the actual levy that was imposed, less funds levied not subject to the levy to the levy limit, such as refund levies. The amount of banked capacity changes each year because the highest lawful levy under chapter 84.55 RCW and the actual levy are recalculated. Having banked capacity for one year does not guarantee the district will have the same amount or more the following year. One way a district can protect its levy capacity is to pass the appropriate ordinances. If a district levies less than its highest lawful levy, it will have banked capacity. If a district levies at its highest lawful levy, it will not have banked capacity. When a district wants to use banked capacity, its ordinance must authorize a large enough increase as compared to the prior year's actual levy that will allow the district to levy at its highest lawful levy.

Request: On Monday, November 9, 2020, approve the ordinance on first reading, setting the date of second reading and public hearing

for Monday, November 16, 2020.

Carrie Lewellen, City Treasurer, 360-487-8482

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

Motion approved the request.

5. Ad Valorem Taxes for 2021

Staff Report 159-20

AN ORDINANCE fixing and levying the amount of ad valorem taxes necessary to balance estimated revenue with estimated expenditures for the 2021/2022 Budget for the City of Vancouver; providing for an effective date.

Summary

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

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

Staff currently estimates the 2021 real and personal property tax levy as \$59 million, which includes a preliminary estimate of \$675,900 in property tax revenue from new construction. The estimate of property tax from new construction will be updated based on the final new construction valuation provided by the Assessor's Office. The estimate of property tax revenue does not include the change in value of state-assessed utility property. Both of these amounts will not be final until December 2020.

City staff recommends that Council approve ad valorem taxes in the amount of \$59 million, which is needed to fund the City's 2021-2022 biennial budget. Of the total, \$53 million is for general fund purposes, and \$6 million is for the affordable housing fund. Approving ad valorem taxes of \$59 million allows the County Assessor's Office to levy real and personal property taxes to the full extent allowed under Washington State law. Staff anticipates that the final certified levy will be between \$58.4 million and \$58.9 million in 2021. If Council authorizes the ad valorem tax amount too low, the County Assessor's Office will only be allowed to levy up to the amount authorized by Council.

Staff recommends that City Council approve ad valorem taxes in the amount of \$59 million for the 2021 real and personal property tax levy within the city limits of Vancouver. This estimated revenue source is necessary to fund the 2021-2020 Biennial Budget for the City of Vancouver.

Request: On Monday, November 9, 2020, approve ordinance on first reading, setting the date of second reading and public hearing for Monday, November 16, 2020.

Carrie Lewellen, City Treasurer, 360-487-8482

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

Motion approved the request.

6. Affordable Housing Sales Tax Implementation

Staff Report 160-20

AN ORDINANCE of the City of Vancouver, Washington, imposing an additional sales and use tax of one-tenth of one percent for housing and related services as authorized by RCW 82.14.530; adding a new Chapter 3.15 to the Vancouver Municipal Code; providing for severability and establishing an effective date.

The City has a dearth of affordable housing for very low income, homeless and nearly homeless residents as well as a need for additional behavioral health programs and services.

Current state law, (RCW 82.14.530) authorizes the imposition of an additional sales and use tax of one-tenth of one percent to be used for funding affordable housing. The state legislature passed HB 1590 providing Washington counties an exclusive right to impose the tax until September 30, 2020, and cities were given the right to impose the tax thereafter as long as the county they are located in had not already done so. The bill has expanded the method of implementation to include a councilmanic action. Clark County did not impose the additional sales and use tax by September 30, 2020.

At least 60% of the revenue must be used for constructing affordable housing, constructing mental and behavioral health-related facilities, or funding the operations and maintenance costs of new units of affordable housing and facilities where housing-related programs are provided. The affordable housing and facilities may only be provided to people within specified population groups whose income is 60% or less of the county median income. Median income in Clark County in 2020 for a family of four

is \$65,300 based upon the Vancouver Median Household Income (ACS 5 year) adjusted to the current year, with household size and unit rent using the methodology used by United States Department of Housing and Urban Development.

The affordable housing and facilities providing housing-related programs may only be provided to persons within any of the following population groups:

- (i) Persons with behavioral health disabilities;*
- (ii) Veterans;*
- (iii) Senior citizens;*
- (iv) Homeless, or at-risk of being homeless, families with children;*
- (v) Unaccompanied homeless youth or young adults;*
- (vi) Persons with disabilities; or*
- (vii) Domestic violence survivors.*

The remaining funds must be used for the operation, delivery, or evaluation of mental and behavioral health treatment programs and services or housing-related services. No more than 10% of the revenue may be used to supplant existing local funds.

Approval of specific projects funded by this new revenue source will come before Council in future meetings.

The new revenue is estimated between \$4.2 and \$4.5 million annually, depending on the strength of the economy. Revenue will be deposited into a new fund and tracked separately.

Request: On Monday, November 9, 2020, approve ordinance on first reading, setting date of second reading and public hearing for Monday, November 16, 2020.

Natasha Ramras, Chief Financial Officer, 360-487-8484

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

Motion approved the request.

7. Water, sewer and surface water ordinance changes pertaining to utility rates for 2021 and 2022

Staff Report 161-20

AN ORDINANCE related to the water, sewer and surface water utility user rates, amending Vancouver Municipal Code Sections 14.04.210, 14.04.230, and 14.09.060; providing for a savings clause, and providing for an effective

date.

Summary

Per City Council adopted financial and budget policies, to keep pace with increasing operational costs and in order to provide funding for the continued implementation of a long-term capital improvement and system reinvestment program without incurring debt, the following utility rate increases are recommended for implementation in 2021 and 2022:

- *Water: an annual 5% increase each year 2021 and 2022*
- *Sewer: an annual 3% increase each year 2021 and 2022*
- *Surface Water: an annual 5% increase each year 2021 and 2022*

The Water and Surface Water 5% rate increase consists of an inflationary component equal to 2% and a capital/system reinvestment component equal to 3%. The Sewer 3% rate increase consists of an inflationary component of 2% and a capital/system reinvestment component of 1%. Sewer capital/system reinvestment needs are being substantially met by reduction in debt service payments with most of the debt paid off in 2020.

Public Works is currently working with a consultant for a comprehensive review of the rate structure of each utility. Staff will be bringing recommendations resulting from the consultant's work for Council consideration in 2021.

Request: On Monday, November 9, 2020, approve ordinance on first reading, setting date of second reading and public hearing for Monday, November 16, 2020.

*Chris Malone, Public Works Finance and Asset Manager,
360-487-7711*

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

Motion approved the request.

8. Garbage, Recycling and Organics Collection Rate Increases for 2021

Staff Report 162-20

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

Summary

City Council is the rate-making authority for garbage, residential recycling, and organics collection services within the City of Vancouver. The City contracts with a private hauling company, Waste Connections of Washington, to provide comprehensive garbage, recycling and organics collection services to residents and businesses within city limits. The contract terms authorize Waste Connections to receive annual adjustments to customer rates based on changing operating conditions including:

- an inflation adjustment factor tied to a percentage of the CPI and fuel costs,*
- disposal tip fees,*
- the number of customers served and,*
- fees paid to the City to support solid waste related programs.*

All adjustments to rates are made in accordance with Exhibit D of the contract. Garbage rates also include the City's utility tax that is embedded within them. The City's utility tax does not apply to recycling or organics collection services.

Consistent with the contract, the updated model for 2021 requires an increase of 3.3 percent for garbage rates, while recycling, organics and selected other fees, not linked to the disposal tip fee or utility tax, will need to increase by 1.0 percent, effective January 1, 2021. Key reasons for this increase are a 1.9 percent increase in the CPI, a 6.75 percent decrease in the diesel fuel index, a 1.6 percent increase in the disposal tip fees and an increase in the annual City Fee collected through rates to assure that current revenues are balanced with current solid waste fund expenditures. For the most typical residential customer with 32-gallons per week of garbage, every-other-week recycling and every-other-week organics collection (96-gallons for each) this means a monthly rate increase of 1.9 percent, from \$32.64 per month to \$33.27 per month, an increase of \$0.63.

Inflation Adjustment Factor

Under the contract, collection costs for garbage, recycling and organics adjust at 80 percent of a blended and combined CPI (92 percent) and diesel fuel index (8 percent) – Inflation Adjustment Factor (IAF), which leads to a 1.0 percent increase for the collection cost component, the City fee and other miscellaneous fees.

Disposal Tip Fees

On January 1, 2021, the disposal tip fee is scheduled to increase \$1.53 per ton (or 1.6 percent) from \$95.86 per ton to \$97.39 per ton. In addition to the allowed CPI increase on the base tip fee (going from \$94.25 per ton to \$95.72 per ton), this tip fee includes \$0.24 per ton for additional work being done under the Clark County contract by Columbia Resource Company at the Central Transfer and Recycling Station (\$0.06 of this is new for 2021

related to engineering and construction access improvements for safety) as well as \$1.43 per ton for a surcharge approved by the Clark County Council in 2017 to make up for lost state funding for regional solid waste programs and planning.

Recycling Fees

The rates proposed for January 1, 2021, include adjustments to curbside (increasing from \$3.27 to \$3.30) and multi-family collection fees (increasing from \$1.32 to \$1.33) based on the Inflation Adjustment Factor (1.0%) detailed above as well as adjustments to the recycling processing surcharges which were added April 1, 2019, to recover costs associated with the local response to the global market issues and the ongoing need for supplying quality materials to these markets. Based on a review of operational factors, Clark County has indicated that the \$74.76 per ton processing fee in 2020 will be adjusted to \$68.11 on January 1, 2021. The processing surcharge for curbside customers will decrease from \$1.59 per month to \$1.46 per month. The processing surcharge for multi-family customers goes from \$0.84 per month to \$0.70 per month. The combined impact for recycling fee components is a 2.1 percent decrease (\$0.10 per month) in curbside recycling charges and a 6.1 percent decrease (\$0.13 per month) in multi-family recycling charges.

Organics Fees

The rates proposed for January 1, 2021, include 1.0 percent adjustments to the organics rates which are tied to the Inflation Adjustment Factor. For the standard subscription service of 96-gallons collected every-other-week, the current rate of \$7.80 per month adjusts to \$7.88 per month. Recommended 2021 rates at other levels of service, following the same every-other-week schedule, are \$6.82 for 64-gallon carts, \$5.76 for 32-gallon carts, and \$4.70 for 20-gallon carts.

City Fee

The new comprehensive collection contract with Waste Connections of Washington runs from April 1, 2019, through April 30, 2030. The City fee paid by Waste Connections each month in 2021 as a result of rate adjustments detailed above is \$144,993.17. The 2020 monthly City Fee was set at \$112,645.42. This 28.7 percent adjustment to the City Fee reflects two key factors: 1) reduced revenues over the last six years due to lower global recycling market commodity values, and 2) City Financial Management Policies included in the 2021-2022 Biennial Budget associated with: balancing current revenues with current operating expenditures (#3), exercising sound financial estimation of revenues through reasonably conservative but realistic assumptions (#8), applying the principle of full cost recovery in enterprise fund operations (#12), maintenance of working capital reserves (#21) and maintenance of designated liability funding reserves.

For 2021 overall, the typical residential customer rates for 32-gallons of weekly garbage service with recycling and organics collection increases 1.9 percent or \$0.63 per month, under this recommendation. This reflects a \$0.65 increase in garbage charges, a net \$0.10 decrease in combined recycling collection rate and recycling processing surcharge fees, and a \$0.08 increase in the organics charge. Households that have chosen different service levels may experience slightly different rate impacts.

Staff recommends adjusting customer rates as detailed in the Summary of Proposed 2021 Solid Waste Rates to meet the contractual obligations associated with the defined Inflation Adjustment Factor and to set the City Fee amount for the coming year. If approved, all adjustments will be effective January 1, 2021.

Request: On Monday, November 9, 2020, approve ordinance on first reading, setting date of second reading and public hearing for Monday, November 16, 2020.

Julie Gilbertson, Solid Waste Supervisor, 487-7162; Rich McConaghy, Solid Waste Manager, 487-7165

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

Motion approved the request.

9. Amendments to VMC Titles 16 and 17 to implement fire and life safety program fee increases

Staff Report 163-20

AN ORDINANCE relating to updating the fire fees in Vancouver Municipal Code (VMC) Section 16.04.208 to more accurately reflect staff time by increasing fire's fees by five percent in both 2021 and 2022 to cover administrative costs associated with administering the corresponding programs; providing for savings, severability and an effective date.

AN ORDINANCE relating to updating the fees in Vancouver Municipal Code (VMC) Section 17.08.130 to more accurately reflect staff time by increasing fire's fees by five percent in both 2021 and 2022 to cover administrative costs associated with administering the corresponding programs; providing for savings, severability and an effective date.

Summary

The City of Vancouver regulates building and fire administration with VMC Title 16 and Title 17. Fire fees shall maintain cost recovery associated with fire and life safety inspections, fire plans review and new construction inspection functions. A minor fee increase modification is proposed to Title

16 and 17 fee schedules in order to keep pace with inflation program costs.

The ordinances propose the following code amendments to Title 16 and 17:

- 1. Amend VMC Title 16, Section 16.04.280 Fees & Permits*
- 2. Amend VMC Title 17, Section 17.08.130 Table VII – Fire Fee*

Request: On Monday, November 9, 2020, approve ordinances on first reading, setting date of second reading and public hearings for Monday, November 16, 2020.

Heidi Scarpelli, Vancouver Fire Marshal, 360-487-7202

Mayor McEnerny-Ogle read the titles of the ordinances into the record.

Motion approved the request.

10. Amend VMC 20.915 and the Park Impact Fee (PIF) Technical Document

Staff Report 164-20

AN ORDINANCE relating to park impact fee adjustments; amending Vancouver Municipal Code Sections 20.915.050 and 20.915.100; changing the method and timing of fee adjustments; and providing for an effective date.

Summary

Quality parks and open spaces are well recognized as an essential element for a community to realize economic stability and social and physical health. Future population growth is inevitable, and many of the policies in the City Comprehensive Plan aim to increase residential density in order to maximize efficient investment and use of the necessary infrastructure, including the green infrastructure of parks and open spaces.

The City of Vancouver implemented impact fees for transportation, schools and parks and open spaces in 1995 to meet the demands of future growth. As required by state regulations, PIF rates are calculated using a specified formula to determine the cost of public facilities at adopted standards to serve future growth. The current PIF program is structured to support acquisition and development costs for Neighborhood Parks, Community Parks and Urban Natural Areas. The formula also includes an adjustment for other taxes and fees paid by new development that contribute to park system improvements supported through PIF.

Current PIF rates vary slightly by park district due to the variations in land values across the city. Single and multi-family rates are calculated

separately based upon the state statistical average for the number of residents per unit to reflect the proportionate impact, or use, of park facilities per person. This approach correlates to the park standard of providing 6 acres of park (5 acres) and open space (1 acre) per 1,000 residents.

The most recent rate update was implemented now sixteen years ago (2004), while transportation and school impact fees and other infrastructure costs are regularly updated to better represent actual costs to provide public services and infrastructure. Since 2004 there have been dramatic swings in the economy which continue to broaden the gap between current rates and the actual costs of providing parks and natural areas to serve our future residents.

Stagnant PIF rates have created a continual and perceptible decline in the park system level of service for our growing community. The City park inventory satisfies only 60% of our adopted local standard (5 acres of park land per thousand residents), 30% of the national standard (10 acres per thousand), and 41% of the median for jurisdictions with a comparable population (7.4 acres per thousand). A total of 21% of our park acres included in that percentage have yet to be developed, leaving an even larger percentage of residents without outdoor recreation opportunities within reasonable proximity of their homes. Most concerning is the growing inequity for available parks and open space in lower income areas as well as large sections on the east side that are notably unserved.

For the PIF program to serve future residents, PIF rates must reflect current costs and ongoing market fluctuations as much as possible. Park Impact Fees are the only committed funding source in the City financing system to support the 17,300 new residents anticipated over the next 10 years. The proposed rate update is based on the revenue needed to serve future growth, estimated at 17,300 residents over the next 10 years, consistent with the adopted standard, not to remedy existing deficits.

The biennium budget includes revitalization of existing parks which are, in part, aimed at correcting park deficits and delayed capital repairs for existing residents rather than future park needs. That said, continuing infill and higher residential density demands an increased user capacity at existing facilities to serve some percentage of future growth as well. This would include such things as replacing soft surface walking paths with asphalt or concrete, adding play equipment that serves a broader spectrum of age groups and accessibility, adding more picnic shelters throughout the city, more sites with restrooms and sports courts, etc. Likewise, development of existing ownerships such as Rose Village and Raymond E. Shaffer have remained undeveloped due to lack of funding but will serve both existing and future residents when developed, as will proposed new acquisitions in District B and C.

Proposal Summary

PIF Rates

Current PIF rates average \$2,255 for single family and \$1,648 for multi-family units, which support approximately 34% of the adopted standard based on estimated acquisition and development costs.

The attached ordinance implements the first two-year increases of the gradual six-year phased implementation fee increase as proposed in the PIF Technical document and discussed with Council in the context of a Stronger Vancouver conversation. The calculation of the fees is proposed to be simplified, establishing per single family unit and per multi-family unit fees, same for all three parks PIF districts of Vancouver.

To soften any potential impact to the building community, gradual six-year phased implementation fee increase with fee indexing initiated in year seven is proposed per Council direction. The phased implementation schedule is shown below as described in the PIF Technical Document. The specific rates as well as the average current PIF rates are outlined in the table below.

Year	Park District	% Increase	SF	MF
2004-Dec. 1, 2020	A, B, C		2,255 (Avg)	1,648 (Avg)
January 1, 2021	A, B, C	25% Increase	\$2,819	\$2,060
January 1, 2022	A, B, C	25% Increase	\$3,523	\$2,575

This proposal eases the adjustment for local home builders and lessens the impact to new housing units as well as any secondary impacts to existing housing stock. The rate adjustment will improve the level-of-service for future neighborhoods, although at a level below standard.

Proposed revisions to the PIF program includes authorization for automatic annual fee indexing between major fee reviews based upon the Consumer Price Index (CPI-W) (Seattle-Tacoma-Bellevue) to align the rate schedule with market fluctuations. Gradual market adjustments to the fee structure on an annual basis help to avoid significant rate adjustments in the future.

Every three to four years a detailed fee analysis will be completed for review by City Council to consider benchmark adjustments to PIF rates that may not be captured through the proposed indexing. Review of the fee analysis will include consideration of accomplishments in site acquisition

and development to meet anticipated growth and concurrency compliance since the last fee analysis.

Request: On Monday, November 9, 2020, approve the ordinance on first reading, setting date of second reading and public hearing for Monday, November 16, 2020.

Julie Hannon, Parks and Recreation Director, 360-487-8309

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

Motion approved the request.

11. Real Estate Excise Tax (REET 1) current tax revenue dedication update

Staff Report 165-20

AN ORDINANCE regarding the Real Estate Excise Tax (REET); amending VMC 3.20.040 to update the current distribution and use of revenues generated from REET 1; providing for an effective date.

Summary

Current REET 1 revenue is split between parks and recreation and transportation. A total of 6% of tax proceeds, up to a maximum of \$130,000 per year, has been set aside for neighborhood traffic safety program improvements to city streets. Sixty-eight percent (68%) of the proceeds, up to \$1,956,000, is dedicated to support debt issued prior to 2008 for construction of the Firstenburg and remodel of Marshall recreational facilities. Up to a maximum of \$250,000 above the other obligations set forth in this ordinance, has been dedicated for Parks and Recreation Capital. Prior to the end of 2019, a total of 20% of tax proceeds, up to a maximum of \$450,000 per year, was dedicated to supporting the bonds issued for the completed construction of transportation infrastructure related to the Waterfront Access project. The economic development allocation of the revenue sunset at the end of 2019. The intent of the sunset in the allocation was to assure that the project generated sufficient tax revenue to support funding the debt until the expiration of the bonds. Tax revenue from the project is fully supporting the debt on the transportation project through 2031.

REET 1 revenue by state statutes may only be spent on funding of eligible public capital projects. Those projects have to be identified in the jurisdiction's Comprehensive Plan. Eligible use of funds include projects related to planning, acquisition, construction, reconstruction, repair, rehabilitation or improvement of streets, roads, parks, recreational facilities,

trails, administrative and law enforcement facilities.

Creation of new family-wage jobs is one of the highest priorities of the City Council and the residents. The specific project to be funded by this allocation of funding will be brought for Council review during future budget actions.

The proposed action will allocate the remaining proceeds from REET 1, 20%, up to \$1 million per year, indexed for inflation, to funding public infrastructure projects that facilitate private investment that results in creation of new family-wage jobs. The required ROI on the private investment projects is 10 years or less.

This proposal will not impact any other allocations of REET 1. Those are proposed to be updated based on the estimated 2020 REET revenues, both in terms of the dollar amounts and resulting percentages.

Request: On Monday, November 9, 2020, approve ordinance on first reading, setting date of second reading and public hearing for Monday, November 16, 2020.

Natasha Ramras, Chief Financial Officer, 360-487-8484

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

Motion approved the request.

12. **2021-2022 City of Vancouver Biennial Operating and Capital Budget**

Staff Report 166-20

AN ORDINANCE relating to and adopting the budget for the City of Vancouver for the 2021-2022 fiscal biennium; providing for ratification and for an effective date.

Summary

The City of Vancouver 2021-2022 Biennial Budget has been prepared for approval. The Recommended Budget was published by the City Manager on October 1st, 2020, and was presented to Council in workshops held on October 5th, 12th, 19th, 26th and November 2nd. All of the changes to the Recommended Budget recommended by City Council through the course of the workshop discussions have been incorporated into the 2021-2022 Biennial Budget.

The 2021-2022 Biennial Budget appropriates \$1.3 billion for both operating

and capital expenses, representing a 3.2% decrease over the current 2019-2020 budget. It proposes using \$57 million in existing cash reserves city-wide to fund both the capital program and one-time initiatives. A total of \$1.0 billion is appropriated for all City operating funds and \$0.3 billion for capital funds and related funding transfers. There are 15.0 full time equivalent (FTE) positions added, bringing the total to 1,192.8 FTEs by the end of 2022. A total of 20 existing positions are unfunded in the budget for the two-year period.

Operating Budget

Total 2021-2022 Operating budget in all City funds is \$989 million. Of that amount, General, Street and Fire Budget appropriation for the two-year time period is \$500 million. The 2021-2022 Budget continues to fully fund City reserves and depreciation accounts to the levels dictated in the Council-approved financial policies, while maintaining adequate operating capital throughout the biennium. The Budget also increases staffing in key areas, including economic development, diversity and inclusion, planning, capital project management, support services and increasing opportunities for succession planning. The General, Street and Fire Budget utilizes \$18 million in existing cash reserves to fund one-time projects, including several strategic City initiatives, and a select number of capital projects. Approximately \$39 million cash reserves in other operating and capital funds is utilized in the 2021-2022 Biennial Budget mostly to fund the City's capital program.

The 2021-2022 biennium anticipates continuation of paced recovery from the recession of 2020. The amount of economic uncertainty during the budget development process has been unprecedented, with the economy coming out of the deepest recession due to the pandemic and a high continued level of uncertainty related to changes in the spending patterns of society and the continued level of federal support of the economy. The revenue forecast is built on a conservative set of assumptions, including lower recreation revenue in 2021 and subdued sales tax collections over the biennium.

The Budget moves forward several high priority initiatives advancing social justice, climate and safety priorities of City Council and the community. Some of the highlights of the initiatives in this area are outlined below:

- The Budget continues funding for coordination of the City's efforts to respond to homelessness. A cross-departmental team will continue to work with the homeless population on City streets.
- The Budget recommends setting aside \$1.5 million per year dedicated to funding future recommendations from the Community Task Force on Policing, created in June of 2020, to review and make recommendations on

establishing a body-worn camera program and use of force in policing.

- The Budget continues investment in expansion of the Affordable Housing in the City and recommends advancing a new funding source – Sales Tax for Affordable Housing, to build additional units for the most disadvantaged population of the City.*
- The Budget includes support for the Fourth Plain Commons project using a combination of General Fund, CDBG funding sources and utilizing a Section 108 Loan to round out the funding of the project. The project will serve as an incubator for new businesses to revitalize the Fourth Plain Corridor. The loan will be repaid by the future CDBG funding.*
- Public Safety uniformed staffing was largely protected from budget reductions to ensure continued community safety, including the 13 new positions that were added during the 2019-2020 biennium to staff the new Fire Station 11. Funding for the positions starts in April of 2022 to ensure staff are trained and available to staff the new Station that is anticipated to come online in late 2022 or early 2023.*
- The Budget also includes a number of funded planning efforts, such as: developing a Civic Center master plan for the vacant land surrounding City Hall and the Hilton Hotel and Convention Center, the largest remaining contiguous vacant land in the downtown core; and completion of the Transportation System Plan update, the guiding policy for hundreds of millions of dollars in future investments in the City's transportation system. The recommended Budget also includes funding for implementation of the Heights District Plan.*
- Included is funding for planning and build-out of the four new Complete Streets projects in different parts of town: NE 112th Ave, NE 51st Circle to SE Mill Plain Blvd to tackle safety issues, congestion and lack of connectivity; SE 34th Street, SE 164th to SE 192nd Ave; Fort Vancouver Way, Mill Plain Blvd to Fourth Plain Blvd, as well as planning efforts to begin on Fourth Plain Pedestrian improvements and addressing existing safety issues at Devine and 18th Street.*

The budget is built on assumption of certain revenue increases over the biennium. Those include the statutorily authorized 0.6% increase in property tax revenues, for each year of the biennium, rate adjustments for sewer, water, surface water and garbage utilities to reflect inflation and fund depreciation costs already included in the Vancouver Municipal Code.

The budget includes \$4 million per year in the Affordable Housing Local Sales Tax to fund new units of housing for households earning below 60% of the area median income. The budget also includes new capital projects

in Parks funded by an increase in park impact fees. The fees on new single and multi-family residential construction have not been raised since 1994. The budget incorporates re-dedication of a portion of REET 1 funding to projects facilitating economic development and new job creation in the City. Other revenue increases include optimized fee rates in fee-for-service areas, such as building, fire marshal review and inspection, parking and planning.

Attachment B to the Ordinance outlines all changes in staffing included in the 2021-2022 Biennial Budget. The budget adds 15 new positions and freezes 20 existing positions, most of them vacant, across City operating departments. Most are added to address staffing deficiencies in key strategic areas, like economic development, diversity and inclusion, planning and city capital program management. The Budget includes adding two positions in the City Manager's office: an FTE for a Director of Diversity, Equity and Inclusion and supporting resources to champion and coordinate City internal and external efforts in promotion of social equity and justice causes, and a new Assistant City Manager FTE to augment strategic City management resources. These and all other changes in staffing are outlined in the Attachment B.

2021-2022 Capital Budget

The City has nearly \$2 billion in capital assets (building, streets, land, utility lines, etc.). Stewardship of these capital assets is critical to efficient, effective, and sustainable service delivery. While the true cost to manage these assets through their lifetime is daunting, the City has been making meaningful, strategic investments in our assets without adding new debt. The same trend is evident in the 2021-2022 Biennial Budget.

Attachment C to the Budget Ordinance displays a list of all projects included in the City of Vancouver's 2021-2022 Capital Budget. The \$269 million capital program includes \$180 million for projects in multiple functional areas; additional appropriation of \$89 million is related to funding transfers. Below are some highlights:

- *Utilities projects totaling \$102 million, include:*
 - *Water fund projects totaling \$49 million include \$20 million for the Water Station 5 reservoir to replace infrastructure components and rehab the existing lining for the aging steel tank, \$6.5 million to continue construction of twin reservoirs constructed in 1909 and in the 1930s at Water Station 1 with two new seismically sound 4 million gallon reservoirs.*
 - *Wastewater utility appropriation totaling \$46 million includes a \$6 million replacement of lagoon diffusers that have deteriorated*

with age, \$3 million for a two-phase east interceptor rehab from Marine Park Water Reclamation Facility and upstream using trenchless technology, \$3 million for the continuation of upgrading Programmable Logic Controls (PLC) hardware and operating platforms at both the Westside and Marine Park treatment plants, and a variety of other collection and treatment projects.

- *Surface water appropriation of \$8 million to keep up with the NPDES regulations including water quality and inspection programs.*

- *General Capital Projects include:*

- *New Fire Station 11 construction primarily funded by Fire District 5 expected to be completed in late 2022, early 2023.*
- *Purchase of the new Police Headquarters on Chkalov for \$11 million in 2022 per the lease agreement using cash reserves in the General fund.*
- *Officers Row roof replacements at the Grant House and Howard House and additional sidewalk repairs for \$0.5 million.*
- *Continued designed work on Replacement of the Operations Center. Funding is split between the General Fund and Water fund. This investment will result in a vastly more efficient, effective, and resilient facility that will better meet our daily operating and emergency response needs.*
- *General Capital asset management program of \$15 million includes major maintenance projects like roof replacements at VPD East Precinct, Fire Station 4 and Slocum House, and exterior masonry, sealing, painting, and server system upgrades at various city facilities.*

- *The Budget allocates \$37.5 million for transportation capital project funding, funded by a combination of the vehicle license tab revenues, grants, impact fee revenue and local cash resources. The program includes the following projects:*

- *SE 1st Street – 177th Ave to 192nd Ave. for \$10 million, and SE 1st St – 164th to 177th for \$9 million to fund the second phase of the urban arterial upgrade of an existing 2-lane rural road to increase safety, mobility and livability, and meet future subarea needs;*

- *137th Ave Corridor – 49th to Fourth Plain Blvd for \$3 million in street improvements;*
- *Westside Bike Mobility for \$2 million focusing on the first phase of the Columbia Street corridor to include traffic calming and bicycle and pedestrian improvements in coordination with pavement management;*
- *Various other traffic management projects and street and sidewalk improvements, including \$1 million in Main Street improvements.*
- *Parks Capital program totals \$8 million. The program includes funding for park land acquisitions in districts 2 & 4 using the City's Park Impact Fee resources, and major renovations and expansions at parks including North Image, Oakbrook, Peter S. Ogden, Rose Village and Jaggy Road. Shaffer park design is included at a cost of \$1.3 million. This project is funded by the proposed increase in the City's parks impact fee revenues, planned for 2021-2022.*

The 2021-2022 Recommended Budget addresses the top priorities of the community while exercising a high level of fiscal constraint in its use of City resources. The budget is balanced by using ongoing revenues, and one-time expenses are funded by existing cash. The budget sets initiatives in place that will bear financial savings in future biennia and will temper the growth in city expenditures.

Request: On Monday, November 9, 2020, approve ordinance on first reading, setting the date of second reading and public hearing for Monday, November 16, 2020.

Natasha Ramras, Chief Financial Officer, 360-487-8484

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

Motion approved the request.

13. Approval of Claim Vouchers

Request: Approve claim vouchers for November 9, 2020.

Motion approved claim vouchers for November 9, 2020, in the amount of \$11,532,801.52.

Citizen Forum - see general protocol above

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

- Peter Bracchi, Vancouver, expressed concerns about destruction of habitat under Bonneville Power Administration (BPA) power lines along the Burnt Bridge Creek trail and urged the City to develop an agreement with BPA regarding the management of that land.
- Monica Zazueta, Vancouver, urged the City to develop policies and programs focused on reduction of emissions.
- Phillip Englund, Vancouver, expressed concerns about recent officer-involved shootings in the community and urged the City to reinvest a portion of the proposed police budget into social services.
- Cathryn Chudy, Vancouver, urged the Council to extend its moratorium on large-scale fossil fuel facilities.
- Don Steinke, Vancouver, urged the City to support policies and programs and legislative priorities that prioritize clean energy and the reduction of emissions.
- Peter Fels, Vancouver, urged the City to use the opportunity of the Vancouver Innovation Center to create a sustainable development that can be a showcase for east Vancouver.
- Randal Friedman, Camas, Washington, echoed Mr. Fels' testimony and stated the Vancouver Innovation Center is an enormous opportunity for the City and east Vancouver.

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

Adjournment

7:19 p.m.

Anne McEnerny-Ogle, Mayor

Attest:

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.

November 9, 2020

Addressed To: Mayor Anne McEnerny-Ogle

Council Members Bart Hansen,
Ty Stober,
Linda Glover,
Laurie Lebowsky,
Erik Paulsen,
Sarah Fox

CC: City Manager Eric Holmes

Submitted electronically by Danielle Jokela danielle.jokela@gmail.com

Honorable Mayor and Esteemed Council Members:

As you prepare to adopt the 2021-2022 budget, we urge you to pause and join the residents of Vancouver in reimagining public safety across our communities. The ritual of pouring an ever-increasing amount of our city's funds into law enforcement has not yielded safer, more secure neighborhoods and has not provided the dollar-for-dollar value that responsible financial policy demands.

The proposed budget gives the Vancouver Police Department \$118.8 million, representing nearly 34% of the general fund. That's more than a third of our city's general fund spent on policing alone. When considering this enormous investment, a responsible fiscal manager must ask a deeper question: Are the people of Vancouver receiving the full value of that investment? The evidence does not show that we are.

When we rely on police to respond to social crises because of a dearth of more appropriate publicly funded services, it undermines the value of our public investment. Paying our police to disrupt and relocate community members who are unhoused does not address the underlying issues leading to homelessness. Arresting people experiencing acute mental health crises or struggling with substance abuse does not address their need for medical or social assistance. Policing these vulnerable populations without tackling the contributory structural issues simply creates a cycle wherein the public is continuing to pay the police to repeatedly engage in these activities without actually solving chronic public-safety challenges.

The city's use of the marijuana tax fund acutely demonstrates this imbalance of investment and value. Vancouver received \$600,000 in marijuana tax revenue in 2018, per the 2019 Annual Report to Citizens. Rather than being reinvested in evidence-based programs related to substance abuse, economic development, criminal-justice reform, research, or education, the funds were used to hire six additional police officers. The current approach ignores that — per public-health experts — every dollar invested in prevention saves an average \$5.60 in future health spending.

Similarly, the city's proposal to buy the currently leased property at 521 SE Chkalov Drive for VPD headquarters does not appear sound. The proposed 2021-2022 budget allocates approximately \$10.5 million for this purchase, more than double the 2020 tax-assessed value of just over \$4.5 million.

This discrepancy creates questions about the fiscal responsibility of the purchase and the accuracy of the assessment.

Achieving public safety requires that we invest in services that support, strengthen, protect, and uplift our communities. As you move forward with deciding how our tax revenue will be allocated, it's critical that you examine not just the black and white numbers in a budget but the value received for every dollar spent. Awarding over a third of our general fund to police without evidence of a return justifying such a significant allotment starves our communities of better outcomes and thwarts our city's highest goals.

Before adopting the proposed budget, we ask the Vancouver City Council to:

- Analyze and report on the return our communities would receive in allocating 34% of the general fund to law enforcement.
- Secure and publicly disclose a current, independent fair-market-value appraisal of the above-mentioned Chkalov property.
- Ensure that any deal to buy the above-mentioned Chkalov property protects the taxpayers' interest.
- Provide a thorough return-on-investment analysis of direct services regarding crisis intervention, mental health, homelessness, and addiction recovery.
- Direct the City Manager to recommend how pertinent portions of the allocated police budget can be reallocated to crisis intervention and the other above-mentioned direct services.

Thank you for your prompt attention and courteous consideration.

Sincerely,

Clark County Justice Group

Joyce Brekke
Shareefah Hoover
Rheta Rubenstein
Howard Rubenstein
Danielle Jokela
Mike Jokela

OutsidersInn

Ren Autrey
Adam Kravitz

NAACP Vancouver 1139B

Bridgette Fahnbulleh, President
Andrea Marzette

NAMI SWWA

Kim Schneiderman, Executive Director
Michelle Bookout, Board President
Jim Luce

SWWA LULAC Council 47013

Ed Hamilton, President

M.O.M.S.

Cindi Fisher, Founder

Family of Carlos Hunter

Nickeia Hunter
Pamela Hunter
Henry Hunter

Jubilee Collective

Rev. Lenny Duncan

Sunrise Movement SWWA

Tiffany Burnette
Philip Englund
Monica Zazueta
Tristan Weber
Anastasia Pyz

Vancouver for Peace

Mike Ellison

Community Volunteers

Chelsea Unger, Cowlitz Indian Tribal Member
Karyn Kameroff, Choctaw Tribal Member

Shoshanah Epstein, Esq., WSBA # 48956

Elizabeth Madrigal
Erin Clabaugh
Sam Lohmann
Janet Birgenheier
Rebecca Keith
Mary Laski
Judy Bumbarger-Enright

Delapena, Amanda

Subject: FW: 11/09 Citizen Forum Written Comments

From: Danielle Jokela [REDACTED]
Sent: Monday, November 9, 2020 11:35 AM
To: City of Vancouver - Office of the City Manager <CMO@cityofvancouver.us>
Subject: 11/09 Citizen Forum Written Comments

CAUTION: This email originated from outside of the City of Vancouver. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Good morning, I request that these comments be submitted to the Council and entered into the record.

Madam Mayor and Council Members:

Before you adopt the proposed 2021 budget, please stop and reevaluate the value that our community is receiving for the public funds we are investing in policing. This morning, The Columbian published an article describing the tough choice that our unhoused neighbors are facing between remaining outdoors where temperatures are dangerously low overnight, and sleeping in shelters which may become hotbeds of COVID-19 infections. This choice is a symptom of a greater problem, one that policing does not begin to solve.

Policing costs a lot of money. We are paying our police to criminalize homelessness, substance-abuse, and mental illness under the assumption that by relocating the unhoused, or arresting or even killing those experiencing mental health crisis helps keep us safer. In fact, this only moves the problem from one block to another, and creates even more costs. For example, providing housing for all is extremely expensive, but have we weighed that cost against the cost of recurring crises that require intervention from police, the justice system, health providers, and others? We have \$118.8M allocated for policing over 2 years. This same cost could provide housing for an estimated 59,000 people for two years - far more people than are currently living on our streets.

Additionally, I would urge you to consider the unseen costs of policing. What are the costs to a family that has lost their son, their brother, their father to the hands of our police? Our community has been asking for change for years. We continue to be given reassurances that the right training is already in place, choke holds are already banned, officers are already prohibited from racial profiling, our police and jails already have a policy of not detaining immigrants for non-criminal charges... Assurances continue to be given, but somehow we still have six people killed by police in less than two years. These cold assurances are dismissive and reflect an unwillingness to do any meaningful self examination. As city leaders, you have a responsibility to divest public resources out of an inherently violent system and invest in real solutions that are centered on support and rooted in community.

Thank you for your consideration.

Danielle Jokela
Resident, Vancouver, WA

Delapena, Amanda

Subject: FW: comments for November 9 meeting

From: Jennifer Wyld [REDACTED]
Sent: Sunday, November 8, 2020 9:54 PM
To: City of Vancouver - Office of the City Manager <CMO@cityofvancouver.us>
Subject: comments for November 9 meeting

CAUTION: This email originated from outside of the City of Vancouver. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hi, I am a resident at [REDACTED], Vancouver, WA 98660

I am writing to ask you all to please find some way to redistribute the funds used for policing into social services that will better serve our community. There are so many examples of police brutality towards BIPOC and people of the global majority in our country- and it does not seem to be an issue of the officers needing more training- they seem to be able to access that training and de-escalate situations and use non-lethal methods with suspects who are white in a way that they do not with suspects who are BIPOC or people of the global majority. Therefore, we need to put more money into social services and mental health response teams if we are going to really care for and protect our community.

Thank you,
Jennifer Wyld

November 16, 2020 - 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.

Councilmember Lebowsky arrived at 5:00 p.m.

4:00-5:00 p.m. 2021 State Legislative Agenda

Brian Enslow, Arbutus Consulting; Aaron Lande, Senior Policy Analyst, 360-487-8612

Summary

The City's government affairs liaison for the State Legislature provided an update on recent election results and presented an overview of the City's 2021 legislative agenda.

5:00-6:00 p.m. Fall 2020 Comprehensive Plan and Zoning Map and Text Changes

Bryan Snodgrass, Principal Planner, 360-487-7946

Summary

Staff provided Council with the proposed Comprehensive Plan and zoning code map and text updates as part of the annual review process.

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 was 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; Jonathan Young, City Attorney; Amanda Delapena, Assistant to the City Council; Brian Carlson, Interim Deputy City Manager; Brennan Blue, Vancouver Fire Chief; Brent Boger, Assistant City Attorney; Chad Eiken, Community and Economic Development Director; Julie Gilbertson, Solid Waste Supervisor; Patrick Gilbride, IT Director; Julie Hannon, Parks and Recreation Director; Aaron Lande, Senior Policy Analyst; Carrie Lewellen, City Treasurer; Chris Malone, Public Works Finance and Asset Manager; Rich McConaghy, Solid Waste Manager; James McElvain, Vancouver Police Chief; Natasha Ramras, Chief Financial Officer; Heidi Scarpelli, Fire Marshal; Dan Swensen, Interim Public Works Director; and members of the public.

Approval of Minutes

Minutes - October 26, 2020

Motion by Councilmember Glover, seconded by Councilmember Paulsen, and carried unanimously to approve the meeting minutes of October 26, 2020.

Minutes - November 2, 2020

Motion by Councilmember Paulsen, seconded by Councilmember Stober, and carried unanimously to approve the meeting minutes of November 2, 2020.

Citizen Communication (Items 1-2)

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

Consent Agenda (Items 1-2)

Council requested Item 1 be pulled for separate discussion, as summarized below.

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

1. Amendments to City of Vancouver Financial Policies

Staff Report 167-20

A RESOLUTION adopting and modifying certain City of Vancouver Financial Policies.

Summary

Several changes to the financial policies are proposed:

- Changed the revenue recovery targets for the land use fees;*
- Added City Goals of advancing social justice, environmental sustainability and community safety. The goals are to be utilized in making budget decisions. Progress towards the goals is to be measured and reported regularly*

Request: Adopt a resolution amending the City of Vancouver Financial Policies.

Natasha Ramras, Chief Financial Officer, 360-487-8484

Councilmember Fox noted under the revised Financial Policies that the target recovery goal for Parks and Recreation fees was left to be determined. She asked if there is a better way to explain this goal in the policies.

City Manager Eric Holmes explained the primary reason there is not a concrete number for that target is because there is such a lack of certainty as

to what the business model will look like for Parks and Recreation following the pandemic that there is no way staff could know what that number should be at this point. He also explained that it is the intent to complete diversity, equity and inclusion analysis in 2021, which would help better inform cost recovery targets.

Councilmember Fox suggested the Council have a more comprehensive discussion regarding expectations for the City's various programs during the pandemic. Mayor McEnerny-Ogle suggested this would be a good topic for the Council's retreat in January and would help provide more certainty to staff.

Councilmember Stober thanked staff for integrating Council's desire to incorporate climate action, safety and equity throughout the policies. But he also requested staff not lose sight of the need to track safety data as well.

Motion approved the request.

2. Approval of Claim Vouchers

Request: Approve claim vouchers for November 16, 2020.

Motion approved claim vouchers for November 16, 2020, in the amount of \$4,842,568.96.

Public Hearings (Items 3-13)

3. Property Tax Affordable Housing Levy for 2021

Staff Report 156-20

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

Summary

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

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

Staff estimates that the City's Affordable Housing Fund property tax levy rate in 2021 will range between \$0.22 per \$1,000 of assessed value to \$0.23 per \$1,000 of assessed value, compared to the actual 2020 affordable housing fund property tax levy rate of \$0.238 per \$1,000. The decrease in the property tax levy rate is attributed to assessed values in the City increasing by approximately 5.2% compared to the prior year. Because of the limit on property tax increases, as discussed above, the property tax levy rate declines as assessed value increases. The statutory cap for the City's levy rate is \$3.325 per \$1,000 of assessed value.

Example calculation of City Property Tax:

Assessed Value 2020 \$370,000	Levy Rate 2020 \$0.23805 (per \$1,000 assessed value; Affordable Housing Levy only)	2020 City Property Tax = \$88.08
Assessed Value 2021 \$389,240 (assumes assessed value increases 5.2%)	Estimated Levy Rate 2021 \$0.22629 (per \$1,000 assessed value; Affordable Housing Levy only)	2020 City Property Tax (hypothetical) = \$88.08
AV increases 5.2%	Levy Rate declines	Annual tax increase \$0.00 for this example taxpayer*

**If the assessed value of the resident's property as a percentage increased by less than 5.2%, the resident's annual taxes would be equal to or slightly less than the taxes paid to the City in 2020. If the assessed value of the resident's property increased by more than 5.2% from the previous year, the increase in the annual taxes would be slightly higher.*

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

Request: On Monday, November 16, 2020, subject to second reading and public hearing, approve the ordinance.

Carrie Lewellen, City Treasurer, 360-487-8482

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

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

Motion by Councilmember Stober, seconded by Councilmember Lebowsky, and carried unanimously to approve Ordinance M-4310.

4. General Property Tax Levy for 2021

Staff Report 157-20

AN ORDINANCE relating to the annual property tax levy; authorizing an increase of 0.602% in the City's regular levy from the amount levied the previous year; and providing for an effective date.

Summary

On November 6, 2001, Washington voters approved Initiative 747 (I-747), which limits the allowable increase in the property tax levy to 1.0%, or the rate of inflation, whichever is less. The intent of the Initiative was reaffirmed by the Legislature in November 2007. The measure of inflation used under this law is the Implicit Price Deflator (IPD). The IPD inflation rate for 2021 levy calculations is 0.602%.

Staff recommends that City Council approve a 0.602% increase in the property tax levy. Because the inflation rate is lower than the 1.0% limit, the 0.60152% increase is the maximum increase allowed. Based on last year's General Fund levy of \$51,357,181.44, the increase will be \$309,170.23. Authorization of this increase requires a simple majority vote of City Council.

Staff estimates that the City's general fund property tax levy rate in 2021 will range between \$1.93 per \$1,000 of assessed value to \$1.98 per \$1,000 of assessed value, compared to the actual 2020 general fund property tax levy rate of \$2.0376 per \$1,000. The decrease in the property tax levy rate is attributed to assessed values in the City increasing by approximately 5.2% compared to the prior year. Because of the limit on property tax increases, as discussed above, the property tax levy rate declines as assessed value increases. The statutory cap for the City's levy rate is \$3.325 per \$1,000 of assessed value.

Example calculation of City Property Tax:

<i>Assessed Value 2020 \$370,000</i>	<i>Levy Rate 2020 \$2.0376 (per \$1,000 assessed value; General Fund Levy only)</i>	<i>2020 City Property Tax = \$753.91</i>
<i>Assessed Value 2021 \$389,240 (assumes</i>	<i>Estimated Levy Rate 2021</i>	<i>2021 City Property Tax (hypothetical)</i>

assessed value increases 5.2%)	\$1.948 (per \$1,000 assessed value; General Fund Levy only)	= \$758.24
AV increases 5.2%	Levy Rate declines	Annual tax increase \$4.33 for this example taxpayer*

**If the assessed value of the resident's property as a percentage increased by less than 5.2%, the resident's annual taxes would be equal to or slightly less than the taxes paid to the City in 2020. If the assessed value of the resident's property increased by more than 5.2% from the previous year, the increase in the annual taxes would be slightly higher.*

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

In addition to the base levy, the City collects new property tax revenue based on the value of new construction added to the assessment rolls during the prior year. The revenue to the City is calculated using the assessed value of new construction multiplied by the prior year's levy rate. The value of new construction is still being finalized by the County Assessor's Office and includes the value of utility new construction provided to the County Assessor by the State. The most recent estimate from the County Assessor's Office indicates more than \$331 million of new construction, which translates into \$675,000 of additional City property tax revenue, which is slightly less than the \$800,400 received for new construction values for 2020 taxes. The City's ordinance states the percentage and dollar amount increase in the City's base property tax levy as required by RCW 84.55.120. The County Assessor will determine the levy amount for new construction based on their final calculations.

Request: On Monday, November 16, 2020, subject to second reading and public hearing, approve the ordinance.

Carrie Lewellen, City Treasurer, 360-487-8482

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

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

Motion by Councilmember Stober, seconded by Councilmember Glover, and carried unanimously to approve Ordinance M-4311.

Substantial Need to Increase Limit Factor to 101% for Property Tax Levy in 2021

Staff Report 158-20

AN ORDINANCE relating to the annual property tax levy; making a finding of substantial need; authorizing to bank future levy capacity in the City's regular levy equal to the limit factor of 101% for the 2021 property tax levy; making a finding of future substantial need and preserving unlevied property tax levy capacity for future needs; providing for an effective date.

Summary

On November 6, 2001, Washington voters approved Initiative 747 (I-747), which limits the allowable increase in the property tax levy to 1.0%, or the rate of inflation, whichever is less. The intent of the Initiative was reaffirmed by the Legislature in November 2007. The measure of inflation used under this law is the Implicit Price Deflator (IPD). The IPD inflation rate for 2021 levy calculations is 0.602%.

Staff Report 157-20 recommends that City Council approve a 0.602% increase in the property tax levy. Because the inflation rate is lower than the 1.0% limit, the 0.602% increase is the maximum increase allowed. Based on last year's General Fund levy of \$51,357,181.44, the increase will be \$309,170.23.

The City would like to preserve and bank the levy capacity between the IPD rate of 0.602% and 1.0%, thus increasing the limit factor to 101% in 2021.

Chapter 84.55.0101 RCW states that upon a finding of substantial need, the legislative authority of a taxing district other than the state may provide for the use of a limit factor under this chapter of one hundred one percent or less. In districts with more than four members, a majority plus one vote must approve an ordinance or resolution under this section. The new limit factor shall be effective for taxes collected in the following year only.

Banked capacity is the difference between the highest lawful levy that could have been made under chapter 84.55 RCW and the actual levy that was imposed, less funds levied not subject to the levy to the levy limit, such as refund levies. The amount of banked capacity changes each year because the highest lawful levy under chapter 84.55 RCW and the actual levy are recalculated. Having banked capacity for one year does not guarantee the district will have the same amount or more the following year. One way a district can protect its levy capacity is to pass the appropriate ordinances. If a district levies less than its highest lawful levy, it will have banked capacity. If a district levies at its highest lawful levy, it will not have banked capacity. When a district wants to use banked capacity, its ordinance must authorize a large enough increase as compared to the prior year's actual levy that will allow the district to levy at its highest lawful levy.

Request: On Monday, November 16, 2020, subject to second reading and public hearing, approve the ordinance.

Carrie Lewellen, City Treasurer, 360-487-8482

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

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

Motion by Councilmember Paulsen, seconded by Councilmember Lebowsky, and carried unanimously to approve Ordinance M-4312.

6. Ad Valorem Taxes for 2021

Staff Report 159-20

AN ORDINANCE fixing and levying the amount of ad valorem taxes necessary to balance estimated revenue with estimated expenditures for the 2021/2022 Budget for the City of Vancouver; providing for an effective date.

Summary

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

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

Staff currently estimates the 2021 real and personal property tax levy as \$59 million, which includes a preliminary estimate of \$675,900 in property tax revenue from new construction. The estimate of property tax from new construction will be updated based on the final new construction valuation provided by the Assessor's Office. The estimate of property tax revenue does not include the change in value of state-assessed utility property. Both of these amounts will not be final until December 2020.

City staff recommends that Council approve ad valorem taxes in the amount of \$59 million, which is needed to fund the City's 2021-2022 biennial budget. Of the total, \$53 million is for general fund purposes, and \$6 million is for the affordable housing fund. Approving ad valorem taxes of

\$59 million allows the County Assessor's Office to levy real and personal property taxes to the full extent allowed under Washington State law. Staff anticipates that the final certified levy will be between \$58.4 million and \$58.9 million in 2021. If Council authorizes the ad valorem tax amount too low, the County Assessor's Office will only be allowed to levy up to the amount authorized by Council.

Staff recommends that City Council approve ad valorem taxes in the amount of \$59 million for the 2021 real and personal property tax levy within the city limits of Vancouver. This estimated revenue source is necessary to fund the 2021-2020 Biennial Budget for the City of Vancouver.

Request: On Monday, November 16, 2020, subject to second reading and public hearing, approve the ordinance.

Carrie Lewellen, City Treasurer, 360-487-8482

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

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

Motion by Councilmember Glover, seconded by Councilmember Paulsen, and carried unanimously to approve Ordinance M-4313.

7. Affordable Housing Sales Tax Implementation

Staff Report 160-20

AN ORDINANCE of the City of Vancouver, Washington, imposing an additional sales and use tax of one-tenth of one percent for housing and related services as authorized by RCW 82.14.530; adding a new Chapter 3.15 to the Vancouver Municipal Code; providing for severability and establishing an effective date.

Summary

The City has a dearth of affordable housing for very low income, homeless and nearly homeless residents as well as a need for additional behavioral health programs and services.

Current state law, (RCW 82.14.530) authorizes the imposition of an additional sales and use tax of one-tenth of one percent to be used for funding affordable housing. The state legislature passed HB 1590 providing Washington counties an exclusive right to impose the tax until September 30, 2020, and cities were given the right to impose the tax thereafter as long as the county they are located in had not already done so. The bill has

expanded the method of implementation to include a councilmanic action. Clark County did not impose the additional sales and use tax by September 30, 2020.

At least 60% of the revenue must be used for constructing affordable housing, constructing mental and behavioral health-related facilities, or funding the operations and maintenance costs of new units of affordable housing and facilities where housing-related programs are provided. The affordable housing and facilities may only be provided to people within specified population groups whose income is 60% or less of the county median income. Median income in Clark County in 2020 for a family of four is \$65,300 based upon the Vancouver Median Household Income (ACS 5 year) adjusted to the current year, with household size and unit rent using the methodology used by United States Department of Housing and Urban Development.

The affordable housing and facilities providing housing-related programs may only be provided to persons within any of the following population groups:

- (i) Persons with behavioral health disabilities;*
- (ii) Veterans;*
- (iii) Senior citizens;*
- (iv) Homeless, or at-risk of being homeless, families with children;*
- (v) Unaccompanied homeless youth or young adults;*
- (vi) Persons with disabilities; or*
- (vii) Domestic violence survivors.*

The remaining funds must be used for the operation, delivery, or evaluation of mental and behavioral health treatment programs and services or housing-related services. No more than 10% of the revenue may be used to supplant existing local funds.

Approval of specific projects funded by this new revenue source will come before Council in future meetings.

The new revenue is estimated between \$4.2 and \$4.5 million annually, depending on the strength of the economy. Revenue will be deposited into a new fund and tracked separately.

Request: On Monday, November 16, 2020, subject to second reading and public hearing, approve the ordinance.

Natasha Ramras, Chief Financial Officer, 360-487-8484

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

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

Motion by Councilmember Paulsen, seconded by Councilmember Stober, and carried unanimously to approve Ordinance M-4314.

8. Water, sewer and surface water ordinance changes pertaining to utility rates for 2021 and 2022

Staff Report 161-20

AN ORDINANCE related to the water, sewer and surface water utility user rates, amending Vancouver Municipal Code Sections 14.04.210, 14.04.230, and 14.09.060; providing for a savings clause, and providing for an effective date.

Summary

Per City Council adopted financial and budget policies, to keep pace with increasing operational costs and in order to provide funding for the continued implementation of a long-term capital improvement and system reinvestment program without incurring debt, the following utility rate increases are recommended for implementation in 2021 and 2022:

- *Water: an annual 5% increase each year 2021 and 2022*
- *Sewer: an annual 3% increase each year 2021 and 2022*
- *Surface Water: an annual 5% increase each year 2021 and 2022*

The Water and Surface Water 5% rate increase consists of an inflationary component equal to 2% and a capital/system reinvestment component equal to 3%. The Sewer 3% rate increase consists of an inflationary component of 2% and a capital/system reinvestment component of 1%. Sewer capital/system reinvestment needs are being substantially met by reduction in debt service payments with most of the debt paid off in 2020.

Public Works is currently working with a consultant for a comprehensive review of the rate structure of each utility. Staff will be bringing recommendations resulting from the consultant's work for Council consideration in 2021.

Request: On Monday, November 16, 2020, subject to second reading and public hearing, approve the ordinance.

*Chris Malone, Public Works Finance and Asset Manager,
360-487-7711*

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

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

Motion by Councilmember Stober, seconded by Councilmember Glover, and carried unanimously to approve Ordinance M-4315.

9. **Garbage, Recycling and Organics Collection Rate Increases for 2021**

Staff Report 162-20

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

Summary

City Council is the rate-making authority for garbage, residential recycling, and organics collection services within the City of Vancouver. The City contracts with a private hauling company, Waste Connections of Washington, to provide comprehensive garbage, recycling and organics collection services to residents and businesses within city limits. The contract terms authorize Waste Connections to receive annual adjustments to customer rates based on changing operating conditions including:

- an inflation adjustment factor tied to a percentage of the CPI and fuel costs,*
- disposal tip fees,*
- the number of customers served and,*
- fees paid to the City to support solid waste related programs.*

All adjustments to rates are made in accordance with Exhibit D of the contract. Garbage rates also include the City's utility tax that is embedded within them. The City's utility tax does not apply to recycling or organics collection services.

Consistent with the contract, the updated model for 2021 requires an increase of 3.3 percent for garbage rates, while recycling, organics and selected other fees, not linked to the disposal tip fee or utility tax, will need to increase by 1.0 percent, effective January 1, 2021. Key reasons for this increase are a 1.9 percent increase in the CPI, a 6.75 percent decrease in the diesel fuel index, a 1.6 percent increase in the disposal tip fees and an increase in the annual City Fee collected through rates to assure that current revenues are balanced with current solid waste fund expenditures. For the most typical residential customer with 32-gallons per week of garbage, every-other-week recycling and every-other-week organics

collection (96-gallons for each) this means a monthly rate increase of 1.9 percent, from \$32.64 per month to \$33.27 per month, an increase of \$0.63.

Inflation Adjustment Factor

Under the contract, collection costs for garbage, recycling and organics adjust at 80 percent of a blended and combined CPI (92 percent) and diesel fuel index (8 percent) – Inflation Adjustment Factor (IAF), which leads to a 1.0 percent increase for the collection cost component, the City fee and other miscellaneous fees.

Disposal Tip Fees

On January 1, 2021, the disposal tip fee is scheduled to increase \$1.53 per ton (or 1.6 percent) from \$95.86 per ton to \$97.39 per ton. In addition to the allowed CPI increase on the base tip fee (going from \$94.25 per ton to \$95.72 per ton), this tip fee includes \$0.24 per ton for additional work being done under the Clark County contract by Columbia Resource Company at the Central Transfer and Recycling Station (\$0.06 of this is new for 2021 related to engineering and construction access improvements for safety) as well as \$1.43 per ton for a surcharge approved by the Clark County Council in 2017 to make up for lost state funding for regional solid waste programs and planning.

Recycling Fees

The rates proposed for January 1, 2021, include adjustments to curbside (increasing from \$3.27 to \$3.30) and multi-family collection fees (increasing from \$1.32 to \$1.33) based on the Inflation Adjustment Factor (1.0%) detailed above as well as adjustments to the recycling processing surcharges which were added April 1, 2019, to recover costs associated with the local response to the global market issues and the ongoing need for supplying quality materials to these markets. Based on a review of operational factors, Clark County has indicated that the \$74.76 per ton processing fee in 2020 will be adjusted to \$68.11 on January 1, 2021. The processing surcharge for curbside customers will decrease from \$1.59 per month to \$1.46 per month. The processing surcharge for multi-family customers goes from \$0.84 per month to \$0.70 per month. The combined impact for recycling fee components is a 2.1 percent decrease (\$0.10 per month) in curbside recycling charges and a 6.1 percent decrease (\$0.13 per month) in multi-family recycling charges.

Organics Fees

The rates proposed for January 1, 2021, include 1.0 percent adjustments to the organics rates which are tied to the Inflation Adjustment Factor. For the standard subscription service of 96-gallons collected every-other-week, the current rate of \$7.80 per month adjusts to \$7.88 per month. Recommended 2021 rates at other levels of service, following the same every-other-week schedule, are \$6.82 for 64-gallon carts, \$5.76 for 32-gallon carts, and \$4.70 for 20-gallon carts.

City Fee

The new comprehensive collection contract with Waste Connections of Washington runs from April 1, 2019, through April 30, 2030. The City fee paid by Waste Connections each month in 2021 as a result of rate adjustments detailed above is \$144,993.17. The 2020 monthly City Fee was set at \$112,645.42. This 28.7 percent adjustment to the City Fee reflects two key factors: 1) reduced revenues over the last six years due to lower global recycling market commodity values, and 2) City Financial Management Policies included in the 2021-2022 Biennial Budget associated with: balancing current revenues with current operating expenditures (#3), exercising sound financial estimation of revenues through reasonably conservative but realistic assumptions (#8), applying the principle of full cost recovery in enterprise fund operations (#12), maintenance of working capital reserves (#21) and maintenance of designated liability funding reserves.

For 2021 overall, the typical residential customer rates for 32-gallons of weekly garbage service with recycling and organics collection increases 1.9 percent or \$0.63 per month, under this recommendation. This reflects a \$0.65 increase in garbage charges, a net \$0.10 decrease in combined recycling collection rate and recycling processing surcharge fees, and a \$0.08 increase in the organics charge. Households that have chosen different service levels may experience slightly different rate impacts.

Staff recommends adjusting customer rates as detailed in the Summary of Proposed 2021 Solid Waste Rates to meet the contractual obligations associated with the defined Inflation Adjustment Factor and to set the City Fee amount for the coming year. If approved, all adjustments will be effective January 1, 2021.

Request: On Monday, November 16, 2020, subject to second reading and public hearing, approve the ordinance.

Julie Gilbertson, Solid Waste Supervisor, 487-7162; Rich McConaghy, Solid Waste Manager, 487-7165

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

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

Motion by Councilmember Stober, seconded by Councilmember Glover, and carried unanimously to approve Ordinance M-4316.

10. **Amendments to VMC Titles 16 and 17 to implement fire and life safety program fee increases**

Staff Report 163-20

AN ORDINANCE relating to updating the fire fees in Vancouver Municipal Code (VMC) Section 16.04.208 to more accurately reflect staff time by increasing fire's fees by five percent in both 2021 and 2022 to cover administrative costs associated with administering the corresponding programs; providing for savings, severability and an effective date.

AN ORDINANCE relating to updating the fees in Vancouver Municipal Code (VMC) Section 17.08.130 to more accurately reflect staff time by increasing fire's fees by five percent in both 2021 and 2022 to cover administrative costs associated with administering the corresponding programs; providing for savings, severability and an effective date.

Summary

The City of Vancouver regulates building and fire administration with VMC Title 16 and Title 17. Fire fees shall maintain cost recovery associated with fire and life safety inspections, fire plans review and new construction inspection functions. A minor fee increase modification is proposed to Title 16 and 17 fee schedules in order to keep pace with inflation program costs.

The ordinances propose the following code amendments to Title 16 and 17:

- 1. Amend VMC Title 16, Section 16.04.280 Fees & Permits*
- 2. Amend VMC Title 17, Section 17.08.130 Table VII – Fire Fee*

Request: On Monday, November 16, 2020, subject to second readings and public hearing, approve the ordinances.

Heidi Scarpelli, Vancouver Fire Marshal, 360-487-7202

Mayor McEnerny-Ogle read the titles of the ordinances into the record.

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

Motion by Councilmember Paulsen, seconded by Councilmember Lebowsky, and carried unanimously to approve Ordinance M-4317, regarding VMC Title 16, and Ordinance M-4318, regarding VMC Title 17.

11. **Amend VMC 20.915 and the Park Impact Fee (PIF) Technical Document**

AN ORDINANCE relating to park impact fee adjustments; amending Vancouver Municipal Code Sections 20.915.050 and 20.915.100; changing the method and timing of fee adjustments; and providing for an effective date.

Summary

Quality parks and open spaces are well recognized as an essential element for a community to realize economic stability and social and physical health. Future population growth is inevitable, and many of the policies in the City Comprehensive Plan aim to increase residential density in order to maximize efficient investment and use of the necessary infrastructure, including the green infrastructure of parks and open spaces.

The City of Vancouver implemented impact fees for transportation, schools and parks and open spaces in 1995 to meet the demands of future growth. As required by state regulations, PIF rates are calculated using a specified formula to determine the cost of public facilities at adopted standards to serve future growth. The current PIF program is structured to support acquisition and development costs for Neighborhood Parks, Community Parks and Urban Natural Areas. The formula also includes an adjustment for other taxes and fees paid by new development that contribute to park system improvements supported through PIF.

Current PIF rates vary slightly by park district due to the variations in land values across the city. Single and multi-family rates are calculated separately based upon the state statistical average for the number of residents per unit to reflect the proportionate impact, or use, of park facilities per person. This approach correlates to the park standard of providing 6 acres of park (5 acres) and open space (1 acre) per 1,000 residents.

The most recent rate update was implemented now sixteen years ago (2004), while transportation and school impact fees and other infrastructure costs are regularly updated to better represent actual costs to provide public services and infrastructure. Since 2004 there have been dramatic swings in the economy which continue to broaden the gap between current rates and the actual costs of providing parks and natural areas to serve our future residents.

Stagnant PIF rates have created a continual and perceptible decline in the park system level of service for our growing community. The City park inventory satisfies only 60% of our adopted local standard (5 acres of park land per thousand residents), 30% of the national standard (10 acres per thousand), and 41% of the median for jurisdictions with a comparable population (7.4 acres per thousand). A total of 21% of our park acres included in that percentage have yet to be developed, leaving an even larger percentage of residents without outdoor recreation opportunities

within reasonable proximity of their homes. Most concerning is the growing inequity for available parks and open space in lower income areas as well as large sections on the east side that are notably unserved.

For the PIF program to serve future residents, PIF rates must reflect current costs and ongoing market fluctuations as much as possible. Park Impact Fees are the only committed funding source in the City financing system to support the 17,300 new residents anticipated over the next 10 years. The proposed rate update is based on the revenue needed to serve future growth, estimated at 17,300 residents over the next 10 years, consistent with the adopted standard, not to remedy existing deficits.

The biennium budget includes revitalization of existing parks which are, in part, aimed at correcting park deficits and delayed capital repairs for existing residents rather than future park needs. That said, continuing infill and higher residential density demands an increased user capacity at existing facilities to serve some percentage of future growth as well. This would include such things as replacing soft surface walking paths with asphalt or concrete, adding play equipment that serves a broader spectrum of age groups and accessibility, adding more picnic shelters throughout the city, more sites with restrooms and sports courts, etc. Likewise, development of existing ownerships such as Rose Village and Raymond E. Shaffer have remained undeveloped due to lack of funding but will serve both existing and future residents when developed, as will proposed new acquisitions in District B and C.

Proposal Summary

PIF Rates

Current PIF rates average \$2,255 for single family and \$1,648 for multi-family units, which support approximately 34% of the adopted standard based on estimated acquisition and development costs.

The attached ordinance implements the first two-year increases of the gradual six-year phased implementation fee increase as proposed in the PIF Technical document and discussed with Council in the context of a Stronger Vancouver conversation. The calculation of the fees is proposed to be simplified, establishing per single family unit and per multi-family unit fees, same for all three parks PIF districts of Vancouver.

To soften any potential impact to the building community, gradual six-year phased implementation fee increase with fee indexing initiated in year seven is proposed per Council direction. The phased implementation schedule is shown below as described in the PIF Technical Document. The specific rates as well as the average current PIF rates are outlined in the table below.

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Year	Park District	% Increase	SF	MF
2004-Dec. 1, 2020	A, B, C		2,255 (Avg)	1,648 (Avg)
January 1, 2021	A, B, C	25% Increase	\$2,819	\$2,060
January 1, 2022	A, B, C	25% Increase	\$3,523	\$2,575

This proposal eases the adjustment for local home builders and lessens the impact to new housing units as well as any secondary impacts to existing housing stock. The rate adjustment will improve the level-of-service for future neighborhoods, although at a level below standard.

Proposed revisions to the PIF program includes authorization for automatic annual fee indexing between major fee reviews based upon the Consumer Price Index (CPI-W) (Seattle-Tacoma-Bellevue) to align the rate schedule with market fluctuations. Gradual market adjustments to the fee structure on an annual basis help to avoid significant rate adjustments in the future.

Every three to four years a detailed fee analysis will be completed for review by City Council to consider benchmark adjustments to PIF rates that may not be captured through the proposed indexing. Review of the fee analysis will include consideration of accomplishments in site acquisition and development to meet anticipated growth and concurrency compliance since the last fee analysis.

Request: On Monday, November 16, 2020, subject to second reading and public hearing, approve the ordinance.

Julie Hannon, Parks and Recreation Director, 360-487-8309

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

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

- Ryan Makinster, representing the Building Industry Association (BIA), expressed concerns regarding the proposed PIF increases, stating that taken in aggregate with other fee and tax increases, they can add to the cost of buying a home and unintentionally result in people being priced out of homes. Mr. Makinster stated he had submitted a letter (attached) on behalf of the BIA.
- Glen Yung, Vancouver, stated Vancouver has a housing crisis and a

parks deficit, but stated the housing industry already pays more than its fair share toward the PIFs and the City should be contributing additional funding to address the parks deficit.

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

Councilmember Hansen stated he agrees the PIFs need to be increased, but he expressed concerns about the proposed rate at which the increases would happen. He stated he would prefer the increases be implemented more evenly over time, rather than steep upfront increases in the first several years of implementation, as proposed.

Motion by Councilmember Stober, seconded by Councilmember Fox, and carried 6-1, to approve Ordinance M-4319. Councilmember Hansen voted No.

12. Real Estate Excise Tax (REET 1) current tax revenue dedication update

Staff Report 165-20

AN ORDINANCE regarding the Real Estate Excise Tax (REET); amending VMC 3.20.040 to update the current distribution and use of revenues generated from REET 1; providing for an effective date.

Summary

Current REET 1 revenue is split between parks and recreation and transportation. A total of 6% of tax proceeds, up to a maximum of \$130,000 per year, has been set aside for neighborhood traffic safety program improvements to city streets. Sixty-eight percent (68%) of the proceeds, up to \$1,956,000, is dedicated to support debt issued prior to 2008 for construction of the Firstenburg and remodel of Marshall recreational facilities. Up to a maximum of \$250,000 above the other obligations set forth in this ordinance, has been dedicated for Parks and Recreation Capital. Prior to the end of 2019, a total of 20% of tax proceeds, up to a maximum of \$450,000 per year, was dedicated to supporting the bonds issued for the completed construction of transportation infrastructure related to the Waterfront Access project. The economic development allocation of the revenue sunset at the end of 2019. The intent of the sunset in the allocation was to assure that the project generated sufficient tax revenue to support funding the debt until the expiration of the bonds. Tax revenue from the project is fully supporting the debt on the transportation project through 2031.

REET 1 revenue by state statutes may only be spent on funding of eligible public capital projects. Those projects have to be identified in the

jurisdiction's Comprehensive Plan. Eligible use of funds include projects related to planning, acquisition, construction, reconstruction, repair, rehabilitation or improvement of streets, roads, parks, recreational facilities, trails, administrative and law enforcement facilities.

Creation of new family-wage jobs is one of the highest priorities of the City Council and the residents. The specific project to be funded by this allocation of funding will be brought for Council review during future budget actions.

The proposed action will allocate the remaining proceeds from REET 1, 20%, up to \$1 million per year, indexed for inflation, to funding public infrastructure projects that facilitate private investment that results in creation of new family-wage jobs. The required ROI on the private investment projects is 10 years or less.

This proposal will not impact any other allocations of REET 1. Those are proposed to be updated based on the estimated 2020 REET revenues, both in terms of the dollar amounts and resulting percentages.

Request: On Monday, November 16, 2020, subject to second reading and public hearing, approve the ordinance.

Natasha Ramras, Chief Financial Officer, 360-487-8484

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

Mayor McEnemy-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-4320.

13. **2021-2022 City of Vancouver Biennial Operating and Capital Budget**

Staff Report 166-20

AN ORDINANCE relating to and adopting the budget for the City of Vancouver for the 2021-2022 fiscal biennium; providing for ratification and for an effective date.

Summary

The City of Vancouver 2021-2022 Biennial Budget has been prepared for approval. The Recommended Budget was published by the City Manager on October 1st, 2020, and was presented to Council in workshops held on

October 5th, 12th, 19th, 26th and November 2nd. All of the changes to the Recommended Budget recommended by City Council through the course of the workshop discussions have been incorporated into the 2021-2022 Biennial Budget.

The 2021-2022 Biennial Budget appropriates \$1.3 billion for both operating and capital expenses, representing a 3.2% decrease over the current 2019-2020 budget. It proposes using \$57 million in existing cash reserves city-wide to fund both the capital program and one-time initiatives. A total of \$1.0 billion is appropriated for all City operating funds and \$0.3 billion for capital funds and related funding transfers. There are 15.0 full time equivalent (FTE) positions added, bringing the total to 1,192.8 FTEs by the end of 2022. A total of 20 existing positions are unfunded in the budget for the two-year period.

Operating Budget

Total 2021-2022 Operating budget in all City funds is \$989 million. Of that amount, General, Street and Fire Budget appropriation for the two-year time period is \$500 million. The 2021-2022 Budget continues to fully fund City reserves and depreciation accounts to the levels dictated in the Council-approved financial policies, while maintaining adequate operating capital throughout the biennium. The Budget also increases staffing in key areas, including economic development, diversity and inclusion, planning, capital project management, support services and increasing opportunities for succession planning. The General, Street and Fire Budget utilizes \$18 million in existing cash reserves to fund one-time projects, including several strategic City initiatives, and a select number of capital projects. Approximately \$39 million cash reserves in other operating and capital funds is utilized in the 2021-2022 Biennial Budget mostly to fund the City's capital program.

The 2021-2022 biennium anticipates continuation of paced recovery from the recession of 2020. The amount of economic uncertainty during the budget development process has been unprecedented, with the economy coming out of the deepest recession due to the pandemic and a high continued level of uncertainty related to changes in the spending patterns of society and the continued level of federal support of the economy. The revenue forecast is built on a conservative set of assumptions, including lower recreation revenue in 2021 and subdued sales tax collections over the biennium.

The Budget moves forward several high priority initiatives advancing social justice, climate and safety priorities of City Council and the community. Some of the highlights of the initiatives in this area are outlined below:

- The Budget continues funding for coordination of the City's efforts to

respond to homelessness. A cross-departmental team will continue to work with the homeless population on City streets.

- The Budget recommends setting aside \$1.5 million per year dedicated to funding future recommendations from the Community Task Force on Policing, created in June of 2020, to review and make recommendations on establishing a body-worn camera program and use of force in policing.*
- The Budget continues investment in expansion of the Affordable Housing in the City and recommends advancing a new funding source – Sales Tax for Affordable Housing, to build additional units for the most disadvantaged population of the City.*
- The Budget includes support for the Fourth Plain Commons project using a combination of General Fund, CDBG funding sources and utilizing a Section 108 Loan to round out the funding of the project. The project will serve as an incubator for new businesses to revitalize the Fourth Plain Corridor. The loan will be repaid by the future CDBG funding.*
- Public Safety uniformed staffing was largely protected from budget reductions to ensure continued community safety, including the 13 new positions that were added during the 2019-2020 biennium to staff the new Fire Station 11. Funding for the positions starts in April of 2022 to ensure staff are trained and available to staff the new Station that is anticipated to come online in late 2022 or early 2023.*
- The Budget also includes a number of funded planning efforts, such as: developing a Civic Center master plan for the vacant land surrounding City Hall and the Hilton Hotel and Convention Center, the largest remaining contiguous vacant land in the downtown core; and completion of the Transportation System Plan update, the guiding policy for hundreds of millions of dollars in future investments in the City's transportation system. The recommended Budget also includes funding for implementation of the Heights District Plan.*
- Included is funding for planning and build-out of the four new Complete Streets projects in different parts of town: NE 112th Ave, NE 51st Circle to SE Mill Plain Blvd to tackle safety issues, congestion and lack of connectivity; SE 34th Street, SE 164th to SE 192nd Ave; Fort Vancouver Way, Mill Plain Blvd to Fourth Plain Blvd, as well as planning efforts to begin on Fourth Plain Pedestrian improvements and addressing existing safety issues at Devine and 18th Street.*

The budget is built on assumption of certain revenue increases over the biennium. Those include the statutorily authorized 0.6% increase in property tax revenues, for each year of the biennium, rate adjustments for

sewer, water, surface water and garbage utilities to reflect inflation and fund depreciation costs already included in the Vancouver Municipal Code.

The budget includes \$4 million per year in the Affordable Housing Local Sales Tax to fund new units of housing for households earning below 60% of the area median income. The budget also includes new capital projects in Parks funded by an increase in park impact fees. The fees on new single and multi-family residential construction have not been raised since 1994. The budget incorporates re-dedication of a portion of REET 1 funding to projects facilitating economic development and new job creation in the City. Other revenue increases include optimized fee rates in fee-for-service areas, such as building, fire marshal review and inspection, parking and planning.

Attachment B to the Ordinance outlines all changes in staffing included in the 2021-2022 Biennial Budget. The budget adds 15 new positions and freezes 20 existing positions, most of them vacant, across City operating departments. Most are added to address staffing deficiencies in key strategic areas, like economic development, diversity and inclusion, planning and city capital program management. The Budget includes adding two positions in the City Manager's office: an FTE for a Director of Diversity, Equity and Inclusion and supporting resources to champion and coordinate City internal and external efforts in promotion of social equity and justice causes, and a new Assistant City Manager FTE to augment strategic City management resources. These and all other changes in staffing are outlined in the Attachment B.

2021-2022 Capital Budget

The City has nearly \$2 billion in capital assets (building, streets, land, utility lines, etc.). Stewardship of these capital assets is critical to efficient, effective, and sustainable service delivery. While the true cost to manage these assets through their lifetime is daunting, the City has been making meaningful, strategic investments in our assets without adding new debt. The same trend is evident in the 2021-2022 Biennial Budget.

Attachment C to the Budget Ordinance displays a list of all projects included in the City of Vancouver's 2021-2022 Capital Budget. The \$269 million capital program includes \$180 million for projects in multiple functional areas; additional appropriation of \$89 million is related to funding transfers. Below are some highlights:

- Utilities projects totaling \$102 million, include:
 - Water fund projects totaling \$49 million include \$20 million for the Water Station 5 reservoir to replace infrastructure components and rehab the existing lining for the aging steel

tank, \$6.5 million to continue construction of twin reservoirs constructed in 1909 and in the 1930s at Water Station 1 with two new seismically sound 4 million gallon reservoirs.

- *Wastewater utility appropriation totaling \$46 million includes a \$6 million replacement of lagoon diffusers that have deteriorated with age, \$3 million for a two-phase east interceptor rehab from Marine Park Water Reclamation Facility and upstream using trenchless technology, \$3 million for the continuation of upgrading Programmable Logic Controls (PLC) hardware and operating platforms at both the Westside and Marine Park treatment plants, and a variety of other collection and treatment projects.*
- *Surface water appropriation of \$8 million to keep up with the NPDES regulations including water quality and inspection programs.*
- *General Capital Projects include:*
 - *New Fire Station 11 construction primarily funded by Fire District 5 expected to be completed in late 2022, early 2023.*
 - *Purchase of the new Police Headquarters on Chkalov for \$11 million in 2022 per the lease agreement using cash reserves in the General fund.*
 - *Officers Row roof replacements at the Grant House and Howard House and additional sidewalk repairs for \$0.5 million.*
 - *Continued designed work on Replacement of the Operations Center. Funding is split between the General Fund and Water fund. This investment will result in a vastly more efficient, effective, and resilient facility that will better meet our daily operating and emergency response needs.*
 - *General Capital asset management program of \$15 million includes major maintenance projects like roof replacements at VPD East Precinct, Fire Station 4 and Slocum House, and exterior masonry, sealing, painting, and server system upgrades at various city facilities.*
- *The Budget allocates \$37.5 million for transportation capital project funding, funded by a combination of the vehicle license tab revenues, grants, impact fee revenue and local cash resources. The program includes the following projects:*

- *SE 1st Street – 177th Ave to 192nd Ave. for \$10 million, and SE 1st St – 164th to 177th for \$9 million to fund the second phase of the urban arterial upgrade of an existing 2-lane rural road to increase safety, mobility and livability, and meet future subarea needs;*
- *137th Ave Corridor – 49th to Fourth Plain Blvd for \$3 million in street improvements;*
- *Westside Bike Mobility for \$2 million focusing on the first phase of the Columbia Street corridor to include traffic calming and bicycle and pedestrian improvements in coordination with pavement management;*
- *Various other traffic management projects and street and sidewalk improvements, including \$1 million in Main Street improvements.*
- *Parks Capital program totals \$8 million. The program includes funding for park land acquisitions in districts 2 & 4 using the City's Park Impact Fee resources, and major renovations and expansions at parks including North Image, Oakbrook, Peter S. Ogden, Rose Village and Jaggy Road. Shaffer park design is included at a cost of \$1.3 million. This project is funded by the proposed increase in the City's parks impact fee revenues, planned for 2021-2022.*

The 2021-2022 Recommended Budget addresses the top priorities of the community while exercising a high level of fiscal constraint in its use of City resources. The budget is balanced by using ongoing revenues, and one-time expenses are funded by existing cash. The budget sets initiatives in place that will bear financial savings in future biennia and will temper the growth in city expenditures.

Request: On Monday, November 16, 2020, subject to second reading and public hearing, approve the ordinance.

Natasha Ramras, Chief Financial Officer, 360-487-8484

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

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

- Rheta Rubenstein, Ridgefield, Washington, requested the Council reinvest a portion of the proposed police budget into social services and crisis intervention programs.

- Danielle Jokela, Vancouver, submitted a statement (attached) on behalf of a number of community organizations, requesting the City invest in programs to address structural issues rather than policing vulnerable populations and reinvest shared marijuana tax revenues. She also asked why the City purchased the building at 521 Chkalov at almost double the assessed value for the property.
- Mike Jokela, Vancouver, expressed concerns about the purchase price of the building at 521 Chkalov, and requested the Council reinvest a portion of the proposed police budget into social services and crisis intervention programs.

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

Councilmember Stober stated he has served as a board member for Daybreak Youth Services for many years, and addiction recovery is an issue he is passionate about. He stated that substance abuse and mental health disorders are diseases, but instead of assigning public health resources to address these issues, cities invest in public safety officers. He stated the vast majority of the proposed biennial budget represents his values, but asking police officers to be social workers and public health officers does not. However, he stated the current model is too deeply embedded in the City's budget for an easy solution. He stated he is not calling for a reduction of the police department's budget at this time, but stated the City is asking officers to do more than they can accomplish. He requested the Council's support for a conversation in 2021 regarding where they want the City's limited police force to be focused and how the City can change tactics regarding social services and mental health. He stated he believes this conversation will be foundational to the City's intentions for addressing equity and the health of the community.

Councilmember Paulsen stated this is a challenging and nuanced issue, which is further complicated by the County and City jurisdictions. He noted many of the social services being called for fall within the County's purview; however, it is not appropriate for the City to completely recuse itself from these matters either. He stated he looks forward to future conversations on this matter and encouraged the community members who have been speaking to the City Council to also participate in the County's next budget process, which was recently launched.

Councilmember Lebowsky agreed with both Councilmember Stober's and Councilmember Paulsen's statements, and she stated she supports what community members have said but expressed concerns regarding the maintaining of adequate levels of policing for a city the size of Vancouver.

Councilmember Glover echoed the comments of the other Councilmembers and stated she looks forward to beginning this conversation at the Council's next retreat.

Councilmember Fox asked Mr. Holmes to address the issue of the building

purchased at 521 Chkalov, as there seems to be some confusion about the details of that purchase. Mr. Holmes explained the City initiated purchase of that building more than a year ago, and an appraisal was completed before the lease purchase option was brought forward to Council. He stated the terms of the agreement were mutually agreed upon and called for the City to purchase the building in 2022. He noted that one of the biggest challenges is the assessed value of a property typically is dramatically lower than the market value. At the time of the appraisal, this building was assessed at \$8.9 million. With the purchase prospective about three years in the future, the City agreed on a fixed price of \$10.6 million. He noted the purpose of the purchase was to provide a dedicated, appropriate space to train the City's police force, as well as locate the VPD headquarters in a central location with good access to highways and arterial streets. He noted the terms of the agreement have been audited by the State Auditor's Office.

Councilmember Hansen stated he appreciates the comments from the community and the other Councilmembers, and agrees that a broader conversation is needed. He stated he is not that interested in divesting funding from the police department, but rather investing in body-worn cameras and additional training.

Mayor McEnery-Ogle stated that prior to its retreat, Council will need to do some research into everything VPD officers are responsible for and the different relationships the department has with regional jurisdictions.

Motion by Councilmember Hansen, seconded by Councilmember Paulsen, and carried 6-1 to approve Ordinance M-4321. Councilmember Stober voted No.

Communications

A. From the Council

B. From the Mayor

a. Interstate Bridge Update

Councilmember Lebowsky disclosed that she is employed by Washington State Department of Transportation.

Mayor McEnery-Ogle provided the Council with an update on the Interstate Bridge Replacement Program, including an overview of the recent meeting of the Executive Steering Group and a summary of next steps.

b. Resolution requesting a broadband feasibility study

Councilmember Hansen recused himself from this discussion, noting he is

employed by Clark Public Utilities.

Mayor McEnerny-Ogle introduced a draft resolution (attached) that would call for a Clark Public Utilities feasibility study into improving broadband access in Clark County. She noted that C-TRAN will be preparing for the Mill Plain Bus Rapid Transit infrastructure, which will require opening up the road, at which time conduit and fiber optics would be laid. She stated it would make sense during this time for CPU to have an opportunity to understand how to strengthen broadband throughout the community. She noted that the economy is dependent on strong technology more than ever.

Council expressed support for this resolution by consensus.

Councilmember Paulsen requested that fiber be specifically named in the resolution as something to be strongly considered.

Mayor McEnerny-Ogle stated the resolution would be amended with that suggestion and brought back for Council adoption at the next meeting.

C. From the City Manager

Adjournment

8:14 p.m.

Anne McEnerny-Ogle, Mayor

Attest:

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.



Mayor Anne McEnerny-Ogle
Vancouver City Council
Vancouver City Manager
City Hall
415 W. 6th St.
Vancouver, WA 98660

November 16, 2020

Dear Mayor McEnerny-Ogle and Council:

I am writing you today on behalf of the Building Industry Association of Clark County (BIA) and its 700+ members, in opposition to the park impact fee increases as presented.

As noted, our previous letters and testimony and as stated by council members in many past meetings, Vancouver and more generally Clark County, are facing a housing affordability crisis.

Housing affordability is an ongoing issue, and any cost increase is counterproductive to addressing the situation at hand. All additional costs incurred by homebuilders, their suppliers, and subcontractors have a direct and immediate impact on the price of every new home. Contrary to a popular claim, builders cannot absorb these costs. With median housing prices far above the affordability level of most Clark County residents, builders in the mid to entry-level market must squeeze every cost efficiency out of each home, including their profit margin, to have a marketable product. This leaves them little room to absorb new costs. Lumber costs alone have skyrocketed to 3 times their previous level in recent months, and although this is not expected to continue indefinitely, it has squeezed any margins out of most projects. The same "margins" that some say can absorb the increasing costs of government requirements.

As stated before, the total cost of housing must be considered when these proposals are debated. Some of the costs attributable to government action include impact fees, permit fees, the WA Real Estate Excise Tax, regulatory compliance, and others. Unfortunately, many of those increases are out of your control, so the only way for you, as local elected officials, to address the rising cost of government regulation is through your consideration of these costs as part of your process.

This is not just a hypothetical exercise, this cost-benefit balance is before you as you consider this and the sales tax increase for affordable housing. On February 1, new building and energy codes will become law and will add, at a minimum, approximately \$6,000 to every home built. This additional cost will price some buyers out of the market, while making other projects uneconomical. This must be considered when contemplating the proposals before you.

The retail sales tax increase is highlighted as another consideration, not to speak in opposition, but to show that increasing costs through separate mechanisms, however seemingly reasonable alone, add up to costs that are not insignificant, especially in light of the affordability crisis we face. For a home priced at the median, the cost of the combined PIF and tax increase will be \$933 in 2021. In 2022 that increase would be \$1,637 over today's price. According to a NAHB study released this year, this would price 724 Clark County residents out of a new home next year and 1,270 in 2022. This is based on the most recent annualized data which assumes the median price of a home in Clark County is \$369,000. However, in an article titled "Clark County housing market trend continues" published in The Columbian on October 13, 2020 data provided listed the median price of a home sold in Clark County at \$420,000.

It is also important to note that through an independent poll and the City's own Stronger Vancouver outreach effort, we have learned that the residents' most pressing concerns are homelessness and housing affordability. Two concerns this council is contemplating today through another cost increase that will fall on housing to pay a significant part of. After those top two issues, public safety is also a concern. Parks improvements are toward the bottom of the list with maintaining current parks garnering more support than remodeling current or adding new parks. Both of which are at the bottom of the list of priorities.

Since PIFs are limited to paying for new capacity due to growth only, not for maintenance or to address existing capacity deficiencies, the idea of increasing PIFs drastically seems out of line with the goal of the addressing housing affordability and desires of the community.

The housing market throughout the value chain is affected by a price increase anywhere along the spectrum, which ultimately affects those just trying to stay housed. Unaffordable or nonexistent housing in the middle and entry level markets prevents empty nesters and others from downsizing, others from trading up, and renters from moving in; all of which trickles down to the affordability and availability of rental units. Pricing is not the only concern in this crisis. If the added costs don't pencil out, housing options at these price points will not get built, further restricting an inventory already far below needed capacity.

According to a report released by Up for Growth in January, between 2010-2017, for every household formed in Clark County, only .77 housing units were built. Home builders are in the business of building homes, and the fact that they are not able to supply demand, requires us to look at pricing and affordability as one limiting factor.

Housing affordability is not a localized problem or one that can be solved exclusively through local solutions; it is a regional problem in which each jurisdiction has a role. Clark County is one of the least affordable markets in the state with a median home price of \$369,000 and a median income of only \$75,000. This income level is approximately \$23,500 less than what is needed for an affordable mortgage leaving about 65% of our citizens priced-out of the home market. This problem is further compounded by the "missing middle" that exists in our housing inventory. Lower priced starter homes, condos, and townhouses are missing due to statutory requirements, ever increasing regulation, and the cost of land, materials, and labor.

As elected officials, you have many hard decisions to make, especially in the current environment. On behalf of 700+ businesses in the home building industry, BIA of Clark County respectfully reminds you that by adopting these PIF increases you are making home ownership more costly and unattainable for Clark County citizens. Please take careful consideration of this proposal before supporting it.



Ryan Makinster
Government Affairs Director

November 9, 2020

Addressed To: Mayor Anne McEnerny-Ogle

Council Members Bart Hansen,
Ty Stober,
Linda Glover,
Laurie Lebowsky,
Erik Paulsen,
Sarah Fox

CC: City Manager Eric Holmes

Submitted electronically by Danielle Jokela danielle.jokela@gmail.com

Honorable Mayor and Esteemed Council Members:

As you prepare to adopt the 2021-2022 budget, we urge you to pause and join the residents of Vancouver in reimagining public safety across our communities. The ritual of pouring an ever-increasing amount of our city's funds into law enforcement has not yielded safer, more secure neighborhoods and has not provided the dollar-for-dollar value that responsible financial policy demands.

The proposed budget gives the Vancouver Police Department \$118.8 million, representing nearly 34% of the general fund. That's more than a third of our city's general fund spent on policing alone. When considering this enormous investment, a responsible fiscal manager must ask a deeper question: Are the people of Vancouver receiving the full value of that investment? The evidence does not show that we are.

When we rely on police to respond to social crises because of a dearth of more appropriate publicly funded services, it undermines the value of our public investment. Paying our police to disrupt and relocate community members who are unhoused does not address the underlying issues leading to homelessness. Arresting people experiencing acute mental health crises or struggling with substance abuse does not address their need for medical or social assistance. Policing these vulnerable populations without tackling the contributory structural issues simply creates a cycle wherein the public is continuing to pay the police to repeatedly engage in these activities without actually solving chronic public-safety challenges.

The city's use of the marijuana tax fund acutely demonstrates this imbalance of investment and value. Vancouver received \$600,000 in marijuana tax revenue in 2018, per the 2019 Annual Report to Citizens. Rather than being reinvested in evidence-based programs related to substance abuse, economic development, criminal-justice reform, research, or education, the funds were used to hire six additional police officers. The current approach ignores that — per public-health experts — every dollar invested in prevention saves an average \$5.60 in future health spending.

Similarly, the city's proposal to buy the currently leased property at 521 SE Chkalov Drive for VPD headquarters does not appear sound. The proposed 2021-2022 budget allocates approximately \$10.5 million for this purchase, more than double the 2020 tax-assessed value of just over \$4.5 million.

This discrepancy creates questions about the fiscal responsibility of the purchase and the accuracy of the assessment.

Achieving public safety requires that we invest in services that support, strengthen, protect, and uplift our communities. As you move forward with deciding how our tax revenue will be allocated, it's critical that you examine not just the black and white numbers in a budget but the value received for every dollar spent. Awarding over a third of our general fund to police without evidence of a return justifying such a significant allotment starves our communities of better outcomes and thwarts our city's highest goals.

Before adopting the proposed budget, we ask the Vancouver City Council to:

- Analyze and report on the return our communities would receive in allocating 34% of the general fund to law enforcement.
- Secure and publicly disclose a current, independent fair-market-value appraisal of the above-mentioned Chkalov property.
- Ensure that any deal to buy the above-mentioned Chkalov property protects the taxpayers' interest.
- Provide a thorough return-on-investment analysis of direct services regarding crisis intervention, mental health, homelessness, and addiction recovery.
- Direct the City Manager to recommend how pertinent portions of the allocated police budget can be reallocated to crisis intervention and the other above-mentioned direct services.

Thank you for your prompt attention and courteous consideration.

Sincerely,

Clark County Justice Group

Joyce Brekke
Shareefah Hoover
Rheta Rubenstein
Howard Rubenstein
Danielle Jokela
Mike Jokela

OutsidersInn

Ren Autrey
Adam Kravitz

NAACP Vancouver 1139B

Bridgette Fahnbulleh, President
Andrea Marzette

NAMI SWWA

Kim Schneiderman, Executive Director
Michelle Bookout, Board President
Jim Luce

SWWA LULAC Council 47013

Ed Hamilton, President

M.O.M.S.

Cindi Fisher, Founder

Family of Carlos Hunter

Nickeia Hunter
Pamela Hunter
Henry Hunter

Jubilee Collective

Rev. Lenny Duncan

Sunrise Movement SWWA

Tiffany Burnette
Philip Englund
Monica Zazueta
Tristan Weber
Anastasia Pyz

Vancouver for Peace

Mike Ellison

Community Volunteers

Chelsea Unger, Cowlitz Indian Tribal Member
Karyn Kameroff, Choctaw Tribal Member

Shoshanah Epstein, Esq., WSBA # 48956

Elizabeth Madrigal
Erin Clabaugh
Sam Lohmann
Janet Birgenheier
Rebecca Keith
Mary Laski
Judy Bumbarger-Enright

Thank you, Madam Mayor, Council Members, and Staff:

My name is Mike Jokela, and I am resident of Vancouver. (98660)

I would like to emphasize the need to financially focus on addressing the underlying causes of why crime may occur rather than spending more money on policing. If a resident has better access to housing and economic opportunities, I believe an individual would be less likely commit crime; therefore the need for police would be lessened if more resources were given to address needs of health, housing, food and job security.

In an April 20, 2018 article from the Brennan Center, it stated that "...crime reduction is difficult without addressing problems stemming from chronic poverty." The article points to research of how the role of new non-profit community groups that focus on crime prevention, neighborhood development, substance abuse, workforce development, and youth programs have a positive effect in reducing a city's crime rate. Substance abuse programs were responsible for the largest drops, followed by workforce development organizations. I have included a copy of this article with my testimony.

Looking at the \$10.6M in the new budget for the VPD headquarters, \$10M could have had such a great impact spent elsewhere. One of the reasons the City needed a new building for the VPD is that the City Council increased their budget and staff greatly over the past several years. I do not see evidence this approach of dollar dumping into police is working in reducing crime.

I have asked the City Manager's Office if an appraisal has occurred for the 521 Chkalov building and have yet to receive a response. I would like to see this appraisal if it has occurred, or if has not, then one should be performed before the City purchases this building to follow the WAC and to get the best deal. I believe the property owner may be over-inflating the value of this building. Without proper control of this capital expenditure, it appears to be a bad deal for the city.

I also again request that the City Council address the Marijuana Tax revenue sharing from the State of Washington. I request that this money not be allocated to the VPD now or in the future. It would be much better spent elsewhere to address the underlying causes of health and socio-economic hardships residents face in Vancouver. Perhaps the new cross-departmental task force to end homelessness could be granted authority to allocate these state funds to assist and empower the unhoused.

I agree the police department may still play a role in our community however we must further invest in our community directly to empower and lift our residents. We must invest in ways to build not bully. Assist not attack. We should reimagine public safety to prevent crime, so together we may look to a brighter future and a stronger Vancouver.

Thank you for your time and consideration.

Mike Jokela

A handwritten signature in black ink, appearing to read 'Mike Jokela', with a stylized, flowing script.

ANALYSIS

Community Organizations Have Important Role in Lowering Crime Rates

Research shows that in a city of 100,000, each new nonprofit community organization lead to a 1.2 percent drop in the homicide rate, a 1 percent reduction in the violent crime rate, and a 0.7 percent reduction in the property crime rate.

Noah Atchison

April 20, 2018

Earlier this year, President Donald Trump declared April “Second Chance Month.” He asked Americans to focus on ways to prevent crime while supporting activities that give formerly incarcerated individuals another opportunity to successfully live and work in communities around the country.

It’s a sentiment that can contradict the administration’s draconian crime policies. But it’s a goal that most criminal justice reformers share with him. One way to get there, according to [research from sociologists at New York University](#), is to support community organizations. This study provides empirical evidence for something community organizers have [said for decades](#): crime reduction is difficult without addressing problems stemming from chronic poverty. These organizations play a significant role in reducing crime rates not by changing justice system policy but by providing more support for individuals without a wealth of economic resources.

Researchers at NYU compared crime rates and the formation of new nonprofits that focus on crime prevention, neighborhood development, substance abuse, workforce development, and youth programming across 264 cities in the U.S. between 1990 and 2013. They found that in a city of 100,000, each new nonprofit community organization lead to a 1.2 percent drop in the homicide rate, a one percent reduction in the violent crime rate, and a 0.7 percent reduction in the property crime rate. Substance abuse programs were responsible for the largest drops, followed by workforce development organizations.

One of the best ways to prevent crime is to provide more resources and support to low-income communities. For policymakers, this means expanding access to substance abuse and workforce development programs, two services that have become increasingly inaccessible even as demand for them has grown.

The cost of a two-year degree at a public college has **more than doubled since 1990** (adjusted for inflation), making low-cost workforce development programs the most affordable option for millions of Americans. Similarly, private substance abuse treatment programs can cost **tens of thousands of dollars a year**, making free or low-cost services from community-based nonprofits the only realistic way for many people way to receive treatment.

Affordability aside, access to drug abuse treatment programs in low-income communities and communities of color is **significantly lower** than in more affluent, whiter communities. While the positive effect of substance abuse treatment on crime rates has been known for **decades**, community organizations remain the sole providers of affordable treatment in neighborhoods across the country.

Too often, incarceration has been used as a solution for drug abuse issues, and a substitute for treatment. That dynamic has helped fuel mass incarceration in America. We at the Brennan Center estimate that nearly 40 percent of the U.S. prison population, or 576,000 people, are behind bars for **little or no public safety reason**. And we've found that incarceration drove very little of the crime decline in recent years. As we note in our 2015 report ***What Caused the Crime Decline?***, social and economic factors had a more significant impact on public safety.

Federal legislation such as the **Reverse Mass Incarceration Act** would provide resources to states to pursue creative approaches to helping communities bring down crime, while bills like the **Sentencing Reform and Corrections Act** would help fix our misguided use of overly-harsh punishments to reduce crime. While more research is needed to improve our public response to crime, supporting the community organizations that helped drive the crime decline is an excellent place to start.

RELATED ISSUES:



End Mass Incarceration

[Accurate Crime Data](#)

**Resolution to Request a Feasibility Study for
Improved Broadband in Clark County by Clark PUD**

Whereas, access to broadband internet service is critical to full participation in society and the modern economy, and

Whereas, increasing broadband access to unserved and underserved areas of the county serves a fundamental governmental purpose and function and provides a public benefit by enabling access to health care, education, employment opportunities and essential services, providing economic opportunities, and enhancing public health and safety, and

Whereas, achieving affordable and quality broadband access for all will require additional and sustained investment, research, local and community participation, and partnerships between private, public, and nonprofit entities, and

Whereas, the federal communications commission has adopted a national broadband plan that includes recommendations directed to federal, state and local governments to ensure efficient allocation and management of assets that the government controls or influences to encourage network upgrades and competitive entry; and reform current universal service mechanisms to support deployment in high-cost areas, ensuring that low-income American can afford broadband, and supporting efforts to boost adoption and utilization; and

Whereas, sustainable and reliable infrastructure helps build strong economies and equitable communities, and

Whereas, the COVID-19 pandemic has only increased the pressing need for countywide equitable high-speed broadband internet infrastructure, and

Whereas, reliable broadband bridges the digital divide between urban and rural communities, regardless of neighborhood, and

Whereas, new, innovative programs that focus on digital equity and inclusion and target the most underserved residents in our cities is possible, and

Whereas, strong cities need protected and improved public authority to provide broadband service, and

Whereas, cities can promote greater access to high-quality, affordable internet service by working with public partners, residents, and service providers, and

Whereas, Washington State has set the ambitious broadband expansion goal that by 2026 all Washington businesses and residences would have access to broadband that provides 1 gigabit per second symmetrical (upload and download speeds) broadband service at anchor institutions like schools, hospitals, libraries, and government buildings.

Now, therefore, be it resolved that Vancouver City Council formally requests that Clark Public Utilities District conduct a feasibility study to develop a plan that encourages, fosters, develops, and improves affordable, equitable, quality broadband within the county in order to:

1. Drive job creation, promote innovation, improve economic vitality, and expand markets for Clark County businesses;
2. Serve the ongoing and growing needs of Clark County's education systems, health care systems, public safety systems, industries and business, governmental operations, and citizens; and
3. Improve broadband accessibility for unserved and underserved communities and populations.

DRAFT

CITY OF
Vancouver
WASHINGTON





Introduction

- Recent Project and Policy Successes
- 2021 Federal Agenda
 - Grant Projects
 - Policy Priorities
- 2020 Election Review
- 2021 Legislative Preview



History of Success

**Over \$28.69 million in federal earmarks and grants secured since 2008
(\$2.4 million/year)**

- | | |
|---|-----------------------|
| ■ East 5 th Street and NPS Parking Improvement | \$1.8 million |
| ■ Firefighter Hazmat Training | \$334,000 |
| ■ Waterfront Access and Trail | \$13.35million |
| ■ 10 Police Officers | \$1.25 million |
| ■ Brownfields Assessment | \$400,000 |
| ■ Evergreen Trail Planning | \$100,000 |
| ■ Firefighter Equipment | \$1,547,328 |
| ■ Police Records Management | \$1 million |
| ■ 13 Firefighters | \$2.3 million |
| ■ Mill Plain/SE 136 th | \$300,000 |
| ■ Child Sexual Predator Grant | \$493,000 |

Policy Items

Stormwater Fee (Save \$100k/year)

3% Withholding Tax Eliminated

Pearson Box Eliminated

Molina on Rail Safety Board

COVID Relief

D Block Spectrum

DOT Crude-by-Rail Improvements

New Freight Program (I-5 Bridge)



2020 Successes and Advocacy

2020 Grant Successes

■ Firefighter Thermal Imaging and Hazmat Training	\$439,676
■ Project Home Safe	\$223,705
■ Brownfields Assessment	<u>\$600,000</u>
2020 Total	\$1.26 million

COVID Relief

• Byrne JAG - Police	\$ 206,582
• CDBG - Housing	\$1,896,536
• Coronavirus Relief Fund (CRF)	<u>\$8,338,500</u>
Total	\$10,441,618

Pending Requests

■ COVID - CARES 2.0	CRF Funding
■ FY21 Funding Requests: Transportation, Housing, Economic Development, Police, Fire and EPA Brownfields	



2021 Federal Agenda

Grow a More Prosperous City

- | | |
|---|------------------|
| ■ I-5 Bridge Replacement | Policy Item |
| ■ Support Robust Transportation Reauthorization | Policy Item |
| ■ Creation of New Bridge Program; New Starts, INFRA, BUILD | |
| ■ More Local Control and Direct Access for Municipalities | |
| ■ Project FIRST (SE 1 st Street Improvement Project) | \$10 million |
| ■ CARES 2.0 - Coronavirus Relief Fund | Policy Item |
| ■ 32 nd Avenue Extension | Proposed Project |
| ■ Municipal Bonds; Restore SALT/Advanced Refunding | Policy Item |



2021 Federal Agenda

Invest in a Safe and Welcoming Community

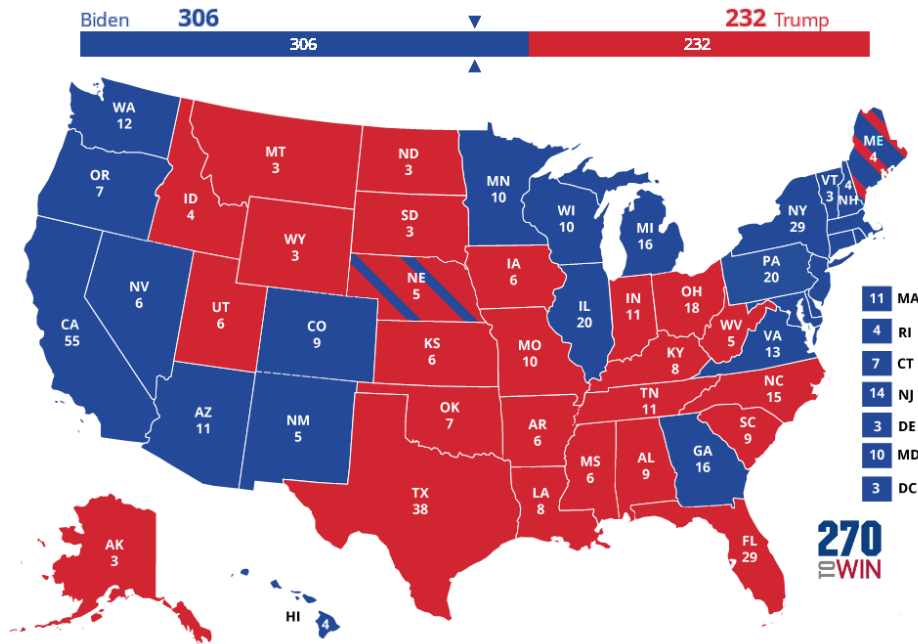
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|---|--------------|
| ■ Protect Housing, Transportation and Economic Development Programs | Policy Item |
| ■ Water Station 5 – Seismic Resiliency | \$20 million |
| ■ Fund Energy Efficiency and Conservation Block Grant Program | Policy Item |
| ■ Firefighter Equipment – Chest Compression Devices | \$327,562 |
| ■ Fire Officer Training | \$218,000 |
| ■ Crude-By-Rail | Policy Item |
| ■ Preserve States Rights | Policy Item |

2021 Federal Agenda

Become a More Vibrant City

- Evergreen Highway Pedestrian Pathway \$1 million
- Increase Low Income Housing Tax Credit Policy Item
- Regulatory Concerns and Oppose Unfunded Mandates Policy Item

2020 Election Results - President



Interesting Statistics

- Highest turnout since 1900.
- Biden/Harris first Presidential ticket to receive over 80 million votes.
- First election since 1960 where winner didn't carry Ohio.

Vote Breakdown

- Pennsylvania: 81,660 Biden Win
- Nevada: 33,596 Biden Win
- Wisconsin: 20,608 Biden Win
- Georgia: 12,670 Biden Win
- Arizona: 10,457 Biden Win
- North Carolina: 74,483 Trump Win

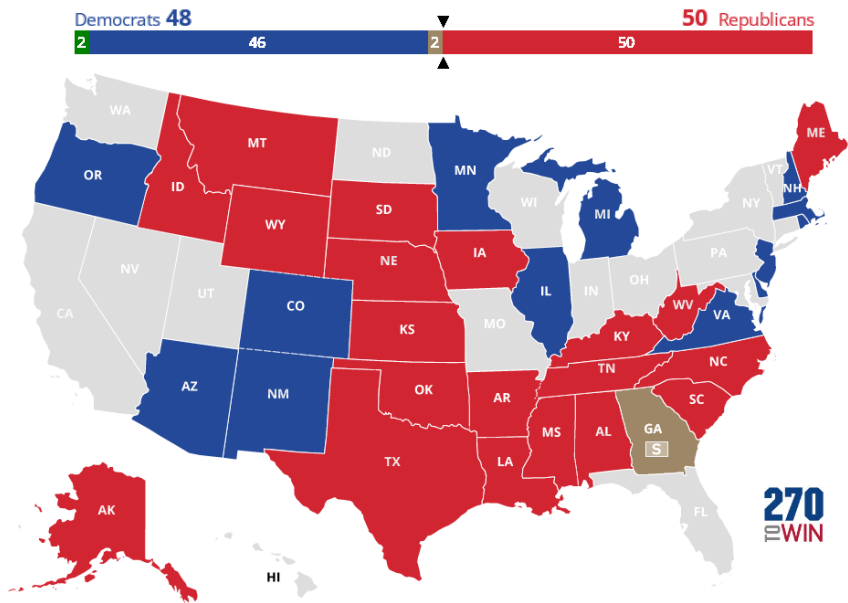
2016

- Popular Vote: Clinton by 2,868,686
- Electoral College: Trump 306/Clinton 232

2020

- Popular Vote: Biden by 6,322,907
- Electoral College: Biden 306/Trump 232

2020 Election Results - Senate



Senate Pick Ups

- Colorado
- Arizona
- Alabama

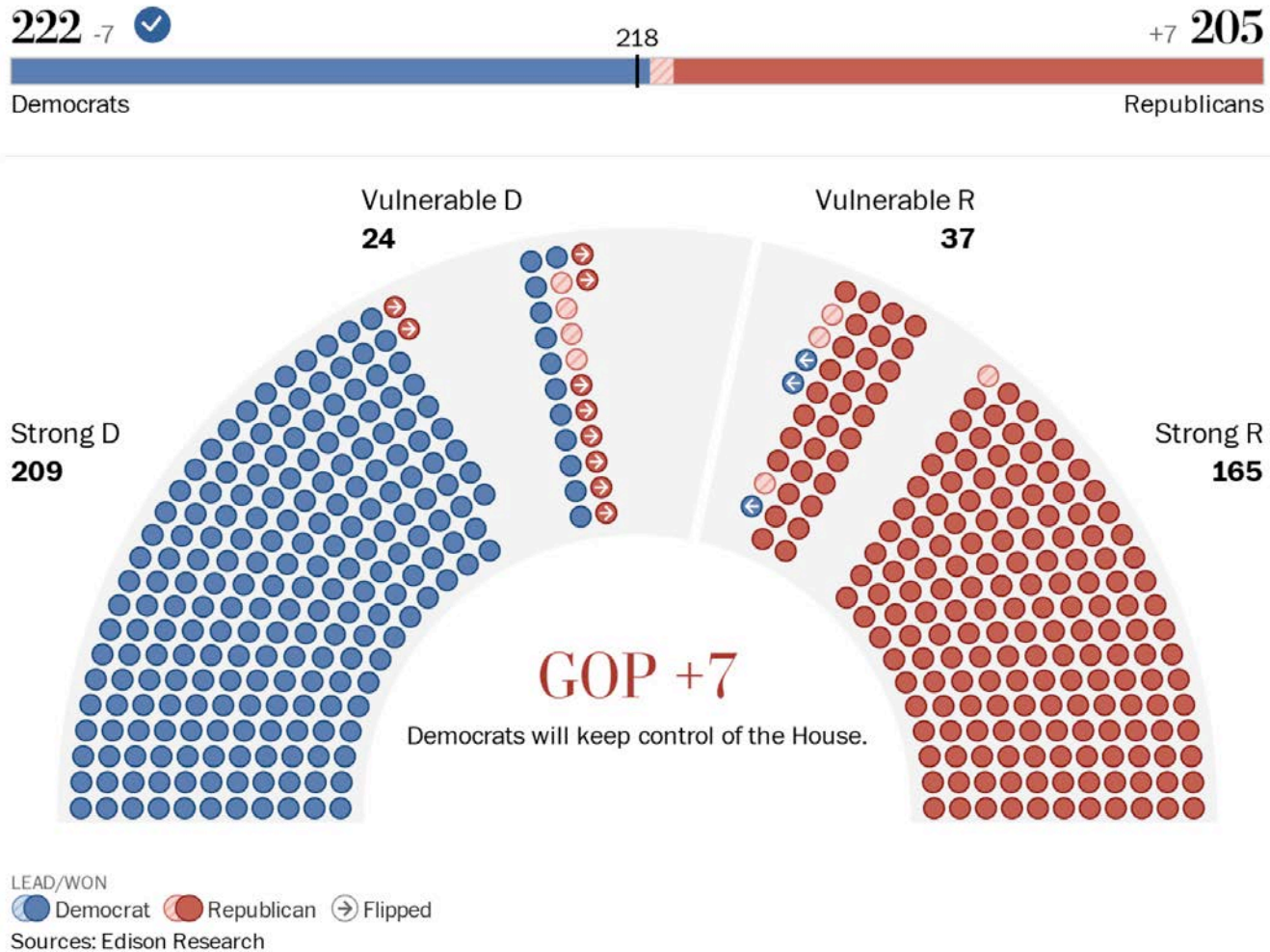
Too Early to Call

- Georgia 1 – Purdue at 49% - Runoff
- Georgia 2 – Loeffler at 26%/Warnock 33%

GOP Holds

- Maine
- North Carolina
- South Carolina
- Montana
- Iowa

2020 Election Results - House





Legislative Preview

- **Lame Duck Session**

- FY2021 Budget
- COVID Stimulus
- WRDA

- **2021**

- Biden Administration – McConnell GOP Senate
- Surface Transportation Reauthorization
- Infrastructure Package
- Earmarks

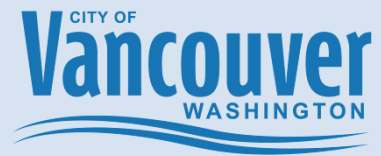
- **Issues to Watch**

- Health Care, Immigration, Climate Change, Trade and Tariffs, Gun Control



Questions?

CITY OF VANCOUVER 2021 FEDERAL LEGISLATIVE AGENDA



GROW A MORE PROSPEROUS CITY

I-5 Bridge Replacement | Policy Item

Replacement of the I-5 Bridge is a top priority for the City of Vancouver. The northbound span opened in 1917 and the nearly identical southbound structure opened in 1958. The Interstate Bridge sees 135,000 crossings each weekday, is the 29th worst bottleneck in the country and is at capacity—meaning the current design cannot physically handle any additional throughput.

The City strongly supports inter-state and federal investments to fund an I-5 bridge replacement project consisting of high-capacity transit with a dedicated guideway.



Interstate Bridge Northbound Span Opens Feb. 14, 1917

Support Transportation Reauthorization | Policy Item

Transportation resources are necessary to facilitate economic growth, job creation, reduce traffic congestion and improve transportation choices within our community. Congress should develop and pass a comprehensive long-term transportation reauthorization bill providing robust funding for bridges, highways, mass transit and other local infrastructure needs. Within the transportation reauthorization bill, Vancouver supports:

- Creation of the **Bridge Investment Program** included in the Senate ATIA bill and/or creation of the **Projects of National Significance Program** included in the INVEST Act. The new programs would address some of our nation's most problematic bridge and infrastructure needs and be a viable funding source for the replacement of the I-5 Bridge.
- Maintaining and increasing funding for **FTA Capital Investment Program, INFRA and BUILD**. These programs could provide federal investment toward the I-5 Bridge replacement project and other critical freight and

GROW A MORE PROSPEROUS CITY CON'T

economic development projects in SW Washington.

- Creation of programs that allow municipalities' direct access to federal resources and competitive grants. Today, more than 90% of federal highway assistance is distributed to the states by formula.
- Providing more funding and increased set asides within key transportation programs, including the **Surface Transportation Block Grant, Transportation Alternative Program and Federal Lands Access Program (FLAP)**.
- Maintaining the Categorical Exclusion for projects with minimal federal participation and streamline the federal permitting process.
- A long-term, sustainable and reliable funding solution for the Highway Trust Fund.

PROJECT FIRST | \$10 million

The City of Vancouver is seeking a \$10 million urban BUILD grant to complete Project Fast-Tracking Improvements to Reach Strategic Targets (Project FIRST). Project FIRST is a \$24.425 million infrastructure investment in East Vancouver that will facilitate the City's long-term economic goals. The project will upgrade an approximately 1.36-mile segment of SE 1st Street from a two-lane rural road to multimodal urban standards that will accelerate economic development and improve safety and connectivity in the region. Project FIRST will accelerate economic growth with a new urban arterial that will provide accessibility to support redevelopment and investment in Section 30 and Columbia Tech Center. At full buildout, the City estimates Section 30 will host 9,400 new jobs.

Coronavirus Relief Fund | Policy Item

The pandemic is straining our public health system, severely damaging our economy and touching the lives of every single American. Cities across the country are on the front lines of this crisis and will play a key role in recovery. The City has enacted furloughs and delayed hiring decision and high priority infrastructure projects. As Congress continues to debate COVID relief legislation, we strongly support direct assistance to local governments with the flexibility to offset the significant revenue loss and cover expenses to battle the virus.

32nd Ave. Extension | Proposed Project

This road extension project will provide the Port of Vancouver with better freight access to I-5, catalyze new development on industrial lands, protect communities by diverting freight traffic and enhance safety of the pedestrian and bike network.

Taxes: Restore SALT Deduction and Advanced Refunding | Policy Item

SALT Deduction: The City is concerned about the impact on lower and middle income families of the \$10,000 cap on deductions for property, state and local taxes. The City supports full restoration of the SALT deduction.

Advanced Refunding: The City supports refinancing of municipal bonds which was eliminated in the 2017 tax bill. Refinancing bonds lowers the debt service for local governments and is a financing tool that reduces the burden on local residents.

INVEST IN A SAFE AND WELCOMING COMMUNITY

Protect CDBG, HOME, Section 108, BUILD and EDA Funding | Policy Item

The City supports maintaining funding levels for these critical infrastructure programs. The City is a CDBG and HOME entitlement community and utilizes these formula funds on low-income programs that both grow the economy and serve as a community safety net.

Water Station 5 – Seismic Resiliency | \$20 million

The City of Vancouver is seeking \$20 million for seismic upgrades to its Water Station 5 facility. The City of Vancouver is the third largest supplier of drinking water in the state of Washington, serving 262,000 people. A 2014 seismic evaluation determined the station's reservoirs' roofs and concrete structures are structurally deficient and at serious risk of failure in a seismic event. These reservoirs account for 33% of the City's total storage volume and 100% of the water storage for one of the City's pressure zones.

Fund the Energy Efficiency and Conservation Block Grant Program | Policy Item

The City supports investing in the EECBG program which funded nearly \$3.2 billion in energy efficiency and renewable energy creation projects across the country through the ARRA program. As our City looks to reduce its carbon footprint and reduce greenhouse emissions, federal investment in clean technology would help amplify the City's efforts.

ASSISTANCE TO FIREFIGHTERS GRANTS

Chest Compression Devices | \$327,562

Vancouver Fire Department (VFD) is seeking funds to purchase 19 automatic chest compression devices that lead to better patient outcomes, improved ergonomics during CPR and less risk of firefighter injury.

Hazardous Materials Training | \$218,009

VFD is seeking grant funding to support sending department staff to specialized training in hazardous materials response and incident management.

Crude-By-Rail | Policy Item

The City supports reprioritizing crude-by-rail training and equipment grants as "high priority" items within the Assistance to Firefighter Grant program. Today, crude-by-rail communities and their first responders lack the equipment, training, and operational support they need to meet the public safety challenges posed by derailments. Under current AFG criteria guidelines, these types of requests will not get funded.

Preserve States Rights | Policy Item

In 2012, the citizens of Washington State approved the legalization of recreational marijuana. Since then, the City of Vancouver has experienced minimal nuisance issues but no material negative impact to the community from marijuana sales and approximately \$800,000 per year in tax revenue has gone to support increased police staffing. The City supports efforts in Congress to preserve and protect the rights of Washington State voters.



BECOME A MORE VIBRANT CITY

Evergreen Highway Pedestrian Pathway | \$1 million

The Evergreen Highway project will complete an additional segment of pedestrian pathway along SE Evergreen Highway from SE Image Road to SE 100th Court. First planned in the 1850's the roadway served as the County's first major east-west highway connecting Vancouver to eastern Washington. Long since converted to local access function, the roadway is a historic corridor within predominantly urbanized neighborhoods.

Increase Low Income Housing Tax Credit | Policy Item

The Housing Credit is our nation's most successful tool for encouraging private investment in the production and preservation of affordable rental housing production. Despite the growing need for affordable housing, viable and sorely needed Housing Credit developments are turned down each year because the cap on Housing Credit authority is far too low to support the demand.

Regulatory Concerns and Unfunded Mandates | Policy Item

The City opposes legislative or regulatory initiatives that undermine local government decision making and contributes to reduction in our workforce. The partnership with federal policy makers should recognize local government roles and not preempt city authority on issues such as land use, rights of way and other local functions.



CONTACT INFORMATION

Joel Rubin	202-347-9171	joelr@cfmdc.com
Aaron Lande	360-487-8612	aaron.lande@cityofvancouver.us

Fall 2020 Zoning Code Amendments follow up

VANCOUVER
CITY HALL



December 7, 2020

Vancouver City Council Workshop

**Bryan Snodgrass, Principal Planner, Community
and Economic Development Department**

Presentation Overview

- Staff review of new proposals for four code changes discussed by Council at the November 16 workshop
- First Reading on December 14, Public Hearing on December 21 for those items directed to go forward

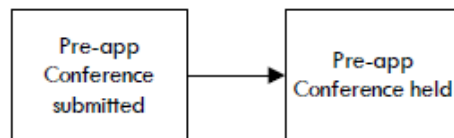
Allow off-site parking beyond 300 feet

- Issue identified by staff based on feedback from downtown applicants
- Council concerns about discretionary allowance being vague and overly permissive
- Suggested new requirement would be to allow off-site parking at Planning Director discretion, but only downtown, for only up to 50% of required spaces, and not to include any ADA-required parking
- Other jurisdictions
 - Tacoma allows off-site parking within 500'
 - Olympia allows off-site parking within 700'
 - Spokane allows off-site parking for commercial within 600' and residential within 400'

Reduce Type III application notice from 30 to 14 days

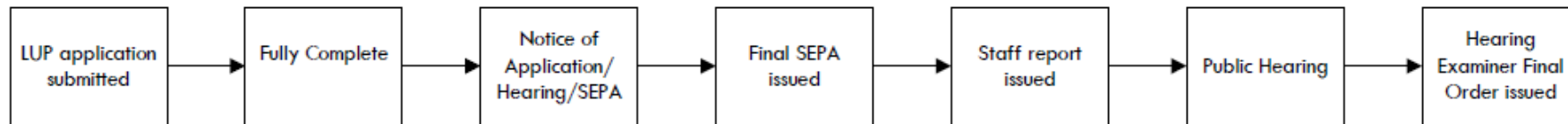
- Issue identified by staff based on fact that almost all Type III application comments submitted at or before public hearing rather than following initial application, and challenges in meeting state mandated review timelines for subdivisions.
- Council requested full timeline graphic, and expressed concerns about shortening overall comment opportunities for neighborhoods and individuals

Reduce Type III application notice (continued)



3 weeks/
Neighborhood
association
notified

**Current Process with 30-day comment period
after application in addition to public hearing**



28 day review
max.

14 days
max.

30-day public
comment
min.

of days
based on
hearing date

14 days
min.

14 days
max.

Reduce Type III application notice (continued)

Actual Time Line for Recent Subdivision

Fully Complete: 1/24/2020

NOA/SEPA Determination: 2/7/2020

Final SEPA issued: 3/10/2020

SEPA appeal period ends: 3/24/2020

Staff report to HE: 4/7/2020

Public Hearing: 4/21/2020 (88th day)

HE Decision Due: 5/5/2020

****102 days from FC to decision issuance****

Note:

- State law: 90 days for subdivisions from Fully Complete (FC) to final decision. All others 120 days
- Public can comment throughout the process and at the public hearing

Update pronouns

- “*His*” and “*him*” citations appear approximately 36 times in Title 20 zoning standards, approximately 306 times in full Vancouver Municipal Code
- Council concern raised about appropriate language
- Staff proposes first eliminating pronouns in Title 20, reverting to reference of Planning Official or they/them as appropriate

Eliminate impact fee timing/vesting redundancies

- Staff proposal to amend plat notification of impact fees to reference existence of fee but not specific amount raised question about impact fee vesting and timing issue to be addressed in 2021
- Council concern raised that any portions of code section currently under review regarding plat notice (VMC 20.915.020) that duplicate impact fee timing or vesting provisions elsewhere in code be addressed now.
- Upon further review staff recommends that duplication of impact fee vesting or timing issues is best addressed more comprehensively as part of 2021 work

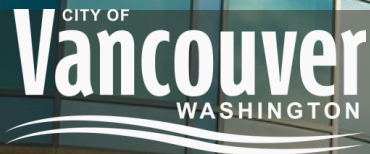
Next Steps

- December 14 First Reading. Staff to submit ordinances for:
 - Map and text amendments reviewed at November 16 workshop without questions raised (Gregory Landing Comprehensive Plan and zoning map designation change, Parks CFP Comprehensive Plan text change, six zoning code text changes)
 - Item reviewed today directed for hearing review by Council
- December 21 Public Hearing

Questions and Discussion

- Bryan Snodgrass, Principal Planner, Community and Economic Development Department
bryan.snodgrass@cityofvancouver.us, 360-487-7946

Vancouver City Council Vancouver Transportation Benefit District Board of Directors Joint Workshop – 2020 In Review



December 7, 2020
Chris Malone, PW Finance and Asset Manager

Purpose of Workshop



- Inform Council and Transportation Benefit District (TBD) board of 2020 expenses and revenues.
- Share proposed 2021 TBD workplan and budget.
- Gather feedback in preparation of TBD board of directors meeting scheduled for December 21st.

Agenda

- Street Funding Strategy (SFS) Guiding Principles/Key Outcomes
- 2020 SFS Revenues/Expenses
- 2021 Transportation Benefit District (TBD) Work Plan
- Next Steps
- Questions and Discussion



SFS Guiding Principles



- Supplement – Not Supplant – Current Street Funds
- Equitable Responsibility for Supporting Vancouver's Streets
- Predictability of Funds
- Provide Annual Reporting to Council and Community
- Require Public Process/Review of any Proposal to Shift Recommended Revenues to Anything Other than Streets
- Reinvest Retired Transportation Debt Service into the SFS
- *New in 2021: emphasis on equity, safety, and climate action*

SFS Key Outcomes

- Right-of-Way Maintenance (Restore to Historic Levels)
- Pavement Preservation
- Pavement Reconstruction
- Asset Replacement (Street Lights, Traffic Signals, etc.)
- Mobility, Accessibility, and Safety
- Grant Funded Capital Projects
- Sidewalk Maintenance



2020 SFS Revenues



Funding Source	2019 Revenue	2020 Revenue
	(Millions)	(Millions)
	Actuals	Estimated
TBD Vehicle License Fee	\$5.15	\$5.25
Utility Tax	\$1.95	\$2.00
Business License Surcharge	\$0.94	\$0.26
State Gas Tax	\$0.48	\$0.47
Paid-off Debt	\$1.40	\$2.20
Total	\$9.98	\$10.18

2020 SFS Expenses



Key Outcomes	2019 Expenses (Millions)	2020 Expenses (Millions)
	actuals	Estimated
Pavement Management	\$3.50	\$3.50
Pavement Reconstruction	\$0.50	\$0.00
Grant Funded Projects	\$2.00	\$2.00
Multimodal Safety and Access.	\$0.50	\$0.00
Neighborhood Traffic Calming	\$0.10	\$0.00
Asset Replacement	\$0.20	\$0.00
ROW Maintenance and Sweeping	\$0.75	\$0.75
Sidewalk Management	\$0.50	\$0.25
Total	\$8.70	\$6.50

2021 Vancouver TBD Recommended Workplan

Project Name	* TIP ID	Vancouver TBD Funds	Other Funding	Total Estimated Project Cost
Traffic Signal and Lighting Sustainability	Trans 237	\$200,000	\$215,000	\$415,000
Pavement Preservation Program	Trans 241	\$600,000	\$11,700,000	\$12,300,000
Pavement Reconstruction Program	Trans 421	\$1,000,000	\$0.0	\$1,000,000
Multimodal Safety and Accessibility	Trans 844	\$1,000,000	**	\$1,000,000
Neighborhood Traffic Management Program	Trans 240	\$130,000	\$170,000	\$300,000
Total		\$2,930,000	\$12,085,000	\$15,015,000

* Project ID numbers from the 2021-2026 Transportation Improvement Program (TIP) adopted 06/15/2020

** Multimodal improvements also being implemented by capital projects and paving projects

2021 Vancouver TBD Recommended Budget

2021 Estimated Beginning Fund Balance	\$8,400,000
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2021 Estimated Revenues

TBD Vehicle License Fees Revenue	\$5,000,000
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Investment Interest Revenue	\$15,000
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Total 2021 Estimated Available	\$13,415,000
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2021 Total Estimated Expenditures	\$2,930,000
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2021 Estimated Ending Fund Balance	\$10,485,000
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Future TBD large arterial project contributions

Project Name	* TIP ID	2022	2023	2024
1 st Street (177 th to 192 nd)	Trans 870	\$3,200,000	\$0.00	\$0.00
137 th Avenue (49 th to 4 th Plain)	Trans 275	\$0.00	\$5,000,000	\$0.00
Jefferson Street Realignment	Trans 531	\$0.00	\$0.0	\$4,000,000

* Project ID numbers from the 2021-2026 Transportation Improvement Program (TIP) adopted 06/15/2020

Next Steps

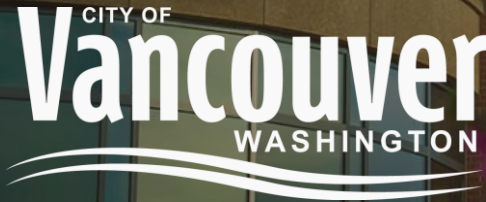
- **December 21, 2020 – TBD Board of Directors Meeting**
 - Consider 2021 Work Plan/Budget
- **March 1, 2021 – TBD Board of Directors Meeting**
 - Consider TBD Annual Report for 2020
 - Set 2021 Meeting Schedule
- **Late 2021/Early 2022 - Review long-term options for TBD revenue stability**



Questions and Discussion

Chris Malone, PW Finance and Asset Manager

www.cityofvancouver.us/tbd





Staff Report 176-20

TO: Mayor and City Council

FROM: Eric Holmes, City Manager

DATE: 12/7/2020

SUBJECT Approval of 2021 Council Meeting Schedule

Key Points

- Council Policy 100-32 (City Council Meetings) calls for the annual Council meeting schedule to be approved by the City Council.
- The annual meeting schedule and calendar identify all Regular and Consent Agenda meetings, as well as scheduled holidays and breaks.
- Following Council adoption of the meeting schedule, City staff will publicly notice the full schedule and post the annual calendar on the City's website.

Strategic Plan Alignment

N/A

Present Situation

City staff develops and publishes the annual Council meeting schedule and calendar every fall for the following year. Council Policy 100-32 includes a provision for Council adoption of the upcoming annual Council meeting schedule on the first meeting of December each year.

The annual schedule identifies the date, time and type of each Council meeting, as well as any Mondays when the Council will not meet. Per Council policy, the Council meets every first, second, third, and fourth Monday of each month, excluding any City-recognized holidays that fall on a Monday. Per City Charter, Council must meet at least twice per month for Regular meetings, which will typically fall on the first and third Mondays; Consent Agenda meetings with Citizen Forum fall on the second and fourth Mondays, unless otherwise pre-empted by a Regular meeting and identified as such on the approved schedule. Informational workshops may be held, as needed, before any Council meeting. The specific time and topic for each workshop will be identified on the published agenda for a given meeting date.

The 2021 Council schedule includes 24 Regular Council meetings, 18 Consent Agenda meetings, and 19 scheduled Citizen Forums. All City Council meetings will begin at 6:30 p.m., per Council Policy 100-

32. Workshops will be held between 4:00 and 6:00 p.m., unless otherwise noted on a published agenda. Citizen Forums will be held for up to 90 minutes following the business items of the agenda.

Subject to Council approval, the 2021 annual schedule will be publicly noticed in The Columbian, and the calendar will be posted on the City's website and distributed to the media and all City departments. Copies of the printed Council meeting calendar may be requested by contacting the Council Assistant at 360-487-8605.

Any cancellations or changes to the annual schedule, or the addition of Council retreats or other special Council meetings, will be advertised in accordance with Council Policy and the Washington Open Public Meetings Act.

2021 Annual Meeting Schedule

All meetings begin at 6:30 p.m. | Workshops 4:00-6:00 p.m. (subject to change)

1/4/2021	Regular Meeting
1/11/2021	Consent Agenda Meeting w/ Citizen Forum
1/18/2021	<i>No Meeting - holiday (Martin Luther King Jr. Day)</i>
1/25/2021	Regular Meeting
2/1/2021	Regular Meeting
2/8/2021	Consent Agenda Meeting w/ Citizen Forum
2/15/2021	<i>No Meeting - holiday (Presidents Day)</i>
2/22/2021	Regular Meeting
3/1/2021	Regular Meeting
3/8/2021	Consent Agenda Meeting w/ Citizen Forum
3/15/2021	Regular Meeting
3/22/2021	Consent Agenda Meeting w/ Citizen Forum
3/29/2021	<i>No Meeting - 5th Monday</i>
4/5/2021	Regular Meeting
4/12/2021	Consent Agenda Meeting w/ Citizen Forum
4/19/2021	Regular Meeting
4/26/2021	Consent Agenda Meeting w/ Citizen Forum
5/3/2021	Regular Meeting
5/10/2021	Consent Agenda Meeting w/ Citizen Forum
5/17/2021	Regular Meeting
5/24/2021	Consent Agenda Meeting w/ Citizen Forum
5/31/2021	<i>No Meeting - holiday (Memorial Day)</i>
6/7/2021	Regular Meeting
6/14/2021	Consent Agenda Meeting w/ Citizen Forum
6/21/2021	Regular Meeting
6/28/2021	Consent Agenda Meeting w/ Citizen Forum
7/5/2021	<i>No meeting - holiday (Independence Day observed)</i>
7/12/2021	Regular Meeting
7/19/2021	Regular Meeting
7/26/2021	Consent Agenda Meeting w/ Citizen Forum
8/2/2021	Regular Meeting

8/9/2021	Consent Agenda Meeting w/ Citizen Forum
8/16/2021	Regular Meeting
8/23/2021	<i>No Meeting - mid-year break</i>
8/30/2021	<i>No Meeting - 5th Monday</i>
9/6/2021	<i>No Meeting - holiday (Labor Day)</i>
9/13/2021	Regular Meeting w/ Citizen Forum
9/20/2021	Regular Meeting
9/27/2021	Consent Agenda Meeting w/ Citizen Forum
10/4/2021	Regular Meeting
10/11/2021	Consent Agenda Meeting w/ Citizen Forum
10/18/2021	Regular Meeting
10/25/2021	Consent Agenda Meeting w/ Citizen Forum
11/1/2021	Regular Meeting
11/8/2021	Consent Agenda Meeting w/ Citizen Forum
11/15/2021	Regular Meeting
11/22/2021	Consent Agenda Meeting w/ Citizen Forum
11/29/2021	<i>No Meeting - 5th Monday</i>
12/6/2021	Regular Meeting
12/13/2021	Consent Agenda Meeting w/ Citizen Forum
12/20/2021	Regular Meeting
12/27/2021	<i>No Meeting - End of Year Break</i>

Advantage(s)

1. Provides Council with an opportunity to review the upcoming annual meeting schedule prior to publishing
2. Increases transparency and public awareness of when the Council regularly meets

Disadvantage(s)

None

Budget Impact

None

Prior Council Review

Amendments to Council Policy 100-32 were adopted on September 24, 2018 (Res. M-3980)

Action Requested

Approve the 2021 annual City Council meeting schedule.

Amanda Delapena, Assistant to the City Council, 360-487-8605

ATTACHMENTS:

- ▯ 2021 Council Meeting Calendar

Vancouver City Council

2021 Meeting Calendar



January

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
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- Regular Meeting
- Consent Agenda Meeting & Citizen Forum
- Holiday/5th Monday—No Meeting (see reverse side for details)
- See reverse for details

Workshops 4-6 pm, unless otherwise noted on agenda | All meetings begin at 6:30 pm



Unless otherwise advertised, City Council meets at 6:30 p.m., every 1st through 4th Mondays every month in the *Council Chambers at Vancouver City Hall, 415 W. 6th Street, Vancouver, WA.

**While under state and local emergency public health orders, Council meetings will be held remotely over video conference, as needed. Details regarding any revised format and/or venue required to comply with such orders and/or public health guidance, as well as information regarding opportunities for public attendance and participation, will be published with the final agenda for each respective Council meeting.*

- ◆ Regular Meetings, which may or may not include public hearings, are held on the 1st and 3rd Mondays.
- ◆ Consent Agenda Meetings are held on the 2nd and 4th Mondays. Consent meetings conclude with a Citizen Forum* of up to 90 minutes, during which citizens are invited to testify to the Council regarding any matter of interest.

* **September 13**—Council will hold a Citizen Forum at the conclusion of its Regular meeting

Council does not meet on 5th Mondays or on most federally recognized holidays. City Charter requires Council to hold at least two Regular Meetings per month. In the event a holiday falls on a Regular Meeting date, that Regular Meeting will be held the following Monday in lieu of a Consent Agenda meeting.

2021 Monday Holidays—No Council

- ◆ Jan. 16—Martin Luther King Jr. Day
- ◆ Feb. 15—President’s Day
- ◆ May 31—Memorial Day
- ◆ July 5—Independence Day (observed)
- ◆ August 23—Council break
- ◆ Sept. 6—Labor Day
- ◆ Dec. 27—Council break

2021 5th Mondays—No Council

- ◆ March 29
- ◆ Aug. 30
- ◆ Nov. 29

Additional 2021 Holidays—City offices closed

- ◆ Friday, Jan. 1—New Year’s Day
- ◆ Thursday, Nov. 11—Veteran’s Day
- ◆ Thursday & Friday, Nov. 25 & 26—Thanksgiving Day & following day
- ◆ Friday, December 24—Christmas Day (holiday observed)

Anne McEnerny-Ogle, Mayor

Bart Hansen | Ty Stober | Linda Glover | Laurie Lebowsky | Erik Paulsen | Sarah J. Fox

www.cityofvancouver.us/council



Staff Report 177-20

TO: Mayor and City Council

FROM: Eric Holmes, City Manager

DATE: 12/7/2020

SUBJECT Approval of Purchasing Authority for Software and Related Services from SHI International

Key Points

- The City would utilize cooperative purchasing via Sourcewell Contract #081419-SHI to procure software and related services from SHI International Corp.
- The largest expenditure on this contract is with Microsoft, which includes Windows 10, Office 365, Microsoft Server, SQL Server licenses and related support, which were approved in the 2021-2022 biennial budget. The SHI contract is also used to purchase software and annual maintenance from non-Microsoft companies, such as: Adobe, VMware, Citrix, Darktrace and others.
- The City is requesting authorization to spend \$3,600,000 with SHI over the life of the contract.

Strategic Plan Alignment

The software and related services procured through this contract, such as Microsoft Exchange email, Microsoft Server used as the operating system for hundreds of City servers, and the Microsoft Office productivity suite (Word, Excel, PowerPoint) are foundational to City operations and used by employees in support of all City goals.

Present Situation

The City currently uses the State of Washington SHI contract to purchase software from multiple vendors, including Microsoft, Adobe, Avolve, Barracuda, Citrix, Infor, Kronos, NetMotion Wireless, OpenText, Pitney-Bowes, Qualys, RSA Security, VMware, and others. Because the State of Washington contract expires in April 2021, the City can lock in prices for major Microsoft subscription software purchases by utilizing the Sourcewell SHI contract through Sept. 2023.

Advantage(s)

Purchasing via the Sourcewell contract allows the City to acquire software and related services at a reduced price due to large-scale cooperative purchasing.

Disadvantage(s)

None.

Budget Impact

None. Appropriations for software, systems, and related services exist within the current 2021-2022 budget. No additional appropriations are requested.

Prior Council Review

None

Action Requested

Authorize the City Manager or designee to approve purchases not to exceed \$3,600,000 from SHI International Corp. on Sourcewell Contract #081419-SHI over the life of the contract.

Patrick Gilbride, Information Technology Director, 360-487-7650

ATTACHMENTS:

- ▣ SHI Contract

**Solicitation Number: RFP#081419****CONTRACT**

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and **SHI International Corp.**, 290 Davidson Ave., Somerset, NJ 08873 (Vendor).

Sourcewell is a State of Minnesota local government agency and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to its members. Participation is open to all levels of governmental entity, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada.

Vendor desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and its Members (Members).

1. TERM OF CONTRACT

- A. **EFFECTIVE DATE.** This Contract is effective upon the date of the final signature below.
- B. **EXPIRATION DATE AND EXTENSION.** This Contract expires October 30, 2023, unless it is cancelled sooner pursuant to Article 24. This Contract may be extended up to one additional one-year period upon request of Sourcewell and with written agreement by Vendor.
- C. **SURVIVAL OF TERMS.** Articles 11 through 16 survive the expiration or cancellation of this Contract.

2. EQUIPMENT, PRODUCTS, OR SERVICES

- A. **EQUIPMENT, PRODUCTS, OR SERVICES.** Vendor will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above. Vendor's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract. "Equipment" and "Products" shall mean the third party software, computer peripherals, computer hardware, and associated IT services resold by Vendor and provided by third parties. "Services" shall mean all professional services provided by Vendor under a Scope of Work. "Scope of Work" or "SOW" shall mean a document mutually agreed upon between the Vendor and the Member that references these terms and conditions and describes the Services

to be provided the associated schedule and price and any special conditions applicable to that SOW.

All Equipment and Products provided under this Contract must be new/current model. Vendor may offer close-out or refurbished Equipment or Products if they are clearly indicated in Vendor's product and pricing list. Unless agreed to by the Member in advance, Equipment or Products must be delivered as operational to the Member's site.

This Contract offers an indefinite quantity of sales, and while substantial volume is anticipated, sales and sales volume are not guaranteed.

B. LAWS AND REGULATIONS. All Equipment, Products, or Services must comply fully with applicable federal laws and regulations, and with the laws of the state or province in which the Equipment, Products, or Services are sold.

C. WARRANTY. Vendor warrants that all Equipment, Products, and Services furnished are free from liens and encumbrances. Vendor warrants that the Services are free from material defects for ninety (90) days commencing with final acceptance of the Services unless otherwise specified in a SOW (the "Warranty Period"). Member agrees to look solely to the manufacturer to reach a resolution in any dispute over warranty terms with the manufacturer. Any manufacturer's warranty that is provided to Vendor from the manufacturer of the Product will be passed on to the Member. EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT AND/OR ANY ORDER ISSUED, HEREUNDER VENDOR HEREBY DISCLAIMS ALL OTHER WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WARRANTY OF NONINFRINGEMENT, OR ANY WARRANTY RELATING TO THIRD PARTY SERVICES OR PRODUCTS. THE DISCLAIMER CONTAINED IN THIS PARAGRAPH DOES NOT AFFECT THE TERMS OF ANY WARRANTY PROVIDED BY A MANUFACTURER.

3. PRICING

All Equipment, Products, or Services under this Contract will be priced as stated in Vendor's Proposal.

Regardless of the payment method chosen by the Member, the total cost associated with any purchase option of the Equipment, Products, or Services must always be disclosed in the pricing quote to the applicable Member at the time of purchase.

When providing pricing quotes to Members, all pricing quoted must reflect a Member's total cost of acquisition. This means that the quoted cost is for delivered Equipment, Products, and Services, and includes all costs to the Member's requested delivery location.

A. SHIPPING AND SHIPPING COSTS. All delivered Equipment and Products must be properly packaged. Damaged Equipment and Products may be rejected. If the damage is not readily

apparent at the time of delivery, Vendor may permit the Equipment and Products to be returned within a reasonable time at no cost to Sourcewell or its Members, in accordance with Vendor's Return Policy at www.shi.com/returnpolicy. Members reserve the right to inspect the Equipment and Products within 3 business days after delivery where circumstances or conditions prevent effective inspection of the Equipment and Products at the time of delivery.

Vendor must arrange for and pay for the return shipment on Equipment and Products that arrive in a defective or inoperable condition subject to Vendor's Return Policy.

In the event of the delivery of nonconforming Equipment and Products, the Member will notify the Vendor as soon as possible and the Vendor will replace nonconforming Equipment and Products with conforming Equipment and Products that are acceptable to the Member subject to Vendor's Return Policy.

B. SALES TAX. Each Member is responsible for supplying the Vendor with valid tax-exemption certification(s). When ordering, Members must indicate if it is a tax-exempt entity.

C. HOT LIST PRICING. At any time during this Contract, Vendor may offer a specific selection of Equipment, Products, or Services at discounts greater than those listed in the Contract. When Vendor determines it will offer Hot List Pricing, it must be submitted electronically to Sourcewell in a line-item format. Equipment, Products, or Services may be added or removed from the Hot List at any time through a Sourcewell Price and Product Change Form as defined in Article 4 below.

Hot List program and pricing may also be used to discount and liquidate close-out and discontinued Equipment and Products as long as those close-out and discontinued items are clearly identified as such. Current ordering process and administrative fees apply. Hot List Pricing must be published and made available to all Members.

4. PRODUCT AND PRICING CHANGE REQUESTS

Vendor may request Equipment, Product, or Service changes, additions, or deletions at any time. All requests must be made in writing by submitting a signed Sourcewell Price and Product Change Request Form to the assigned Sourcewell Contract Administrator. This form is available from the assigned Sourcewell Contract Administrator. At a minimum, the request must:

- Identify the applicable Sourcewell contract number
- Clearly specify the requested change
- Provide sufficient detail to justify the requested change
- Individually list all Equipment, Products, or Services affected by the requested change, along with the requested change (e.g., addition, deletion, price change)
- Include a complete restatement of pricing documentation in Microsoft Excel with the effective date of the modified pricing, or product addition or deletion. The

new pricing restatement must include all Equipment, Products, and Services offered, even for those items where pricing remains unchanged.

A fully executed Sourcewell Price and Product Request Form will become an amendment to this Contract and be incorporated by reference.

5. MEMBERSHIP, CONTRACT ACCESS, AND MEMBER REQUIREMENTS

A. MEMBERSHIP. Membership in Sourcewell is open to public and nonprofit entities across the United States and Canada; such as municipal, state/province, K-12 and higher education, tribal government, and other public entities.

The benefits of this Contract should be available to all Members that can legally access the Equipment, Products, or Services under this Contract. A Member's authority to access this Contract is determined through its cooperative purchasing, interlocal, or joint powers laws. Any entity accessing benefits of this Contract will be considered a Service Member of Sourcewell during such time of access. Vendor understands that a Member's use of this Contract is at the Member's sole convenience and Members reserve the right to obtain like Equipment, Products, or Services from any other source.

Vendor is responsible for familiarizing its sales and service forces with Sourcewell membership requirements and documentation and will encourage potential members to join Sourcewell. Sourcewell reserves the right to add and remove Members to its roster during the term of this Contract.

B. PUBLIC FACILITIES. Vendor's employees may be required to perform work at government-owned facilities, including schools. Vendor's employees and agents must conduct themselves in a professional manner while on the premises, and in accordance with Member policies and procedures, and all applicable laws.

6. MEMBER ORDERING AND PURCHASE ORDERS

A. PURCHASE ORDERS AND PAYMENT. To access the contracted Equipment, Products, or Services under this Contract, Member must clearly indicate to Vendor that it intends to access this Contract; however, order flow and procedure will be developed jointly between Sourcewell and Vendor. Typically a Member will issue a purchase order directly to Vendor. Members may use their own forms for purchase orders, but it should clearly note the applicable Sourcewell contract number. Members will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Member.

B. ADDITIONAL TERMS AND CONDITIONS. Additional terms and conditions to a purchase order may be negotiated between a Member and Vendor, such as job or industry-specific requirements, legal requirements (such as affirmative action or immigration status requirements), or specific local policy requirements. Any negotiated additional terms and

conditions must never be less favorable to the Member than what is contained in Vendor's Proposal.

C. **PERFORMANCE BOND.** If requested by a Member, Vendor will provide a performance bond that meets the requirements set forth in the Member's purchase order.

D. **SPECIALIZED SERVICE REQUIREMENTS.** In the event that the Member requires service or specialized performance requirements (such as e-commerce specifications, specialized delivery requirements, or other specifications and requirements) not addressed in this Contract, the Member and the Vendor may enter into a separate, standalone agreement, apart from this Contract. Sourcwell, including its agents and employees, will not be made a party to a claim for breach of such agreement.

E. **TERMINATION OF PURCHASE ORDERS.** Members may terminate a purchase order, in whole or in part, immediately upon notice to Vendor in the event of any of the following events:

1. The Member fails to receive funding or appropriation from its governing body at levels sufficient to pay for the goods to be purchased;
2. Federal or state laws or regulations prohibit the purchase or change the Member's requirements; or
3. Vendor commits any material breach of this Contract or the additional terms agreed to between the Vendor and a Member.

F. **GOVERNING LAW AND VENUE.** The governing law and venue for any action related to a Member's purchase order will be determined by the Member making the purchase.

7. CUSTOMER SERVICE

A. **PRIMARY ACCOUNT REPRESENTATIVE.** Vendor will assign an Account Representative to Sourcwell for this Contract and must provide prompt notice to Sourcwell if that person is changed. The Account Representative will be responsible for:

- Maintenance and management of this Contract;
- Timely response to all Sourcwell and Member inquiries; and
- Business reviews to Sourcwell and Members, if applicable.

B. **BUSINESS REVIEWS.** Vendor must perform a minimum of one business review with Sourcwell per contract year. The business review will cover sales to members, pricing and contract terms, administrative fees, supply issues, customer issues, and any other necessary information.

8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT

A. **CONTRACT SALES ACTIVITY REPORT.** Each calendar quarter, Vendor must provide a contract sales activity report (Report) to the Sourcewell Contract Administrator assigned to this Contract. A Report must be provided regardless of the number or amount of sales during that quarter (i.e., if there are no sales, Vendor must submit a report indicating no sales were made).

The Report must contain the following fields:

- Customer Name (e.g., City of Staples Highway Department);
- Customer Physical Street Address;
- Customer City;
- Customer State;
- Customer Zip Code;
- Customer Contact Name;
- Customer Contact Email Address;
- Customer Contact Telephone Number;
- Sourcewell Assigned Entity/Member Number;
- Item Purchased Description;
- Item Purchased Price;
- Sourcewell Administrative Fee Applied; and
- Date Purchase was invoiced/sale was recognized as revenue by Vendor.

B. **ADMINISTRATIVE FEE.** In consideration for the support and services provided by Sourcewell, the Vendor will pay an administrative fee to Sourcewell on all Equipment, Products, and Services provided to Members. The Vendor will submit a check payable to Sourcewell for the percentage of administrative fee stated in the Proposal multiplied by the total sales of all Equipment, Products, and Services purchased by Members under this Contract during each calendar quarter. Payments should note the Sourcewell-assigned contract number in the memo and must be mailed to the address above "Attn: Accounts Receivable." Payments must be received no later than forty-five (45) calendar days after the end of each calendar quarter.

Vendor agrees to cooperate with Sourcewell in auditing transactions under this Contract to ensure that the administrative fee is paid on all items purchased under this Contract.

In the event the Vendor is delinquent in any undisputed administrative fees, Sourcewell reserves the right to cancel this Contract and reject any proposal submitted by the Vendor in any subsequent solicitation. In the event this Contract is cancelled by either party prior to the Contract's expiration date, the administrative fee payment will be due no more than thirty (30) days from the cancellation date.

9. AUTHORIZED REPRESENTATIVE

Sourcwell's Authorized Representative is its Chief Procurement Officer.

Vendor's Authorized Representative is the person named in the Vendor's Proposal. If Vendor's Authorized Representative changes at any time during this Contract, Vendor must promptly notify Sourcwell in writing.

10. ASSIGNMENT, AMENDMENTS, WAIVER, AND CONTRACT COMPLETE

A. **ASSIGNMENT.** Neither the Vendor nor Sourcwell may assign or transfer any rights or obligations under this Contract without the prior consent of the parties and a fully executed assignment agreement. Such consent will not be unreasonably withheld.

B. **AMENDMENTS.** Any amendment to this Contract must be in writing and will not be effective until it has been fully executed by the parties.

C. **WAIVER.** If either party fails to enforce any provision of this Contract, that failure does not waive the provision or the right to enforce it.

D. **CONTRACT COMPLETE.** This Contract contains all negotiations and agreements between Sourcwell and Vendor. No other understanding regarding this Contract, whether written or oral, may be used to bind either party.

E. **RELATIONSHIP OF THE PARTIES.** The relationship of the parties is one of independent contractors, each free to exercise judgment and discretion with regard to the conduct of their respective businesses. This Contract does not create a partnership, joint venture, master-servant, principal-agent, or any other relationship.

11. LIABILITY

Vendor must indemnify, save, and hold Sourcwell and its Members, including their agents and employees, harmless from any third party claims or causes of action, including attorneys' fees, arising out of the Vendor's negligence, willful misconduct, or violation of law, in the course of the performance of this Contract by the Vendor or its agents or employees; this indemnification includes injury or death to person(s) or property alleged to have been caused by Vendor under this Contract.

NEITHER PARTY WILL BE LIABLE FOR ANY SPECIAL, PUNITIVE, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES INCLUDING BUT NOT LIMITED TO LOSS OF OR DAMAGE TO DATA, LOSS OF ANTICIPATED REVENUE OR PROFITS, WORK STOPPAGE OR IMPAIRMENT OF OTHER ASSETS, WHETHER OR NOT FORESEEABLE AND WHETHER OR NOT A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

NEITHER PARTY'S TOTAL CUMULATIVE LIABILITY TO THE OTHER IN CONNECTION WITH THIS AGREEMENT WHETHER IN CONTRACT TORT OR OTHER THEORY WILL EXCEED THE TOTAL AMOUNT OF FEES ACTUALLY PAID OR PAYABLE BY SOURCEWELL TO VENDOR UNDER THIS AGREEMENT FOR THE YEAR PREVIOUS TO THE INCIDENT WHICH GAVE CAUSE FOR SUCH LIABILITY.

12. AUDITS

Sourcewell reserves the right to review the financial books, records, documents, and accounting procedures and practices of the Vendor relevant to this Contract for a minimum of six (6) years from the end of this Contract upon thirty (30) days' advance notice to Vendor. Audits may not take place more than once during a twelve (12) month period. This clause extends to Members as it relates to business conducted by that Member under this Contract.

13. GOVERNMENT DATA PRACTICES

Vendor and Sourcewell must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by or provided to Sourcewell under this Contract and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Vendor under this Contract.

If the Vendor receives a request to release the data referred to in this article, the Vendor must immediately notify Sourcewell and Sourcewell will assist with how the Vendor should respond to the request.

14. INTELLECTUAL PROPERTY

As applicable, Vendor agrees to indemnify and hold harmless Sourcewell and its Members against any and all suits, claims, judgments, and costs instituted or recovered against Sourcewell or Members by any person on account of the use of any Services by Sourcewell or its Members performed by Vendor in violation of applicable patent or copyright laws.

15. PUBLICITY, MARKETING, AND ENDORSEMENT

A. **PUBLICITY.** Any publicity regarding the subject matter of this Contract must not be released without prior written approval from the Authorized Representatives. Publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Vendor individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

B. **MARKETING.** Any direct advertising, marketing, or offers with Members must be approved by Sourcewell. Materials should be sent to the Sourcewell Contract Administrator assigned to this Contract.

C. ENDORSEMENT. The Vendor must not claim that Sourcewell endorses its Equipment, Products, or Services.

16. GOVERNING LAW, JURISDICTION, AND VENUE

Minnesota law governs this Contract. Venue for all legal proceedings out of this Contract, or its breach, must be in the appropriate state court in Todd County or federal court in Fergus Falls, Minnesota.

17. FORCE MAJEURE

Neither party to this Contract will be held responsible for delay or default caused by acts of God or other conditions that are beyond that party's reasonable control. A party defaulting under this provision must provide the other party prompt written notice of the default.

18. SEVERABILITY

If any provision of this Contract is found to be illegal, unenforceable, or void then both Sourcewell and Vendor will be relieved of all obligations arising under such provisions. If the remainder of this Contract is capable of performance, it will not be affected by such declaration or finding and must be fully performed.

19. PERFORMANCE, DEFAULT, AND REMEDIES

A. PERFORMANCE. During the term of this Contract, the parties will monitor performance and address unresolved contract issues as follows:

1. *Notification.* The parties must promptly notify each other of any known dispute and work in good faith to resolve such dispute within a reasonable period of time. If necessary, Sourcewell and the Vendor will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.
2. *Escalation.* If parties are unable to resolve the issue in a timely manner, as specified above, either Sourcewell or Vendor may escalate the resolution of the issue to a higher level of management. The Vendor will have thirty (30) calendar days to cure an outstanding issue.
3. *Performance while Dispute is Pending.* Notwithstanding the existence of a dispute, the Vendor must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute. If the Vendor fails to continue without delay to perform its responsibilities under the Contract, in the accomplishment of all undisputed work, Sourcewell may terminate this Contract as stated herein.

B. DEFAULT AND REMEDIES. Either of the following constitutes cause to declare this Contract, or any Member order under this Contract, in default:

1. Nonperformance of contractual requirements, or
2. A material breach of any term or condition of this Contract.

Written notice of default and a reasonable opportunity to cure must be issued by the party claiming default. If the default remains after the opportunity for cure, the non-defaulting party may:

- Exercise any remedy provided by law or equity, or
- Terminate the Contract or any portion thereof, including any orders issued against the Contract.

20. INSURANCE

A. REQUIREMENTS. At its own expense, Vendor must maintain insurance policy(ies) in effect at all times during the performance of this Contract with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an "AM BEST" rating of A- or better, with coverage and limits of insurance not less than the following:

1. *Workers' Compensation and Employer's Liability.*

Workers' Compensation: As required by any applicable law or regulation.

Employer's Liability Insurance: must be provided in amounts not less than listed below:

Minimum limits:

\$500,000 each accident for bodily injury by accident

\$500,000 policy limit for bodily injury by disease

\$500,000 each employee for bodily injury by disease

2. *Commercial General Liability Insurance.* Vendor will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition). At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Contract.

Minimum Limits:

\$1,000,000 each occurrence Bodily Injury and Property Damage

\$1,000,000 Personal and Advertising Injury

\$2,000,000 aggregate for Products-Completed operations

\$2,000,000 general aggregate

3. *Commercial Automobile Liability Insurance.* During the term of this Contract, Vendor will maintain insurance covering all owned, hired, and non-owned automobiles

in limits of liability not less than indicated below. The coverage must be subject to terms no less broad than ISO Business Auto Coverage Form CA 0001 (2010 edition or newer).

Minimum Limits:

\$1,000,000 each accident, combined single limit

4. *Umbrella Insurance.* During the term of this Contract, Vendor will maintain umbrella coverage over Workers' Compensation, Commercial General Liability, and Commercial Automobile.

Minimum Limits:

\$2,000,000

5. *Professional/Technical, Errors and Omissions, and/or Miscellaneous Liability.* During the term of this Contract, Vendor will maintain coverage for all claims the Vendor may become legally obligated to pay resulting from any actual or alleged negligent act, error, or omission related to Vendor's professional services required under this Contract.

Minimum Limits:

\$2,000,000 per claim or event

\$2,000,000 – annual aggregate

6. *Network Security and Privacy Liability Insurance.* During the term of this Contract, Vendor will maintain coverage for network security and privacy liability. The coverage may be endorsed on another form of liability coverage or written on a standalone policy. The insurance must cover claims which may arise from failure of Vendor's security resulting in, but not limited to, computer attacks, unauthorized access, disclosure of not public data – including but not limited to, confidential or private information, transmission of a computer virus, or denial of service.

Minimum limits:

\$2,000,000 per occurrence

\$2,000,000 annual aggregate

Failure of Vendor to maintain the required insurance will constitute a material breach entitling Sourcewell to immediately terminate this Contract for default.

B. CERTIFICATES OF INSURANCE. Prior to commencing under this Contract, Vendor must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Contract. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcewell Contract Administrator assigned to this Contract. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf. All policies must include there will be no cancellation, suspension, non-renewal, or reduction of coverage without thirty (30) days' prior written notice to the Vendor.

Upon request, Vendor must provide to Sourcewell copies of applicable policies and endorsements, within ten (10) days of a request. Failure to request certificates of insurance by Sourcewell, or failure of Vendor to provide certificates of insurance, in no way limits or relieves Vendor of its duties and responsibilities in this Contract.

C. **ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE.** Vendor agrees to name Sourcewell and its Members, including their officers, agents, and employees, as an additional insured under the Vendor's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Vendor, and products and completed operations of Vendor. The policy provision(s) or endorsement(s) must further provide that coverage is primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

D. **WAIVER OF SUBROGATION.** Vendor waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Contract or other insurance applicable to the Vendor or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Vendor or its subcontractors. Where permitted by law, Vendor must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

E. **UMBRELLA/EXCESS LIABILITY.** The limits required by this Contract can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies).

F. **SELF-INSURED RETENTIONS.** Any self-insured retention in excess of \$10,000 is subject to Sourcewell's approval.

21. COMPLIANCE

A. **LAWS AND REGULATIONS.** All Services provided under this Contract must comply fully with applicable federal laws and regulations, and with the laws in the states and provinces in which the Services are sold.

B. **LICENSES.** Vendor must maintain a valid status on all required federal, state, and local licenses, bonds, and permits required for the operation of the business that the Vendor conducts with Sourcewell and Members.

22. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

Vendor certifies and warrants that it is not in bankruptcy or that it has previously disclosed in writing certain information to Sourcewell related to bankruptcy actions. If at any time during

this Contract Vendor declares bankruptcy, Vendor must immediately notify Sourcewell in writing.

Vendor certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota, the United States federal government, or any Member. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Contract. Vendor further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time.

23. PROVISIONS FOR NON-UNITED STATES FEDERAL ENTITY PROCUREMENTS UNDER UNITED STATES FEDERAL AWARDS OR OTHER AWARDS

Members that use United States federal grant or FEMA funds to purchase goods or services from this Contract may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Members may also require additional requirements based on specific funding specifications. Within this Article, all references to “federal” should be interpreted to mean the United States federal government. The following list only applies when a Member accesses Vendor’s Equipment, Products, or Services with United States federal funds.

A. **EQUAL EMPLOYMENT OPPORTUNITY.** Except as otherwise provided under 41 C.F.R. § 60, all contracts that meet the definition of “federally assisted construction contract” in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. §60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 C.F.R. §, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 C.F.R. § 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.” The equal opportunity clause is incorporated herein by reference.

B. **DAVIS-BACON ACT, AS AMENDED (40 U.S.C. § 3141-3148).** When required by federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. § 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. § 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to

the federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 C.F.R. § 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency. Vendor must be in compliance with all applicable Davis-Bacon Act provisions.

C. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708). Where applicable, all contracts awarded by the non-federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. § 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Contract. Vendor certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Vendor must comply with applicable requirements as referenced above.

D. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT. If the federal award meets the definition of “funding agreement” under 37 C.F.R. § 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 C.F.R. § 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency. Vendor certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Vendor must comply with applicable requirements as referenced above.

E. CLEAN AIR ACT (42 U.S.C. § 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. § 1251-1387). Contracts and subgrants of amounts in excess of \$150,000 require the non-federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401- 7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA). Vendor

certifies that during the term of this Contract will comply with applicable requirements as referenced above.

F. DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689). A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. §180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Vendor certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

G. BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352). Vendors must file any required certifications. Vendors must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Vendors must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Vendors must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

H. RECORD RETENTION REQUIREMENTS. To the extent applicable, Vendor must comply with the record retention requirements detailed in 2 C.F.R. § 200.333. The Vendor further certifies that it will retain all records as required by 2 C.F.R. § 200.333 for a period of three (3) years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

I. ENERGY POLICY AND CONSERVATION ACT COMPLIANCE. To the extent applicable, Vendor must comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

J. BUY AMERICAN PROVISIONS COMPLIANCE. To the extent applicable, Vendor must comply with all applicable provisions of the Buy American Act. Purchases made in accordance with the Buy American Act must follow the applicable procurement rules calling for free and open competition.

K. ACCESS TO RECORDS (2 C.F.R. § 200.336). Vendor agrees that duly authorized representatives of a federal agency must have access to any books, documents, papers and records of Vendor that are directly pertinent to Vendor's discharge of its obligations under this

Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Vendor's personnel for the purpose of interview and discussion relating to such documents.

L. PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322). A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. § 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

24. CANCELLATION

Sourcewell or Vendor may cancel this Contract at any time, with or without cause, upon sixty (60) days' written notice to the other party. However, Sourcewell may cancel this Contract immediately upon discovery of a material defect in any certification made in Vendor's Proposal. Termination of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to termination.

Sourcewell

DocuSigned by:
By: Jeremy Schwartz
C0FD2A139D06489...
Jeremy Schwartz
Title: Director of Operations &
Procurement/CPO
Date: 11/11/2019 | 11:33 AM CST

SHI International Corp.

DocuSigned by:
By: Kristina Mann
2A3B1E59B06C459...
Aimee Ballenger
Title: Public Program Manager
Date: 11/12/2019 | 8:35 AM CST

Approved:
DocuSigned by:
By: Chad Coauette
7E42B8F817A64CC...
Chad Coauette
Title: Executive Director/CEO
Date: 11/11/2019 | 11:12 AM CST

RFP#081419 - Technology Catalog Solutions

Vendor Details

Company Name:	SHI International
Address:	290 Davidson Ave. Somerset, NJ 08873
Contact:	Aimee Ballenger
Email:	aimee_ballenger@shi.com
Phone:	678-708-3906
HST#:	22-3009648

Submission Details

Created On:	Thursday June 27, 2019 20:01:55
Submitted On:	Tuesday August 13, 2019 20:57:55
Submitted By:	Aimee Ballenger
Email:	aimee_ballenger@shi.com
Transaction #:	de73d79e-ac55-45de-8aa6-01abc94b3ead
Submitter's IP Address:	161.69.112.12

Specifications

Proposer Identity & Authorized Representatives

Line Item	Question	Response *
1	Proposer Legal Name (and applicable d/b/a, if any):	SHI International Corp.
2	Proposer Address:	290 Davidson Ave Somerset, New Jersey 08873
3	Proposer website address:	https://www.shi.com/
4	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer):	Aimee Ballenger Public Program Manager aimee_ballenger@shi.com 678-708-3906
5	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Aimee Ballenger Public Program Manager aimee_ballenger@shi.com 678-708-3906
6	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Meghan Flisakowski Public Sector Program Manager Meghan_flisakowski@shi.com 512-317-0799

Company Information and Financial Strength

Line Item	Question	Response *
7	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services.	This past July, SHI celebrated our 30th Anniversary at our annual Global Sales Conference. The theme of that conference was Purpose and Passion, a theme that speaks to both our business philosophy and our core values. We define success not only quantitatively but also by the quality of our relationships. While we are proud to have topped \$10 billion in revenue in 2018, largely because of our financially strong and stable business model, we also recognize that our Purpose and our Passion have cultivated our longevity within the industry; that our growing success stems directly from our purpose: to deliver exceptional value and experience as we help customers select, deploy, and manage their technology. And that our passion, which remains focused on forging and nurturing relationships with our customers and with our colleagues and partners, will sustain us for another 30 years as an industry leader. Since 1989, SHI has persistently maintained our small-company feel by retaining our leadership personnel (many of whom have been with the company since its inception) and by empowering our 4,000+ employees to collaborate with customers to resolve IT problems and needs directly, shoulder to shoulder. With the largest field sales organization of any technology reseller, our visibility across all Public Sector verticals (K12, Higher Ed, State and Local Government, Federal, and Healthcare initiatives), boasts 175 field AEs, working and living in the territories they support, and 170 telesales specialists, who cater to the needs of small and medium public entities and who dedicate their energy every day to customer success. As the largest privately-owned, M/WBE organization in the country, we are proud of our spirit of community and partnership and in our ability to facilitate IT solutions, services, and hardware and software products for our national and global clients. Loyalty, trustworthiness, and reliability are paramount qualities of SHI, and we offer those qualities, in tandem with our Purpose and Passion, to Sourcewell with an eagerness to help your Members work more efficiently and effectively. We are committed to providing Sourcewell members the most advantageous pricing models and the most exceptional values; we recognize that our role as a Sourcewell affiliate is to support your Members, providing expert best practices to keep their IT resources safe, secure, and operational, 24 hours a day, 365 days a year.

8	Provide a detailed description of the products and services that you are offering in your proposal.	We offer our complete catalogue of products and services to Sourcewell members. Providing a vendor-neutral approach to help customers find the right technology that meets every specific requirement of their IT environment, one of our greatest strengths is our ability to provide tremendous depth and breadth in choosing the ideal software, hardware, Cloud, and other products and services for each individual Sourcewell member. In fact, SHI's current catalogue includes tens of thousands of hardware, software, and other product partners. Generally, SHI is able to sell between 75%-100% of our partners' product lines, and we offer a wide range of services delivered directly by our internal teams, by the manufacturer directly, or by subcontracting to a third-party, vetted partner. In addition, SHI provides Sourcewell members with full IT solutions, from commodity software and hardware to complete, end-to-end datacenter solutions. We specialize in IT solutions that fit precisely with our customers' needs and wants, and Sourcewell's members will benefit from our experience and breadth of knowledge to help design, implement, and optimize their IT ecosystem. It's worth noting that, over the past decade, IT has changed dramatically. Although there is still a definite need for commodity products, attention has shifted more and more to building comprehensive solutions that will solve customers' needs. In response to this shift, and working from our customer-centered foundation, SHI developed our Enterprise Solutions Group to include solution-based support. This team is comprised of over 150 people who hold 3000+ certifications for various products and solutions. Their goal is to address Sourcewell Members' needs, help them acquire the right technology, and facilitate adoption of that technology into their own unique environment. Our Enterprise Solutions Group, like all of SHI, is vendor-neutral and uses its range of experience to help tailor conversations that are optimal for each Sourcewell member. We engage customers during the strategy and solution design of a project and assist with activities like deliberate planning, assessments, white boarding, proof of concepts, and obtaining demo units. Our purpose is to provide the best overall value to each Sourcewell member, and we understand that this goal is achieved through a combination of world-class support, aggressive pricing, and extensive product and service offerings. Our objectives align with Sourcewell's mission to help government, education, and nonprofits work more efficiently, and we accomplish this by remaining laser-focused on customer satisfaction: every SHI employee understands that we are here because of our customers and will remain here only as long as we continue to provide extraordinary products, services, and customer satisfaction.
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9	What are your company's expectations in the event of an award?	SHI is genuinely excited about the opportunity to collaborate with Sourcewell and its members! We expect a phenomenally successful partnership, beginning with our immediate expectations in the event of an award, which include 1. To support and advocate our Sourcewell partnership. Each team member from every Public Sector vertical will support our partnership with Sourcewell and will advocate for the contract with passion and vigor. Given our position in the Public Sector market, the size of our sales force, and our experience with implementing and growing similar contracts, we are confident that we can extend Sourcewell's reach not only in terms of revenue achieved, but also in terms of the number of distinct members who use this contract. 2. To develop marketing materials and campaigns that articulate the value of the Sourcewell-SHI partnership. As an example, we will employ our Business Development Team, dedicated to the Public Sector Business Unit at SHI, to call all prospective customers and detail our partnership promptly upon award. 3. To train our entire Public Sector sales and sales-support staff about Sourcewell and its members. This training will include contract terms and methodology, pricing parameters, and the value that Sourcewell provides to its Members. 4. To connect immediately with current Sourcewell Members, introduce SHI, and listen to Members' needs. Our introduction will ensure that each Member's dedicated Account Team is familiar with and accessible to them, in addition to educating Members on the value we provide. We will work with each Member to understand their business preferences (specific information on a quote, reporting requirements, invoicing/billing requirements, and the like). And we will offer webinars on various topics including: • Getting to know SHI; • SHI.com (eProcurement intro); • SHI's Service Capabilities; • Microsoft Volume Licensing. 5. Finally, to create a dedicated Sourcewell online catalogue that displays the contracted pricing and any additional information that Sourcewell deems important. We will work with Sourcewell Members to customize their site, adding reporting and punch-out capabilities specific to that member, when needed. We recognize why cooperative contract usage is on the rise, and we realize the value of having strategic partners in this space. Sourcewell can expect that SHI sets ourselves apart from organizations similar to us in that we will collaborate with only a few select Consortia partners; in fact, we intentionally keep the number of Consortia partners strategically small to provide proactive support to Consortia members, rather than attaining many partnerships and diffusing ourselves reactively. If awarded, we bring to this new contract both a deep desire to partner with Sourcewell and fresh, innovative perspectives for your Members. We expect the transition to a new partnership will be seamless, and we will assist in that transition by supporting Sourcewell members personally, starting with our Senior Director of Public Sector, Denise Verdicchio. Denise is committed to the success of our partnership from day one of an award, and she will dedicate her energy to making our Sourcewell partnership a thriving one. Denise has demonstrated that her leadership and teamwork create success: for example, with our most recent consortia contract award, under her leadership, our Public Sector Team grew the contract to over \$100M in the first year. In short, our expectations are bold, and they are also achievable. Our SHI team is flexible and agile, and we are committed to providing Sourcewell's members an extraordinary experience, with a purpose and a passion, that is incomparable.
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10	Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response.	With over 4,200 employees worldwide, SHI is proud to be the largest Woman/Minority owned business in North America. We maintain 35+ offices in North America, EMEA, and Asia in addition to our Integration Center, Solution Lab, and Executive Briefing Center, which are located at our headquarters in New Jersey. In 2018, SHI reached \$10B in revenue (one year ahead of our goal) and set the stage for continued exponential growth. The SHI Public Sector unit made up \$2.2B of SHI's overall sales last year and was recognized as the #1 business unit for 2018, with an astounding 25% increase over 2017. While this past year was one of the largest growth years, SHI's Public Sector has grown consistently over the last 30 years. In combination with our articulated Purpose and Passion, this growth stems from a laser focus on customer service, dedicated and tenured leadership, world-class Account Executives (who live and work in the communities they serve), and a broad spectrum of customers and partners. In other words, we recognize the vitality of our community, and our financial strength and stability are a direct result of our community approach. Since SHI is a privately-owned company with no bank debt, we are nimble and able to reinvest in our business with integrity and in a way that aligns with Sourcewell's values and its Members' needs. SHI continues to invest in new infrastructure, most recently with a brand-new Integration Center that will open in Q4 2019. We also made significant investments in hiring more resources – the people with whom Sourcewell Members will engage. In 2018, for example, we brought on 150 additional Field Solutions Engineers and Professional Services Executives for a total of 550 customer-facing technical experts who support our Account Executives. Our financial strength and stability is predicated on our staunch affiliations within our communities – our relationships with customers, partners, OEMs, and our own SHI colleagues. We have included our 2 years of audited financials in the upload section for your review and to demonstrate our strength and stability.
11	What is your US market share for the solutions that you are proposing?	Overall Market Share based on Fortune 100, 500 & 1000 • 60% of the Fortune 100 use SHI for primary IT Products (Software & Hardware) • 40% of the Fortune 500 use SHI for primary IT Products (Software & Hardware) • 30% of the Fortune 1000 use SHI for primary IT Products (Software & Hardware) SHI Overall Product Mix • 60% is be considered Software, Subscriptions, and Cloud based Sales • 40% is be considered Hardware, Peripherals and Accessories – Including categories of Devices, Servers, Storage, Networking Market Share Indicators for Software SHI is considered the leading Reseller Partner for many of the Top Software Publishers such as Microsoft, Adobe, Symantec/Veritas, McAfee (Intel Security), and others. We estimate that 20-25% of revenue with these partners as representative of their Partner Sales. This number does not include Sales that Software Publishers conduct directly with the end-customer. Market Share Indicators for Hardware OEM direct sales to the end-customer typically represents a larger percentage of the business; therefore our overall Market Share will be lower, estimated in the 5-10% range. This number, however, still makes SHI one of the largest Hardware Resellers in North America.
12	What is your Canadian market share, if any?	SHI's Canadian Market Share is 5-10%, and we provide more detailed information about our Canadian resources in our response to Question 42.
13	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	In our 30-year history, SHI has never petitioned for bankruptcy protection. We are a privately held company and currently have no debt.

14	How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization. a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned? b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?	SHI is best described as an Information Technology Value-Added Reseller, providing a total solution to information technology acquisitions by providing multi-vendor hardware and software along with significant services. As we mention throughout this proposal, one of our greatest strengths is our ability to offer customers tremendous depth and breadth in choosing products (hardware, software, Cloud) in conjunction with a wide range of services – in short, we provide full IT solutions, and our focus aligns with Sourcewell's mission to build valued relationships and to deliver innovative solutions with integrity and respect to Members' needs and wants. We understand that Sourcewell's goal is to identify a trusted procurement partner that can assist in helping you achieve your mission of saving time and money for your Members. Whether working on large campus-wide projects like a one-on-one initiative, a Network Refresh for anytime/anywhere accessibility, Unified Communications, Modernizing Legacy Systems, or providing a customer-first experience with day-to-day IT procurement transactions, SHI has both the resources and the experience to execute seamlessly for your Members and to exceed their expectations. Our approach is centered on extraordinary quality and overall value. We strive to provide the highest level of support and services every day of the year, and we will deliver the most personalized touch to the end-user computing enterprise for all Sourcewell members. We recognize that Sourcewell is looking for their Vendor to provide: • A robust presence that can fully support Members' technology needs, saving them both time and money. • A trusted advisor/consultant who can help Members support the entire lifecycle of an asset and ensure successful implementation at each phase. • A strong relationship with industry partners. • An actionable strategy to educate potential members on the value of Sourcewell in order to gain increased membership. We are well positioned to deliver on these goals because of our exemplary relationships with our sales/service force and with our dealer network. Our experience in supporting contracts of similar size and scope is unparalleled, and we have a proven formula to onboard and optimize contracts. Our Public Sector team is ready to implement this contract for Sourcewell; and we are committed to expanding our team dedicated to Public Sector entities to ensure we meet (and exceed!) all requirements of the contract. With the largest and most highly-certified sales support team in the industry, SHI will act as a loyal consultant to your Members. Working from a customer-centric foundation, we have organized our support teams to include solution-based support, including specific, presales technical expertise around Datacenter, Mobility, Backup/Recovery, DR, Cybersecurity, Virtualization, and more. These teams provide vendor-neutral advisement and use their breadth of experience to help tailor conversations that are optimal for each Member's specific environment. SHI has the experience and vendor partnerships in place to bring phenomenal value to Sourcewell and your members. All of the leading manufacturers have established SHI as an authorized partner, and we can provide LOAs immediately upon request. Furthermore, SHI has a diverse partner ecosystem, supporting over 15,000 unique Publishers and Manufacturers. Sourcewell can feel confident that your Members will benefit from our aggressive pricing and exceptional value. A dedicated approach to the Public Sector business for the last twenty years has helped us to create solutions that are specific to the unique needs of State, Local, and Education customers across North America. SHI will work with each Sourcewell Member collaboratively, with purpose and passion, and with a goal of "continuous improvement." We are fully committed to the long-term success of Sourcewell and your Members, and we appreciate the opportunity to bring IT solutions to your current and future members.																		
15	If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.	Among the thousands of licenses and certifications available within the IT industry, SHI holds a comprehensive number relevant to the business articulated for Sourcewell's RFP: Cloud Services, Microsoft, Intel, Dell, Symantec, McAfee, IBM, HP, Apple, VMware, Red Hat, Tenable, Citrix, AWS – across all platforms and solutions, our teams stay current with all licenses and certifications made available by providers. We have included a total number of certifications from some of our larger partners and have included a sampling of types of certifications in response to question 69 in our response. <table><tr><td>Acronis –</td><td>5 Certifications</td></tr><tr><td>Adobe –</td><td>7 Certifications</td></tr><tr><td>AGOE –</td><td>1 Certifications</td></tr><tr><td>AirWatch –</td><td>2 Certifications</td></tr><tr><td>APC -</td><td>12 Certifications</td></tr><tr><td>Apple -</td><td>17 Certifications</td></tr><tr><td>Arbor -</td><td>4 Certifications</td></tr><tr><td>Aruba -</td><td>3 Certifications</td></tr><tr><td>Avaya -</td><td>12 Certifications</td></tr></table>	Acronis –	5 Certifications	Adobe –	7 Certifications	AGOE –	1 Certifications	AirWatch –	2 Certifications	APC -	12 Certifications	Apple -	17 Certifications	Arbor -	4 Certifications	Aruba -	3 Certifications	Avaya -	12 Certifications
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Avaya -	12 Certifications																			

Blue Coat Systems -	3 Certifications
Bluebeam -	7 Certifications
Bomgar -	3 Certifications
Business Objects -	11 Certifications
CA -	34 Certifications
Check Point -	12 Certifications
Cisco -	44 Certifications
Citrix -	88 Certifications
CIW -	1 Certifications
Commvault -	67 Certifications
Compellent -	5 Certifications
CompTIA -	35 Certifications
CradlePoint -	2 Certifications
DataCore -	1 Certifications
Dell -	92 Certifications
Dell EMC -	44 Certifications
D-Link-	4 Certifications
Domino -	1 Certifications
EMC -	54 Certifications
Emulex -	1 Certifications
ESET -	3 Certifications
Exin -	2 Certifications
F5 -	8 Certifications
HDS (Hitachi Data Systems) -	4 Certifications
HP -	201 Certifications
HPE -	327 Certifications
IBM -	174 Certifications
IBM hardware -	11 Certifications
Imation/Nexsan -	4 Certifications
ISC2 -	10 Certifications
ITIL -	5 Certifications
Ixia -	3 Certifications
Juniper -	28 Certifications
LanDesk -	10 Certifications
Lenovo -	26 Certifications
LogRhythm -	3 Certifications
McAfee -	92 Certifications
Mellanox -	2 Certifications
Metastorm -	1 Certification
Microsoft -	1090 Certifications
Motorola -	8 Certifications
MS0616813816 -	1 Certification
NetApp -	26 Certifications
NetIQ -	6 Certifications
Nimble -	7 Certifications
Novell -	11 Certifications
Nutanix -	7 Certifications
Oracle -	340 Certifications
Other -	30 Certifications
Polycom -	14 Certifications
ProCurve -	6 Certifications
Proofpoint -	3 Certifications
Pure -	5 Certifications
Qlogic -	5 Certifications
Quantum -	2 Certifications
Quest Software -	1 Certification
Red Hat -	18 Certifications
RIM -	1 Certification
RSA -	33 Certifications
SANS.ORG -	1 Certification
Scale Computing -	1 Certification
ScriptLogic -	2 Certifications
Secure Computing / McAfee -	2 Certifications
Security Horizon -	2 Certifications
SimpliVity -	5 Certifications
Sonicwall -	2 Certifications
Splunk -	6 Certifications
Sun Microsystems -	65 Certifications
Symantec -	142 Certifications
Tegile -	2 Certifications
Tintri -	4 Certifications
Trend Micro	5 Certifications
Veeam	10 Certifications
Vision Solutions	1 Certification
VMware	300 Certifications
Watchguard	1 Certification
Websense	18 Certifications

16	Provide all "Suspension or Disbarment" information that has applied to your organization during the past ten years.	SHI has not been suspended or disbarred on any contracts similar to what is being requested by Sourcewell.
17	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	Today, we continue to fine-tune our products and services to meet the needs of our customers and the ever-changing, broad technology landscape. Our catalogue of products continues to grow and change in response to technological demands and customer needs. SHI categorizes the technology landscape and our capabilities into three broad segments: End-User, Datacenter, and Security. Within each of these segments are practices; for instance, the End-User Segment is comprised of Mobility, Desktop, Unified Communications, Devices, Peripherals, and Accessories. At the next level are the Solutions that reside within each practice. For example, within the Mobility practice, Unified Endpoint Management, Enterprise Mobility Management, Mobile App Management, Mobile Device Management, and Enterprise File Sharing exist. Another example includes the Solutions that reside under the Devices, Peripherals, and Accessories practice; these include Operating System, Desktop, Laptop, Tablet, Thin Client, Smart Phone, Video Surveillance, Printing and Imaging, Digital Signage, and Peripherals. The last piece of this conversation centers on Services for each Solution. These Services include Advisory Assessments, Solution Design, Proof of Concept, Implementation, Staff Augmentation, Training, Project Management, and Managed Services. Due to the size of SHI's Solutions Directory, it would be cumbersome to include all of the granular categories here, as our categorization and capabilities are extensive. But Sourcewell can be confident knowing that SHI has the capability to support its Members and to facilitate the right solution for each Member's environment at an extraordinary value. Should Sourcewell wish to discuss our Solutions Directory in greater detail, we will gladly schedule a call to articulate the comprehensive practice and solution areas we provide.

Industry Recognition & Marketplace Success

Line Item	Question	Response *
18	Describe any relevant industry awards or recognition that your company has received in the past five years	Both clients and vendors have recognized SHI generously over the last five years for our exceptional quality, service, and partnerships. We are truly humbled by these accolades and by the recognition that has resulted from our Purpose and Passion. 2019 Awards - Microsoft US Surface Transformation Reseller of the Year - Microsoft Partner of the Year Award (MSUS Awards): Modern Workplace, Modern Desktop Award - Ranked 10th on CRN's 2019 Solution Provider 500 - Dell Technologies Transformational Partner of the Year - SOPHOS Cloud Partner of the year - Intel Partner of the Year for Vertical Solutions: Client Solution - National Solution Provider - Intel Partner of the Year for Marketing: Training for Results - Sales - CRN's 2019 Managed Service Provider 500 - Elite 150 Category - Forbes Best Employers for Diversity 2019 - Adobe Digital Media Worldwide Partner of the Year 2018 Awards - VMware Partner Innovation Award: Transform Networking & Security - VMware Partner Innovation Award: Partner of the Year – Americas - VMware Partner Innovation Award: VMware Cloud on AWS Solution – Americas - Panasas Accelerate Newcomer Partner of the Year 2018 - Citrix Networking Partner of the Year - CloudHealth North America Partner of the Year - Cisco US Commercial POY - South Area - Cisco Capital POY - South Area - Cisco US Commercial POY - West Area - Cisco Advanced Collaboration Partner of the Year - Austin American-Statesman Top Workplaces - RSA North American SecurID® Suite Partner of the Year - Pure Storage Disruptor of the Year Partner Award - Partner of the Year - Municipal Information Systems Association (MISA) of Ontario - Ranked 8th on CRN's 2018 Solution Provider 500 - MSI Outstanding Channel Partner Award - Intel Partner of the Year PC Client Solution Award 2017 Awards - VMware Americas Marketing Partner of the Year - VMware Global Marketing Partner of the Year - Cradlepoint 2017 NSP Growth Partner of the Year

- Ribbon Communications North America Partner of the Year Award
- Fortinet North America Fabric Partner of the Year Award
- Citrix Sales Acceleration Award
- McAfee Partner of the Year
- Cisco Commercial Partner of the Year 2017
- Cisco Commercial Territory Partner of the Year 2017
- SHI Achieves AWS Managed Service Partner Status - 2017
- Citi Lean Partner Award
- Microsoft US Public Sector 2017 Partner of The Year
- HP U.S. Print Hardware National Solution Provider of the Year
- Forbes America's Best Midsize Employers 2017
- Hewlett Packard Enterprise Global Financial Services Partner of the Year 2017
- Microsoft Top Partner Windows Commercial Revenue 2017
- Nutanix Velocity Partner of the Year
- Ranked 9th on CRN's 2017 Solution Provider 500
- SAP Ariba Supplier of the Year
- Microsoft's SLG Channel Partner of the Year

2016 Awards

- Intalere Supplier Growth Leader - 20 Percent Club
- Aflac Partner of the Year Award 2016 - Diversity
- Austin American-Statesman Top Workplaces 2016 - SHI International Corp.
- Breakaway Partner 2016 - U.S. National
- Citrix Enterprise Partner of the Year 2016
- Cohesity National Partner of the Year 2016
- CRN Tech Elite 250
- Forbes America's Largest Private Companies 2016
- Forbes America's Best Employers 2016
- Fortinet North American Enhanced Technology Partner of the Year 2016
- Hewlett Packard Enterprise North America Financial Services Partner of the Year 2016
- HP Managed Print Services Best in Class Partner Award 2016
- Intel Security North America Reseller MVP
- Intel Security Partner of the Year- United States
- Meraki Elevate Partner of the Year 2016 - US Central Region
- MES XCellence 2016- Best Solution Provider
- Microsoft FY16 Top Windows Client Commercial Revenue Partner
- Microsoft FY16 US NASPO Top Partner
- Microsoft Operational Excellence Award
- Nutanix Momentum Award
- Ranked 13th on CRN's 2016 Solution Provider 500
- Sophos Top Performer National Americas 2016
- Veritas Technologies AMS Partner of the Year 2016

2015 Awards

- 2015 Adobe Americas Reseller of the Year
- 2015 CRN Triple Crown Award Recipient
- 2015 F5 Growth Partner of the Year
- 2015 Kaspersky National Partner of the Year
- Amerinet Diversity Supplier of the Year
- Austin American-Statesman Top Workplaces 2015 - SHI International Corp.
- Autodesk - Partner of the Year 2015
- Autodesk Volume Channel Partner of the Year
- Citrix NA Partner of the Year 2015 - Mid-Market
- Citrix NA Partner of the Year 2015 - SMB
- Dell Healthcare Partner of the Year
- ESET Most Valuable Partner (MVP) 2015
- Fortinet 2015 United States Enhanced Technology Partner of the Year
- NJBIZ's #1 Top Women-Owned Business
- Ranked 12th on CRN's 2015 Solution Provider 500
- Raytheon-Websense Growth Reseller of the Year (NA)
- Raytheon-Websense Net New Customer Acquisition Reseller of the Year (NA)
- Red Hat North American Commercial High Volume Partner of the Year
- SHI Canada ranks #14 out of Top 100 Solution Providers
- Sophos Top Performer North America
- Southern California MSDC Supplier of the Year Winners Circle
- Southwest Minority Supplier Development Council Class IV Supplier of the Year
- US National Commercial Partner of the Year
- US South Region Meraki Partner of the Year
- Veeam Corporate Reseller of the Year 2015
- VMware Americas Renewals Partner of the Year and vCloud Air Partner of the Year
- VMware Mobility Partner of the Year - Global and Regional

2014 Awards

- 2014 LAR of the Year, North America
- 2014 Microsoft Partner of the Year Award Education
- 2014 VMware Solutions Partner of the Year
- Americas Region VMware Solution Provider Partner of the Year Award
- arcserve LAR of the Year
- Autodesk Top Volume Channel Partner

		• Blue Cross Blue Shield of Michigan LifeSecure Diverse Supplier Achievement Award • Cisco Meraki Partner of the Year, Americas • Cisco New Break Away Partner of the Year, Americas • GMIS International Partner Award - Diamond Level • HP PartnerOne Award for Global Reseller of the Year • McAfee Corporate Reseller of the Year 2014, North America • Microsoft Operational Excellence Award - Eleventh consecutive year and thirteenth time overall: 2014, 2013, 2012, 2011, 2010, 2009, 2008, 2007, 2006, 2005, 2004, 2000 & 1999 • NBJIZ's #1 Top Minority-Owned Business • NBJIZ's #1 Top Women-Owned Business • NBJIZ's #3 Top Privately Held Company • Ranked 15th on CRN's 2014 Solution Provider 500 • SolarWinds' 2014 Partner of the Year Award • Sophos Top Performing Partner 2014 - Fifth consecutive year • Thai Lee, SHI President and CEO, named to CRN's Women of the Channel Power 50 Solution Providers	
19	What percentage of your sales are to the governmental sector in the past three years	2018 – 14% 2017- 13% 2016-15%	*
20	What percentage of your sales are to the education sector in the past three years	2018 – 6% 2017 – 6% 2016 – 3%	*
21	List any state or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	SHI has included sales volume for our top 5 contracts over the last 3 years. In addition to the information we've provided here, a full list of our contracts by state can be found at: https://www.shi.com/Contract/PSCContract/ContractHome NASPO Software Contract • 2016 – \$176 Million • 2017 - \$163 Million • 2018 – 302 Million State Microsoft Software Contract • 2016 - \$39 Million • 2017 - \$188 Million • 2018 - \$104 Million State Microsoft Software Contract • 2016 - \$133 Million • 2017 - \$149 Million • 2018 - \$40 Million State Software Contract • 2016 - \$95 Million • 2017 - \$108 Million • 2018 - \$117 Million GSA • 2016 - \$64 Million • 2017 - \$85 Million • 2018 - \$84 Million	*
22	List any GSA contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	GSA Contract number GS-35F-0111K 2018 - \$82M 2017 - \$85M 2016 - \$64M	*

References/Testimonials

Line Item 23.

Entity Name *	Contact Name *	Phone Number *	
Houston ISD	Chris Stroupe – Sr. Platform Admin.	713-556-5131	*
WA State Dept of Enterprise	Elena McGrew – Enterprise Contract	360-407-3957	*
City of New York	John Gioia – Chief Contracting Officer	718-403-8503	*
VA-INFORMATION TECHNOLOGIES AG	Greg Searce - Strategic Sourcing Specialist	804- 416-6166	

Top Five Government or Education Customers

Line Item 24. Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *	
Not Required	Government	Kentucky - KY	All IT products and services	\$16-\$1.7M	\$59,310,742	*
Not Required	Government	New York - NY	All IT products and services	\$10-\$4M	\$40,512,256	*
Not Required	Government	Louisiana - LA	All IT products and services	\$33-\$1.1M	\$40,338,113	*
Not Required	Government	New York - NY	All IT products and services	\$11-\$1M	\$30,228,675	*
Not Required	Education	Texas - TX	All IT products and services	\$10-\$1.6M	\$29,986,441	*

Ability to Sell and Deliver Service Nationwide

Describe your company’s capability to meet the needs of Sourcewell Members across the US, and Canada if applicable. Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *
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25	Sales force.	SHI is capable and eager to meet the needs of Sourcewell Members across the U.S. and Canada! Our ethos at SHI grows from our team members, and those team members remain our greatest asset. Each individual on our Sales Force is dedicated to providing exceptional customer service and support to Sourcewell Members. Building on Purpose and Passion, SHI continues to develop improved procurement and Internet solutions, strong partnerships with top manufacturers, and a company-wide determination to be the best for our customers. We do not rest on our laurels! In order to remain successful for Sourcewell Members, we will remain flexible in our approach and will engage with each Member on an individual basis; we understand that one size does not fit all and that philosophy is apparent in our service structure. In terms of organization, we have retained a small business feel in order to remain agile for our customers. We operate successfully with minimal layers of management, and we empower our sales teams to make decisions that are in the best interest of their customers. U.S. Public Sector Sales – The Public Sector Field division supports State Government, Local Government, K-12, Higher Ed, Public Healthcare, and Federal entities across the country. Customers in the Public Sector Field are supported by both an Account Executive and a dedicated Inside Sales Team. Account Executives – Led by Denise Verdicchio, this team consists of 175 Account Executives who live and work in their territories throughout the United States. We have the largest field-based sales force in the industry and believe one of the keys to a customer-centric model is nurturing a strong fidelity with our customers. Account Executives spend time at their customers' locations, listening to their customers' needs, and developing a thorough understanding of what is important to that customer with purpose and with passion. Inside Account Managers – This team of 130 Inside Account Managers (IAMs) helps support Members' day-to day-needs. IAMs work in tandem with up to three AEs, and in this way, our customer support stays consistent and personal. SM SLED –Our Small/Medium SLED division is focused on supporting the needs of the smaller K-12, local government, and higher education institutions across the country to ensure personalized attention regardless of their size. In this case, we have defined small as a K-12 district with 7500 students or less, a higher education institution with 1500 students or less, or a city/town with a population of 50,000 or less. These customers often are overlooked by large resellers, yet they have the same needs as their larger counterparts to stay current with technology. Our SM SLED division is based out of our global headquarters in Somerset, NJ, and the team consists of 170 Inside Account Executives (IAEs) who support Members' needs from start to finish. Canadian Public Sector Sales – SHI provides a comprehensive customer support plan to ensure we are meeting each Members' needs as part of our presence in Canada. Currently, our 12 field AEs (8 covering Ontario, 1 Vancouver, 1 Calgary, 1 Montreal) are supported by six IAMs in Austin, Texas. We also have four IAEs who are phone-based administrators covering Canada to augment the AEs. From a support perspective, we have two in-country field solution engineers – one focuses on UCC and the other on DataCenter. SHI currently employs two Microsoft Licensing Executives and one Cisco business development representative dedicated specifically to Canada. And our Canada presence is growing! As of January, 2020, we will employ approximately 30 AEs, with 20 representing Ontario and an additional 10 spread primarily between Calgary and Vancouver. We will make similar investments in inside sales – both the IAEs and IAMs to support the added headcount in the field. We also plan to simultaneously double our Canadian technical resources. All of SHI's Account Executives are empowered to make decisions around the support of their customers, and they have the capacity and autonomy to resolve issues as they arise. Because our Account Executives are responsible for ensuring extraordinary customer satisfaction, SHI is able to provide high-quality customer service and ensure efficient and effective responses to questions and issues. In addition, the SHI Regional Directors are directly engaged with their account teams to provide executive-level support and to meet with customers as needed. In addition, SHI believes in regular and transparent communication with our customers. Our Account Executives will meet with the participating entities and individual Sourcewell members to review their business with SHI. During these review meetings, we discuss purchase history and the Member's future plans. Through devout listening and with open discussions, SHI can provide tremendous value in supporting future initiatives and will engage support teams as needed to meet Member's goals and objectives. If awarded, SHI will provide this level of service for all Members who use the Sourcewell contract to procure IT products and services. We are confident that our capabilities and our commitment to meeting our customers' needs is demonstrated in our level of success under our public sector contracts nationwide. For instance, SHI holds the most Participating Addenda and has achieved the most volume under the NASPO SVAR contract. We have met and exceeded service levels for NASPO ValuePoint and for each State during the contract term, and we have been an active participant in helping NASPO ValuePoint and the States to explore new avenues to achieve additional benefits under the contract.
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26	Dealer network or other distribution methods.	SHI is proud of our abundant and broad community of distributors and partners, and we work loyally to maintain relationships with both our large IT Distributors (Ingram Micro, Tech Data, and Synnex) as well as smaller, local distributors and manufacturers directly. For every customer transaction, we source from the supplier with inventory in the closest proximity and drop ship directly to our customers' door. Most products are, therefore, delivered within 3-5 business days of order. In order to ensure reduced time to market, we also resource from our own Customer Integration Center, located in Somerset, New Jersey, that provides warehousing and complete configuration capabilities. Regardless of where we resource products, we always find opportunity to save our customers money. In addition to leveraging our partner relationships for savings at the vision and design phases, our sales teams also request information from all of our distributors' stock to obtain the best price for our customers when quoting and sourcing product. In addition, we have sourcing specialists on our procurement team who monitor purchase orders with the partner and distributor community to safeguard that no savings have been missed. In many instances, our sourcing specialists have the ability to aggregate purchases for a specific partner or product across multiple transactions or even across multiple customers to realize a lower overall cost. While SHI does maintain a warehouse/integration center in Somerset, New Jersey, it is our relationships with our major distributors that allow us to provide for efficient product delivery across North America. This model reduces the overhead costs of maintaining additional warehouses, and our distribution model is also important to SHI's own internal cost structure and subsequently allows us to offer our customers a very aggressive pricing model. Our major distribution centers are located strategically in: • Atlanta, GA • Chicago, IL • Dallas, TX • Fontana, CA • Fort Worth, TX • Jonestown, PA • Swedesboro, NJ Los Angeles, CA • Memphis, TN • Miami, FL • Ontario, CA • South Bend, IN • Suwanee, GA SHI receives electronic feeds from these major distributors as well as the top publishers/OEMs in the industry. We include advertised list price in our catalog and have based our discounts off of this pricing.
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27	Service force.	We realize that IT changes constantly and exponentially. As we mentioned elsewhere, although there remains a need for basic IT commodities, the urgency to build solutions that will solve customers' technology and data challenges is more acute than ever. In response to this urgency, we restructured our Service Force to include solution-based support. In fact, we now have specific, technical expertise around our entire portfolio of services and products, ensuring we are able to meet all of Sourcewell Members' IT needs. A sampling of our Service Force for the U.S. and Canada includes these areas: Field Solutions Engineers - In order to provide more technical expertise, SHI currently employs a team of 32 Field Solution Engineers in the US and 2 FSEs serving Canada, and those numbers are increasing in the near future. Our FSEs collaborate directly with Account Executives and are the first point of contact for more in-depth technical discussions. Enterprise Solutions Group - In synchrony with other support teams, SHI's Enterprise Solutions Group (ESG) has the agility and expertise to help design, build, test, and deploy hardware and software solutions. ESG's goal is to help customers execute their mission and educate end-users by getting the right technology to the right people at the right time. Today there are over 250 people dedicated to this division of SHI. Cloud and Innovative Solutions – Tapping into the potential of the Cloud is essential to help Public Sector agencies meet their missions and to facilitate the needs of their citizens as well. In addition to our Enterprise Solutions Group, SHI's Cloud and Innovative Solutions Group (CIS) provides insight into Sourcewell Members' cloud environments, making assessments, evaluations, and recommendations that benefit your specific organization. CIS helps identify over-provisioned or dormant resources, analyze historical usage to determine more favorable pricing models, and provide ongoing monitoring to ensure you're staying on track with a secure, cost-efficient, and optimized cloud environment. SHI delivers industry best practices and custom offerings through our Assess, Design, Build, and Manage methodology in order to integrate leading cloud technologies to Members' environment. Our CIS practice is staffed with approximately 50 senior-level consultants focused on supporting and engaging customers across the continuum of cloud computing. Corporate Training Group by SHI – Providing on-site, online, or on-demand Technical, End-User, and Professional Development Training, our newly acquired Corporate Training Group complements our other services flawlessly. We recognized the need to equip our customers with the skills and knowledge to increase their adoption and consumption of technology, and our CTG team offers full-service training to meet those growing demands – from IT professionals to end-users – we provide training that enables customers to increase their return on investment in technology. With approximately 20 training experts dedicated to our CTG team, we are always ready to provide invaluable, personalized training for Sourcewell Members! Software and Hardware Partner Support Organizations - SHI has the largest team of Software and Licensing Specialists in the industry. These teams are in place to support our customers and sales teams with the expertise to manage the varied features of the Publisher Licensing Programs. Our award winning team of Software and Licensing Specialists is available to assist Sourcewell Members with selecting their licensing programs, executing agreements, and supporting the agreement lifecycle. Today SHI has dedicated teams that support 38 Strategic Software Partners and over 70 Emerging Technology Partners. Service Providers – SHI provides services in one of three ways: (1) SHI-Delivered Services – our internal delivery resources are based both in NJ and across the country. Today we have approximately 270 SHI Employees who deliver various IT Services to our customers. (2) Partner Delivered Services – SHI has the ability to resell partner services. In this case, we rely on either employees of that partner or contractors of that partner. Although it is difficult to clearly quantify the number of resources in this category, as the number of partners that we support in this manner is large, we are happy to provide more detailed information if needed. (3) Service Partner Network – SHI maintains an Elite Partner network of service providers across the U.S. and Canada. These partners are vetted and managed carefully by SHI to ensure customer satisfaction and success. Currently, our Elite Network is comprised of 50 partners; in addition to that network, we also collaborate with external Service Partners at a customer's request. Often, our customers have established relationships with local partners, and in these cases, SHI will eagerly join with that partner in order to provide services on contract. Our capability for services is extensive, and with resources across the country and Canada, SHI facilitates services in almost every IT Solution area.
28	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	We begin every day reminding ourselves of one of our principal purposes – to focus on empowering the people who use technology and to maintain integrity in our relationships with our customers. With this purpose, we clearly recognize the need for exceptional Relationship Management (which might include resolving technical issues and responding to product delivery, billing, and requests regarding Statements of Work). We also understand the need for efficient and transparent communication in order to keep Sourcewell Members' projects moving forward smoothly and successfully.

The first step to ensure success in these areas is to define collaborative and clear SLAs that meet Members' needs. It is standard practice for us to respond to email and phone requests within two to four hours. We process orders within 24 hours of receipt (unless additional information is required), and we provide daily updates on any pending requests.

We are confident that our Account Team will fully support both daily needs and provide accessible, courteous, responsive, and seamless customer service. If Members ever require a higher level of support, we encourage them to escalate their request.

The following articulates our standard procedure with response times:

1. Call answered timely: Ninety percent (90%) of calls answered within sixty (60) seconds
 - a. SHI has Team Phone Lines where all members of the support team are logged in, and calls are answered in a round-robin method, by members who are not on a call. In the instance all members are helping other customers, calls will be directed to voicemail. Customers can leave a voice message, which will be returned within 2-4 business hours
 - b. If the customer has an urgent request, they can escalate their request to the Inside Sales Team Manager or Account Executive for immediate assistance.
2. Voicemail response: Four (4) business hours from time customer has recorded message: All voicemails are answered or returned within 2-4 business hours
3. Quotes: Respond and/or resolve to ninety percent (90%) within eight (8) business hours from vendor's receipt of customer's request
 - If quotes are out of a standard catalogue for the customer, they will be fulfilled within 8 business hours. If quotes are requested for items which are third party source/weird ware items, IAMs will take the following action:
 1. Reply to customer request within 2-4 hours, confirming receipt of request
 2. Relay to the customer they are working on their request and send notification of additional time the request may take due to external factors – such as awaiting vendor response/additional specs are required from the customer.
4. New location set up: One to three (1-3) business days from vendor's receipt of customer's request
 - If the shipping address is being adjusted after an order has been placed, it needs to be completed ASAP, and before it ships from SHI or distributor warehouse, to make adjustments.
 - If the item has already shipped and the customer needs to adjust shipment location, the IAMs will set up returns and make arrangements to resubmit to updated location, which should not take longer than 1-3 business days
5. Order entry accuracy: Ninety eight percent (98%) of total monthly volume
6. Orders entered timely (include order confirmation): SHI's standard SLA for order entry is within 24 business hours.
7. Time from in stock product shipment to delivery: within five (5) days ninety percent (90%) of the time
 - Any possible delays based on total quantity ordered or restrictions from the OEM will be communicated with the customer at the time of quote or order placement and SHI will keep the customers informed of estimated delivery.
8. Time from product delivery to installation: This will vary based on product and installation requirements. SHI will work with the customer to develop a timeline/SOW for each installation and ensure that the timeline established is met.
9. Percentage of devices DOA: <1% per quarter: As SHI is not the OEM of the products being requested, this is not in SHI's control. If an item is DOA, SHI will work with OEM to provide a working product ASAP
10. Contact installation location to inform product on the way and to schedule installation date: This will be clearly defined in the SOW and managed by the Account team and/or the PM assigned to the project.
11. Final installation of product: This timeline will be established as part of the SOW and will be closely managed by the PM assigned to the project. SHI will keep the customer informed should any changes to timeline occur.
12. Order received to product shipment: within fifteen (15) days ninety percent (90%) of the time
 - Should we expect a delay due to large quantity, complexity, product constraint, or similar, SHI will communicate the expected timeline with the customer and follow up consistently until the product is delivered.
13. Product shipment to installation complete: This requirement and timeline will be clearly defined in the SOW established between the customer and SHI and managed by the PM assigned to the project.

		It is important to note that SHI is built on a foundation of World Class Support. Adopting the process around this support is the first training all new employees receive when they start their career at SHI. Our Purpose is to deliver exceptional value and experience with passion as we help customers select, deploy, and manage technology; and our World Class Support is based on 4 tenets: 1) Acknowledge with a purpose; 2) Anticipate Needs and Issues; 3) Update Proactively; 4) Confirm Completion. We believe consistent, honest, and proactive communication will lead to extraordinary customer satisfaction.
29	Identify any geographic areas of the United States that you will NOT be fully serving through the proposed contract.	SHI will fully serve and actively promote an awarded contract to all Sourcewell Members. With 175 Account Executives who live across the US, including Hawaii and Alaska, SHI is positioned to serve all geographic areas of Sourcewell's proposed contract. SHI's Account Executive(s) will meet with State Agencies, Cities, Counties, and Municipalities to better understand their goals and objectives, and to begin a long-term conversation about purchasing policies; agreements established at the local level; volume licensing management; and key code/order confirmation distribution policies. We will train our AEs in every region to understand the contract, the terms and conditions, and how we can best support Sourcewell Members. In addition, SHI is ready to provide training to educate Sourcewell Members across all geographic areas of a new contract.
30	Identify any Sourcewell Member sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract?	SHI recognizes the tremendous value that Sourcewell brings to its Members through this cooperative contract. We are excited to train our Account Executives on this contract and will market and promote it to all Sourcewell members without exclusions, and with a focused Purpose and Passion that is incomparable.
31	Define any specific contract requirements or restrictions that would apply to our Members in Hawaii and Alaska and in US Territories.	SHI does not have any contract restrictions for members in Hawaii, Alaska, or the US Territories. In fact, we have account executives who live in both Alaska and Hawaii and are ready to serve Sourcewell members upon award. Both Carlee Chung – our Public Sector Account Executive in Hawaii and Jim Steele – our Public Sector Account Executive Alaska uphold SHI's purpose with a passion and staunch affiliation.

Marketing Plan

Line Item	Question	Response *
32	Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	We are excited to promote and market a Sourcewell partnership, and our teams are ready to do so! We know the vital importance of marketing contracts and reaching all eligible Sourcewell Members, and we will apply our tangible, demonstrated experience supporting the unique requirements of procurement organizations to marketing and promoting Sourcewell. Our dedicated Public Sector Programs team will join forces with Denise Verdicchio and the entire Public Sector leadership team, to create and execute our marketing plan. Primary contacts for Sourcewell include Aimee Ballenger Public Sector Program Manager Aimee_ballenger@shi.com and Lauren Baines Public Sector Marketing Specialist Lauren_baines@shi.com We include a sample marketing plan as part of the supplemental attachments at the end of our response, and will remain flexible and open to collaboration post-award. We are highly responsive and will work swiftly to execute the agreed upon Marketing plan. An excerpt of an SHI consortia plan might look like this: First week: • Create a co-branded press release and work quickly to distribute to agreed-upon trade publications; • Post announcement along with contract details and contact information to www.shi.com; • Begin design of co-branded marketing materials including print, electronic, email, and presentations;

- Discuss publication and distribution plans, as well as a plan to distribute and follow up on leads;
- Create social media strategy;
- Design and implement Sourcewell secured website on www.shi.com including Sourcewell logo, copy of original RFP, copy of contract and amendments, summary of products and pricing, marketing materials, a link to National IPA's website, and all relevant contact information.

First month:

- Complete design of co-branded marketing materials;
- Finalize plans to publish and distribute;
- Begin distribution to current and prospective Sourcewell members;
- Implement initial social media strategy.

First ninety days:

- Post announcement as a blog post to our widely read blog.shi.com series;
- Complete training and enablement for SHI sales force;
- Complete publishing and distribution of initial marketing materials;
- Analyze initial activity;
- Discuss next ninety day plan for marketing.

Ongoing:

- Design and publish national and regional advertising in trade publications;
- Market and promote the Master Agreement including case studies, presentations, campaigns, and blog posts.

SHI participates in hundreds of trade shows, conferences, and meetings across the country.

Sourcewell has our commitment to participate at specified shows as well as additional opportunities to broadcast and promote our partnership.

Specifically, SHI will attend, exhibit, and participate at the NIGP Annual Forum alongside Sourcewell suppliers. We are happy to assist Sourcewell in promoting and marketing this event and look forward to collaborating on a plan that will drive attendance. We also look forward to the Impact Education Conference and plan to contribute by exhibiting and presenting educational solutions to conference attendees.

We also provide seminars and workshops to our public-sector customers across the country and are eager to do so for Sourcewell members! In all cases, we will work with you to determine the right topics, venue, timing, and participants.

Some examples of what we provide include

Manufacturer Table Show – held annually, SHI will bring in manufacturers that currently do business with Sourcewell as well as emerging partners for a day of education and demonstration.

Technology Roundtables – this event brings together Public Sector IT Professionals and leading manufacturers to discuss current and future technology and how it can be used to solve problems or innovate solutions for the future.

Webinars – SHI frequently holds webinars for our customers. Topics range from Software Volume licensing (Microsoft EA, VMWare ELA), specific product features, and more broad solution areas.

Workshops – typically done in a half day, a workshop is meant to educate customers on all the aspects of a particular solution. One recent example is SHI's Video Surveillance Workshop. We have presented this workshop in 13 cities across the country and have discussed challenges, technology, policy, and future considerations.

Summits - SHI holds technology summits at our corporate headquarters in Somerset, NJ. Current summits include mobility and software asset management (held bi-annually). Sourcewell Members are welcome to attend these at no additional charge.

Custom Events - SHI will help Sourcewell coordinate any event that they believe will be beneficial to the participating entities.

In addition, SHI regularly publishes a widely read blog - <http://blog.shi.com/>. Recent posts include information on audits, E-Rate, VMWare VSphere Licensing Changes, and Microsoft O365 Productivity.

33	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	Some of the digital marketing-related items that contract customers can expect to receive and access include: SHI Blog – With readership increasing exponentially, SHI's blog showcases short news and informational articles to keep our customers up to date on our services and support as well as on emerging trends in technology. Sourcewell Members can subscribe to our blog online: https://blog.shi.com/ and stay updated on all things IT, browsing categories that include Software, Solutions, Cloud, and Technology News. Social Media – In addition to the SHI Blog, SHI is increasing our use of social media to keep our customers informed, and our visibility will continue to grow. With a dedicated team of social media content experts, Sourcewell Members will get up-to-date information on demand by following SHI on Twitter, LinkedIn, Facebook, Instagram, and YouTube. You might, for instance, see some of our newest posts about our partnership with Rutgers University, announcing that the newly-minted SHI Stadium – a 52,454 seat venue – will host its first sporting event on August 30th! Newsletters – SHI creates various informative, monthly newsletters succinctly containing information regarding important contract dates, product releases or changes, Q&A, and upcoming events. Thousands of our customers currently receive these newsletters, which are also available as a subscription to anyone who is interested. Web Seminar Presentations – SHI hosts a series of web seminars covering a variety of topics including new product announcements, changes to licensing programs for major software OEMs, procurement and technology trends, and foundational IT information. Webinar schedules are published quarterly and have a regular public-sector audience. Please check the events page on our web site for the most current schedule. Marketing Documents – SHI creates hundreds of marketing texts for our major manufacturing partners and core services offerings, all of which are made available to customers through in-person meetings, trade shows, email delivery, and mail-outs. Marketing documents will include those that we receive from the manufacturers, those that SHI creates for a general audience, and those that SHI creates specific to Sourcewell Members.
34	In your view, what is Sourcewell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process?	SHI is prepared and eager to promote contracts arising out of this RFP, and we perceive Sourcewell's role as quite minimal. We ask that Sourcewell share pertinent SHI material on their website, making our contract information accessible to Members. Beyond that, we take full responsibility to integrate a Sourcewell-awarded contract into our sales process, using our proven formula to onboard and optimize contracts of similar size and scope, and we are committed to promoting this contract broadly and enthusiastically. With our prevalent, respected, and highly-certified sales support team, SHI will swiftly become a trusted advisor to your Members. Relying on our Address, Acquire, Adopt Methodology, we will ensure that we work harmoniously with Sourcewell Members, facilitating each project from inception through successful implementation to completion, and helping to uncover cost savings at all phases of a project lifecycle. As previously mentioned, we will integrate this new contract into our sales process seamlessly, with our AEs meeting early on and consistently thereafter with State Agencies, Cities, Counties, and Municipalities to listen, to better understand their goals and objectives, and to begin a long-term conversation about purchasing policies; agreements established at the local level; volume licensing management; and key code/order confirmation distribution policies. Additionally, we will train our AEs in every region to understand the contract, the terms and conditions, and how we can best support Sourcewell Members. We will engage Sourcewell Members during the strategy and solution design phases of their projects and will assist with strategic planning, assessments, white boarding, proof of concepts, and more. Initiating conversations early in the process will lead to a more optimized project and cost savings. We will also provide extensive product and vendor specific support to ensure successful adoption and follow through during the life of the project. SHI has invested substantially in both Pre- and Post-Sales resources to better serve Sourcewell Members and their long term needs as they Address, Acquire and Adopt their the IT Lifecycle solutions. Armed with the support of all the leading manufacturers, every member of the SHI team is dedicated to helping Sourcewell Members and providing transparent support throughout the entire engagement.

35	Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	When it comes to IT, procurement is never one simple step. We recognize the series of activities and procedures necessary to support the selection of IT equipment and services. IT procurement involves both strategic and administrative responsibilities, and SHI can facilitate that entire acquisition process. To help you obtain the right products and the best services, we offer a variety of procurement options and always customize them to fit Member's unique needs. All of our products and services are available to Sourcewell Members through an e-procurement ordering process, and current governmental and educational customers have used our eCommerce system with great success and ease! We will happily provide a "tour" of our online ordering system, or you can visit a sample on our website at https://portal.shi.com/CustomerServices/SHIMarketing.aspx?ContentID=91416 SHI stays current with eCommerce technology, and we've made great investments to UX to ensure customers can purchase, compare, get informed, and stay protected – all from the comfort of their office or home-office. With our Catalogue Customization Options; Approval Routing and Workflow; Reporting and Order Status features; and our PRO Renewal Organizer Timeline, Members can be confident knowing that their IT needs can be met efficiently, effectively, and safely through your personalized SHI eCommerce portal. SHI.com, SHI's procurement platform, provides an efficient and intuitive way to access and procure a customized catalogue of products, and its business-to-business functionality includes innovative Custom Catalogue capabilities that provide personalized views of product information, enabling Sourcewell Members to find and compare products, to view key metrics (like frequently viewed products and contract or standard items), and to simplify purchasing. Catalogues can be as broad or as narrow as Members need! With thousands of manufacturers represented, product catalogues are fully customized to reflect contracted pricing available through SHI, as well as special pricing programs for which Members are eligible, such as licensing programs or other volume programs. SHI's open architecture systems allow us to integrate with virtually any eCommerce platform, whether through market leaders or a proprietary solution. The most common applications we support include Ariba, Perfect Commerce, PeopleSoft, SAP and Oracle. In general, SHI supports systems that use cXML (commerce extensible mark-up language), or EDI (electronic data interchange) standards. In addition, we support the following Punch-out types: • Ariba Punch-out • Coupa • ePlus Procure+ • Hubwoo • Oracle OAG • cXML Punchout • Perfect Commerce Roundtrip • PeopleSoft Direct Connect • SAP OCI Roundtrip • Scquest • Verian ProcureIT Our Ecommerce Specialists provide training to Sourcewell Members authorized to access their customized site (e.g., sourcewellmember@SHI.COM), and we will schedule trainings based on the customer's level of access to the site, collaborating with individual Members to determine a program and schedule that works best for their purchasing environment. Some of the most remarkable ways in which governmental and educational customers have used – and benefitted from – our eProcurement system is through our software procurement consulting services, our license tracking and reporting capabilities, and our robust Software Asset Management (SAM) tools. Our tracking abilities relieve our customers of the burden of managing their purchases. We understand that without the processes and checks and balances that we have in place, the opportunity for error in tracking license purchases is tremendous. SHI's license tracking system and workflow have been automated to enforce purchasing rules and to minimize errors. Additionally, SHI's systems effectively track Maintenance Expiration Dates so that we can provide prompt, proactive notification to our customers for Maintenance Renewal purposes. SHI supports and can track Maintenance Programs that have co-terminus expiration and are pro-rated or non-co-terminus programs. Maintenance Tracking and Renewal Notification capabilities are available for all programs and Maintenance purchases made through SHI, whether the purchases are made via a Volume License Agreement or another maintenance program.
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Value-Added Attributes

Line Item	Question	Response *
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36	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell Members. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.	Training is a vital component to success within any endeavor, and especially with technology products, equipment, maintenance, and operations! Our Corporate Training Group (CTG) is a newly acquired addition to what was already SHI's robust training department. Recognizing that technology adoption is just as essential as procurement, we invested in expanding and formalizing our Training Services for all our customers, including Sourcewell Members. While we believe that educating our customers is a huge part of their success (and ours!) and we generally include foundational-level education as a standard element of Pre- and Post-procurement consulting, our CTG group now provides optional, expert-level training in areas including Technical, End-User, and Microsoft-specific training, in addition to Professional Development and Custom Training programs. A leading provider in custom training solutions and services for over 25 years, Corporate Training Group by SHI provides a comprehensive curriculum of advanced technical training and forward-thinking professional development aimed to empower Sourcewell Members and to increase productivity for all their IT environments. Our CTG team of approximately 20 trainers is led by Rob Eyerkus and Kathy Mathews. The team has been together over 10 years, ensuring loyalty, trust, and quality for all learners. Pricing is determined in collaboration with Sourcewell Members – with consideration given to the technology focus; online versus face-to-face training; and one-on-one versus group training. Please feel free to explore more details and options at https://www.shi.com/CustomerServices/SHIMarketing.aspx?ContentID=95722
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37	Describe any technological advances that your proposed products or services offer.	When IT is the focus, technological advances are expected. Hardware and software provide obvious technological advances for Sourcewell Members; but SHI offers more than advancement through products alone – in addition to products, our experts who comprise our technological services teams help advance Members' technology in myriad ways! Articulated below are just a few offerings: CLOUD: One tremendously important technological advance we offer, for instance, is facilitating the transformation of Members' Data Centers to support a modern Hybrid Infrastructure, making their journey to successful Cloud technology possible. Our recently-developed Cloud and Innovation Solutions (CIS) group helps identify over-provisioned or dormant resources, analyze historical usage to determine more favorable pricing models, and provide ongoing monitoring to ensure Members stay on track with a secure, cost-efficient, and optimized cloud environment. SHI delivers industry best practices and custom offerings through our Assess, Design, Build, and Manage methodology in order to integrate leading cloud technologies to Members' IT environment. Our certified architects and technical consultants combine their industry expertise to deliver services that advance Members' IT business via public, private, and hybrid cloud technologies. A highlight of our CIS support services includes Cloud Platform(s) Service Onboarding; Reporting & Analytics; Advisory Services; and Volume Licensing Expertise (plus more!). SECURITY: In addition to advancements in Cloud and Innovation, SHI recognizes Security as one of the IT field's biggest issues, and our customers – from K12 to Federal to Local Government – are all concerned with compliance, vulnerability, security resources, and budget. Our Senior Security Architects are authorities in IT Security and understand how to protect information and data against Script Kiddies; Hackers; Hacktivists; Malicious Insiders; and Nation-State threats. Our sales of security products and solutions have nearly tripled over the past 10 years, and at over \$667 million, SHI is one of the largest securities solution providers in the world. Our presales and consultant Security Architects have both vendor-specific and vendor-neutral certifications and decades of operational experience, and they use their prowess to help customers remain compliant, safe, operational, and within budget in at least six Security areas: Identity and Access Management; Application Security; Data Centric Security; Data Center and Cloud Security; Threat and Vulnerability Assessment/Management; and Security Program and Operations. Desktop Virtualization Capacity Planning: SHI's Capacity Planning Assessment is a Value-Add service conducted over a 30 Day period to deliver a sample analysis and documented findings of a customer's current desktop environment. This service advances Member's technology by providing them with a more efficient and effective desktop virtualization implementation. We help eliminate guess work and the risk of under-scoping or over-scoping the infrastructure to support the desktop virtualization environment. Envisioning Office 365: Our Envision service consists of a three- to five-day engagement in which we review a Member's current Active Directory, review their current Exchange environment, interview key decision makers, and provide them with a high-level strategic plan to migrate or build a hybrid O365 Strategy. SHI's Envisioning Office 365 is a Value-Add service. Infrastructure and Optimization – VOA & HCA: vSphere Optimization Assessment (VOA), powered by vRealize Operations, provides 360-degree visibility into capacity, performance, and configuration across multi-cloud environments through predictive analytics and unified single console. This service is ideal for Members looking to manage everything from their infrastructure stack to applications all while saving on their cloud resources. The Hybrid Cloud Assessment (HCA) helps Members understand their existing private cloud costs and conduct public and private cloud cost comparisons to decide which, if any, workloads to move to the public cloud. SHI experts provide an analysis report that shows the expenses of Member's infrastructure in a private cloud environment and that evaluates the cost of running the same infrastructure on other public cloud environments like Amazon Web Services (AWS) and Micros Azure. SHI's VOA and HCA combined assessments are Value-Add Services conducted over a 30 Day period to deliver a complete analysis and documented findings, helping to advance Member's technology.
38	Describe any "green" initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each.	As a reseller and not a manufacturer, SHI naturally has a low impact on the environment. However, we are always mindful both our local community and the larger environment and work to reduce any damaging effects from our organization, while protecting the safety and wellbeing of our staff. Our environmental initiatives focus on four areas: • Energy use (office and equipment) • Business travel • Waste management • Asset redeployment, recycling, or proper disposal And we exercise due diligence to: • Adhere to local and international environmental legislation • Increase employee awareness • Adopt best practices • Monitor usage SHI's goal is to consume less energy and reduce our environmental impact. We take action through: • Monitoring power consumption • Reducing Scope 2 greenhouse gas emissions at 1% reduction per year, since our power consumption goal and Scope 2 greenhouse gas goal are directly linked together • Establishing a goal of 100% for recycling paper, plastics, glass and cardboard • Using advanced energy-saving systems such as automatic lights and energy-saving computer monitors • Using materials from renewable resources, non-toxic materials and recyclable items

SHI has reduced our travel-related environmental impact by promoting:

- Teleconferencing and other collaborative working tools to limit the number of individual business trips
- A Work-from-Home policy, whenever possible
- Flexible working hours
- Use of public transportation

SHI encourages individual responsibility and supports recycling initiatives in the following ways:

- Monitoring the purchase of cut sheet paper
- Striving to reduce paper consumption by 1% per year
- Providing recycling facilities for paper, printer toners, etc.
- Supporting double-sided printing and photocopying
- Using proper disposal or recycling of IT and electronic equipment in accordance with local regulations
- Donating IT assets to those who would not otherwise have access

SHI is committed to reducing our energy use and to saving Mother Earth through innovative, environmentally-friendly ways. Ranging from rooftop solar panels to zero irrigation landscaping at our Headquarters, our sustainability efforts demonstrate breadth and depth.

Below are just some of the ways SHI has devoted efforts to environmentally conscious actions:

- 500-kilowatt rooftop solar panel arrays at HQ
- 327-kilowatt rooftop solar panel arrays at Varga warehouse
- Energy efficient lighting that reduces lighting power density by 50%
- Naturally lit open offices
- Occupancy sensors
- Water efficient plumbing fixtures that are anticipated to reduce water usage by 40%
- Low VOC (Volatile Organic Compounds) finishes
- Zero irrigation landscaping
- Carpeting with a high percentage of recycled material
- Low-flush water closets

We qualified for the Leadership in Energy and Environmental Design (LEED) Commercial Interior Silver certification. This project, along with our building renovation, signifies SHI's tremendous growth and is a physical representation of our dedication to sustainability. Our SHI HQ solar panels, for instance, produce approximately 25% of the electricity for both East and West wings. Please feel free to view our video, which celebrates our green initiatives and shows our solar panels in action, by clicking SHI Green or by visiting <https://youtu.be/eZhNpTKEvFY>.

In addition to incorporating environmentally friendly initiatives into our business strategy to protect the planet and reduce the amount of IT hardware waste each year, we also help our global IT customers reduce, reuse, and recycle their hardware assets through our sustainable IT solutions. Some of our customer/partner initiatives include recycling office equipment and related items in compliance with county, municipal, and EPA guidelines. As a result of our efforts, in March 2013, SHI received its Gold LEED Green Certification.

Asset Recovery for Hardware Products

Many organizations are relying on external collaboration for asset disposal, especially since the Environmental Protection Agency and State Departments of Environmental Protection regulations become more stringent and as disposal practices come under greater scrutiny. SHI can help Sourcewell Members stay ahead of the curve, working diligently with Members to facilitate cost-effective disposal services of all sizes and in all verticals. In fact, our team of experts helps to dispose of or redeploy old technology in a way that not only assures compliance but also keeps corporate data from being compromised.

Our disposal processes provide several benefits, many of which other technology vendors don't provide, including:

- Integration: SHI provides a data-feed designed to be incorporated directly into existing asset management systems rather than in complex spreadsheet or database form;
- Security: Our security partners perform DOD and NIST compliant wipes of hard drives to ensure that no company or customer data is retained on old assets;
- Recycling: Our processing partners are either R2 or e-Steward certified, recycling everything in the asset (metal, glass, plastic, and so on) and disposing of harmful substances compliant with stringent government guidelines;
- Global Locations: With processing locations worldwide, we are committed to expanding our global network to shorten the distance that client assets must be shipped for processing.

Our asset disposal and redeployment services can be customized and used in any combination to meet Members' unique needs, making us an ideal partner for any solution. With our customers always in mind, we will ensure we pick up Members' assets for processing; help remarket, redeploy, donate, or dispose EOL assets; conduct inventory and assessments of all assets; and

- Offer end-of-lease processing;
- Conduct software license harvest and redeployment services;
- Provide a total solution one-stop-shop place for all technology end-of-life needs.

		Our Asset Management team, comprised of almost 80 subject-matter experts from all over the world, has been assisting clients with their needs for over a decade. Our SMEs include former auditors from publishers such as Microsoft, Oracle, and IBM, and audit firms such as KPMG, Deloitte, and PWC. We are confident that we have the ideal combination of experience, expertise, and technology to accomplish Members' asset disposal needs efficiently and effectively.	
39	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	As a reseller, SHI does not receive labels specifically for products; however SHI will be happy to work with Sourcewell and product manufacturers to identify any specific eco-labels on products Sourcewell members wish to purchase.	*
40	Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.	We are the largest privately Minority/Woman Owned Business Enterprise (MWBE) in the U.S. and our certification as an MWBE offers a critical value-add to corporations whose strategic business objectives include supplier diversity and development. In addition, SHI's Diversity Business Development Initiative builds and sustains a community of diverse suppliers and partners who best serve the needs of our customers. As a large MWBE, we continue to grow an effective Direct and Indirect Tier II program by accessing our Diversity Vendor database and using certified minority vendors in all diversity categories which includes, MBE, WBE, M/WBE, LGBT, SBE, SDB, HUBZONE, DVBE, VBE, and WOSB. SHI also maintains its internal supplier diversity program and seeks to engage MBE and WBE suppliers to meet product requirements and operational needs. Diversity at SHI 2019 SHI ranks #244 Among Forbes' Top 500 Best Employers for Diversity 2019: "While many organizations have struggled to cultivate cultures that welcome and support all workers, some have been making progress. Forbes set out to identify the companies doing just that with our annual ranking of America's Best Employers. Results for the survey were compiled by surveying 50,000 Americans working for businesses with at least 1,000 employees." We are proud to be ranked among the most diverse employers on this most recent list and are constantly taking actionable steps to increase diversity and inclusivity for our organization. Forbes URL: https://www.forbes.com/sites/vickyvalet/2019/01/15/americas-best-employers-for-diversity-2019/#168da4cc2bda SHI Certifications WBE • WBENC MBE • NMSDC - Corporate Plus Member • NMBC - National Minority Business Council • CAMSC (Canada) MWBE • Supplier Clearing House (California Public Utilities Commission) SHI also has MWBE certifications with the following state governments: • Delaware • Massachusetts • Missouri • New Jersey • New York City • North Carolina (HUB) • City of Philadelphia (PA) • Prince George County (MD) • Tennessee • Virginia (SWaM) • Wisconsin SHI Diversity Awards (Historical Listing) • AT&T Mega Deal Supplier Diversity Award • McAfee Partner of the Year • Cisco Commercial Partner of the Year • Cisco Commercial Territory Partner of the Year • SHI Achieves AWS Managed Service Partner Status • Citi Lean Partner Award • Microsoft US Public Sector 2017 Partner of The Year • HP U.S. Print Hardware National Solution Provider of the Year • Forbes America's Best Midsize Employers • Hewlett Packard Enterprise Global Financial Services Partner of the Year • Microsoft Top Partner Windows Commercial Revenue • Nutanix Velocity Partner of the Year • Ranked 9th on CRN's 2017 Solution Provider 500 • SAP Ariba Supplier of the Year • Microsoft's SLG Channel Partner of the Year	*

41	What unique attributes does your company, your products, or your services offer to Sourcewell Members? What makes your proposed solutions unique in your industry as it applies to Sourcewell members?	Privately held and under the guidance of its current ownership since 1989, SHI is uniquely qualified to support Sourcewell's mission to build valued relationships and innovative solutions with integrity and to exceed the expectations of its Members. In fact, we share a very similar vision and mission, and strive with purpose and passion to provide exceptional value and experience as we help customers select, deploy, and manage technology. We are unique in both our stability and in the tenure of our executive leaders and team members (many of whom have been dedicated to SHI since its inception). SHI Account Executives support their clients locally from over 30 offices throughout the U.S., Canada, the U.K., France, and Hong Kong; and our AEs work and live in the communities they serve, fostering long-term, mutually beneficial relationships with customers and partners every single day. SHI is proud of the reputation we have established, particularly in the Public Sector, as an organization uniquely capable of understanding and addressing the specific needs and concerns of the IT community. And Sourcewell Members will benefit from our high-value solutions that are focused on meeting the distinctive requirements of each customer, while always incorporating opportunities for partnership and innovation. We provide custom technology solutions for every aspect of Members' IT environment: from software and hardware procurement to deployment planning, configuration, data center optimization, mobility services, IT asset management, and training. We also offer next-generation cloud solutions to help customers accelerate to the cloud in the fastest, most secure, reliable and cost-effective ways possible. Our infrastructure and integration services provide top-of-the-line solutions supported by leading manufacturers, publishers, and providers in the industry. License Program Management In large part because of our License Management Program, SHI is the most unique and effective license provider in the industry. Our license-tracking system and workflow have been automated to enforce purchasing rules and to minimize the opportunity for errors. This program includes License Management System—Our Software Licensing Center will create Licensing Documents that pertain to Members' specific Licensing Agreements. License Allocation System—this system was created to provide our customers with a tool for managing the allocation of licenses purchased under Enterprise-type Agreements. License Redeployment Management Service—this service helps organizations that are looking for solutions to reduce the total cost of ownership of their computer hardware and software. In addition, we provide: • A dedicated account and service team empowered to commit resources to address the needs of your organization; • A flexible service approach that allows SHI to adjust its processes and procedures to meet your changing IT needs; • An innovation strategy that ensures your organization is made aware of additional opportunities to improve service, reduce costs, and increase satisfaction for your own customers/users; • A professional Corporate Training Group; • A practice dedicated to Cloud & Innovative Solutions; • Customized Reporting; • On-line Procurement; • Volume License and Hardware Program Management; • Pre-Sales Support from SHI's Software and Hardware Teams; • Staging & Inventory; • Electronic Software Distribution; • Online Invoicing; • E-Commerce Integration; • Renewals Organization Services Manufacturer Relationships go a long way in helping our customers SHI has relationships with manufacturers to assist Sourcewell Members in 1) reducing their expenditures on IT hardware and software, 2) negotiating and benefitting from volume-based pricing programs, and 3) managing the lifecycle of their IT assets. Cost Savings Opportunities SHI understands that Members want to purchase products at the lowest possible price, so we initiate a sourcing process for each transaction that ensures we begin at the lowest price possible. We base our discount structure on SHI advertised price and do not inflate the price for RFPs. In addition, we identify volume discount programs, training each Member's Account Team comprehensively to do so; if there is a product available at a bulk price or a formal discount program from which Members benefit, the Account Team will bring these opportunities to Members' attention. Finally, we maintain award-winning relationships with many distributors in order to ensure that our pricing is always competitive, allowing Members to attain value from the combined buying power of all SHI customers.
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42	Identify your ability and willingness to provide your products and services to Sourcewell member agencies in Canada.	SHI enthusiastically will provide products and services to Sourcewell Members in Canada! In fact, our expansion currently taking place makes us uniquely qualified to grow this segment of the contract. Today SHI's Canadian team is comprised of 12 field AEs (8 covering Ontario, 1 Vancouver, 1 Calgary, 1 Montreal). Those field AEs are supported by 6 Inside Account Managers, located in Austin, TX. An additional 4 IAEs, who are phone-based sellers covering Canada, augment the field sellers. And from a support perspective, we have 2 in-country field solution engineers – one focuses on UCC and the other, DataCenter, with 2 Microsoft Licensing Executives and 1 Cisco business development representative specific to Canada. As of January 1, 2020 our ability to provide products and services will increase dramatically, as SHI's Canadian team will include 30 AEs – likely 20 in Ontario and an additional 10 spread primarily between Calgary and Vancouver. We will make similar investments in inside sales, both the IAEs and IAMS, to support the added headcount in the field. We also plan on doubling our technical resources by this date as well! Our Canadian team uses partners where possible that are vetted through our services team to ensure they have the requisite capabilities to deliver tangible business outcomes to our customers. Our primary partnership is with Zanaris (https://www.zanaris.com/) and we are also developing a partnership with Jolera (https://www.jolera.com/). Beyond that, we will leverage our internal teams to deliver services like cloud cost optimization, architecture reviews, and rapid server migration. Our distribution network is similar to what we use in the U.S. – primarily Ingram, Tech Data, and Synnex, and we rely on the distributor network to perform those types of services on our behalf.	*
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Warranty

Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your warranty materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *	
43	Do your warranties cover all products, parts, and labor?	SHI offers all available original manufacturer warranties. The OEM covers all hardware, parts, labor, and accidental; but some will limit the number of claims, charge a deductible per accidental incident, and do not cover spills (depending on the OEM). We will provide additional detail on specific manufacturers as needed.	*
44	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	SHI offers all available original manufacturer warranties. Some OEM warranties will limit the number of claims, charge a deductible or limit coverage. SHI can provide additional detail on specific manufacturers as needed. If SHI Complete Care is purchased it does not cover water submersion claims, surge protection, intentional damage, or acts of nature.	*
45	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	For OEM warranties this will vary based on the warranty purchased and SHI can provide these details with specific OEM's.	*
46	Are there any geographic regions of the United States (and Canada, if applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell Members in these regions be provided service for warranty repair?	The standard OEM warranty would still apply to purchases made in Canada. If a customer has a warranty question on specific products SHI will help connect them to the OEM.	*
47	Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?	Typically warranty services from an OEM will not cover items from other manufacturers. SHI Complete Care, described below, is vendor neutral and may be able to support in warranty OEM claims for select manufactures. If the customer purchases SHI Complete Care for their new devices, they will be 100% supported during the term of the contract.	*

48	What are your proposed exchange and return programs and policies?	SHI's return policy is customer-centered – we will always do our best to accommodate returns for any unopened box up to 30 days after receipt. Rarely, a customer might receive an incorrect, damaged or non-working (DOA) product; if a product issue occurs, SHI accepts return of that product within 30 days, with no restocking fees, regardless of the package being opened. After 30 days of receipt, SHI will still make a best-faith effort to accommodate a return. Occasionally, the product manufacturer has a "no returns" policy; in these cases we notify customers at the time of quote to ensure transparency and confidence in purchase. In these specific instances, SHI is unable to accommodate returns. Our return process is simple: In order to request a return, first contact your dedicated sales team, via email, phone, or through the "Request Return Authorization Number" section on the SHI.com website. Your Inside Account Manager will then provide you with a return authorization (RMA) number, along with a shipping label. With the RMA number clearly included on the shipping label, the customer then ships their return to SHI, and we process the return. In some cases, to expedite a return, SHI will arrange to have the return-product picked up directly. Once the return has been fully processed, SHI will credit the customer's invoice. In addition, we send out replacement orders prior to receiving returns in order to expedite the process for the customer. Occasionally, Software Publishers may require a customer to fill out a Letter of Destruction. In these cases, SHI provides the letter to customer, who signs and returns it to us. To help simplify and expedite the process, SHI takes care of the rest – processing the Letter of Destruction directly with the Software Publisher. At any point, if customers encounter issues with their products, the SHI Account Team is accessible and eager to help!
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49	Describe any service contract options for the items included in your proposal.	SHI will pass on any included Manufacturer warranties at the time of purchase. In addition, we will educate the end-user on any and all available extended warranty, maintenance, and service programs at the time of quote. Should the customer have the need to use the warranty SHI can facilitate the interaction between the customer and the OEM. We will gladly provide any contact information or assist in escalating with the OEM when necessary. In addition, SHI can provide warranty options outside of what is available from the original manufacturer for a separate fee. We offer several options to support original Manufacturer warranties. These standard warranties typically offer limited, short-term coverage and can result in unexpected downtime and expensive repairs. Our Enterprise Warranty Services will extend the life of Member's technology investment and will keep their systems – and their business – running at peak performance. The benefits of our Enterprise Warranties include • Coverage up to 5 years; • 24/7 technical support; • U.S.-based call center; • Global support capabilities; • 100% coverage for commercial use, parts, labor, and accidental damage; • \$0 deductible. In addition, SHI provides comprehensive, flexible coverage for Product Protection that goes beyond a manufacturer's limited warranty and that provides • 100% coverage on parts and labor, normal wear and tear, and power surges; • "No Lemon" guarantee; • Replacement for products that are beyond repair; • No deductibles, hidden fees, or surprise charges; • Commercial use. Members' SHI Coverage can begin on the date of purchase or after the manufacturer's warranty expires, and coverage is not affected by what the limited manufacturer warranty offers. Our Warranty Services alleviate multi-year budgeting constraints and deliver service when and where Members need it! Included in Product Protection Services in basic triage and remote diagnosis; 24-hour advanced exchange, depot service, and three-way shipping. As an additional benefit, our warranties protect against accidental damage, including drops, spills, and cracked screens. Finally, SHI offers post-warranty and maintenance agreements for products that are still viable and in use! If Members maintain equipment under a warranty that is about to expire - or already has expired - SHI's post-warranty and maintenance agreements keep them covered. Our field engineers serve as an extension of the IT organization and deliver reliable, efficient, and customizable hardware maintenance support. Our program can consolidate multiple vendor agreements, and equipment can be added or removed from coverage at any time. We provide affordability and reliable alternatives to manufacturer maintenance agreements, and flexible contracting provides 40-60% cost-savings from OEMs to Member's organization. Our Level III engineering teams—hired directly from OEMs and averaging over 15 years of experience—have helped us earn extraordinary trust with our customers and are available in every major metropolitan area throughout North America. In collaboration with our partner network, SHI can access over 50 service locations and 110 global stocking locations to support Member needs, no matter where the equipment is located.
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Payment Terms and Financing Options

Line Item	Question	Response *
50	What are your payment terms (e.g., net 10, net 30)?	Net 30

51	Do you provide leasing or financing options, especially those options that schools and governmental entities may need to use in order to make certain acquisitions?	Purchasing new hardware or software can be an expensive investment for even the most profitable organization. However, purchasing is not the only option: leasing and financing with SHI is an excellent alternative to buying IT products. The leasing/financing process is relatively simple. Our pricing models include monthly, quarterly, or annual terms, and once all documents are approved and signed, SHI ships products directly to the customer. Differences between Hardware Leasing and Software Financing Typically, our two lease options include Hardware (equipment) and finance Software. Hardware Leasing: SHI offers the following types of hardware leasing: Fair Market Value Lease (FMV) – FMV allows customers to use equipment for a specific term with the return of that equipment at the end of the contract. Customers can extend for a period or purchase equipment at the Fair Market Value. FMV is the most flexible option, and usually, at the end of the lease, we send equipment to our refurbishment partner for resale. \$1 Buy Out Lease - Some customers prefer to own the equipment at the end of the term. This option is a capital lease put on the Lessee's balance sheet as a capital expense. The benefits to leasing hardware with SHI include : • All equipment costs are covered with no need to obtain additional financing elsewhere. • Cash is available for income-producing investments. • Lease payments are fixed and easy to budget. • Technology doesn't become obsolete. • Risks are reduced, as add-ons and replacements are fast and easy. • Paperwork is reduced since the lessor handles all the invoices. • Diversity spending. The Lessee can have equipment and even other vendors' products and services included in the lease and receive diversity credits. • Planned Replacement. Leasing allows the customer to have a built-in replacement schedule. • Warranty and maintenance costs are reduced. • Leasing matches the expense to the benefit. • Customers do not need to dispose of equipment. • Payments are predictable and are not subject to interest rate fluctuations. Software Financing SHI offers Installment Payment Agreement (IPA), which provides ownership at the end term for transactions that are software and services based.
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52	Briefly describe your proposed order process. Include enough detail to support your ability to report quarterly sales to Sourcewell as described in the Contract template. For example, indicate whether your dealer network is included in your response and whether each dealer (or some other entity) will process the Sourcewell Members' purchase orders.	We strive to help our customers execute their mission by getting the right technology, to the right people, at the right time. Once customers submit their requests for quotation to the Inside Account Team, a dedicated Inside Account Manager (IAM) will research the product and create a quotation based on the terms and conditions of the contract. The quote can then be published to shi.com, where the customer can retrieve the quote to place the order electronically with SHI. We also support ordering by phone, online ordering and email orders. All product offerings are available for online ordering, including non-catalogue items which are supported via our published quote feature. Published quotes are custom quotes the Inside Team creates and publishes to the website so the customer can log into their web catalogue and complete their purchase. The Inside Team creates customer quotes in Sales Center, an internal quote tool that is connected to our distributor network providing access to the most current inventory and pricing when our customers need a quote. Orders are entered into our A/X Order Entry System and updates for order confirmation and tracking are automatically generated and sent to the end user who placed the order. Customers may also track orders using their login on shi.com Our order management system is a complete order tracking and order maintenance system. All of the information resides on IAM desktops. Each day, we receive the tracking numbers for all products shipped from our distributors via EDI. These tracking numbers feed into the Sales Orders and are ready for immediate access by the designated Inside Account Manager. In addition, we provide this tracking information directly to our customers through Your Home at SHI. Authorized Sourcewell members can log onto our web site to check order status and tracking data direct from the carriers. We fully understand Members' need for flexibility in reporting, as well as the need for reports from the highest organizational level to the most granular. We have created our databases to remain flexible enough to be able to incorporate any organizational structure and to provide reports on any level within the organization. We begin with the most granular reporting level, by division or by bill to or by another criterion specified by Sourcewell. We then group the ordering units into the next level within the Member organization. The entities within that level will be grouped to form the next reporting level, and so on until we reach the enterprise-wide level. In addition to providing reports based on the organizational levels within Sourcewell, we also provide reports based on any combination. These features allow us to meet the reporting requirements of Sourcewell as well as individual Members.	*
53	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell Members for using this process?	SHI accepts Credit Cards for purchases. Purchases up to \$50,000 will not incur any additional fees. A credit card transaction fee will be incurred for purchases over \$50,000.	*

Pricing and Delivery

Provide detailed pricing information in the questions that follow below. Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract as described in the RFP, the template Contract, and the Sourcewell Price and Product Change Request Form.

Line Item	Question	Response *
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54	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response.	We propose a 4.5% discount off of SHI Advertised List Price for all products purchased under this contract and believe presenting one discount across all product categories makes this contract more straightforward and efficient. It is important to note that this proposed discount is a minimum one, and there are many instances in which we can – and will – provide a greater discount. Whenever possible, we pass discounts and savings to our customers. Sourcewell can access detailed pricing data via our online catalog found at https://www.publicsector.shidirect.com/ We generally establish our Service Rates on a per-service basis, determined collaboratively with customers based upon their needs, and - when relevant - with Service Partners; we establish rates for services on individual SOWs, with SHI project management fees added as applicable to ensure project success. We are happy to provide more detailed information regarding service pricing upon request and have attached to this proposal a Sample Pricing Form, which includes reasonable estimates, for your review. We have attached a pricing document for your reference in the document upload section.	*
55	Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.	SHI is offering 4.5% discount off of Advertised List for all products.	*
56	Describe any quantity or volume discounts or rebate programs that you offer.	In many cases, SHI Advertised List Price already reflects a substantial discount off of Manufacturer Published List prices. Given the breadth of manufacturers and products that we offer, there will be many opportunities for us to secure additional discounts for eligible contract users. We work to provide your contract users with the most advantageous pricing available, above and beyond the minimum discounts offered, whenever possible.	*
57	Propose a method of facilitating “sourced” products or related services, which may be referred to as “open market” items or “nonstandard options”. For example, you may supply such items “at cost” or “at cost plus a percentage,” or you may supply a quote for each such request.	All products will be considered contract purchases and therefore offered at a 4.5% discount.	*
58	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	Given the overall breadth and customizable solutions offered under this contract it would be hard to detail every item that will not come standard with a given purchase. However, some additional charges we do address are non-standard shipping options, detailed in question 59 and credit card fees detailed in question 53. In addition, installation, project management, training and additional set-up services would not be part of a standard cost unless a customer specifically requests these services.	*
59	If freight, delivery, or shipping is an additional cost to the Sourcewell Member, describe in detail the complete freight, shipping, and delivery program.	SHI is able to ship products via any method the customer desires. These include: Standard Delivery - product is delivered to a fixed delivery point (such as a warehouse). Often times, shipping is free on standard delivery orders. Exceptions include very large pallets (servers that are racked/stacked), and any order that requires custom configuration. Inside Delivery - product is delivered to a location inside of a customer's building. SHI's logistics company is responsible for unloading the delivery vehicle. Loading dock may or may not be available. There is a fee associated with Inside Delivery. The fee is based upon the size and weight of the shipment and will be priced out at the time of quoting. Deskside Delivery - SHI's logistics company delivers the product directly to the end users' desk location within the customer's building. Loading dock may or may not be available. There is a fee associated with Deskside Delivery. The fee is based upon the size and weight of the shipment and will be priced out at the time of quoting. Overnight and Second-Day Delivery - this option is available for any non-custom items upon request. There is a fee for expedited delivery. Shipping prices are determined by size and weight of the delivery and can be discussed at time of quote.	*
60	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	For Alaska, Hawaii, and Canada the perimeters set forth in answer 59 apply. For offshore delivery it will depend on the products and locations where it is being delivered.	*

61	Describe any unique distribution and/or delivery methods or options offered in your proposal.	As detailed in response to answer 26 above, we work loyally to maintain relationships with both our large IT Distributors (Ingram Micro, Tech Data, and Synnex) as well as smaller, local distributors and manufacturers directly. We receive electronic feeds from these distributors as well as the top publishers/OEMs in the industry. Our strong affiliations allow us to source from the supplier with inventory in the closest proximity and drop ship directly to our customers' door. Most products are, therefore, delivered within 3-5 business days of order.	*
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Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments
62	b. the same as the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.	

Audit and Administrative Fee

Line Item	Question	Response *
63	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell Members obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell.	We take contract compliance very seriously, and to that end, we have a team within our Inside Sales Organization that is focused solely on this aspect of the business. Upon award, Denise convenes the ISO team to review the entire response and resulting contract. They create a document detailing all the specific facts regarding an SLA or a contractual obligation (reporting, pricing, and so on). After the document is complete, all supporting team members become trained around the contract. Once the contract is live, the compliance team conducts random quote audits to ensure that the contracted pricing is being honored. In addition, the team runs monthly reports to check all orders that have been placed. In the rare instance that an error is found, the customer is notified and the issue is immediately resolved. A team that is separate and distinct from our sales organization is responsible for reporting and submission of administration fees. We will capture the Sourcewell contract number upon order entry (this contract number is tied to the customer in our order entry system). When the usage report is due, our Sales Analyst team will pull all contract orders and send that data directly to Sourcewell. Once agreement is established, the Sales Analyst will request and send a check for the correct amount.
64	Identify a proposed administrative fee that you will pay to Sourcewell for facilitating, managing, and promoting the Sourcewell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See the RFP and template Contract for additional details.)	SHI proposes a 1% Administrative Fee. We believe this nominal fee keeps the contract competitive and even more marketable.

Industry Specific Questions

Line Item	Question	Response *	
65	If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract.	In our experience, there are a few key indicators of success for contracts of this type: 1) Overall sales revenue – the first, and most obvious, is simply the amount of sales that are being done through the contract. We look for these to grow each month. 2) Number of entities using the contract – we believe that in order to be viewed as a successful partner to Sourcewell we need to be adding net new buying entities to the contract. 3) Number of AEs who are using the contract – In addition to the number of public entities who use the contract, we also track the number of Account Executives at SHI who make use of the contract. We track this metric regularly and are always looking for 100% participation with our consortia contracts. 4) Customer Feedback – we rely on our customers to provide feedback with regards to doing business with SHI and believe this contract’s success can also be measured by customer feedback. Providing our customers flexible and viable contract options makes their jobs easier. When we lead with Sourcewell and educate Members on value, we expect we will get positive feedback.	*
66	Describe your capability to report Sourcewell member purchases of products with environmentally preferred attributes (e.g., eco-labeled, rated or certified).	As a reseller SHI can only report the information given to us by the OEM or publisher community. We will work with Sourcewell and the publisher community to report as needed.	*

67	Describe your capability to identify third-party issued eco-labels, ratings or certifications for the equipment or products within your catalog related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	If requested, SHI can point customers to the OEM website or to the publishers directly to obtain this information.																																				
68	Describe your strategy related to the implementation and management of multiple cooperative purchasing contract awards, if applicable.	SHI has extensive experience administering and supporting consortia contracts quite similar to Sourcwell, and we are confident that our strategy to implement and manage multiple contracts is both reliable and robust. Most importantly, we have made the conscious decision to collaborate with only a few select Consortia partners in order to provide proactive, personalized support to those Consortia members, rather than attaining many partnerships and diffusing ourselves reactively. Our strategy to implement and manage these few contracts is simple: we take great care to meet the needs of each participating entity, whether that be an individual agency, city, county, township, school district, or higher education institution. Account Teams will meet regularly to audit the contract and to discuss areas in which SHI offers, or can offer, additional services in support of Sourcwell Members. Furthermore, SHI's Account Executives regularly meet with Sourcwell Members to discuss their purchase history, Volume Licensing Agreements, and upcoming projects, and needs. We listen attentively and use our Customer Business Review process to articulate Members' purchasing history and to identify opportunities for consolidation or more efficient use of pricing agreements. As appropriate, we will also hire and train additional Account Executives to ensure suitable coverage for the success of all Sourcwell Members. Finally, SHI dedicates a team to oversee our marketing plan for Sourcwell to ensure maximum participation, providing for a smooth experience for the current contract users as well as entities who join the contract during the agreement term. Our strategy for success with multiple purchasing contracts is further comprised of these steps: • Account Executives for each State and Region establish relationships with Members and IT administrators within the organization and update our CRM to record that contact. Each member receives SHI contact information, website information, and contract guidelines. • SHI's Inside Sales Team members give Members a tour of our website (shi.com), where they can create quotes, purchase items, obtain order status, and generate reports of their purchases. • SHI's marketing team subscribes our new CRM contacts to SHI's monthly newsletter and other correspondence. • SHI participates in statewide and local vendor events. SHI Account Executives and publisher partners meet with all relevant Members and discuss SHI's support plan and our partners' solutions. • SHI works with each State to create timely and meaningful Tech Days for individual state and local entities to attend to learn about new solutions for their IT environments. Each facet of our approach converges to ensure that SHI meets (and then exceeds!) both the Scope of Work and Terms and Conditions for each Member. As an example of our successful strategy, Jennifer Jensen, a NASPO SVAR customer from the City of Scottsdale who has worked closely with us praised: "...working with SHI to procure our software and maintenance has been a great experience. Our Account Manager is very hands on and [our] inside sales team is fast and efficient. They are responsive to our requests, have answered tough licensing questions (they have product specialists besides the regional teams who can dive deeper into the product if need be), keep a record of our purchases and our maintenance renewal dates, and have made the quote/PO/invoice process smooth. They are quick to communicate that they have received our requests and provide updates as the information becomes available."																																				
69	Identify any reseller certification(s) (or similar third-party validation of technical expertise) that your organization has attained, if any.	SHI has the experience and vendor partnerships in place to bring value to Sourcwell members. As detailed within our proposal, all of the leading manufacturers have established SHI as an authorized partner. Furthermore, SHI has a very diverse partner ecosystem, supporting over 15,000 Publishers and Manufacturers today. Included below is a sampling of the reseller certifications levels for some of our larger partners. <table><tr><td>3M COMPANY</td><td>Authorized Partner</td></tr><tr><td>ACER</td><td>Authorized Partner</td></tr><tr><td>ADOBE SYSTEMS, INC</td><td>Platinum</td></tr><tr><td>ADTRAN</td><td>Authorized Partner</td></tr><tr><td>APC</td><td>Elite Business Network Partner</td></tr><tr><td>APPLE, INC.</td><td>Corporate Reseller</td></tr><tr><td>ARUBA NETWORKS, INC.</td><td>Platinum Partner</td></tr><tr><td>AVAYA COMMUNICATION</td><td>Emerald Reseller</td></tr><tr><td>AMAZON WEB SERVICES</td><td>Authorized Partner</td></tr><tr><td>BARRACUDA</td><td>DMR #2 Partner</td></tr><tr><td>BELKIN</td><td>VIP Level</td></tr><tr><td>BLACK BOX</td><td>Authorized Partner</td></tr><tr><td>BLUE COAT SYSTEMS, LLC</td><td>Authorized Partner</td></tr><tr><td>BMC SOFTWARE</td><td>Driver Level</td></tr><tr><td>BORLAND SOFTWARE COMPANY</td><td>Authorized Partner</td></tr><tr><td>BRENTHAVEN</td><td>Authorized Partner</td></tr><tr><td>BROCADE COMMUNICATION SYSTEMS (Ruckus)</td><td>Authorized Partner</td></tr><tr><td>CANOGA PERKINS</td><td>Authorized Partner</td></tr></table>	3M COMPANY	Authorized Partner	ACER	Authorized Partner	ADOBE SYSTEMS, INC	Platinum	ADTRAN	Authorized Partner	APC	Elite Business Network Partner	APPLE, INC.	Corporate Reseller	ARUBA NETWORKS, INC.	Platinum Partner	AVAYA COMMUNICATION	Emerald Reseller	AMAZON WEB SERVICES	Authorized Partner	BARRACUDA	DMR #2 Partner	BELKIN	VIP Level	BLACK BOX	Authorized Partner	BLUE COAT SYSTEMS, LLC	Authorized Partner	BMC SOFTWARE	Driver Level	BORLAND SOFTWARE COMPANY	Authorized Partner	BRENTHAVEN	Authorized Partner	BROCADE COMMUNICATION SYSTEMS (Ruckus)	Authorized Partner	CANOGA PERKINS	Authorized Partner
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BARRACUDA	DMR #2 Partner																																					
BELKIN	VIP Level																																					
BLACK BOX	Authorized Partner																																					
BLUE COAT SYSTEMS, LLC	Authorized Partner																																					
BMC SOFTWARE	Driver Level																																					
BORLAND SOFTWARE COMPANY	Authorized Partner																																					
BRENTHAVEN	Authorized Partner																																					
BROCADE COMMUNICATION SYSTEMS (Ruckus)	Authorized Partner																																					
CANOGA PERKINS	Authorized Partner																																					

CANON U.S.A., INC.	Authorized Partner
CIENA (LOA 2/2/18)	Authorized Partner
CISCO SYSTEMS, INC.	Gold Partner
CITRIX	Gold Partner
CLEARCUBE	Authorized Partner
COBHAM	Authorized Partner
COMMSCOPE, INC.	Authorized Partner
COMMVault SYSTEMS, INC.	Platinum VelocityPlus Partner
COREL CORPORATION	Authorized Partner
CORNING	Authorized Partner
DATAKOM	Authorized Partner
DELL (FIPA 12/15/17)	Titanium Black
EATON CORPORATION	Authorized Partner
EMC CORPORATION	Titanium Black
ENDACE TECHNOLOGY	Authorized Partner
ENTCO GOVERNMENT SW	Authorized Partner
F5 NETWORKS, INC	Gold Partner
FIREEYE, INC.	Authorized Partner
FORCEPOINT, LLC	Authorized Partner
FORTINET, INC.	Authorized Partner
FUJITSU	Authorized Partner
GENERAL DYNAMICS	Authorized Partner
GIGAMON, INC.	Authorized Partner
GUIDANCE SOFTWARE, INC.	Authorized Partner
HITACHI	Silver Level
HONEYWELL	Silver Level
HP COMPANY	Platinum
HP ENTERPRISE COMPANY	Platinum
IBM CORPORATION	Premier Business Partner
INFOCUS	Authorized Partner
JUNIPER NETWORKS, INC.	Elite Partner
KINGSTON TECHNOLOGY CORP	Authorized Partner
LENOVO	Client: Premier & DCG: Platinum
LEXMARK INTERNATIONAL, INC	Tier 1 - Diamond Edge
LG CORPORATION	Authorized Partner
LOGITECH INTERNATIONAL	Authorized Partner
MCAFEE, INC.	Platinum
MICROSOFT CORPORATION	Gold LSP
MOTOROLA	Authorized Partner
NCS	Authorized Partner
NEC	Authorized Partner
NETAPP, INC.	Corporate Reseller
NETGEAR	Platinum
NORTEL	Authorized Partner
NOVELL	Gold
NUTANIX, INC.	Tier 1 Premier
OKI DATA	Authorized Partner
ORACLE AMERICA, INC.	Global Platinum Partner
PALO ALTO NETWORKS	Platinum
PANASONIC CORPORATION	TP3 Reseller
PNY TECHNOLOGIES, INC.	Authorized Partner
POLYCOM, INC.	Platinum
QUANTUM CORPORATION	Premier
QUARK SOFTWARE, INC.	Authorized Partner
Red Hat	Advanced Business Partner
REDSEAL, INC.	Authorized Partner
RSA SECURITY, LLC	Titanium DMR Level
SAMSUNG	P4 Platinum
SEAGATE TECHNOLOGY	Authorized Partner
SHARP ELECTRONICS CORPORATION	Authorized Partner - Display Solutions
SOLARWINDS, INC.	Level 1 Tier 1
SONY	Gold
SPIRENT COMMUNICATIONS	Authorized Partner
SPLUNK, INC.	Premier
SYMANTEC CORPORATION	Platinum
TOSHIBA CORPORATION	Platinum Preferred
TREND MICRO, INC.	National Channel Partner
TRIPP LITE	Authorized Partner
VIEWSONIC CORPORATION	Authorized Partner
VISIONEER, INC.	Authorized Partner
VMWARE, INC.	Corporate Reseller - Premier Level
WESTERN DIGITAL	Authorized Partner
XEROX CORPORATION	Authorized Partner

In addition, SHI's Enterprise Solutions Group has over 150 people who hold 3000+ technical certifications for various products and solutions we offer. Included below is a sampling of some of our technical certifications.

- Adobe RSA - enVision (RSA - enVision 3.7)
- Adobe GIAC Certified Intrusion Analyst (GCI/A)
- AGOEA TOGAF
- APC Technical Consultant for Data Center
- Apple Certified Technical Coordinator 10.7
- Apple MacOS X 10.7 Support Certification
- Check Point Certified Security Administrator
- Check Point Certified Security Administrator
- Check Point - Certified Instructor
- Check Point - Certified Security Expert+
- Cisco CCIE #23895 R&S
- Cisco advanced Wireless
- Cisco CCDA
- Cisco Certified Network Associate
- Cisco Data Center Storage Networking Design Specialist
- CCIE-19985 Routing & Switching
- Citrix - Netscaler Basic Operations and Admin
- Citrix Certified Administrator XenServer (v5.0) (CCA)
- Citrix Certified Administrator Xen Server
- Citrix Certified Administrator Xen Desktop
- CIW v5 ASSOCIATE
- Commvault ServiceAdvantage - Project Management Methodology Training
- CommVault Certified Services Associate Assessment - CVCSA
- CommVault Solution Architect Certification - CVSA
- CommVault® Technical Sales Professional Accreditation - CVTSP
- Compellent Storage Center
- CompTIA A+
- CompTIA Network+
- CompTIA Security+
- CompTIA A+
- CompTIA Server+
- DataCore DCIE
- Dell Blade Server Solutions - Technical
- Dell SC Series Storage Professional Certification Exam
- Dell Certified Professional - SC Series Storage
- Dell EMC Specialist - Technology Architect, Backup Recovery Solutions Version 6.0
- Dell EMC Expert - Technology Architect, Backup Recovery Solutions Version 6.0
- Dell EMC Specialist - Technology Architect, Backup Recovery Solutions Version 6.0
- EMC EMCTA
- EMC EMCPA
- EMC -PA
- EMC-Technology Architect
- EMC-Technology Architect
- Exin ITIL v2
- Exin ITIL v3
- HP Service Manager 9.x Software
- HP APP - HP Enterprise Solutions
- HP AIS - HP ProCurve Networking [2010]
- HP- AIS- Operations Manager Software v8 for Wins
- HP Operations Orchestration 9.x
- HPE ASE - Storage Solutions Architect V3
- HPE ATP - Storage Solutions V3
- HPE Master ASE - Storage Solutions Architect V3
- IBM Certified Deployment Professional Security SiteProtector System v2.0 SP 8.1
- IBM Certified Deployment Professional - Security Access Manager for Mobile
- ISC2 -- (CISSP) Certified Information Systems Security Professional
- ISC2 -- (ISSAP) Information Systems Security Architecture Professional
- ISC2 - (ISSEP) Information Systems Security Engineering Professional
- ISC2 -- (ISSMP) Information Systems Security Management Professional
- ITIL - V3 Foundations
- Exin - ITIL Foundations
- ITIL - Foundations
- LanDesk CLE
- LanDesk Certified LANDesk 9.0 Engineer
- LanDesk 8.8 Engineer
- McAfee Data Protection
- McAfee Network Security
- McAfee Risk & Compliance Management
- McAfee System Security
- Metastorm Provision
- Microsoft Certified IT Professional (MCITP): Enterprise Desktop Administrator on Windows 7
- Microsoft Certified IT Professional (MCITP): Enterprise Desktop Support Technician on Windows 7
- Microsoft Certified Technology Specialist (MCTS): Microsoft Exchange Server 2010, Configuration
- NetApp - Accredited Storage Architect
- Novell CNE
- Novell Certified Workload Management Administrator

		• Novell Systems & Resource Technical Specialist • Oracle VM Pre-Sales Assessment • Oracle Planning and Budgeting Cloud Service Specialist • Oracle Exadata Database Machine X2-2 and X2-8 Technology Support Specialist • Red Hat Certified Technician (RHCT) • RSA Certified System Engineer • RSA - Certified System Engineer - DLP • SANS.ORG GAWN - - GIAC Assessing and Auditing Wireless Networks (GAWN) • Secure Computing / McAfee Sidewinder v7 • Secure Computing / McAfee IronMail 6.5 • Security Horizon IAM - NSA INFOSEC Assessment Methodology • Security Horizon IEM- NSA INFOSEC Evaluation Methodology • SonicWall Certified SonicWALL Security Administrator • Splunk Sales engineer I • Symantec STS • Symantec Authorized Symantec Consultant • Symantec DLP 10.5 • Symantec Technical Specialist - Network Access Control • Symantec Data Loss Prevention STS 10.0 • Symantec Technical Specialist • VMware Certified Design Expert • VMware VCP 410 • VMWare VCP 410 • VMware VTSP Business Continuity Technical Sales Accreditation 4 • VMware Infrastructure Virtualization Technical Post-Sales Accreditation: Capacity Planner Fundamentals • VMware Business Continuity Technical Post-Sales Accreditation: SRM 1 Implementation Fundamentals • VMware Desktop Virtualization Technical Sales Accreditation 4 • VMware VCP - VMware Certified Professional • Watchguard WCSP • Websense Hosted Security Should Sourcewell be interested in certain certifications that are not listed we are happy to confirm if we hold those additional certifications as well.	
70	Summarize your current approach to serving Sourcewell members in each vertical (state and local government, education, and not-for-profit) and plans to grow utilization of your solutions in the event of a Sourcewell contract award.	Our initial approach to facilitate solutions for Sourcewell Members in each vertical includes putting our best people in place with a clear purpose and a tangible passion for success. Our team is empowered and has the autonomy to respond directly to Member requests. Additionally, we have ensured that SHI support teams, who work regionally and vertically, have the training and resources they need to provide Members with immediate, accurate, up-to-date information and the authority to take action when needed. Sourcewell and its Members will have the support of the entire SHI team starting from the top down. We will grow our solutions in unison with a growing Sourcewell Member base, keeping pace with the demands and expanding proactively and – always – using best practices. Denise Verdicchio, our Senior Director of Public Sector Sales has been an essential team member with SHI since 1995. As Senior Director of Public Sector Sales, Denise provides in-person client support and sustains her team in the public sector; she has executive authority to approve terms and to resolve issues, and she responds to inquiries within 8 business hours. Denise is dedicated to supporting the Sourcewell contract and ensuring its success. Denise leads the Public Sector team, who is prepared and eager to support Sourcewell members. Our Account Executives, who live work, and play in the communities they serve, are dedicated to each vertical and will support State and Local Government, Education, and not-for-profit customers across the US and Canada. This Public Sector sales force will actively promote the availability of Sourcewell to customers and prospects across the country. With the assistance of our Public Sector marketing team. Sourcewell members will benefit from SHI's laser focus to be the best, while continuing to keep our costs aggressive with our low overhead. A dedicated approach to the Public Sector business for the last twenty years has helped us create solutions that are specific to the unique needs of State, Local, and Education customers across the country. Many of our customers have inquired about our relationship with Sourcewell; we are eager to contribute to your organization and are zealously confident that we are the ideal Sourcewell partner for this contract. We offer a fresh, new perspective to your Members and have worked tirelessly to improve as both a reseller and a total Solutions Provider. We bring integrity, purpose, and passion to Sourcewell and are grateful for your consideration.	*

Exceptions to Terms, Conditions, or Specifications Form

Only those Proposer Exceptions to Terms, Conditions, or Specifications that have been accepted by Sourcewell have been incorporated into the contract text.

Documents

Ensure your submission document(s) conforms to the following:

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.
 2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.
 3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.
 4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as "Marketing Plan."
- [Financial Strength and Stability](#) - SHI Financials 2018-17.pdf - Tuesday August 13, 2019 17:28:09
 - [Marketing Plan/Samples](#) - Sourcewell Marketing Plan Draft and Sample marketing piece.pdf - Tuesday August 13, 2019 17:29:37
 - [WMBE/MBE/SBE or Related Certificates](#) - WBE Certificate_Exp_02-28-2020.pdf - Tuesday August 13, 2019 17:28:33
 - Warranty Information (optional)
 - [Pricing](#) - Sourcewell Pricing.pdf - Tuesday August 13, 2019 20:48:59
 - Supplemental Pricing Documentation (if needed) (optional)
 - Additional Document (optional)

Proposers Assurance of Comp

PROPOSER ASSURANCE OF COMPLIANCE

PROPOSER’S AFFIDAVIT

The undersigned, authorized representative of the entity submitting the foregoing proposal (the “Proposer”), swears that the following statements are true to the best of his or her knowledge.

- 1. The Proposer is submitting its proposal under its true and correct name, the Proposer has been properly originated and legally exists in good standing in its state of residence, the Proposer possesses, or will possess before delivering any products and related services, all applicable licenses necessary for such delivery to Sourcewell member agencies. The undersigned affirms that he or she is authorized to act on behalf of, and to legally bind the Proposer to the terms in this Contract.
- 2. The Proposer, or any person representing the Proposer, has not directly or indirectly entered into any agreement or arrangement with any other vendor or supplier, any official or employee of Sourcewell, or any person, firm, or corporation under contract with Sourcewell, in an effort to influence the pricing, terms, or conditions relating to this RFP in any way that adversely affects the free and open competition for a Contract award under this RFP.
- 3. The contents of the Proposer’s proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or agent of the Proposer and will not be communicated to any such persons prior to the official opening of the proposals.
- 4. The Proposer has examined and understands the terms, conditions, scope, contract opportunity, specifications request, and other documents in this solicitation and affirms that any and all exceptions have been noted and included with the Proposer’s Proposal.
- 5. The Proposer will, if awarded a Contract, provide to Sourcewell Members the /products and services in accordance with the terms, conditions, and scope of this RFP, with the Proposer-offered specifications, and with the other documents in this solicitation.
- 6. The Proposer agrees to deliver products and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.
- 7. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.
- 8. The Proposer understands that Sourcewell will reject RFP proposals that are marked “confidential” (or “nonpublic,” etc.), either substantially or in their entirety. Under Minnesota Statute §13.591, Subd. 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals generally become public data. Minnesota Statute §13.37 permits only certain narrowly defined data to be considered a “trade secret,” and thus nonpublic data under Minnesota’s Data Practices Act.

The Proposer understands that it is the Proposer’s duty to protect information that it considers nonpublic, and it agrees to defend and indemnify Sourcewell for reasonable measures that Sourcewell takes to uphold such a data designation.

☒ By checking this box I acknowledge that I am bound by the terms of the Proposer’s Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation.
- Aimee Ballenger, Public Program Manager

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the bid.

☐ Yes ☒ No

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column "I have reviewed this addendum" below to acknowledge each of the addenda.



Staff Report 178-20

TO: Mayor and City Council

FROM: Eric Holmes, City Manager

DATE: 12/7/2020

SUBJECT Approval of a tax-exempt qualified private activity bond issuance by the Vancouver Housing Authority

Key Points

- The Vancouver Housing Authority is planning the rehabilitation and equipping of a multifamily housing complex known as Plum Meadows located at 1919 West 34th Street in the Fruit Valley Neighborhood of Vancouver.
- When complete, the Plum Meadows project will provide approximately 162 units of housing for low income persons in the City.
- The Vancouver Housing Authority is requesting the City's approval of the issuance of tax-exempt qualified private activity bond obligations to finance a portion of the costs of the project.
- Approval by the City of Vancouver will satisfy legal requirements that are needed to allow the Vancouver Housing Authority to move forward with issuance of the bonds, but will not obligate the City of Vancouver to be legally or financially responsible for the payment of the bond obligations or fulfillment of the VHA's obligations under the bonds.

Strategic Plan Alignment

Goal 10: Use our influence to support community partners' actions, projects and initiatives that improve our community's livability and prosperity.

Present Situation

The Vancouver Housing Authority (VHA) is planning the rehabilitation and equipping of a multifamily housing complex known as Plum Meadows located at 1919 West 34th Street, in the Fruit Valley Neighborhood of Vancouver. Plum Meadows will provide approximately 162 units of housing for low income persons in the City. VHA has requested the City's approval of the issuance of tax-exempt qualified private activity bond obligations ("bonds") to finance a portion of the costs of the Plum Meadows project.

If approved, the bond obligations would be issued pursuant to a plan of financing consistent with Treasury Regulations. The schedule for issuance will require that the first issue of the obligations for the project be issued no later than one year after the City's approval and that any subsequent issuance for the project be issued no later than three years after first bond issuance for the project. The maximum principal amount of the bond obligations for the project will not exceed \$22,500,000.

Unlike "governmental" tax-exempt bonds, qualified private activity bonds may finance a facility to be used primarily by a private entity, so long as 95% of the proceeds of the bonds are applied to a qualifying purpose (here, provision of low-income housing) and certain other requirements are met. Among the special requirements applicable to qualified private activity bonds are those contained in Section 147(f) of the Internal Revenue Code (the "Code"). Under these provisions, added by the Tax Equity and Fiscal Responsibility Act and therefore often referred to by the acronym "TEFRA", are notice, hearing and local government approval requirements. These TEFRA requirements are intended to provide opportunities for the public to be made aware of projects to be financed with tax-exempt qualified private activity bonds.

Although the City's approval is required for the issuance of the Obligations, the City's approval does not create or imply any responsibility on the part of the City to issue the Obligations, to pay debt service on the Obligations or to determine whether the Obligations or the Project are financially feasible.

Advantage(s)

Approval of the Resolution supports the VHA's efforts to construct and equip the Plum Meadows multifamily housing complex located at 1919 West 34th Street in the Fruit Valley Neighborhood of Vancouver.

Disadvantage(s)

As approval of the Resolution will not obligate the City of Vancouver to be legally or financially responsible for the fulfillment of the VHA's obligations under the bonds, no legal or financial disadvantages have been identified.

Budget Impact

None

Prior Council Review

None

Action Requested

On December 7, 2020, adopt the resolution authorizing issuance of tax-exempt qualified private activity bond obligations by the Vancouver Housing Authority to support the Plum Meadows project.

Jonathan Young, City Attorney, 360-487-8500

ATTACHMENTS:

- ▣ Resolution
- ▣ VHA Issuers Letter w VHA Signature
- ▣ VHA TEFRA Hearing Meeting Minutes
- ▣ VHA Plum Meadows Affidavit of Publication of TEFRA Notice

CITY OF VANCOUVER, WASHINGTON

RESOLUTION NO. _____

A RESOLUTION PROVIDING APPROVAL, SOLELY FOR PURPOSES OF SECTION 147(f) OF THE INTERNAL REVENUE CODE, OF THE ISSUANCE OF REVENUE OBLIGATIONS BY THE HOUSING AUTHORITY OF THE CITY OF VANCOUVER IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$22,500,000, TO FINANCE THE ACQUISITION, CONSTRUCTION, REHABILITATION, AND EQUIPPING OF A MULTIFAMILY HOUSING COMPLEX TO PROVIDE HOUSING FOR LOW-INCOME PERSONS IN THE CITY OF VANCOUVER, WASHINGTON.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VANCOUVER, WASHINGTON, as follows:

WHEREAS, the City of Vancouver, Washington (the “City”), is a city duly organized and existing under and virtue of the Constitution and laws of the State of Washington (the “State”);

WHEREAS, as provided in RCW 35.82.030, the City Council of the City previously activated the Housing Authority of the City of Vancouver (the “Authority”) pursuant to a Resolution Declaring the Need for a Housing Authority in the City of Vancouver, Washington, adopted on February 5, 1942;

WHEREAS, RCW 35.82.020(11) and 35.82.130 together provide that a housing authority may issue bonds, notes or other obligations for any of its corporate purposes;

WHEREAS, RCW 35.82.070(18) provides that a housing authority may, among other things and if certain conditions are met, “make . . . loans for the acquisition, construction, reconstruction, rehabilitation, improvement, leasing, or refinancing of land, buildings, or developments for housing for persons of low income”;

WHEREAS, the Authority has advised the City that the Authority intends to issue certain obligations (the “Obligations”) in the maximum aggregate principal amount of \$22,500,000 pursuant to chapter 35.82 RCW and a plan of financing (the “Plan of Financing”) with respect to the acquisition, rehabilitation, construction, and equipping of an approximately 162-unit multifamily housing complex known as Plum Meadows (the “Project”) that will be owned for federal tax purposes by Plum Rehab LLLP (the “Borrower”), a Washington limited liability limited partnership of which the Authority is the sole general partner;

WHEREAS, the Authority also has advised the City that the proceeds of the Obligations will be used to make one or more loans to the Borrower to finance the costs of the Project, and

that the Authority intends that the interest on the Obligations be eligible for exclusion from gross income for federal income tax purposes pursuant to Sections 103 and 142 of the Internal Revenue Code of 1986, as amended (the “Code”);

WHEREAS, Section 147(f)(2) of the Code and related Treasury Regulations provide that one of the eligibility requirements for such exemption of interest on the Obligations for federal income tax purposes is approval of the Obligation by the governmental unit under the auspices of which the Authority was activated, which is the City, and a governmental unit having jurisdiction over the area in which the Project is located, which also includes the City;

WHEREAS, the Authority has advised the City that, following timely notice thereof being published in a newspaper of general circulation throughout the City, a public hearing was held on November 6, 2020, on the proposed issuance of the Obligations pursuant to the Plan of Financing for the Project, in accordance with the requirements of Section 147(f) of the Code;

WHEREAS, the Authority has provided the City with a written summary of any public testimony and any written comments received at such public hearing;

WHEREAS, the proposed Obligations, Plan of Financing, and Project are further described below:

Maximum Principal Amount of Obligations:	\$22,500,000
Project Principal User:	Plum Rehab LLLP, a Washington limited liability limited partnership of which the Authority is the sole general partner
Project Description:	Acquisition, construction, rehabilitation, and equipping of an approximately 162-unit multifamily housing complex known as Plum Meadows
Project Location:	1919 West 34 th Street, Vancouver, Washington 98660

WHEREAS, the Authority has advised the City that the Obligations to be issued by the Authority for the Project pursuant to the Plan of Financing (a) may consist of a line of credit and/or one or more issues (including refunding issues) of revenue bond anticipation notes to provide interim financing for the Project and one or more issues (including refunding issues) of long-term revenue bonds to provide permanent financing for the Project; (b) will be issued in accordance with a schedule such that the first issue of Obligations for the Project will be issued no later than one year after the date of this approval and any subsequent issue for the Project will be issued no later than three years after the issue date of the first such issue for the Project; (c) will not exceed a maximum aggregate principal amount of \$22,500,000; and (d) in calculating the maximum aggregate principal amount of Obligations issued for the Project pursuant to the Plan of Financing, the principal amount of any issue of Obligations used to currently refund a prior issue of Obligations will be disregarded to the extent that the principal

amount of such refunding issue does not exceed the outstanding principal amount of such prior issue;

NOW, THEREFORE, IT IS HEREBY FOUND, DETERMINED AND ORDERED as follows:

Section 1. The City approves the Plan of Financing for the Project, and each issue of Obligations that is timely issued by the Authority for the Project in accordance with the Plan of Financing. This approval is intended solely to comply with the requirements of Section 147(f) of the Code in order to permit the issuance of the Obligations.

Section 2. This approval is not intended to imply that the City is under any obligation to repay the Obligations. In so approving the issuance of Obligations, the City Council does not assume any responsibility with respect to any payments due thereunder. The City is not obligated to pay the principal of or the interest on the Obligations; no tax funds or governmental revenue of the City may be used to pay the principal of or the interest on the Obligations; the Obligations do not directly or indirectly constitute a debt or liability of the City; and neither the faith and credit nor the taxing power of the City is pledged to the payment of such principal or interest.

Section 3. This approval is not intended to serve as any land use, permit, occupancy, zoning or other approval for the Project not expressly set forth in this resolution.

Section 4. This resolution shall take effect immediately upon its passage and approval.

ADOPTED by the City Council of the City of Vancouver, Washington, at an open public meeting this ____ day of December, 2020.

CITY COUNCIL, CITY OF VANCOUVER,
WASHINGTON

Anne McEnery-Ogle, Mayor

ATTEST:

Natasha Ramras, City Clerk

Jonathan Young, City Attorney

CERTIFICATE

I, the undersigned, the duly chosen, qualified and acting City Clerk of the City of Vancouver, Washington (the "City"), and keeper of the records of the City, CERTIFY:

1. That the attached Resolution No. ____ (the "Resolution") is a true and correct copy of the resolution of the City Council of the City as adopted at a meeting of the City Council held on December 7, 2020 (the "Meeting"), and duly recorded in the minute books of the City;

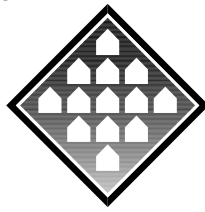
2. That in accordance with RCW 43.06.220, and the Proclamations of the Governor of the State of Washington, as extended by the leadership of the Washington State Senate and House of Representatives (a) the Meeting was not conducted in person, (b) one or more options were provided for the public to attend the Meeting remotely, including by telephone access, which mean(s) of access provided the ability for all persons attending the Meeting remotely to hear each other at the same time, and (c) adoption of the Resolution is necessary and routine action of the City Council of the City;

3. The public was notified of access options for remote participation in the Meeting via the City's website and The Columbian newspaper; and

4. The Meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of the Meeting was given; that a quorum was present throughout the Meeting through telephonic and/or internet means of remote access, and a majority of the members of the City Council of the City present at the Meeting voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of December, 2020.

Natasha Ramras, City Clerk



VANCOUVER
HOUSING AUTHORITY

[November 6, 2020]

City Councilmembers
City of Vancouver, Washington

Re: Housing Authority of the City of Vancouver – Plum Meadows

Dear City Councilmembers:

The Housing Authority of the City of Vancouver (the “Authority”), a housing authority created under chapter 35.82 of the Revised Code of Washington (the “Housing Authorities Law”), is planning the rehabilitation and equipping of a multifamily housing complex known as Plum Meadows (the “Project”) and located in Vancouver, Washington (the “City”) at 1919 West 34th Street, Vancouver, Washington 98660. The Project will provide approximately 162 units of housing for low income persons in the City.

As further described below, the Authority is requesting your approval of the issuance of tax-exempt qualified private activity obligations (the “Obligations”) to finance a portion of the costs of the Project. Although the City’s approval is required for the issuance of the Obligations, it does not create or imply any responsibility on the part of the City to issue the Obligations, to pay debt service on the Obligations or to determine whether the Obligations or the Project are financially feasible.

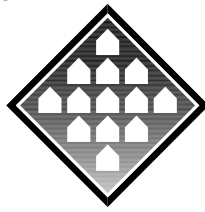
The financing sources for the Project will include low income housing tax credits, the Obligations, and other loans. In order to qualify for low income housing tax credits, the Project must be owned by a private entity. Here, ownership of the Project for federal income tax purposes will be transferred via a long-term lease to Plum Rehab LLLP, a Washington limited liability limited partnership of which the Authority is the sole general partner (the “Borrower”). The Authority will issue the Obligations as a conduit issuer and use the proceeds of the sale of the Obligations to make a loan or loans to the Borrower to finance the costs of the Project.

The Obligations will be issued for the Project pursuant to a plan of financing within the meaning of applicable Treasury Regulations (the “Plan of Financing”) and (a) may consist of a line of credit and/or one or more issues (including refunding issues) of revenue bond anticipation notes to provide interim financing for the Project and one or more issues (including refunding issues) of long-term revenue bonds or notes to provide permanent financing for the Project; (b) will be issued in accordance with a schedule such that the first issue of the Obligations for the Project will be issued no later than one year after the date of the Mayor’s approval and any subsequent issue for the Project will be issued no later than three years after the issue date of the first such issue for the Project; and (c) the maximum principal amount of Obligations issued for the Project will not exceed \$22,500,000. In calculating the maximum aggregate principal amount of the Obligations issued for the Project pursuant to the Plan of Financing, the principal amount of any

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VANCOUVER
HOUSING AUTHORITY

issue of Obligations used to currently refund a prior issue of Obligations will be disregarded to the extent that the principal amount of such refunding issue does not exceed the outstanding principal amount of the prior issue.

Unlike “governmental” tax-exempt bonds, qualified private activity bonds may finance a facility to be used primarily by a private entity, so long as 95% of the proceeds of the bonds are applied to a qualifying purpose (here, provision of low-income housing) and certain other requirements are met. Among the special requirements applicable to qualified private activity bonds are those contained in Section 147(f) of the Internal Revenue Code (the “Code”). Under these provisions, added by the Tax Equity and Fiscal Responsibility Act and therefore often referred to by the acronym “TEFRA”, are notice, hearing and local government approval requirements. These TEFRA requirements are intended to provide opportunities for the public to be made aware of projects to be financed with tax-exempt qualified private activity bonds.

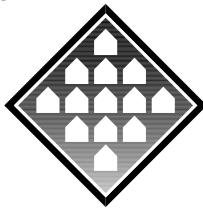
Section 147(f) of the Code requires that a qualified private activity bond be approved by (a) the governmental unit that issues the bond, or on behalf of which such bond is issued, and (b) a governmental unit having jurisdiction over the area in which the financed facility is located. A bond may be approved by the “applicable elected representative” of a governmental unit. The City has jurisdiction over the location of the Project. Therefore, approval by the City constitutes approval by a governmental unit having jurisdiction over the area in which the financed facility is located. In addition, as explained below, the Authority’s bond counsel has advised us that approval by the City also satisfies the requirement for approval by the governmental unit that issues the Obligations, in this case, the Authority. Here, the Authority is serving as the issuer of the tax-exempt Obligations. Because the members of the Authority’s governing body are appointed, rather than elected, the Authority does not have its own “applicable elected representative” for purposes of the TEFRA requirements. The Authority’s bond counsel has advised us that, because the City activated the Authority (by resolution adopted by the City Council on February 5, 1942) under the Housing Authorities Law and appoints members to the Authority’s governing body, the “applicable elected representative” of the City is treated as the “applicable elected representative” of the Authority for TEFRA purposes. Our bond counsel has further advised that the City Council, as the City’s elected legislative body, is an “applicable elected representative” of the City and may represent the City for purposes of TEFRA approval. Approval by the City Council satisfies both the “issuer” and “jurisdiction” TEFRA approval requirements.

The approval of the applicable elected representative must be made “after a public hearing following reasonable public notice.” The Treasury Regulations on this topic provide that notice is presumed reasonable if is published no fewer than seven days before the hearing in on or more ways, including by publication in a newspaper of general circulation available to residents of that locality. The Authority published a notice of a public hearing with respect to the Project and the Obligations on October 30, 2020, in *The Columbian*, a newspaper of general circulation in the City. [A copy of the affidavit of publication of this notice is enclosed.] The Treasury Regulations also provide that a public hearing “means a forum providing a reasonable opportunity for interested individuals to express their views, orally or in writing, on the proposed issue of bonds and the

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VANCOUVER
HOUSING AUTHORITY

location and nature of a proposed project to be financed.” The Authority held a hearing regarding the proposed Obligations and the Project on November 6, 2020. As shown in the enclosed hearing minutes, no one from the public appeared to present testimony or provided written testimony in advance of the hearing.

Although approval of the City is required for issuance of tax-exempt qualified private activity bonds to finance the Project, this approval is intended solely to comply with the requirements of Section 147(f) of the Code and is not intended to imply that the Obligations are issued on behalf of the City, that the City has approved the form of documents relating to the Obligations, that the City has approved underlying credit issues regarding the Project, or that the City is under any duty or has any responsibility for the payment of the Obligations or for fulfillment of the Authority’s or the Borrower’s obligations under documents relating to the Project or the Plan of Financing.

The Authority respectfully requests that the City Council of the City of Vancouver adopt the enclosed resolution indicating approval of the issuance of the Obligations pursuant to the Plan of Financing for the Project. Please do not hesitate to contact me, or our bond counsel (Allison Schwartzman (206) 447-6406) with any questions or if we may be of assistance.

Sincerely,

DocuSigned by:

Roy Johnson

27AC247431324F0...

Roy A. Johnson, Executive Director, Housing Authority of
the City of Vancouver

Encl.

MINUTES OF A TELEPHONIC PUBLIC HEARING OF
THE HOUSING AUTHORITY OF THE CITY OF VANCOUVER

The Housing Authority of the City of Vancouver (the “Authority”) conducted a telephonic public hearing on Friday, November 6, 2020, at noon. Members of the public were invited to attend the public hearing by telephone using the following telephone dial-in instructions:

TOLL-FREE CALL-IN NUMBER: 1-866-307-9319
ACCESS CODE: 379-253-5714.

The purpose of the hearing was to consider public testimony on the proposed issuance by the Authority, pursuant to chapter 35.82 RCW and a plan of financing with respect to the project described below (the “Project”) of certain obligations the interest on which will be excluded from gross income for federal income tax purposes pursuant to Sections 103 and 142 of the Internal Revenue Code of 1986, as amended (the “Code”).

Maximum Principal Amount of \$22,500,000
Obligations:

Project Principal User: Plum Rehab LLLP, a Washington limited liability limited partnership of which the Authority is the sole general partner

Project Description: Acquisition, construction, and equipping of an approximately 162-unit multifamily housing complex known as Plum Meadows

Project Location: 1919 West 34th Street, Vancouver, Washington 98660

The hearing was called to order by Jeffrey Lane, Development Project Manager of the Authority at 11:57 AM Pacific Standard Time. No one from the public attended to present testimony. No written comments were received prior to or at the hearing. The hearing was adjourned at 12:30 PM Pacific Standard Time.

DocuSigned by:
By: Roy Johnson
Name: Roy Johnson
Title: Executive Director

**Affidavit of Publication
STATE OF WASHINGTON**

County of Clark

ss:

COLUMBIAN

FOSTER GARVEY PC
1111 THIRD AVE
STE 3000
SEATTLE WA 98101

REFERENCE:

0000816164

0000468170 TELEPHONIC PUBLIC HEARING

I, the undersigned say,

That I am over the age of eighteen and not interested in the above entitled matter; that I am now, and at all times embraced in the publication herein mentioned, was, the principal clerk of the printer of The Columbian, a daily newspaper printed, published and circulated in the said county and adjudged a newspaper of general circulation by the Superior Court of the County of Clark, State of Washington, under Proceeding No. 802006715; that the advertisement, of which the annexed is a true printed copy, was published in the above-named newspaper on the following dates, To wit:

PUBLISHED ON 10/30/2020.
TOTAL COST: 160.53
FILED ON: 10/30/2020

I Certify (or declare) under penalty of perjury that the foregoing is true and correct.

Signature _____

NOTICE OF TELEPHONIC PUBLIC HEARING

The Housing Authority of the City of Vancouver (the "Authority") will hold a public hearing on Friday, November 6, 2020, at noon, on the proposed issuance by the Authority pursuant to chapter 35.82 RCW and a plan of financing, of certain obligations (the "Obligations"), the interest on which will be excluded from gross income for federal income tax purposes pursuant to Sections 103 and 142 of the Internal Revenue Code of 1986, as amended (the "Code"). The Obligations are expected to be issued to finance the acquisition, rehabilitation, and equipping of the Plum Meadows multifamily housing facility described below, to be operated as a qualified residential rental project under Section 142(d) of the Code, to provide housing for low-income persons.

Maximum Principal Amount of Obligations: \$22,500,000

Project Principal User: Plum Rehab LLLP, a Washington limited liability limited partnership of which the Authority is the sole general partner

Project Description: Acquisition, construction, and equipping of an approximately 162-unit multifamily housing complex known as Plum Meadows
Project Location: 1919 West 34th Street, Vancouver, Washington 98660

In recognition of the need to curtail the spread of the COVID-19 pandemic, and as required by Proclamations of the Governor of the State of Washington and in accordance with Internal Revenue Service Revenue Procedure 2020-21, the public hearing will not be conducted in person.

Members of the public are invited to attend the public hearing by telephone.

Please see below for telephone dial-in instructions. Please call the Authority at (360) 694-2501 if you have any questions regarding attending the hearing remotely.

Telephone Dial-In Instructions:

TOLL-FREE CALL-IN NUMBER:
1-866-307-9319

ACCESS CODE: 379-253-5714

The public is invited to attend the hearing by telephone, as described above, and to present oral or written testimony regarding the proposed issuance of the Obligations and the location and nature of the proposed Project to be financed, or to submit written comments to the Authority at 2500 Main Street, Vancouver, Washington 98660 to be received no later than the time of the hearing. The hearing will constitute the public hearing required by Section 147(f) of the Code. The Authority is committed to providing equal access to individuals with disabilities, consistent with the Americans with Disabilities Act and other state and federal laws prohibiting discrimination against individuals with disabilities. Anyone requiring an accommodation to participate in this hearing or to obtain information subject to this notice should contact the Authority, at least 24 hours prior to the time of the hearing, at (360) 694-2501.

/s/ Roy A. Johnson, Executive Director
October 30 - 468170



Staff Report 179-20

TO: Mayor and City Council

FROM: Eric Holmes, City Manager

DATE: 12/7/2020

SUBJECT Temporary license agreement with C-Tran for the Safe Park Zone for homeless residents with licensed vehicles to use the Evergreen Park and Ride located at 13601 NE 18th St., Vancouver, WA

Key Points

- The Safe Park Zone offers a central and safe location for homeless residents with vehicles to park and practice social/physical distancing and appropriate hygiene during the Governor's "Stay Home, Stay Healthy" order.
- The Safe Park Zone has operated in the parking area immediately adjacent to C-Tran's Evergreen Park n' Ride since June 2020.
- The City and C-Tran would like to partner to extend this program to homeless individuals with licensed and operating vehicles. The extension would be indefinite with C-Tran providing 30 days notice of intent to end agreement.

Strategic Plan Alignment

Goal 3, Objective 3.2: Improve services available to underserved or vulnerable residents.

Present Situation

The Safe Park Zone has operated in the parking area immediately adjacent to C-Tran's Evergreen Transit Center, Park and Ride located at 13601 NE 18th St. since June 2020.

The agreement allows the City to offer space within the parking area for vehicular parking for individuals experiencing unsheltered homelessness who are presently residing in vehicles. There are currently 52 spaces, 38 reserved for cars/trucks and 14 for recreational vehicles. To date, the site has served an estimated total of more than 200 residents and averaged 85% capacity.

Safe Park Zone participants are expected to follow "Stay Home, Stay Healthy" protocols, which include remaining in and around their vehicles, practicing social/physical distancing of at least 6

feet and limiting their trips to those that are for verified essential services (e.g. food, medicine).

Only legally, licensed motor vehicles may participate in the program. Participants must sign and adhere to a Code of Conduct at registration to receive a placard for their vehicle. The Code of Conduct covers issues like the check-in/check-out process, social/physical distancing, personal hygiene, site maintenance, alcohol and drug use and other prohibited behaviors.

The agreement with C-Tran requires the City to provide security from 8 pm to 6 am, sanitation facilities (portable bathrooms and hand washing stations), and trash service. Employees from the Parks & Recreation Department are typically on site from 8 am to 5 pm. The City contracts with Phoenix Protective Services for after-hours security at the site running 5 pm to 6 am.

The City has partnered with the Clark County Food Bank to provide weekly food delivery at the site. Additionally, staff have worked with various service providers when appropriate for guests needs.

Advantage(s)

This site will give homeless residents with vehicles a safe place to stay until the lot is needed by C-Tran for their increased ridership.

Disadvantage(s)

Although this site is fenced, patrolled and staffed, there have been concerns from the surrounding neighborhood on the impact of this service. To respond to these concerns, both a short video to show the basics and layout of the Safe Park Zone and FAQ were produced and shared with the closest Neighborhood Associations (Video and FAQ available here: <https://www.cityofvancouver.us/ced/page/vancouver-safe-parking-zone>). Another email and flier will be distributed to the closest Neighborhood Associations to advise on the extension of the Safe Park Zone.

Budget Impact

The average monthly budget impact for staffing, security, and sanitation is \$28,600.

Prior Council Review

Council reviewed and approved the original interlocal agreement at the June 6, 2020 Council meeting.

Action Requested

Approve and authorize the City Manager to execute a temporary license agreement with C-Tran for the Safe Park Zone for homeless residents with licensed vehicles to use the Evergreen Park and Ride located at 13601 NE 18th St., Vancouver, WA.

Aaron Lande, Senior Policy Analyst, 360-487-8612

ATTACHMENTS:

- ▣ Temporary License Agreement
- ▣ Revised site map

TEMPOARY LICENSE AGREEMENT

Between: **City of Vancouver** (“City”) a State of Washington
municipal corporation

“City”

And: **C-Tran** (“C-Tran”), a Washington municipal corporation
and transportation benefit area authority

“C-Tran”

Background

A. C-Tran owns part of the real property and manages property on behalf of others at and near the facility generally known as the “Evergreen Park & Ride” located at 13601 NE 18th Street, Vancouver, WA 98668. (EPR)”.

B. City is a Washington municipal corporation responsible for providing for the health and safety of the general public.

C. Part of the property C-Tran owns and/or operates is a parking area immediately adjacent to the EPR (“Parking Area”).

D. The coronavirus (COVID-19) outbreak has caused a reduction in use by C-trans riders

E. Homelessness has been a chronic problem in Vancouver, the State of Washington, and the Portland metropolitan area.

F. Vancouver desires to use the currently vacant Parking Area to make available for the location of temporary homeless persons with vehicles.

G. C-Tran desires to temporarily license the City’s use of the Parking Area for such purpose.

License

1. Grant of License. C-Tran does hereby grant to the City a license to use parts of the Parking Area it identifies to the City for vehicular parking for homeless persons. The area licensed to the City is generally shown in the diagram attached hereto. This License includes rights of vehicular and pedestrian ingress and egress. C-Tran may adjust the part of the Parking Area the use provided for herein by notification to the City.

City will register and sub-license the persons permitted to be present under this License in the Parking Area. City will provide sanitation facilities and trash cans during this lease. City will be responsible for pick-up and maintenance of such trash cans and facilities.

2. Term.

This License will begin on upon execution of this license and shall terminate thirty days after one party provides notice to the other party of its intent to terminate this License.

3. Security and Inspection of Parking Area.

City shall schedule security during the term of the License daily from 5pm to 6am. City staff will be onsite generally between 8am and 5pm. C-Tran will promptly notify City if C-Tran or its agents become aware of threats to the order or its property resulting from persons present on-site. City will also have authorization to place video surveillance equipment. The City will notify C-Tran of any proposed changes to security and staffing.

City shall provide security during the term of this agreement daily from 8pm to 6am. City staff will be onsite generally between 8am and noon. C-Tran will immediately notify City if C-Tran or its agents become aware of threats to the order or its property resulting from persons present on-site. City will also put in place video surveillance equipment.

City will develop a code of conduct that provides reasonable expectations for people participating in the parking program. Failure to follow this code of conduct may result in being suspended from the program and asked to leave. In the event that it is necessary to trespass a participant of this program at any time where participant refuses to leave, City staff or City provided security personnel, will contact C-Tran Security Dispatch to authorize such trespass.

4. Damage and Indemnity

City shall be responsible for damage to the Parking Area caused by the City or by persons occupying the Parking Area pursuant to this License. City will defend indemnify and hold C-Tran harmless from any and all damage, liability, loss, claim or suit, including reasonable attorneys' fees arising from the uses of the Parking Area licensed herein; provided to the extent the damage or liability is caused by the gross negligence or willful misconduct of C-Tran or its officers, agents, and employees, indemnity shall not apply.

5. Personal Property.

All personal property of any kind or description whatsoever in brought onto the Parking Area by any person under this license shall be at such person's sole risk.

6. Notices.

All notices required or permitted hereunder will be in writing (e-mail and facsimile permitted) and will be served on the parties at the addresses set forth below. Notices may be by telephone to address an emergency.

City's notice address:

City of Vancouver
415 West 6th Street
Vancouver, WA 98660
Attn: Procurement Manager

And to:

City of Vancouver
415 West 6th Street
Vancouver, WA 98660
Attn: City Attorney

C-Tran's notice address:

C-TRAN Administration Offices
NE 51st Circle, Vancouver, WA 98682

IN WITNESS WHEREOF, the parties hereto have executed this instrument the day and year first indicated above.

CITY OF VANCOUVER
A municipal corporation

C-TRAN

Eric Holmes, City Manager

Shawn Donaghy, CEO

Date

Date

Attest:

Natasha Ramras, City Clerk

Approved as to form:

Jonathan J. Young, City Attorney





Staff Report 180-20

TO: Mayor and City Council

FROM: Eric Holmes, City Manager

DATE: 12/7/2020

SUBJECT Fire Station 1 Method of Disposition

Key Points

- The former Fire Station 1 is located at 900 W. Evergreen Boulevard, and consists of a 14,500 square foot building on 0.88 acres.
- City Council declared the former Fire Station 1 surplus to the City on March 16, 2015, per Resolution No. M-3852.
- In early 2019, Josh Oliva, manager of West Evergreen LLC, and whose various business interests own several adjacent and nearby properties approached the City with an offer to purchase and renovate the building and property for re-use as creative office space.
- The property was appraised in July 2020 for \$1,425,000.
- The Oliva family owns property at 911 W. 11th Street, adjacent to Fire Station 1 and several other properties in the immediate vicinity, and has shared plans to, over time, renovate and adaptively reuse several buildings in their ownership to create a more vibrant employment district in a historically industrial area of downtown.
- VMC 3.30 specifies the procedures for the surplus and disposition of City property. Although the property was declared surplus by City Council in 2015, the method of disposition was not specified at that time.
- The City's Property Committee is recommending that Council authorize the Property Manager to enter into direct negotiations with Josh Oliva, on behalf of West Evergreen LLC, for the sale of Fire Station 1.

Strategic Plan Alignment

Goal 8, Objective 8.1: Make downtown Vancouver a vibrant destination for the community and the region.

Goal 8, Objective 8.1: Make downtown Vancouver a vibrant destination for the community and the region.

Goal 8, Objective 8.2: Strengthen neighborhood business districts.

Present Situation

The City's former Fire Station 1, located at 900 W. Evergreen, was declared surplus property by City Council in 2015, and in 2018, a new Fire Station 1 was constructed at the intersection of Main Street and Fourth Plain Boulevard after the City purchased the property from the Oliva family. The building and property have remained unoccupied since the fire department vacated it in 2018.

In anticipation of the new fire station being constructed, the property was declared surplus by City Council in 2015. In 2018, the City was approached by Josh Oliva, whose family controls adjacent parcels and other properties in the immediate vicinity of the site, to purchase and renovate the building and property for creative office use, as part of a broader plan to revitalize other properties in their control for offices and residences, resulting in a more active entrepreneurial district. In the course of discussions to date with the prospective buyer, the City has explored the use of a Disposition and Development Agreement (DDA) as a way to perfect the sale of this property in the context of future development of abutting properties. The prospective buyer, while committed long term to adaptive reuse of their holdings in the vicinity of Station #1, is unable to commit at this time to specific terms of development/redevelopment through a DDA.

The City's surplus and disposition regulations permit direct negotiations with abutting property owners of city property to be disposed. City staff would like the opportunity to directly negotiate the terms of a sale of Fire Station 1 with West Evergreen LLC, and will return to Council with a draft purchase and sale agreement that formalizes the agreed to sale price, due diligence period, and the purchaser's commitment to improve the fire station property.

Advantage(s)

1. Direct negotiations will streamline the process so that repairs can be made to the building by the new owner more quickly;
2. Direct negotiations will allow for City interests beyond sale price to be discussed transparently;
3. The Oliva family meets the requirement as an abutting property owner;
4. The Oliva family has a proven record of delivering high quality projects that have resulted in a significant increase in community vitality.

Disadvantage(s)

There is some risk that the adaptive reuse envisioned by the prospective purchaser is not realized; however, the potential buyer has a demonstrated record of business and development investments in Vancouver consistent with the the community's vision that significantly diminishes this risk..

Budget Impact

Replenishes the the City's General Fund for a portion of the capital invested in in replacement Fire Station 1.

Prior Council Review

- March 16, 2015 Council Hearing to Surplus Property

- March 1, 2019 Council Retreat

Action Requested

On December 7, 2020, adopt a resolution approving the disposition method of the real property located at 900 W. Evergreen Boulevard (known as Old Fire Station 1).

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

ATTACHMENTS:

- ▢ Resolution regarding method of disposition
- ▢ Property Appraisal (separate cover)
- ▢ Aerial Photo of Property
- ▢ March 1, 2019 Council Retreat Minutes Oliva
- ▢ Offer Letter
- ▢ March 16, 2015 Council Meeting Minutes
- ▢ Legal Description Exhibit to Resolution

12/14/2020

RESOLUTION NO. _____

A RESOLUTION of the City of Vancouver authorizing a disposition method for Fire Station No. 1 located at 900 W Evergreen, Vancouver, Washington.

WHEREAS, the real property on Exhibit A was declared to be surplus to the needs of the City on March 16, 2015 in Resolution No. M-3852; and

WHEREAS, Resolution No. M-3852 did not indicate the method of disposition for the property; and

WHEREAS, the city now wishes to move forward with disposing of the property by means of direct negotiation with the following abutting property owner: West Evergreen, LLC, a private limited liability corporation, 915 W. 11th Street, Vancouver, WA 98660.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VANCOUVER:

The real property described in Exhibit A shall be disposed of by means of direct negotiation with abutting property owner as described in Staff Report No. _____.

ADOPTED at a Regular Meeting of the Vancouver City Council this _____, of _____, 2020.

Anne McEnerny-Ogle, Mayor

Attest:

Natasha Ramras, City Clerk

Approved as to form:

Jonathan Young, City Attorney

Aerial Photo Showing Fire Station 1 and Oliva Family Properties



Mayor Anne McEnerny-Ogle convened a retreat of the Vancouver City Council at the 8:34 a.m. on Friday, March 1, 2019, at the Firstenburg Community Center, 700 NE 136th Ave, Vancouver, Washington.

Council present:

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

Staff & presenters present:

- Eric Holmes, City Manager
- Lenda Crawford, Deputy City Manager
- Natasha Ramras, Chief Financial Officer
- Brian Carlson, Public Works Director
- Chad Eiken, Community & Economic Development Director
- Jeanette (Jan) Bader, Program & Policy Development Manager
- Carol Bua, Communications Director
- Amanda Delapena, Assistant to the City Council
- Jill Brown, Assistant to the Mayor and City Manager
- Lauren Fencil, intern
- Scott Bailey, Regional Economist, Washington State Employment Security Department

8:30-8:45 a.m. Welcome/Objectives for the Day

Mayor McEnerny-Ogle welcomed Council, staff and members of the public present.

City Manager Eric Holmes oriented Council to the agenda, materials provided to them in advance, and the objectives for the day.

Objectives for the Day

- Establish shared understanding of **economic outlook**
- Establish shared understanding of the overall environment and identify initial direction(s) on **current and near-term initiatives and options**, including:

- Key Subarea strategies
- Key Program strategies
- Major policy initiatives
- Governance options
- Review preliminaries for Denver City to City exchange
- Introduce **Stronger Vancouver** recommendation and preview:
 - Recommended adoption timing & approach
 - Timing

9:45-10:00 a.m. Setting the Stage: Economic Update Briefing

Presentation by Scott Bailey, Regional Economist

Scott Bailey presented to Council a snapshot of trends and data for the Clark County and Vancouver economy and an outlook for 2019.

Key Discussion Points

- Clark County labor market and unemployment rates, including a comparison with state, regional, and national data. Discussion about employment and job growth composition and trends since the beginning of the recession. Wage trends and the occupational outlook for the next several years.
- Poverty rates holding mostly steady, even with an increase in median household income due to a widening income distribution between the lowest income earners and highest income earners. The percentage of cost-burdened renters, those renters paying 30 percent or more of their income on housing, is increasing in Clark County.
- Construction activity as a whole, with focus on housing permits and inventory over time for Clark County. Construction activity continues to recover strongly, especially with construction of multi-family developments. Discussion regarding the forecast for the housing market and the impact of Portland housing construction the Vancouver market.
- Taxable sales in Clark County broken down by industry over time.
- Discussion regarding available revenue tools that could be a part of A Stronger Vancouver package are limited, and Washington is one of the most regressive states in regards to taxing options that place a higher burden on lower income households.
- Mr. Bailey provided his observations about the local economy, which he indicated remains in good shape. He speculated about a potential economic slowdown toward the end of the third quarter 2019. He noted that the City's Waterfront development, Vigor Industrial is moving some of its Seattle and Oregon operations to

Vancouver, as well as the ilani Casino in Clark County, will help with continued job growth in the region. He noted that affordable housing remains a big challenge for Vancouver and the surrounding region.

10:15 a.m.-12:05 p.m.

Key Subarea Strategies

Presentation by City Manager Eric Holmes

The City Manager oriented Council to a conceptual project ecosystem of the City's key subareas that require Council direction, ongoing or in the near future, on key strategic questions. Three key subareas will be the focus of projects and initiatives in 2019 that will shape the community. Mr. Holmes provided context for a number of issues pertaining to each area and presented key questions for the Council's consideration. He noted that Council need not necessarily come to a consensus or decision on each question at this retreat.

DOWNTOWN

- **Parking**

A key ingredient in every project and the overall health and functioning of downtown is parking and transportation. Vancouver has been cultivating a healthier parking ecosystem with refinements to the on- and off-street system. A more comprehensive strategy to meet near and long term parking and transportation demands needs to be fully developed, finalized and integrated into the VCCV implementation approach.

Key Question: *Given the costs associated with building and maintaining off-street parking garages, as well as the occupancy trends and the current authorized permit rates, **should the City build additional off-street parking?***

Key Discussion Points

- Pressure from developers and businesses and a sense that the City is holding up economic development because of parking challenges downtown.
- Competing schools of thought in the community – the City should stay out of the parking business altogether and let the market adjust with the challenge, or the City needs to build more structures in order to give the market a boost, which will lead to solutions.
- Discussion about the City's ability to satiate the parking need if it builds more parking. Eventually the pressures will build again with continued growth, and the City will be asked to come in and build more later down the road. The City's roles should rather be in finding mobility solutions and alternative ways to get people downtown and circulated them around downtown once they are there, and at the same time, be more aspirational with the limited property available downtown rather than simply building parking structures.
- Recognition that there should be some balance between having parking available for visitors and increasing mobility options to relieve parking pressure.
- Discussion about the future of downtown and what will be attracting businesses and younger residents and where the City's investment should be made given such considerations.

- The City's current parking rates make the market unfeasible for private development to take on structured parking and also disincentivize people from taking transit and a general sense that the City should not be in the parking business in the future.

- **Waterfront Gateway Master Redevelopment Plan**

The City owns or indirectly controls one of the largest remaining undeveloped contiguous properties in downtown, located south of 6th Street and west of Columbia surrounding City Hall and the Hilton Hotel and Convention Center.

Key Question: *Given the strategic location of this undeveloped property and the impact any development could have downtown, should the City engage the City Center Redevelopment Authority (CCRA) in a "master developer" role for the Waterfront Gateway project?*

The City Manager outlined the [CCRA](#)'s authorities, as provided for in municipal code, noting that they are a group of individuals that have exceptional expertise in urban land development, real estate transactions and financing, but the way in which the City currently engages the CCRA and utilizes this experience is not taking full advantage of this resource.

Key Discussion Points

- Council generally interested in engaging the CCRA in this way and further utilizing the board more fully, but recognition that the City needs to work closely with the CCRA in educating them on the City's future intentions for them and gauge the current board members' interest and comfort level with that plan before making a final decision.
- Concerns expressed about the public's lack of awareness of what the CCRA is, what it does, and its relationship with the City. There is a need to better educate the community on the development authority before engaging the CCRA to take on such a role. Recognition that more fully utilizing a development authority is a part of Vancouver's evolution moving from a suburban community to a more urban community, and communicating to the public the complexities of developing an urban environment and the need for the CCRA's full engagement is part of that process.

- **Block 10**

In 2016, the City selected Gramor Development as a preferred developer for [Block 10](#) based upon a proposal that included a full scale grocer and up to 250 apartment housing units on the site. In the intervening time, negotiations with Gramor have not yet produced an acceptable agreement, and essential terms and commitments – such as the grocery component – have softened. In the meantime, new environmental factors have arisen, including the establishment of federal opportunity zone legislation, the advent of the Waterfront development, expected completion of the 4th tower at Vancouvercenter, and the evolution of the retail grocery sector. The City has also been approached by other developers in the meantime who have the ability and

interest in completing a large project at the site, likely without a grocery store, and who have investors eager to take advantage of the opportunity zone.

Key Question: *Given the environmental changes since the last Request for Proposals, should the City consider other options for Block 10?*

Key Discussion Points

- Discussion about whether it's the City's place to dictate when and where a grocery store is built downtown or whether that should be left to the market. General recognition that the City's role should be more of an influencer and take policy-level actions, such as setting up an investment fund to subsidize grocery providers in the downtown area, rather than trying to force a grocery store in a specific location.
- Concerns about giving up on grocery at Block 10, given that the community asked the Council specifically for that amenity and discussion about what the City can offer or steps the Council can take to both bring in a viable community asset to that location while also incentivizing grocery services to locate downtown.

• Library Square

A pilot project for the Local Infrastructure Financing Tool (LIFT) tax increment financing legislation in the mid-2000s, the Library Square project was [envisioned to be an urban mixed use project](#) including residential, office, retail and institutional (library) supported by structured parking funded substantially by the LIFT. To maximize the state tax credits, construction would need to begin in 2019. Since the Great Recession, the City has attempted to work with multiple developers and the property owner on plans to bring this project out of the ground. To date, none have been successful.

Key Question: *Should the City shift away from efforts to bring the Library Square project out of the ground as in some form generally consistent with the original vision in favor of "temporary" surface parking?*

Key Discussion Points

- Acknowledgment that it is time to move forward with a more viable project for this site, while also somehow preserving the ability to enter into a development agreement for the site sometime in the future.
- Discussion about the negative impact of the uncertainty surrounding the I-5 bridge on developers' ability to invest at this location.

• "Jefferson District" / Surplused Fire Station #1

The City has declared surplus old fire Station #1 on west Evergreen Boulevard near its terminus with Jefferson. A majority of the land around this intersection (and adjacent to Station #1) is under single ownership, which is

interested in working with the City on a master plan for conversion of the historic buildings in a mix of uses that preserves the industrial character of the area while introducing new employment based uses.

The options for disposition of this site include a direct negotiated sale, placing the property on the open market, or issuing a Request for Proposals/Qualifications for a potential developer.

Key Question: Would the Council consider a negotiated sale with abutting property owners that secures a broader master plan for the adjacent holdings, including employment uses, affordable housing, parking, urban character, etc?

Key Discussion Points

- Discussion regarding how the potential Clark County Jail redevelopment project could impact the character of this area.
- Discussion about the potential risks involved with placing the property on the open market and the potential for losing any development cohesiveness and the possibility of completing a master plan, and discussion about the benefits of a master plan.
- Discussion about the potential and the ability for preserving integration of affordable housing in that area.
- Discussion about the potential vision and the opportunity for preserving the industrial character of the area and the proximity to and tie-in with the rest of downtown.

• Clark County Jail

The County Council convened the [Correction Facility Advisory Commission](#) (CFAC) in 2018. The CFAC is a large group that includes a wide range of interests relevant to the correction system, including representatives from the City. The CFAC is charged with advising on the size, design, location and type of jail project.

Key Question: Given the potential impact a redeveloped jail campus could have on downtown Vancouver and also the City's desire to engage the County on a number of projects and initiatives in the future, what extent is the City Council's interest in influencing the size, scope and location of the jail?

Key Discussion Points

- Concerns about whether an expanded jail at the current location fits with the future vision of the city and about the overall CFAC process.
- Concerns about the current master plan presented by the Sheriff's office prior to the convening of the CFAC and the potential such a project could have on negatively impacting investments and development of the surrounding neighborhood.

- Discussion regarding the viability of alternative locations or the potential for the current site to be developed with a greater focus on community and social services physically broken up into a number of buildings rather than as more of a campus-like setting.

No Council consensus about this issue. Council will continue to consider its role in influencing this project as more information is provided out of the CFAC deliberations.

Council Consensus – Key Subarea Strategies:

- ✓ **Confirmed:** Develop a parking strategy moving forward that “future proofs” the City’s investment in parking capacity through the use of technology, demand management approaches, transit and transportation options, and public/private partnerships to expand on- and off-street parking supply.
- ✓ **Confirmed:** Begin the process of engaging the CCRA board of directors in a master developer role for the Waterfront Gateway area.
- ✓ **Confirmed:** The City should consider other options for the development of Block 10, including potential development that would not include a grocery store, but continue to look for ways the City can incentivize grocery services downtown.
- ✓ **Confirmed:** The City should move forward with other, more viable options for developing the Library Square site.
- ✓ **Confirmed:** The City should work towards a negotiated sale of the surplus Fire Station #1 site with the owner of the surrounding land in order to secure a broader master plan of the area to ensure development proceeds in a manner consistent with the City’s vision for the future of that site.

12:20-12:45 p.m. City to City Exchange: Denver

Presentation by Jill Brown, Assistant to the Mayor and City Manager

The City is sponsoring a City-to-City Leadership visit to Denver, Colorado from May 20-24, 2019. The participants invited to travel include the City Council and key City staff members, along with local leaders from the City’s advisory boards and commissions, Clark County, Port of Vancouver, CREDC, Greater Portland Inc., C-TRAN, WSDOT, ODOT, Metro, Vancouver Housing Authority, Council for the Homeless, the SW Washington Regional Transportation Council, Greater Vancouver Chamber of Commerce, Vancouver’s Downtown Association, the Community Foundation, Washington State University-Vancouver, and Clark College.

Through a series of peer-to-peer sessions, presentations and tours with Denver city staff, business and economic development organizations, the goal is to engage leadership across sectors in experiencing firsthand another regional from which they can learn about key issues facing our city and region; to inform participants about how

leaders and organizations in another metro area have achieved success on opportunities similar to those that exist for Vancouver; and to inspire cross-sector leadership to embrace the opportunity to realize a shared ambition to make Vancouver and even more exceptional city.

The strong civic agenda will focus on what Vancouver's leaders can learn about Denver and Vancouver to help the City fully realize strategic goals for the community.

Staff provided Council with the list of invited participants, travel information and a draft itinerary.

12:45-1:20 p.m. **Key Subarea Strategies (continued)**

Presented by City Manager Eric Holmes

THE HEIGHTS DISTRICT

With the emergence of a preferred alternative for the [The Heights District and master redevelopment plan](#), this project will soon be shifting from a planning mode to an implementation mode. A key focus of 2019 will be to craft a successful implementation strategy and make initial investments in support of that.

Key Questions:

What range of options should the City consider as part of an implementation strategy for The Heights?

- *A new public development authority like the CCRA?*
- *Issue a Request for Qualifications for a private master developer?*
- *Complete the work in-house?*

What is the relative level of the City's commitment to major infrastructure (streets, parks, parking, etc.) investment (likely \$10s of millions) in support of the master plan?

Key Discussion Points

- Discussion about the differences between engaging a public development authority versus hiring a master developer. Recommendation that if a single developer is engaged to develop the entire site, the City should hire a master developer to manage implementation; if multiple developers are involved, it would make more sense to set up a development authority to coordinate all of the moving pieces.
- Concerns that the City does not have the capacity to do the work in-house.
- Discussion about how to ensure the space does not sit empty before it is built up, noting this will be a key implementation strategy for staff and the Council to continue to work through. Recognition that build out will take years to happen, but fringe / lower-density areas of the district will be easier to develop.
- Discussion about how to make the site visually attractive while sections remain vacant, including signage that outlines the future vision of the area to help residents continue to be engaged over time, and also the

potential for temporary uses like community gardens or a farmers market to activate the space while it is under development.

FOURTH PLAIN

The city's ongoing efforts in support of realizing the vision for the Fourth Plain Corridor has resulted in establishing the Fourth Plain Forward initiative, supporting the opening of the BRT line, completing construction of Fire Station #2 and expanding multi-family tax abatements along the corridor. The combination of these efforts has increased the number of successful businesses in the Fourth Plain Corridor, expansion of cultural events and a significant increase in private development activity, with multiple projects under construction.

• Fourth Plain Commons / Navigation Center

The city has identified a potential partnership with the Vancouver Housing Authority (VHA) to develop a mixed-use project (referred to as "Fourth Plain Commons") to serve as a center of community activity for Fourth Plain as well as an incubator for food entrepreneurs at the corner of Norris Road and Fourth Plain.

The day center occupies a fraction of the Navigation Center building. When it was acquired, the City anticipated the site to ultimately include a range of uses that support and benefit individuals experiencing homelessness as well as residents of the surrounding neighborhoods. There has been discussion whether a permanent shelter should also be contemplated as a use at the site, especially given the fact that a couple of funding opportunities through the VHA have come to light to develop new shelter capacity.

Key Question (Fourth Plain Commons): Is there alignment with the Council, or concerns, regarding the general scope and location of the Fourth Plain Commons project at the Fourth Plain and Norris Road site?

Key Question (Navigation Center): Would Council consider establishing a permanent emergency overnight shelter at the Navigation Center site as part of the master use plan for the whole site?

Key Discussion Points

- Suggestion that the Navigation Center could be an ideal location to house the Fourth Plain Commons project as having a commercial kitchen at the site could change the community's interaction with the Navigation Center and make it more of a community asset, as was intended for the remainder of the building.
- Acknowledgment that future use planning of the Navigation Center will need to be much more inclusive of the surrounding neighborhoods and other stakeholders than the urgency surrounding the development of the day center had allowed.
- Discussion about the need for a permanent overnight shelter, especially for women and children, but also the need for severe weather emergency sheltering and recognition that the Navigation Center should play a role

in providing these options and should be incorporated into planning process for the Winter Hospitality Overflow program each year.

- Suggestion that future uses of the Navigation Center should also consider a health clinic that could be used by the community.
- Concerns expressed about adding uses to the Navigation Center too quickly, as there is a need to demonstrate success at the site with the day center in order to meet the City's commitment to the neighbors and build more trust before the City will be able to bring more assets into the neighborhood, but an acknowledgement that community assets must be a part of the Navigation Center in order to honor that commitment to the community.
- Concerns expressed about stable and reliable staffing for the Navigation Center, and acknowledgement that engaging VHA as a partner in providing additional services at the center could improve overall the onsite staffing resources.

- **Operations Center Replacement**

The current work program for the overall project contemplates design and construction documents this biennium, construction in 2021-22, and a move in 2023. The work program does not contemplate planning on redevelopment efforts until next biennium or later.

Key Question: Given the current location of the Operations Center is in the heart of the Fourth Plain corridor with the potential for catalytic redevelopment, **once a future site for the Operations Center is secured, should the City accelerate master planning for redevelopment of the current site to occur concurrent with the Operations Center replacement project?**

Key Discussion Points

- Because this is in an opportunity zone, the City will likely have developers eager to redevelop this site as soon as possible, and the City will want to have a master plan ready to go as soon as the site is ready for development.
- It would be preferred to demolish the current buildings on the site as soon as possible and put in a temporary use that better activates the site for the surrounding neighborhood until permanent development occurs.

UPDATES ON OTHER EMERGING DISTRICTS

- **Lower Grand Employment Area (LGEA)**

The acceleration of development in this district with the Convene Office Park reinforces the goals of the LGEA, and the City was recently awarded grants from the Department of Ecology to design and build infrastructure in the industrial area north of Grand Central. In addition, Home Depot is expected to go

through the permitting process to build two additional buildings adjacent to the company's existing office building at this site – one additional office building and one services building that might include restaurants and other services.

- **Section 30**

The Section 30 subarea plan was originally adopted in 2009. Because of the historic complexities in ownership and the state of mining in the section, redevelopment of the area has been thought to be well into the future. However, recent informal interest, fueled in part by the City's priority investment in SE 1st Street, suggests that reclamation and redevelopment of this area, consistent with the original vision as an employment center and similar to the concept of Columbia Tech Center, may occur sooner than anticipated.

Council Consensus – Key Subarea Strategies (continued):

- ✓ **Confirmed:** Once implementation of a master plan begins, carefully stage The Heights District area with temporary uses and visual elements while the site is undergoing development in order to activate any vacant spaces until full build-out is complete.
- ✓ **Confirmed:** The Fourth Plain Commons project can continue to be planned for the Norris Road location at the scope currently contemplated.
- ✓ **Confirmed:** Future use planning for the Navigation Center should include consideration of permanent, overnight sheltering, focusing on services for women and children, and also must include broader community assets and amenities beyond resources for people experiencing homelessness.
- ✓ **Confirmed:** Ensure the Navigation Center is a part of the Winter Hospitality Overflow network, at a minimum in preparation for next winter.
- ✓ **Confirmed:** The planning process for future uses of the Navigation Center should not be rushed and should be an inclusive and deliberate process that incorporates the surrounding neighbors and businesses.
- ✓ **Confirmed:** Begin master planning for redevelopment of the current Operations Center site concurrently with the Operations Center replacement project once a future site is secured.

1:20-2:00 p.m.

Key Programs & Policy Initiatives

Presented by City Manager Eric Holmes

Mr. Holmes provided the context for a number of ongoing or new programs and policy initiatives for 2019 and presented key questions for the Council's consideration.

HOMELESSNESS

Over the last biennium, Vancouver has stepped into a much more significant role in addressing homelessness. In addition, there are multiple philanthropic and faith-based organizations that are looking to invest in additional and expanded homeless services and facilities in Vancouver, some of which are interested in increasing capacity in order to re-establish a camping prohibition in the city. Finally, the Stronger Vancouver recommendation includes ongoing funding for a homeless outreach team, as well as services and facilities.

Key Question: Given the number of organizations interested in increasing facilities and services for people experiencing homelessness, if adequate additional shelter capacity and associated programs were established, **would the Council consider amendments to the existing camping ordinance to again prohibit camping in specific areas or citywide?**

Key Discussion Points

- The intent of the camping ordinance was that if shelter beds are available, overnight camping would be prohibited, and confirmation that case law regarding this issue addresses the matter.
- Concerns about the lack of detail about what is being proposed for a shelter, concerns about the seeming lack of leadership or point person who is clearly in charge of the City's homeless services program and leading the City to a clear vision through best practices about what the City wishes to accomplish in this area.
- Discussion about the need for a defined strategy and proven results for improving the community relationships around the Navigation Center, as well as a more general vision and specific goals for which the City can advocate when it is working within the broader system of homelessness service providers.
- Discussion about a new homelessness coordinator position that the City will soon recruit for and how this person will be positioned within City staff and what their role will be in working internally and with outside agencies.
- Suggestion that shelter capacity is needed beyond everyday needs from a preparedness perspective, as the City needs to be prepared to house citizens who could be made homeless due to a natural disaster.

CULTURE, ARTS AND HERITAGE

For the first time in decades, the City has dedicated resources to support establishing an arts, culture and heritage program. The resources in the current biennium are limited term but the Stronger Vancouver package includes permanent, ongoing dedicated funding.

• Arts and Innovation Campus

In 2018, the Council ratified an [MOU](#) between the City, Vancouver School District and Fort Vancouver Regional Library District for development of a community campus on the former central library site. The campus is intended to include a K-5 school of Arts and Innovation, conversion of the current Library headquarters into a community arts facility, development of a performance venue (such as a performing arts center) and creative entrepreneurial space. The site is located in the Central Park neighborhood at the northern gateway to the

Historic Reserve, is on the future Mill Plain BRT line and presents an opportunity for development of a spectacular community asset.

Key Question: *In regards to prioritization of City resources, what level of involvement/commitment would the Council consider in support of the Arts and Innovation Campus?*

Key Discussion Points

- Discussion about the need for a feasibility study of the proposed location and building before further Council guidance can be given.

POLICIES

• Transportation System Plan (TSP)

The TSP is the key policy strategy that guides the City's investment in our street system – the City's largest asset. It was last updated 15 years ago in May 2004. During this biennium, the City will finish an exhaustive review and update of the TSP that began with data gathering in the last biennium. The nature of transportation has changed in many ways since 2004: new technologies, increased congestion, additional transit and growth in modes alternative to the auto all contribute to changes in the way the city lives, and create opportunity for future investments in the city's assets.

Key Question: *Given the changing nature of transportation options and technology now and into the future, is the Council aligned with an approach that puts more emphasis on mobility (the ability to move or be moved freely and easily) over transportation (the action of transporting someone or something from one place to another)?*

Key Question: *Should the City allow dockless micro mobility vehicles (i.e. electric scooters) on our streets?*

Key Discussion Points

- Concerns about the hazards to pedestrians and e-scooter users, as demonstrated in other communities, as well as the aesthetic issues involved with scooters being left on sidewalks and streets.
- Discussion about the need to plan for future generations' and tourists' interests in alternative mobility options for getting around the downtown area, as well as the inevitability that this will be a growing area of interest as people want to age in place. Discussion about the potential benefits such options could have.
- Interest in allowing such mobility options only if the City had the infrastructure to safely and adequately accommodate them, separate from existing sidewalks and streets.
- Suggestion that an advisory body is necessary to evaluate this matter further and collect more information on the pros and cons of these alternative transportation options before Council can make an informed decision.

- **Sustainability / Climate Action / Resilience Plan**

Council has expressed a desire to build on the [sustainability plan](#) work completed in the late 2000s (but never formally adopted) and establish a formal policy and plan relative to the impacts of human activity on our environment. In addition, credit rating agencies recently began advising that they will start to take the resilience planning in cities into account when doing ratings in the future.

A number of planning framework options exist to address this:

Sustainability plan: defines goals that foster environmental, community, and financial sustainability. These plans set goals that are particular to the organization in question.

Climate action plan: a comprehensive roadmap that outlines the specific activities that an agency will undertake to reduce greenhouse gas emissions.

Resilience plan: a plan to assure the capacity of individuals, communities, institutions, businesses, and systems within a city to survive, adapt, and grow no matter what kinds of chronic stresses and acute shocks they experience.

Key Question: Does the Council have an initial preference on planning framework to address policy objectives around this issue?

Key Discussion Points

- Discussion about the benefits of a larger, more inclusive and pragmatic plan that includes the City's resilience to natural disasters, community emergencies or financial stresses.
- Concerns expressed about adopting City policies related to climate change.

- **Commercial Corridors / Self-Storage Moratorium Update**

The City is undertaking a commercial corridors strategy to address land use, urban design and economic development goals along key commercial corridors throughout the city, such as Mill Plain, Fourth Plain, St Johns and Evergreen Blvd.

- **Housing Options & Visitable Design Update**

The City is taking a comprehensive look at the zoning code to expand options for housing development, both to facilitate a more compact urban form as well as contribute to more affordable housing choices; visitable design is an issue anticipated to be considered in the context of this effort. A Council workshop on this topic is scheduled for April.

Council Consensus – Key Programs & Policy Initiatives:

- ✓ **Confirmed:** Council desires a high-level organizational discussion about a joint City-County system for addressing homelessness.
- ✓ **Confirmed:** Council expects there be a single point of leadership in the City organization for City homelessness programs but also as a liaison for the broader community system.
- ✓ **Confirmed:** Clarity is needed regarding the City's vision and goals in providing homelessness services
- ✓ **Confirmed:** Emphasis is needed on shifting the current perceptions about how the day center is operating and what the collateral implications are for the surrounding neighborhoods.
- ✓ **Confirmed:** A more complete feasibility analysis of the proposed Arts & Innovation Campus is needed before Council can make further decisions regarding the City's involvement with the project.
- ✓ **Confirmed:** More analysis by an advisory body is needed before deciding if the City should allow dockless micro mobility vehicles, like e-scooters.
- ✓ **Confirmed:** Pursue the development of a City resilience plan.

2:20-3:15 p.m.

Governance Options & Interstate 5

Presented by City Manager Eric Holmes

Mr. Holmes introduced Council to a number of potential governance structures that may be dedicated to the support and success of a range of projects and programs the City has recently or is about to undertake.

GOVERNANCE OPTIONS

- **Cultural Commission**

The City will be re-establishing a commission in 2019 to play a key role in implementation of city arts, culture and heritage programs. The current municipal code establishing a cultural commission (last updated 25 years ago) deserves a critical review, creating an opportunity for the City to explore different roles and structures for this commission, ranging from a narrowly scoped advisory role to the City Council to a public development authority that could own and operate arts and cultural facilities.

Key Question: What are Council's initial thoughts regarding the roles and responsibilities of the cultural commission?

Key Discussion Points

- The success of an arts program will depend on a carefully curated group of people in this leadership role in the beginning. Discussion about recruiting for a panel of people with specific skills and expertise.
- Discussion about whether a commission or an arts authority similar to the CCRA is necessary, and a suggestion that if management of physical infrastructure is a part of this group's purview, an arts authority would be more appropriate.

• Transportation/Mobility Commission

As the City's system of transportation and mobility – as well as administration of funding – becomes more complex, the Council has an opportunity to establish a new commission to focus on these issues. In addition, accelerated technology and market dynamics of a shared economy are and will continue to impact how transportation and mobility works in and influences cities.

With dedicated funding in place, key strategic policies adopted and the development of the TSP underway, 2019 would be an opportune year to establish such a commission. Doing so would need to take into account the relationship with the Planning Commission.

Key Question: *What is the City Council's appetite for establishing a commission focused on the City's transportation system?*

Key Question: *Would the Council consider a commission with a broader "mobility" (full range of mobility options & technology) charter over a more traditional Transportation Charter (multi-modal bike, pedestrian, transit, car)?*

Key Discussion Points

- Discussion regarding the need to be cautious in how this body handles land use related to transportation and ensuring good coordination and integration with the Planning Commission's responsibilities.
- Discussion about the range of options related to such a body, including the option of designating a body other than the City Council to serve as the City's Transportation Benefit District. Suggestion that a holistic approach be taken with this topic.
- Recognition that the City's transportation and mobility systems and needs are at such a complex point, which will only become more so over time, and the Council needs a dedicated group that can focus on it and give them input and feedback.

• Housing Commission

The recommendations from the Affordable Housing Task Force in 2016 included establishment of a Housing Advisory Commission. With the establishment of the Affordable Housing Fund as well as key policy efforts that are underway or in the pipeline, such a commission could be value added to the Council and community.

Key Question: Does the Council want to establish a housing advisory commission?

Key Discussion Points

- Discussion about what the specific purpose and work of this body would look like, including possibly evaluating Affordable Housing Fund and CDBG/HOME applications and multi-family housing tax abatement requests, developing policy tied to the recommendations of the Affordable Housing Task Force, and other possibilities.
- Aside from the practical policy evaluation such a body would bring, it could also foster further visioning efforts, such as bringing in leaders and experts to educate and inform the city in this topic.
- Concerns expressed about how all of these potential new advisory bodies will be staffed and a recognition that added staff capacity will be necessary.

• **Civil Service Commission**

The current Civil Service Commission, charged with overseeing the testing for recruitment and promotion in our public safety ranks is composed of 3 members. There is a potential to increase the Civil Service Commission to 5 members. In addition, some other jurisdictions in Washington call for one or more (but not a majority) of commission members to be union representatives.

Key Question: Would the Council like to see a change to the Civil Service Commission size and composition?

Key Discussion Points:

- Discussion regarding the benefit of expanding the number to avoid quorum issues.
- Discussion about the need for membership to be aware of best practices pertaining to the specific labor aspects of the topics this body oversees.

• **Aviation Advisory Committee Update**

The Aviation Advisory Committee was suspended in 2018 and is undergoing a restructuring in concert with introducing a new management structure of the airport.

Key Discussion Points

- Discussion about the financial stability and status of the airport and confirmation from staff that the airport is operating at a net profit but recognition that there are a number of capital needs.
- Discussion about opportunities for the new airport manager, once hired, to work closely with tenants to work toward improved maintenance and a long-term approach to the aesthetics and quality of the asset.

Council Consensus – Governance Options:

- ✓ **Confirmed:** Establish an Arts Authority, with capacity and authority like the CCRA, appointing a slate of people as the initial members of this body by using a curated selection of those people.
- ✓ **Confirmed:** Establish a comprehensive mobility commission provided that its work is closely coordinated with the Planning Commission and other pertinent advisory bodies.
- ✓ **Confirmed:** Establish a housing commission that will serve a practical and policy development role, as well as being forward thinking and aspirational.
- ✓ **Confirmed:** Expand the Civil Service Commission to 5 members, with at least one member but not a majority of commissioners being a designated union member.

INTERSTATE 5

There are a range of activities on Interstate 5, from the Value Pricing initiative in Oregon to the Mill Plain Interchange project to the prospective re-engagement of the bridge replacement project. The City has a stake in the outcomes of all of these initiatives.

Key Question: To what degree does the Council want the City to play an active/leadership role in these initiatives?

Key Discussion Points

- Recognition that Vancouver has the most at stake when it comes to what happens with the bridge, and the entire I-5 corridor is vital to Vancouver's economy.
- Discussion about the City's ability to influence and limited control over what happens with the interstate but a recognition that the City can and should influence and control, to the extent possible, the messaging and leadership surrounding the issue in order for the City's interests to be represented and with the goal of a better outcome in regards to the bridge replacement.
- General support for a limited City position that would serve as a liaison with the WSDOT project office for the bridge replacement and also monitor and work with partner agencies on issues for the entire corridor.

Council Consensus – Interstate 5:

- ✓ **Confirmed:** The City should exercise leadership and influence to the extent possible to ensure Vancouver's interests are represented and championed in regards to Interstate 5. This includes support for considering a dedicated staff position to monitor such activities.

Presented by City Manager Eric Holmes

After nearly two years and 17 meetings, the Stronger Vancouver Executive Sponsors Council arrived at a consensus recommendation on February 22. While the details of the final recommendation and report are being finalized over the next few weeks, the general recommendation framework is as follows:

- A total service package focused on projects and programs that support a Vision for Vancouver that reflects increased Economic Vitality, improved Public Safety and enhanced Parks & Recreation.
- A revenue package that relies roughly one-third each on property tax, business tax and a collection of other taxes and revenues.

Key Discussion Points

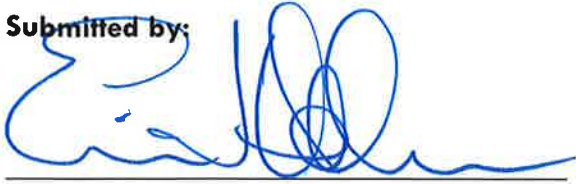
- Discussion about ensuring that the final package addresses equity issues in the city and communicating how that is accomplished to the community.
- Overview of the details of the operating and capital projects and the revenue package, as well as the timeline for Council review and adoption and a recommended phased implementation approach.
- Discussion about whether the recommendations will ensure long-term financial sustainability or whether the City could be facing a deficit again in 10 years; general acknowledgement that there is no assurance of stability given the ever-changing environment within which the City must operate, but passage of the Stronger Vancouver recommendations will decrease the likelihood of a financial crisis.
- Concerns about the importance of a deliberate and strategic communications plan surrounding the final recommendations and eventual implementation and a recognition that communicating this must be done right and done well if the initiative is to succeed. Recommendation that the City hire a communications strategist to advise on this and other ongoing and future initiatives.

Council Consensus – A Stronger Vancouver

- ✓ **Confirmed:** Support for the hiring of a communications strategist to advise the City in how best to strategically communicate about the Stronger Vancouver initiative, and other key City programs and policies, in order to increase the likelihood of success.

ADJOURNMENT: 3:56 p.m.

Submitted by:

A blue ink handwritten signature, appearing to be "Eric Holmes", written over a horizontal line.

Eric Holmes, City Manager

Approved March 25, 2019:

A blue ink handwritten signature, appearing to be "Anne McEnery-Ogle", written over a horizontal line.

Anne McEnery-Ogle, Mayor



January 31, 2018

VIA EMAIL

Ms. Linda Carlson
Property Manager, General Services
City of Vancouver, Washington
415 W. 6th Street
Vancouver, WA 98660
Linda.Carlson@cityofvancouver.us

RE: Offer to Purchase 900 W. Evergreen Blvd Vancouver, WA (the “Property”)

Dear Linda:

I am happy to present this offer to the City of Vancouver to purchase the former Fire Station #1. As you know, our office building is located next door and we are keenly interested in renovating and occupying the fire station to expand our business. We will certainly miss having the fire station as a neighbor over the years – especially its 24-hour presence on this side of town. We look forward to the City’s response and feedback to this offer.

This letter will outline the basic terms and conditions that Steve Oliva, or Assigns (“Buyer”) is willing to purchase the property formerly known as Fire Station #1 at 900 W. Evergreen Blvd. As you know, we currently occupy the adjacent building and we are interested in acquiring the old fire station in order to expand our business.

The general terms and conditions of this offer are as follows:

1. Property: Fee simple interest in the land and improvements at 900 W. Evergreen Blvd, further described by Clark County Assessor parcel 50440-000 consisting of approximately 0.88 acres and 14,500 square feet of gross building area.
2. Purchase Price: \$1,400,000, all-cash at closing.
3. Earnest Money Deposit: Upon execution of a mutually satisfactory Purchase and Sale Agreement, Buyer would deliver into escrow a One Hundred Thousand Dollar (\$100,000) deposit in the form of cash or promissory note. Upon satisfaction by Buyer of its due diligence feasibility condition defined below, the deposits shall become non-refundable except in the event of Seller’s default, and applicable towards the sale price at close of escrow.
4. Purchase and Sale Agreement: Upon mutual acceptance of this letter, Buyer and Seller will promptly proceed in good faith to negotiate to their mutual satisfaction a definitive Purchase

and Sale Agreement, setting forth mutually agreeable terms, provisions, conditions, warranties, and representations. Buyer agrees to use Seller's form document.

5. Due Diligence Feasibility Period: Upon mutual execution of the definitive Purchase and Sale Agreement, Buyer shall have forty-five (45) days in which to perform its due diligence feasibility work to satisfy themselves that such matters as Buyer feels are appropriate and acceptable to Buyer, at which time all contingencies will be waived. Upon expiration of Buyer's due diligence period, Buyer shall either satisfy its feasibility contingency and proceed to closing or terminate the transaction and receive its initial earnest money deposit in full.
6. Seller's Information: Within five (5) days of mutual execution of the Purchase and Sale Agreement, Seller shall deliver to Buyer all information in its possession with respect to the subject property, including any and all surveys, soils reports, environmental reports and physical assessments, and other relevant information which would assist Buyer in its evaluation of the subject property.
7. Title Report: The Title Report and all documents reflected therein shall be delivered to Buyer by Seller within five (5) days from mutual execution of a definitive Purchase and Sale Agreement.
8. Closing: Shall occur no later than (15) days after satisfaction of Buyer's due diligence feasibility, or such time as best suits the City.
9. Closing Costs: Transfer taxes and the standard form title insurance premium shall be paid by Seller. The ALTA additional extended coverage premium and any updates to the survey required shall be paid by Buyer. All other closing costs shall be divided between Buyer and Seller according to local practice.

This letter is not intended as, and does not constitute, a binding agreement by any party, nor an agreement by any party to enter into a binding agreement, but is merely intended to specify the proposed business terms and conditions of the transaction contemplated herein.

Thank you for your consideration, and I look forward to working with you on this transaction.

Sincerely,



Josh Oliva
Agent for Steve Oliva



CITY OF VANCOUVER • WASHINGTON

Vancouver City Hall – Council Chambers – 415 W. 6th Street
PO Box 1995 – Vancouver, Washington 98668-1995

www.cityofvancouver.us

Timothy D. Leavitt, Mayor

Larry J. Smith • Jack Burkman • Bart Hansen • Bill Turlay • Anne McEnerny-Ogle • Alishia Topper

Vancouver City Council Minutes – March 16, 2015

WORKSHOPS (City Council Chambers)

4:30-5:00 p.m. GREEN BUILDING STANDARDS

Council met with Sree Thirunagari, Building Official; Mike Selig, Planet Clark; and Troy Johns, Green Building Council & Urban NW Homes, LLC.

Summary

Council was presented with background information regarding green building standards and potential options for adopting voluntary green building code standards. (Sree Thirunagari, Building Official, 487-7838)

5:00-5:30 p.m. 2015 COMMUNITY AND ECONOMIC DEVELOPMENT BLOCK GRANTS

Council met with Peggy Sheehan, Community Development Programs Manager, and Danell Norby, Community Development Programs Coordinator.

Summary

Staff provided Council with an overview of the CDBG/HOME program and process and timeline for awarding grants for 2015. (Peggy Sheehan, Community Development Programs Manager, 487-7952)

5:30-6:00 p.m. FIRE STATION RELOCATION STUDY: PHASE II

Council met with Joe Molina, Vancouver Fire Chief; Dan Olson, Deputy Fire Chief; and Stu Gary, Fire Practice Principal for Citygate Associates, LLC.

Summary

Council was presented with the overview of Phase 2 of the Fire Station Relocation Study. (Joe Molina, Vancouver Fire Chief, 487-7201)

COUNCIL REGULAR MEETING (City Council Chambers)

PLEDGE OF ALLEGIANCE

CALL TO ORDER AND ROLL CALL

The regular meeting of the Vancouver City Council was called to order at 7:01 p.m. by Mayor Pro Tem Larry J. Smith in the Council Chambers of City Hall, 415 W. 6th Street, Vancouver, Washington.

Present: Councilmembers Topper, McEnerny-Ogle, Turlay, Hansen, Burkman, Smith

Absent: Mayor Leavitt

Motion by Councilmember Topper, seconded by Councilmember Hansen, and carried unanimously to excuse Mayor Leavitt.

APPROVAL OF MINUTES: MARCH 2, 2015

Motion by Councilmember McEnerny-Ogle, seconded by Councilmember Hansen, and carried unanimously to approve the minutes of March 2, 2015.

APPROVAL OF MINUTES: MARCH 9, 2015

Motion by Councilmember Burkman, seconded by Councilmember Hansen, and carried unanimously to approve the minutes of March 9, 2015. Councilmember McEnerny-Ogle abstained.

PROCLAMATION: BRAVE DAY 2015

Mayor Pro Tem Smith read and presented a proclamation to Chris Geraci and Wendi Decker, representing the Pink Lemonade Project, proclaiming March 21, 2015, as BRAVE Day 2015.

CITIZEN COMMUNICATION (ITEMS 1-4 & WALK-ON)

Mayor Pro Tem Smith noted one addition to the agenda as a walk-on item: the approval of the 2015-16 Collective Bargaining Agreement with OPEIU Local 11.

Mayor Pro Tem Smith opened Citizen Communication and, receiving no testimony, closed Citizen Communication.

CONSENT AGENDA (ITEMS 1-4 & WALK-ON)

Motion by Councilmember McEnerny-Ogle, seconded by Councilmember Topper, and carried unanimously to approve the Consent Agenda.

1. 2014 RESURFACING PROJECT, CONSTRUCTION ACCEPTANCE AND RELEASE OF RETAINAGE
(Staff Report 036-15)

Summary

The project resurfaced streets within the City including portions of Broadway Street, Mill Plain Boulevard, NE 18th Street, Blandford Drive, and Hearthwood Boulevard as well as repairs on Washington Street and Andresen Road.

The original construction contract bid amount was \$2,582,582.00. Field adjustments during construction decreased the contract amount \$153,608.13, or 6 percent. The majority of the decrease was caused by eliminating work on Evergreen Boulevard. The work on Evergreen Boulevard was pushed back one year due to the discovery of an abandoned wooden waterline. Resurfacing on Blandford Drive was added to replace much of the work that was planned on Evergreen Boulevard. The work was completed satisfactorily in accordance with the plans and specifications.

Motion accepted the 2014 Resurfacing Project as constructed by Granite Construction Company of Vancouver, Washington, and authorize release of retainage in the amount of \$121,448.69, subject to receipt of all documentation required by law. (Ryan Knox, Civil Engineer, 487-7761)

2. AWARD OF BID FOR 2015 FIRE ALARM/ SPRINKLER INSPECTION AND MAINTENANCE PROJECT, PER BID # 15-03
(Staff Report 037-15)

Summary

Present Situation: The City of Vancouver's contract for regularly scheduled fire alarm and sprinkler inspections ended in November 2014 because the maximum allowable dollar limit for the contact had been reached. Bid documents were prepared for a new 5-year contract for this work. Interested contractors were invited to submit proposals by February 17, 2015.

On February 17, 2015, the City received one bid for the project was received. The bid was for an annual cost of \$81,100.00. The low bidder was deemed responsive and responsible. The bids are as follows:

SUMMARY OF BIDS	
BIDDER	AMOUNT
Fire Systems West, Vancouver, WA 98661	\$81,100.00
Engineers' Estimate	\$75,000-\$100,000 Per Year

Funds for these inspections have been budgeted in the 2015-2016 operating budget.

Motion awarded an inspection and maintenance contract for the 2015 Fire Alarm/Sprinkler Inspection & Maintenance Project, per Bid # 15-03 to the lowest responsive and responsible bidder, Fire Systems

West, 600 SE Maritime Ave. Ste. 300 Vancouver, WA 98661, USA, for an amount not to exceed \$400,000.00 over 5 years, including Washington State sales tax. *(Mike Shrum, Public Works Supervisor, 487-8260)*

3. PROFESSIONAL SERVICES AGREEMENT WITH COLUMBIA CLAIMS SERVICES, RFP #3-15
(Staff Report 038-15)

Summary

On February 12, 2015, the City issued RFP 3-15, posted on the City's website, posted on the BXWA website, advertised in the Columbian on two separate dates, and sent to past proposers. Proposals were due on February 25, 2015. The City received one responsive and responsible proposer from the incumbent, Columbia Claims Services.

On March 15, 2010, the City of Vancouver entered into a five(5)-year professional service agreement with Columbia Claims Services, as a result of a competitive Request for Proposal (RFP) process. This current contract is set to expire on March 15, 2015.

Columbia Claims has been an excellent Contractor and has represented the City professionally when dealing with all types of claims.

Motion authorized the City Manager or his designee to execute a Professional Services Agreement with Columbia Claims Services of Vancouver, Washington, where the total contract amount is expected to be approximately \$400,000 over the next five (5) years. *(Tim Haldeman, General Services Manager, 487-8495)*

4. APPROVAL OF CLAIM VOUCHERS FOR MARCH 16, 2015

Motion approved claim vouchers for March 16, 2015, in the amount of \$4,690,828.78.

WALK-ON ITEM: COLLECTIVE BARGAINING AGREEMENT WITH OPEIU LOCAL 11
(Staff Report 043-15)

Summary

The labor agreement between the City and the OPEIU Local 11 bargaining unit expired on December 31, 2014. The parties were able to work through a collaborative process to come to mutual agreement that meets the interests of both parties. The labor agreement incorporating all of these factors is being brought to Council for approval.

Wages:

- 2015 – Implementation of new market-relevant pay ranges
- 2016 – 2% wage adjustment

Benefits:

- The bargaining unit will be moving to the Paid Time Off (PTO) program effective July 1, 2015.

- *City-provided Short Term Disability policy for two years only*
- *The Western States Health and Welfare Trust will continue to provide health, dental and vision insurance for members. Premiums for health insurance are at 5% increase from previous year's contribution for both 2015 and 2016.*

Funding for the wage adjustments resulting from ratification of the 2015 – 2016 collective bargaining agreement with OPEIU Local 11 is available in the current biennial budget and will be factored into the next biennial budget.

Motion authorized the City Manager or his designee to sign the 2015-2016 Collective Bargaining Agreement with OPEIU Local 11. *(Suzi Hagstrom, Human Resources Director, 487-8408)*

PUBLIC HEARINGS (ITEMS 5-9)

5. DECLARATION OF REAL PROPERTY LOCATED AT 900 WEST EVERGREEN BOULEVARD AS SURPLUS (Staff Report 039-15)

Tim Haldeman, General Services Director, and Linda Carlson, Property Management Specialist, provided staff comments.

A RESOLUTION of the City of Vancouver declaring certain real property as surplus.

Summary

The City of Vancouver has utilized this property for public safety (Fire Station) since its purchase in 1968.

As the City of Vancouver continues to grow, so do the public safety needs of our citizens. As part of our continued efforts to maintain the best public safety policies and practices, the City of Vancouver completed a Long Range Facility Plan for the City's Fire Department. Upon completion of this plan, it was determined that the City would best be served by maintaining separate fire stations in the areas currently served by Stations #1 and #2. Further, both Stations #1 and #2 should be rebuilt and moved to more suitable parcels.

The City is in the process of researching potential properties which would allow the City to locate Fire Station #1 in an area that is larger and better located on the street network than its current location. A new location would allow Fire Station #1 to serve the most miles traveled in the fewest minutes of response and will better serve our firefighting and emergency medical incident response requirements.

The parcel submitted for Council review as surplus is attached in a detailed report, and a map is attached. This parcel is identified as City of Vancouver Fire Station #1.

Council approved an ordinance (M-3923) that allows for disposition of real property that has been declared surplus. The ordinance has 2 steps: first Council must declare the property as surplus, and second Council can approve the disposition of the property. This staff report is step one of the process.

Mr. Haldeman provided an overview of the property to be surplus.

Mayor Pro Tem Smith opened the public hearing and, receiving no testimony, closed the public hearing.

Motion by Councilmember McEnerny-Ogle, seconded by Councilmember Hansen, and carried unanimously approved resolution M-3852 declaring the real property located at 900 West Evergreen Boulevard to be surplus. *(Tim Haldeman, General Services Director, 487-8495; Linda Carlson, Property Management Specialist, 487-8423)*

6. DECLARATION OF REAL PROPERTY LOCATED AT 400 EAST 37TH STREET AS SURPLUS
(Staff Report 040-15)

Tim Haldeman, General Services Director, and Linda Carlson, Property Management Specialist, provided staff comments.

A RESOLUTION of the City of Vancouver declaring certain real property as surplus.

Summary

The City of Vancouver has utilized this property for public safety (Fire Station) since its purchase in 1940.

As the City of Vancouver continues to grow, so do the public safety needs of our citizens. As part of our continued efforts to maintain the best public safety policies and practices, the City of Vancouver completed a Long Range Facility Plan for the City's Fire Department. Upon completion of this plan, it was determined that the City would best be served by maintaining separate fire stations in the areas currently served by Stations #1 and #2. Further, both Stations #1 and #2 should be rebuilt and moved to more suitable parcels.

The City is in the process of researching potential properties which will allow the City to locate Fire Station #2 in an area that is larger and better located on the street network than its current location. A new location would allow Fire Station #2 to serve the most miles traveled in the fewest minutes of response and will better serve our firefighting and emergency medical incident response requirements.

The parcel submitted for Council review as surplus is attached in a detailed report, and a map is attached. This parcel is identified as City of Vancouver Fire Station #2.

Council approved an ordinance (M-3923) that allows for disposition of real property that has been declared surplus. The ordinance has 2 steps: first Council must declare the property as surplus, and second Council can approve the disposition of the property. This staff report is step one of the process.

Mr. Haldeman provided an overview of the property to be surplus.

Mayor Pro Tem Smith opened the public hearing and, receiving no testimony, closed the public hearing.

Motion by Councilmember McEnerny-Ogle, seconded by Councilmember Hansen, and carried unanimously approved resolution M-3853 declaring the real property located at 400 East 37th Street to be surplus. *(Tim Haldeman, General Services Director, 487-8495; Linda Carlson, Property Management Specialist, 487-8423)*

7. DECLARATION OF REAL PROPERTY LOCATED AT 807 JEFFERSON STREET AS SURPLUS
(Staff Report 041-15)

Tim Haldeman, General Services Director, and Linda Carlson, Property Management Specialist, provided staff comments.

A RESOLUTION of the City of Vancouver declaring certain real property as surplus.

Summary

The City of Vancouver purchased this parcel in 2009 as part of the COV/BNSF Waterfront Access project construction. Within this project there were requirements for transportation/street modifications.

With the completion of the road realignment project for West 8th Street and Jefferson Street, which now connects along the subject property's southern and western boundaries, there remains a remnant piece of property approximately 21,328 square feet.

The parcel submitted for council review as surplus is attached in a detailed report and maps are attached. This parcel is identified as 807 Jefferson Street.

Council approved an ordinance (M-3923) which allows for disposition of real property that has been declared surplus. The ordinance has 2 steps: first Council must declare the property as surplus and second Council approves the disposition of the property. This staff report is step one of the process.

Proceeds from the eventual disposition of the property will be placed in the City's Transportation Capital Fund.

Mr. Haldeman provided an overview of the property to be surplus.

Councilmember McEnerny-Ogle requested information regarding comparable property values. City Manager Eric Holmes noted that the declaration of surplus and the recognition of a value does not bind the City to sell the surplus property at that value. Councilmember Topper also noted that surplus does not obligate the City to sell the property at all.

Mayor Pro Tem Smith opened the public hearing and, receiving no testimony, closed the public hearing.

Motion by Councilmember Burkman, seconded by Councilmember Turley, and carried unanimously approved resolution M-3854 declaring the real property located at 807 Jefferson Street to be surplus. *(Tim Haldeman, General Services Director, 487-8495; Linda Carlson, Property Management Specialist, 487-8423)*

8. TAPANI/EVERGREEN PIT DEVELOPMENT AGREEMENT SECOND AMENDMENT – CONTINUATION OF PUBLIC HEARING
(Staff Report 031A-15)

Chad Eiken, Community and Economic Development Director, provided staff comments. Kevin Tapani, project applicant, and Eric Golemo, representing the project applicant, were also available to address Council questions.

A RESOLUTION of the city council of the city of Vancouver approving a second amendment to the December 31, 1996 development agreement between the city of Vancouver and the Schmid Family Limited Partnership (Tapani Underground, Inc., Assignee)

Summary

In September of 2011, Tapani Underground (Owner) purchased the former “Schmid/Evergreen Pit,” a gravel mining operation consisting of approximately 19.42 acres located southwest of the intersection of NE 18th and NE 155th Ave.

The property was being actively mined prior to the City’s annexation of the area on January 1, 1997. Prior to annexing the property, the City negotiated a development agreement with the prior owners of the property (Schmid Family Limited Partnership) that would become effective upon annexation so that mining activities could continue on the property. As a result of these negotiations, the City and Schmid entered into a Development Agreement on December 31, 1996, which is attached as an exhibit.

In March of 2012, City Council approved a three-year extension of the D.A. in order to allow for a limited amount of remaining material to be extracted for use on public improvement projects in the City of Vancouver, including the recently-completed St. Johns/SR-500 Overpass. As part of that amendment, the Owner agreed to discontinue mining operations and on-site material processing by December 31, 2012, and implement measures to reduce impacts to neighboring properties, including limits on hours and days of operation, dust control, speed and number of trucks, etc.

All gravel extraction and material processing activities were discontinued by the end of 2012, and the Owner has been in the process of reclaiming the pit with imported fill material in order to redevelop the property for single-family residences. While the Owner anticipated that the pit would be entirely reclaimed by the end of the extended D.A. period, the economic slowdown has made it challenging to find available sources of fill.

In October of 2014, prior to the expiration of the first extension of the D.A., the Owner submitted a request to extend the D.A. for an additional five years in order to allow for the pit to be entirely reclaimed. The Owner’s letter requesting the second extension dated October 30, 2014, indicates that approximately 350,000 cubic yards of fill are still needed in order to make the site suitable for residential development.

In order to minimize impacts to neighboring properties, the Owner has agreed to continue to adhere to all previous measures of the first extension, and to accept a three-year extension instead of the initially requested five years. Additionally, the Owner has indicated that reclamation activity will not occur every

Saturday, and has agreed to shorten the period of activity on weekdays from 7:00 a.m. until 6:00 p.m., and on Saturdays from 8:00 a.m. until 5:00 p.m.

If the development agreement is not extended, it would still be possible for the Owner to request a fill permit from the City as part of an approved subdivision of the property. Such a permit, however, would only be valid for a period of 12 months, which would not likely be sufficient to bring the site up to the intended elevations, making redevelopment of the site more challenging.

Proposal: Subject to public hearing, adopt a resolution authorizing the City Manager to execute an extension of the prior development agreement with the owners of the property to allow for three additional years for land reclamation activity.

Mr. Eiken provided background on the issue and an overview of the request.

Council spoke at length regarding the details of the hours of operation and maximum weekly loads of the site. Council also discussed with the applicant the challenge faced with finishing this project.

Mayor Pro Tem Smith opened the public hearing and received the following testimony:

- Stephanie Turlay, Vancouver, noted that she lived very close to the site and has been affected by the dust and noise of operations at the pit for many years. She stated she had an opportunity to take a tour of the site, and while many of her concerns were lessened by seeing the operations, she still had some concerns about the policing of the dirt leaving on the wheels of trucks coming in and out and as well as the speed of the those trucks coming through the neighborhood. She stated she agreed the Council should approve the DA extension but with agreement from Tapani to make the best effort to address air quality in the surrounding area affected by the truck traffic.

There being no further testimony, Mayor Pro Tem Smith closed the public hearing.

Councilmember McEnerny-Ogle asked if there was any way the reclamation could potentially be completed in two years instead of the proposed three years. Mr. Tapani stated that he has dedicated a specific employee to go out and recruit for projects to bring their fill to the site for free and has even paid for the loads in some cases, so they are aggressively working toward reclaiming the site as fast as possible. He said it is possible the reclamation could be complete within two years, but there are circumstances that cannot be predicted.

Councilmember Burkman stated he appreciates the challenge facing Tapani, and noted that they have a great reputation. He stated Council could finesse the details and restrictions of the DA, but he feared the applicants might have to come back again before Council for further amendments.

Councilmember Hansen agreed but also urged the applicant to do everything possible to get the project done within this new extended timeframe as the patience of the surrounding neighbors will not last forever.

Motion by Councilmember Burkman, seconded by Councilmember McEnerny-Ogle, and carried unanimously adopted Council findings and Resolution M-3855 authorizing the City Manager or his designee to execute a second extension of the development agreement for the subject property on NE 18th Street. (*Chad Eiken, Community and Economic Development Director, 487-7882*)

9. STREET VACATION OF A PORTION OF UNIMPROVED PROPERTY ADJACENT TO 17317 SE EVERGREEN HIGHWAY
(Staff Report 024-15)

Ryan Lopossa, senior civil engineer, provided staff comments.

Mayor Pro Tem Smith read the title of the ordinance into the record.

AN ORDINANCE vacating a portion of an unimproved right-of-way situated adjacent to 17317 SE Evergreen Highway and the BNSF rail line and located within the Southwest Quarter of the Northwest Quarter of Section 7, Township 1 North, Range 3 East, Willamette Meridian, City of Vancouver, Clark County, Washington and within the William M. Simmons Donation Land Claim; providing for an effective date.

Summary

Staff has received a request from David and Kim Gutschmidt via Chicago Title Insurance to vacate a portion of an unimproved property located adjacent to 17317 SE Evergreen Highway and the BNSF rail line. The property is specifically located within the Southwest Quarter of the Northwest Quarter of Section 7, Township 1 North, Range 3 East, Willamette Meridian and within the William M. Simmons Donation Land Claim (DLC).

The property was acquired by Clark County in 1966 in anticipation of a new road to be located along the south side of the BNSF (formerly Spokane, Portland and Seattle Railway Company) rail line. The road project was never completed nor is there any additional public street right-of-way located adjacent to the subject area. This leaves the strip of property land-locked between BNSF tracks and other private property. The applicant would like to consolidate the vacated right-of-way into their property. In addition, BNSF has expressed an interest in a portion of the vacated right-of-way to facilitate future improvements to their rail system.

Staff has contacted all utility owners with facilities located within the subject area. Clark Public Utilities and CenturyLink have electrical and telephone service lines running through a portion of the subject area. Therefore, the City will retain a non-exclusive public utility easement under and over the vacated area for the construction, repair and maintenance of all public utilities and services.

Pursuant to VMC 11.05.130, the property associated with a vacated street shall generally belong to the abutting property owners, one-half to each. However, since it is clearly shown that the entire right-of-way was created from what is now the Gutschmidt parcel (Parcel #126728-000), RCW 35.79.050 provides that all of the vacated right-of-way shall return to that parcel.

RCW 35.79.030 and VMC 11.05.120 authorize the City to collect compensation for the value of public right-of-way that is vacated. An analysis of the County Assessor's records for properties adjacent to the proposed vacation area resulted in an estimated property assessed value equal to \$9.94 per square foot. The total area of the proposed vacation is 6,966 square feet. At full value, this results in a total estimated property value equal to \$69,242. However, given the land-locked nature of the subject property, it is doubtful that its fair market value would equal the full assessed value.

The applicant submitted a restricted appraisal report prepared by Colliers International and dated February 13, 2015. The report concludes that given the location, size and shape of the subject unimproved property coupled with the limited number of adjoining parcels that could benefit from this property, the property has very limited marketability and its value should be discounted by 75%.

Pursuant to VMC 11.05.120.D, the City Council may pass an ordinance to vacate a property without requiring the abutting property owners to pay for such vacation where:

- 1. The subject property was not acquired at City expense,*
- 2. The City determines that the subject property is not needed for public travel either now or in the foreseeable future, and*
- 3. The City's maintenance or upkeep of the subject property is unrelated to its use for public travel.*

Based on the foregoing, staff recommends the imposition of compensation equal to 50% of the total estimated property assessed value, which is equal to \$34,621. The approved compensation shall be remitted to the City prior to the right-of-way vacation becoming effective.

Mr. Lopossa reviewed the background of this street vacation.

Councilmember McEnerny-Ogle asked for clarification regarding the proposed utility easement.

Mr. Lopossa stated that the City will reserve the entire area for the utility easement and define the specify the area for a future water utility, but would still maintain flexibility for the property owner to complete the project they have planned for.

Mayor Pro Tem Smith opened the public hearing and, receiving no testimony, closed the public hearing.

Motion approved ordinance on first reading, setting date of second reading and public hearing for Monday, April 6, 2015. *(Ryan Lopossa, Senior Civil Engineer, 487-7706)*

PUBLIC MEETING (ITEM 10)

10. LAPINSKAS ANNEXATION (Staff Report 042-15)

Bryan Monroe, Associate Planner, presented staff comments.

A RESOLUTION relating to support of an annexation request using the 60 percent direct petition method pursuant to RCW 35.13.125; establishing the geographic extent, determining the comprehensive plan and land use designations, and determining whether the property owners will assume all or any portion of existing City indebtedness for the .51-acre Lapinskas Annexation area.

Summary

The Lapinskas annexation site contains a single-family residence built around the 1950s. In Clark County, the subject site has the Urban Low (UL) density residential comprehensive plan and R1-7.5 land use zoning designations. The site is already served by City water and sewer service. The property owners also own the adjacent property within the Vancouver city limits located at 308 NW 52nd Street. The applicant is proposing to develop both properties with a land use development application. Due to the jurisdictional line location splitting the properties, the applicant would need to submit development applications and review fees to both jurisdictions. To avoid the duplication of costs and conflicting development standards the applicant has requested to bring the property into the City of Vancouver.

Mr. Monroe provided an overview of the annexation process and the specific property proposed for annexation into the city.

Mayor Pro Tem Smith opened the public hearing and, receiving no testimony, closed the public hearing.

Motion by Councilmember Burkman, seconded by Councilmember Hansen, and carried unanimously adopted Resolution M-3856 supporting the 10 percent request under the 60 percent petition method of annexation for the Lapinskas annexation area including abutting right-of-way. *(Bryan Monroe, Associate Planner, 487-7958)*

COMMUNICATIONS

- A. From the Council
- B. From the Mayor
- C. From the City Manager

ADJOURNMENT

8:25 P.M.

Timothy D. Leavitt, Mayor

Council Regular Meeting MINUTES
March 16, 2015
Page 13 of 13

Attest:

R. Lloyd Tyler, City Clerk
By: Carrie Lewellen, Deputy 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.

To request other formats, please contact:
City Manager's Office
(360) 487-8600 | WA Relay: 711
Amanda.Delapena@cityofvancouver.us



PARCEL NO. 3

A PORTION OF
ESTHER SHORT INDUSTRIAL PROJECT
DEPT. OF URBAN RENEWAL
VANCOUVER, WASHINGTON

SCALE: 1" = 60'

PARCEL NO. 3

NOVEMBER, 1967

DESCRIPTION

LOTS 1, 2, 7 AND 8 OF BLOCK "P" OF WHIPPLE'S ADDITION TO THE CITY OF VANCOUVER ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME "A" OF PLATS, AT PAGE 53, CLARK COUNTY, WASHINGTON, TOGETHER WITH A PORTION OF VACATED INGALLS STREET.

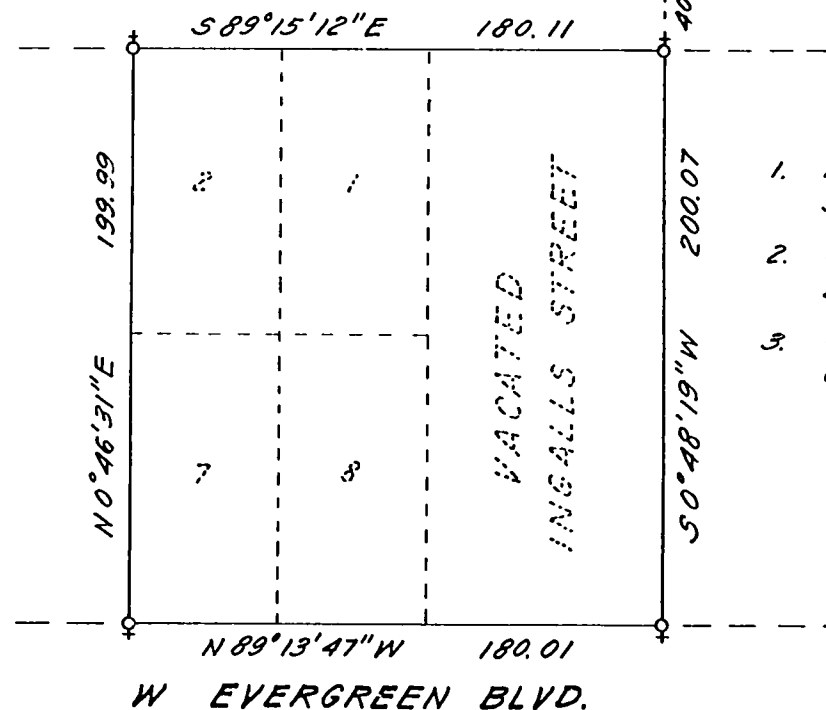
CONC. MON. EAST LINE
KING ST. AND CENTER
LINE OF W. 11TH ST.
S 408.93
E 2646.65

S 89°15'12"E
W. 11TH STREET

839.69

CONC. MON. EAST LINE
HARNEY ST. AND CENTER
LINE W. 11TH STREET
S 419.87
E 3486.27

279.92

NOTES

1. PARCEL NO. 3 CONTAINS 36,017.4 SQUARE FEET.
2. COORDINATE AND BEARING DATUM - CITY OF VANCOUVER.
3. + DENOTES BRASS SCREW SET ON FOUR FOOT OFFSET LINE.

I HEREBY CERTIFY THAT THIS MAP AS SHOWN
IS A TRUE RETURN FROM THE FIELD AND
THAT THE DELINEATION IS CORRECT TO THE
BEST OF MY KNOWLEDGE AND BELIEF.

I. M. Greenwood

I. M. GREENWOOD - PROF. LAND SURVEYOR

RECORDS OF CLARK COUNTY
SURVEYOR

BK M, Pg 100



Staff Report 181-20

TO: Mayor and City Council

FROM: Eric Holmes, City Manager

DATE: 12/7/2020

SUBJECT Evergreen School District Impact Fees

Key Points

- The purpose of the school impact fees (SIF) is to ensure that adequate facilities are available to serve new growth and development, and to promote orderly growth and development by requiring that new development pay a proportionate share of the cost of new facilities needed to serve growth.
- In order for the City to collect SIF on behalf of a school district, said school district's capital facilities plan (CFP) shall be adopted as a portion of the City of Vancouver's Comprehensive Plan in accordance with the provisions of this section.
- The multi-family fee amount in the recently adopted Evergreen Public Schools CFP 2019-2025 decreased from \$7,641 to \$3,753.
- Proponents of two multi-family developments have requested that their school impact fees, which were assessed when the impact fees were higher, be adjusted by City Council to be consistent with the revised impact fees that were proposed by Evergreen School District and adopted by City Council. VMC 20.915.070.C allows the development review authority (City Council) the ability to reduce or eliminate the impact fee upon application from the developer.

Strategic Plan Alignment

Goal 10, Objective 10.1: Lend the City's support, as appropriate, to assist with the success of community projects.

Present Situation

The City's impact fee program requires school districts to prepare and adopt CFPs meeting the specifications of the Growth Management Act (GMA) and City ordinances. Impact fees are

calculated in accordance with the local jurisdiction's formula, which is based on projected school facility costs necessitated by new growth contained in the District's CFP. The formula allocates a portion of the cost for new facilities to the single family and multi-family house that create the demand (or need) based on a student factor, or the average number of students who live in new single family and multi-family homes. The formula also provides a credit for state match and Bond Proceeds (or property taxes).

In December 2019 the City Council adopted the Evergreen Public Schools Capital Facilities Plan 2019-2025 as part of the annual Comprehensive Plan and zoning map corrections, and text changes. The current SIF is listed on page 14 in the attached Evergreen School District Capital Facilities Plan and is reflected within VMC Table 20.915.060-1 School District Impact Fees. The SIF for multi-family development decreased by approximately 50% per multi-family unit from \$7,641 to \$3,753.

Importantly, while the City Council establishes the school impact fees by ordinance, it merely collects such fees from developers on behalf of the school districts.

The City recently received two separate requests from approved multi-family projects to reduce the impact fee amounts that were assessed under the previous Evergreen Public Schools CFP. These projects include:

1. Acero Parkside D - 260 unit development located at 1330 NE 136th Avenue
2. Kestrel Apartments (aka 5th Plain Creek Station) – 178 unit development located at 15306 NE 4th Plain Boulevard

Per VMC 20.915.020.C, the impact fee for new multi-family development is calculated at the time of site plan approval and due and payable at time of building permit issuance. The two projects noted above both received site plan approval in 2019 prior to the current Evergreen Public Schools CFP being adopted. Both developments subsequently applied for building permits in 2020. As a result, each project is required to pay the older Evergreen SIF of \$7,641/unit that was in place at the time of site plan approval.

VMC 20.915.070.C further allows the development approval authority setting the impact fee, upon application by the developer, to reduce or eliminate such fee if it is shown that the formulae contained in Sections VMC 20.915.060 School Impact Fees does not accurately reflect traffic, park, or school impacts, respectively. The City Council is the authority that sets the impact fees.

Proponents of both developments are requesting that City Council reduce their SIF to the 2020 impact fee amount reflected in the current Evergreen Public Schools CFP because it is their position that the 2020 impact fee amount most accurately reflects that cost of the public school facility impacts.

Additionally, City staff has heard from Evergreen School District regarding these requests and although they are not necessarily in support of these requests they are also not opposing them.

Advantage(s)

Approving the request would result in the collection of impact fees that are in line with the Evergreen School District's updated Capital Facilities Plan.

Disadvantage(s)

None

Budget Impact

No City budget impact. The proposed adjustments would result in a total reduction in school impact fees of \$1,010,880 for the Acero Parkside D project, and a reduction of \$692,064 for the Kestrel Apartments.

Prior Council Review

None.

Action Requested

Adopt a resolution approving the two requests to reduce the impact fee to the current 2020 Evergreen Public School impact fee for multi-family developments.

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

ATTACHMENTS:

- ▢ Resolution
- ▢ Evergreen Public Schools Capital Facilities Plan 2019-2025
- ▢ Acero Parkside Request
- ▢ Kestrel Apartments Request

12/07/20

RESOLUTION NO. M - _____

A RESOLUTION approving the reduction of school impact fees (SIF) for the Acero Parkside Project and Kestrel Apartments (Fifth Plain Creek Station) Project pursuant to Vancouver Municipal Code Section 20.915.020(C).

WHEREAS, the purpose of school impacts fees (SIF) is to ensure adequate facilities are available to serve new growth and development, and to promote orderly growth and development by requiring that new development pay a proportionate share of the cost of new facilities needed to serve growth; and

WHEREAS, in order for the City to collect SIF on behalf of a school district, said school district's capital facilities plan (CFP) shall be adopted as a portion of the City of Vancouver's Comprehensive Plan; and

WHEREAS, the multi-family fee amount in the recently adopted Evergreen Public Schools CFP decreased from \$7,641 to \$3,753; and

WHEREAS, the proponents of two multi-family developments have requested that their school impact fees be adjusted by City Council to be consistent with the revised impact fees that were proposed by Evergreen School District and adopted by City Council; and

WHEREAS, Vancouver Municipal Code (VMC) Section 20.915.070(C) provides for a process whereby an project proponent can petition the development approval authority setting the impact fee, upon application by the developer supported by studies and data, may reduce an impact fee if it is shown that the fee does not accurately reflect the school impact fees; and

WHEREAS, RCW 82.02.060(5) also mandates that the local impact fee ordinance

“allow the county, city, or town imposing the impact fees to adjust the standard impact fee at the time the fee is imposed to consider unusual circumstances in specific cases to ensure that impact fees are imposed fairly; and

WHEREAS, the Acero Parkside project, Community and Economic Development project number LUP-73089, a 260-unit residential development, has submitted an application for an impact fee reduction pursuant to VMC 20.915.070(C) citing the more recent Evergreen School District CFP and impact fee calculation as a more accurate reflection of the current impact on school facilities of the project; and

WHEREAS, the Kestrel Apartments (Fifth Plain Creek Station) project, Community Economic Development project number LUP-70135, a 178-unit residential development, submitted an application for an impact fee reduction pursuant to VMC 20.915.070(C) citing the more recent Evergreen School District CFP and impact fee calculation as a more accurate reflection of the current impact on school facilities of the project; and

WHEREAS, the Vancouver City Council as the development authority setting school impact fees in the City of Vancouver, agrees that the more current Evergreen School District CFP more accurately reflects the impacts of the Kestrel Apartments and Acero Parkside projects.

NOW, THEREFORE,

BE IT RESLOVED BY THE CITY COUNCIL OF THE CITY OF VANCOUVER:

Section 1. Findings. The City Council of the City of Vancouver finds that:

- (a) the school impact fee applied to the Acero Parkside project based on the fee in effect at the time of site plan approval is a less accurate calculation of the impact of such project than the more recent impact fee in effect at the time of building permit

issuance.

- (b) the school impact fee applied to the Kestrel Apartments (Fifth Plain Creek Station) project based on the fee in effect at the time of site plan approval is a less accurate calculation of the impact of such project than the more recent impact fee in effect at the time of building permit issuance.

Section 2. Impact Fee to be Applied.

- (a) The school impact fee to be applied for the Acero Parkside project shall be \$3753 per unit.
- (b) The school impact fee to be applied for the Kestrel Apartments (Fifth Plain Creek Station) shall be \$3753 per unit.
- (c) Any fees collected in excess of the foregoing shall be refunded to the project proponent.

SIGNED this _____ day of _____, 2020

Anne McEnery-Ogle, Mayor

Attest:

Natasha Ramras, City Clerk

Approved as to form:

Jonathan Young, City Attorney

RESOLUTION - 3



EVERGREEN PUBLIC SCHOOLS CAPITAL FACILITIES PLAN 2019-2025

BOARD OF DIRECTORS

**Julie Bocanegra, Board President
Victoria Bradford, Board Vice President
Rob Perkins, Director
Ginny Gronwoldt, Director
Rachael Rogers, Director**

INTERIM SUPERINTENDENT

Mike Merlino

EXECUTIVE DIRECTOR OF FACILITIES

Susan Steinbrenner

**Adopted by the Evergreen School District Board of Directors
May 14, 2019**

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Appendix A – School Impact Fee Calculations

Appendix B – Population and Enrollment Data

Appendix C – Capital Facilities Inventory

I. EXECUTIVE SUMMARY

The Evergreen Public Schools Capital Facilities Plan (CFP) is a six year plan prepared by district staff as the organization's capital facility planning document, in part, to support the use of school impact fees as provided for under the Washington State Growth Management Act (the "GMA"). School districts adopt capital facilities plans to satisfy the requirements of the GMA and to provide Clark County (the "County") and the Cities of Vancouver and Camas (the "City") with a schedule and financing program for the district's capital improvement needs over the next six years (2019-2025) to ensure that adequate school facilities are available to serve new growth and development.

In accordance with the Growth Management Act and the County and City Impact Fee Ordinances, this CFP contains the following required elements:

- A description of space requirements for educational programs (Section II)
- An inventory of existing capital facilities owned by the District (Section III)
- Future enrollment projections for each grade span (Section IV)
- A forecast of proposed capacities of expanded or new capital facilities over the next six years based on the inventory of existing facilities and the standard of service (Section V)
- A six-year plan for financing capital facilities within projected funding capacities, which identifies sources of public funds for such purposes. The financing plan separates projects and portions of projects which add capacity from those which do not, since the latter are generally not appropriate for impact fee funding (Section VI)
- A calculation of impact fees based on the formula in the County and City impact fee ordinances and supporting data substantiating such fees (Section VII)

In developing this CFP, the District used the following guidelines:

- The District will use information from recognized sources, such as professional demographers and planners, county and city adopted land use plans and county GIS data.
- The District will use data it generates from reasonable methodologies.
- The CFP and methodology to calculate the impact fees will comply with the GMA and county and city codes.
- The six year facility needs are based on an enrollment forecast that takes local development trends into account.
- The District plans to construct permanent/bricks and mortar facilities for its students and will develop a CFP to accomplish that objective. At the same time, the District expects there will be a time period when some of the students that the District serves will be housed in portables. Housing students in portables, temporarily, is necessary to qualify for state funds that are needed to build new schools.

The Evergreen School District is comprised of 54 square miles. It serves a significant portion of the Vancouver Urban Growth Area and smaller areas in the Camas Urban Growth Area and rural Clark County.

The District serves residents from the cities of Vancouver and Camas and from unincorporated Clark County. The District is bordered by Vancouver School District to the west, Camas School District to the east and Battle Ground and Hockinson School Districts to the north. The Columbia River and state line border the district to the south.

The District serves a population of 25,601 students (October 2018 enrollment). For purposes of facility planning, the CFP considers grades K-5 as an elementary, grades 6-8 as a middle school, and grades 9-12 as a high school.

In addition, Cascadia Technical Academy (formerly known as the Clark County Skills Center) is located in and operated by Evergreen Public Schools serving students half days from all Clark County school districts. The district serves home schooled students in grades K-8 through a supplemental program operated by Home Choice Academy and pre-school special needs students at four elementary schools. Alternative programs include 49th Street Academy, serving students with special needs in grades K-12, Transitions Program, serving students aged 18-21, and Legacy High School, an alternative program for students in grades 9-12.

In February 2018, voters approved a bond measure which includes funding for the projects noted below. Construction of the new elementary school and the addition to Heritage High School will increase capacity to serve forecast growth.

- Replacement of five elementary schools (Burton, Ellsworth, Marrion, Image, and Sifton)
- Construction of one new elementary school with capacity for 550 students
- Replacement of Wy'east Middle School
- Replacement of Mountain View High School
- A permanent addition to Heritage High School
- A new District Office
- Replacement of alternative schools, including Legacy, 49th Street Academy, and the Transitions program.

II. DISTRICT EDUCATIONAL PROGRAMS AND STANDARDS OF SERVICE

The District's standard of service is based on program year, class size by grade span, number of classrooms, types of facilities, and the District's adopted educational program. Quality education plays a vital role in growing a strong local economy. To provide quality education, the District must have quality facilities to serve as the supporting space for developing the whole child within a community to prepare them for a competitive world. The educational program standards which typically drive facility space needs include grade configuration, optimum facility size, class size, educational program offerings, classroom utilization and scheduling requirements.

In addition to student population, other factors such as collective bargaining agreements, government mandates, state and federal funding requirements and community expectations affect classroom space requirements. Programs, such as special education, bilingual education, preschool and daycare programs, and other specialized programs, often supplement traditional educational programs. These programs can have a significant impact on the available student capacity of school facilities.

The District's current program and educational standards are summarized below. The program and educational standards may vary during the six year CFP planning horizon. Absent significant changes in factors that are beyond the District's control, the District will provide the following programs and standards of service in 2019 through 2025. If significant changes occur that require new facilities or improvements, beyond what is identified in this CFP, the District will prepare and submit an updated CFP.

A. Elementary Educational Standards

Elementary schools provide education in all core subject areas including reading, writing, math, social studies and science. All students receive instruction in P.E., music, art and have access to media programs. Full day kindergarten is provided at each elementary school. The District educational standards of service, which directly affect elementary school capacity, include:

- Class sizes for grades K-3 are targeted not to exceed 23 students per class.
- Class sizes for grades 4-5 are targeted not to exceed 25 students per class.
- Music instruction and physical education are provided in separate (pull-out) classrooms.
- All elementary schools have a library media resource center which includes additional space for a technology lab.
- Special education is provided for some students in self-contained classrooms are separate from regular teaching stations (pull-out program). Special education classrooms serve 5 to 15 students.

B. Middle and High School Program Standards

Middle schools provide instruction in the core disciplines of english, math, social studies, science, physical education, music and art. Students have elective offerings available including music, art and technology courses.

High schools provide course work including english, history, science, math, physical education, music and art. Additionally elective offerings include vocational technical programs.

The District educational standards of service, which directly affect middle school and high school capacity include:

- Class sizes for grades 6-8 are targeted not to exceed 25 students per class.
- Class sizes for grades 9-12 are targeted not to exceed 25 students per class.
- Special programs, such as music, art, physical education, drama, home and family education learning assistance, are provided in separate instructional space. The class size ranges from 20 to 70 students.
- The District provides science classroom space that supports advanced coursework at the secondary level that require water, sinks, gas, hoods, safety equipment, etc. Schools are working to meet expanded science standards and this will require spaces that cannot typically be met by adding portables.
- It is not possible to achieve 100% utilization of all regular teaching stations throughout the day due to schedule conflicts, the need for specialized rooms for certain programs and the need for teachers to have work space during their planning period.

C. District-wide Educational Programs:

In addition to Elementary, Middle, and High School program standards, the Evergreen School District's core services and program offerings include the following:

- Physical education space is provided to meet strengthened health standards. This can include covered play areas, field space, gyms and other multi-use spaces.
- Technology access is necessary and expectations are increasing. Technology (either within the classroom or in dedicated labs) takes extra space that is not calculated in current state square footage allowances, but is necessary for student learning. Technology support and infrastructure needs are also increasing, which further erodes the state square footage allowances.
- Art and music spaces are critical to the District's educational programs. As student population grows, additional support space for these essential programs is required.
- Library/Media demands are crucial. In an information driven environment, access to knowledge through appropriately sized library/media spaces is essential.
- Extra-curricular activities need space in order to be supported properly with growing student populations.

D. District-wide Support and Special Services:

In addition to the above core educational programs, the following support services are essential to the District's educational program:

- Food service preparation, delivery and use space. As student populations increase, cafeteria, food preparation and delivery space must be enlarged. Miscalculating the need for this core service can have significant impacts on the overall learning environment for students.

- Other support centers, including Transportation, Maintenance, Warehouse and Print Shop facilities are critical to support the educational program and the business operation.

The following special services are also necessary to meet the needs of special populations:

- Special Education programs are provided at all schools within the District. Special needs program standard change year to year as a result of various external or internal changes. External changes may include mandates or needs for special programs, or use of technology. Internal changes may include modifications to the program year, class sizes, and grade span configurations. Changes in physical aspects of the school facilities also affect special educational program standards.
- Special populations require special support, which often requires special spaces. Federal and state programs, including Title 1 reading and math, highly capable, and bilingual are required but come with limited funds that do not cover the expense of adding facilities to support the program.
- Early Childhood programs, such as new or expanded preschool programs are a vital service and an essential educational component. They place additional demands on facilities.
- Supplementary services in core academic areas and multiple pathways that prepare students for a broader range of post-secondary learning opportunities require additional space.

III. CAPITAL FACILITIES INVENTORY

The facilities inventory serves to establish a baseline for determining the facilities needed to accommodate future demand at acceptable levels of service. This section provides an inventory of capital facilities owned and operated by the District including schools, portables, undeveloped land and support facilities. Portable classrooms are used on an interim basis to house students until funding can be secured to construct permanent classrooms.

A complete listing of district facilities can be found in Appendix A.

A. SCHOOL SITES

Facility Type	No. of Schools	No. of Classrooms		Capacity	
		Permanent	Temporary	Permanent	Temporary
Elementary Schools	21	469	175	10,931	2,528
Middle Schools	6	230	120	4,403	1,966
High Schools	6	330	75	7,685	1,431

- (1) Capacity is based on the space requirements for the District's educational programs as outlined in Section II. Portable classrooms are excluded from capacity calculation but shown above for reference.
- (2) High schools include four comprehensive high schools and two alternative high schools. Other special programs that provide district wide support are included in Section B. Services below.

B. SERVICES

In addition to schools, the District owns and operates additional facilities which provide special programs and operational support functions to the schools.

SUPPORT FACILITIES	Location	Description
Administrative Service Center	13501 NE 28th Street Vancouver, WA 98682	Supports all Facilities
Maintenance Facility	3004 NE 124th Avenue Vancouver, WA 98682	Supports all Facilities
McKenzie Stadium	2205 NE 138th Avenue Vancouver, WA 98682	Supports all Facilities
Transportation	13909 NE 28th Street Vancouver, WA 98682	Supports all Facilities
Warehouse (Central Receiving & Distribution)	2205 NE 138th Avenue Vancouver, WA 98684	Supports all Facilities
Crestwood Business Park (Leased)	1168 SE Mill Plain Blvd Vancouver, WA 98684	Temporary space for Transitions Program
49th Street Academy	14619-B 49th Street Vancouver, WA 98682	Specialized services for K-12
Cascadia Technical Academy	12200 NE 28th Street Vancouver, WA 98682	Consortium program with pull-out enrollment

C. Land Inventory

The District owns undeveloped sites in addition to the sites with built facilities. The sites listed below are planned to house new school facilities funded by the 2018 bond measure.

- 9.8 acres located at NE 39th Street and NE 162nd Avenue, Vancouver, WA 98682. The District will build a new elementary school on this site with funds from the 2018 bond measure approved by voters.
- 20 acres located at NE 52nd Street and NE 132nd Avenue, Vancouver WA 98682. The District will replace Image Elementary School on this site with funds from the 2018 bond measure approved by voters.
- 12.67 acres on north of NE 9th Street and west of NE 136th Avenue, Vancouver WA 98682 where the district will build the new district office, and alternative campus as part of the 2018 bond measure approved by voters.

The undeveloped sites listed below are for future growth, including:

- 6.05 acres south of NE 9th Street and east of NE 136th Avenue, Vancouver WA 98682 for a future small high school.
- 0.68 acres located at 14309 NE 28th Street, Vancouver WA 98684 for the expansion of the District's Transportation Complex.

IV. STUDENT ENROLLMENT PROJECTIONS

A. Projected Student Enrollment 2015-2021 (Headcount)

The District's six year enrollment projection is based on a forecast prepared by E.D. Hovee & Company, LLC., which considers enrollment projection models to estimate future enrollment, including cohort survival, grade progression, and population ratio. Local population and housing and development trends are also considered.

Even with renewed population growth county-wide, K-12 enrollment appears to have plateaued with lower birth projections for Clark County than previously projected. Baseline conditions indicate modest enrollment increases to less than 25,650 students by 2024-25. Using high growth conditions, it is conceivable (though less likely) that enrollment could increase by as much as 3,000 students in 6 years to a 2024-25 headcount of over 28,500, but because the transition from baseline to high growth conditions is increasingly uncertain, and because baseline conditions appear to be more likely over at least the near term, the District used baseline projections as the basis for calculating growth in the Capital Facilities Plan.

Partially offsetting these downward trends is the increase in identified planned residential projects which are up by about 50% from what was planned two years ago. Almost half (47%) of planned units are multi-family with associated lower student generation rates.

Grade	Fall 2018	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Total K-5	11,027	11,010	10,996	11,019	11,037	11,167	11,261
Total 6-8	5,910	5,979	5,866	5,745	5,643	5,513	5,433
Total 9-12	8,664	8,764	8,903	8,991	9,131	9,065	8,951
<i>TOTAL</i>	<i>25,601</i>	<i>25,753</i>	<i>25,765</i>	<i>25,755</i>	<i>25,811</i>	<i>25,745</i>	<i>25,645</i>

V. CAPITAL FACILITIES NEEDS

A. Forecast Facility Needs

Facility needs for purposes of the Growth Management Act and impact fees are based on existing capacity and forecast enrollment. The 2025 Facility needs are shown in the table below and the amount of the facility need that is attributed to forecast growth is described under the table.

Facility	2018 Capacity	2025 Projected Enrollment	2025 Facility Need
Elementary Schools	10,931	11,261	330
Middle Schools	4,403	5,433	1,030
High Schools	7,685	8,951	1,266
TOTAL	23,019	25,645	2,626

- Elementary Schools: The baseline enrollment forecast shows an increase of 234 students. The 2018 bond funds the replacement of 5 elementary schools and construction of a new elementary school, which will add capacity for 550 students.
- Middle Schools: The baseline enrollment forecast for grades 6 through 8 shows a slight decline. The 2018 bond measure funds the replacement of an existing middle school. The replacement school will have additional classrooms in bricks and mortar, increasing the permanent capacity for another 200 students. Because the middle school enrollment forecast does not currently project an increase, the district is not treating the construction of middle school capacity as a growth related facility need.
- High Schools: The baseline enrollment forecast show an increase of 287 students. The 2018 bond will fund the expansion of Heritage High School which will add permanent capacity for 350 students.

B. Land Acquisition

Acquisition of new school sites in advance of enrollment needs is critical to prepare to meet the challenge of potentially increasing enrollment and addressing existing needs. Since it is uncertain how or when land will ultimately be developed or how the district may deliver services in the future, the district anticipates that it may acquire more sites than the minimum supported by enrollment projections. The district currently owns one potential small high school site and one small site to accommodate the expansion of support services. As growth occurs and both development regulations and educational programming are modified over time, these sites may not be suitable for development at the time when construction is needed.

The district is committed to constructing neighborhood schools for elementary schools and maximizing the opportunity for students to walk to school. This policy supports the Clark County GMA, Chapter 10 School Element.

In addition to the walkability and neighborhood schools, in siting schools the district will look to construction and operation costs, effectiveness of site to meet educational programming

needs, and access to infrastructure. The availability of connections to public infrastructure such as water, electricity, sewer, and roads are important factors for the district in planning and siting schools.

In order to accommodate future growth, the district anticipates acquiring sites consistent with estimated maximum enrollment of proposed development. Recent development patterns show a greater degree of residential development occurring within the northern and southeast quadrants of the district which is consistent with Clark County projections.

A majority of the improvements that are planned in the 2018 bond measure do not add capacity to serve forecast growth, however, they are important capital facility improvements that must be constructed to provide the educational program described in this CFP. Only the portion of the planned improvements that add capacity to serve growth is included in the District's impact fee calculations. The capacity and cost for the planned and required improvements are shown in the table below:

Project Description	Added Capacity	Estimated Cost	Cost for Added Capacity to Serve Forecast Growth*
Elementary #22	550	\$37,280,736	\$12,561,015
Heritage HS Addition	350	\$26,939,489	\$17,249,843
Wy'east Middle School	200	\$80,012,065	\$0
Transportation	Equal to growth	\$10,000,000	N/A
Land Acquisition	Equal to growth	\$12,000,000	N/A
Remaining Bond Projects**	0	\$664,817,710	\$0
TOTAL	1,100	\$831,050,000	\$29,810,858

**Cost attributed to forecast growth is the proportionate share of the total cost to construct the improvement that is equal to forecast growth. Forecast growth at the elementary level is 234 and added capacity is 550. The percentage of cost for added elementary school capacity is .425% (234/550) and at the high school it is .82% (287/350). The estimated total costs includes all the costs to construct the improvement. Architect, engineer, professional services, furniture/fixtures/equipment, permit and owner contingency costs have been excluded from the cost allocated to serve forecast growth.*

*** The majority of these improvements are replacement facilities or capital renewal projects. A detailed list of the planned bond improvements with project specific costs is on file with the district.*

VI. CAPITAL FACILITIES FINANCE PLAN

A. Six Year Financing Plan

Facility Capacity Need	Total	Estimated Impact Fees	State Match	Bonds
Secured	\$802,000,000	\$12,000,000	\$95,000,000	\$695,000,000
Unsecured	\$29,050,000	Source TBD		

The total cost estimate for all the planned bond projects, the transportation facility improvements and property acquisition is \$831,050,000. Funding for planned improvements is typically secured from a number of sources including voter approved bonds, state match funds, and impact fees. The following information explains each of the funding sources in greater detail.

1. General Obligation Bonds

Bonds are typically used to fund construction of new schools and other capital improvement projects. A 60% voter approval is required to approve the issuance of bonds. Bonds are then retired through collection of property taxes. The District must pass a bond since it is the primary source of funding for the capital improvements listed in this plan.

2. State Match Funds

State match funds come from the Common School Construction Fund ("the Fund"). Bonds are sold on behalf of the Fund, and then retired from revenues accruing predominantly from the sale of timber from the common school lands. If these sources are insufficient, the Legislature can appropriate funds or the State Board of Education can change the standards. School districts may qualify for state match funds for specific capital projects based on a prioritization system.

3. Impact Fees

Impact fees are a means of supplementing traditional funding sources for construction of public facilities needed to accommodate new development. School impact fees are generally collected by the permitting agency at the time plats are approved or building permits are issued.

Anticipated property acquisition and new construction is based on the enrollment forecast, capacity, the District's educational standards and the community's support of finance tools to fund the improvements.

In the event that planned construction projects and property acquisition does not fully address space needs for student growth and a reduction in interim student housing (portables), the Board could consider various courses of action, including, but not limited to:

- Increase class sizes;
- House students in additional portables;
- Alternative scheduling options;
- Change the instructional model, or
- Modify the school calendar

VII. SCHOOL IMPACT FEES

The GMA authorizes jurisdictions to collect impact fees to supplement funding of additional public facilities needed to accommodate new development. Impact fees cannot be used for the operation, maintenance, repair, alteration, or replacement of existing capital facilities used to meet existing service demands.

A. School Impact Fees

The county's and city's impact fee programs require school districts to prepare and adopt CFPs meeting the specifications of the GMA and the county and city ordinances. Impact fees are calculated in accordance with the local jurisdiction's formula, which is based on projected school facility costs necessitated by new growth contained in the District's CFP. The formula allocates a portion of the cost for new facilities to the single family and multi-family house that create the demand (or need) based on a student factor, or the average number of students that live in new single family and multi-family homes. The formula also provides a credit for state match and Bond Proceeds (or property taxes).

B. Methodology and Variables Used to Calculate School Impact Fees

The District's impact fees have been calculated utilizing the formula in the Clark County and cities of Vancouver and Camas Impact Fee Ordinances. Application of the formula is shown in Appendix A which follows on the next page.

C. Proposed Impact Fee Schedule

In accordance with the school impact fee calculation in Appendix A, the District's school impact fees are:

\$ 6,432 per single family home (2019-25)

\$3,753 per multi-family unit (2019-25)

Evergreen School District 2019 Impact Fee Calculation

APPENDIX A

$$SIF = \left[CS(SF) - (SM) - \left(\frac{(1+i)^{10} - 1}{i(1+i)^{10}} \times AAV \times TLR \right) \right] \times A - FC$$

Single Family Residence:

Elementary	Middle School	High School	Formula
\$12,561,015.34	\$0.00	\$17,249,843.08	Facility Cost
234	1000	287	Additional Capacity
\$53,679.55	\$0.00	\$60,103.98	Cost per Student (CS)
0.200	0.102	0.122	Student Factor (SF)
\$10,735.91	\$0.00	\$7,332.69	CS x SF
\$225.97	\$225.97	\$225.97	Boeck Index
90.00	117.00	130.00	OSPI Sq Ft
67.75%	67.75%	67.75%	State Match Eligibility %
\$2,755.70	\$1,827.03	\$2,428.08	State Match Credit (SM)
\$7,980.21	\$0.00	\$4,904.60	CS x SF - SM
		\$12,884.81	Cost per Single Family Residence
		0.00395	Average Interest Rate
		0.040209559	Tax Credit Numerator
		0.004108828	Tax Credit Denominator
		9.786138967	Tax Credit Multiplier (TCM)
		\$314,058.53	Average Assessed Value (AAV)
		3073420.418	TCM x AAV
		0.00173	Tax Levy Rate (TLR)
		5317.017324	TCM x AAV x TLR = (TC)
		\$7,567.79	Cost per Single Family Residence - Tax Credit
		\$1,135.17	15% reduction (A)
		\$6,432.62	Calculated Single Family Fee Amount
			Recommended Fee Amount

Multi-Family Residence:

Elementary	Middle School	High School	Formula
\$12,561,015.34	\$0.00	\$17,249,843.08	Facility Cost
234	1000	287	Additional Capacity
\$53,679.55	\$0.00	\$60,103.98	Cost per Student (CS)
0.105	0.046	0.064	Student Factor (SF)
\$5,636.35	\$0.00	\$3,846.65	CS x SF
\$225.97	\$225.97	\$225.97	Boeck Index
90.00	117.00	130.00	OSPI Sq Ft
67.75%	67.75%	67.75%	State Match Eligibility %
\$1,446.74	\$823.96	\$1,273.75	State Match Credit (SM)
\$4,189.61	\$0.00	\$2,572.91	CS x SF - SM
		\$6,762.52	Cost per Multi-Family Residence
		0.00395	Average Interest Rate
		0.040209559	Tax Credit Numerator
		0.004108828	Tax Credit Denominator
		9.786138967	Tax Credit Multiplier (TCM)
		\$138,615.44	Average Assessed Value (AAV)
		1356509.959	TCM x AAV
		0.00173	Tax Levy Rate (TLR)
		2346.762229	TCM x AAV x TLR = (TC)
		\$4,415.75	Cost per Multi-Family Residence - Tax Credit
		\$662.36	15% reduction (A)
		\$3,753.39	Calculated Multi-Family Fee Amount
			Recommended Fee Amount

EVERGREEN PUBLIC SCHOOLS
APPENDIX B
POPULATION/ENROLLMENT PROJECTIONS

K-5 Total Headcount

Elementary Enrollment Scenarios

Year	Baseline Scenario							Alternative Scenario						
	K	1	2	3	4	5	Total	K	1	2	3	4	5	Total
2007	1,775	1,937	1,969	2,019	2,032	2,007	11,739	1,775	1,937	1,969	2,019	2,032	2,007	11,739
2008	1,789	1,924	1,926	1,988	2,039	2,071	11,737	1,789	1,924	1,926	1,988	2,039	2,071	11,737
2009	1,741	1,901	1,947	1,948	2,010	2,071	11,618	1,741	1,901	1,947	1,948	2,010	2,071	11,618
2010	1,859	1,862	1,861	1,966	1,944	2,016	11,508	1,859	1,862	1,861	1,966	1,944	2,016	11,508
2011	1,927	1,948	1,867	1,885	1,995	1,961	11,583	1,927	1,948	1,867	1,885	1,995	1,961	11,583
2012	1,949	1,930	1,914	1,863	1,891	1,998	11,545	1,949	1,930	1,914	1,863	1,891	1,998	11,545
2013	1,926	1,953	1,875	1,915	1,869	1,897	11,435	1,926	1,953	1,875	1,915	1,869	1,897	11,435
2014	1,821	1,983	1,942	1,915	1,918	1,882	11,461	1,821	1,983	1,942	1,915	1,918	1,882	11,461
2015	1,838	1,864	1,967	1,963	1,937	1,956	11,525	1,838	1,864	1,967	1,963	1,937	1,956	11,525
2016	1,844	1,879	1,886	1,988	2,030	1,983	11,610	1,844	1,879	1,886	1,988	2,030	1,983	11,610
2017	1,735	1,848	1,833	1,881	1,981	1,997	11,275	1,735	1,848	1,833	1,881	1,981	1,997	11,275
2018	1,746	1,752	1,838	1,838	1,868	1,985	11,027	1,746	1,752	1,838	1,838	1,868	1,985	11,027
2019	1,864	1,795	1,742	1,856	1,867	1,886	11,010	1,855	1,794	1,741	1,854	1,865	1,884	10,992
2020	1,855	1,890	1,772	1,743	1,867	1,869	10,996	1,896	1,922	1,809	1,779	1,905	1,907	11,218
2021	1,879	1,880	1,865	1,772	1,754	1,869	11,019	1,973	1,960	1,934	1,845	1,825	1,944	11,481
2022	1,874	1,904	1,854	1,865	1,785	1,755	11,037	2,021	2,036	1,969	1,969	1,890	1,859	11,744
2023	1,870	1,899	1,877	1,854	1,878	1,789	11,167	2,072	2,083	2,041	2,001	2,014	1,924	12,135
2024	1,869	1,895	1,873	1,878	1,866	1,880	11,261	2,128	2,132	2,085	2,071	2,042	2,045	12,505
2025	1,866	1,894	1,869	1,874	1,890	1,868	11,261	2,150	2,151	2,096	2,078	2,078	2,037	12,591
2026	1,886	1,892	1,868	1,871	1,886	1,891	11,294	2,197	2,168	2,111	2,086	2,082	2,070	12,715
2027	1,905	1,912	1,866	1,870	1,883	1,887	11,323	2,245	2,212	2,125	2,098	2,087	2,071	12,837
2028	1,923	1,932	1,887	1,868	1,882	1,884	11,375	2,291	2,256	2,164	2,109	2,095	2,073	12,988

EVERGREEN PUBLIC SCHOOLS
APPENDIX B
POPULATION/ENROLLMENT PROJECTIONS

6-8 Total Headcount **Middle School Enrollment Scenarios**

Year	Baseline Scenario				Alternative Scenario			
	6	7	8	Total	6	7	8	Total
2007	2,022	2,063	1,951	6,036	2,022	2,063	1,951	6,036
2008	2,040	2,122	2,143	6,305	2,040	2,122	2,143	6,305
2009	2,073	2,086	2,153	6,312	2,073	2,086	2,153	6,312
2010	2,108	2,089	2,109	6,306	2,108	2,089	2,109	6,306
2011	2,051	2,175	2,154	6,380	2,051	2,175	2,154	6,380
2012	2,045	2,053	2,200	6,298	2,045	2,053	2,200	6,298
2013	2,026	2,084	2,113	6,223	2,026	2,084	2,113	6,223
2014	1,928	2,049	2,151	6,128	1,928	2,049	2,151	6,128
2015	1,881	1,928	1,977	5,786	1,881	1,928	1,977	5,786
2016	1,959	1,932	1,941	5,832	1,959	1,932	1,941	5,832
2017	1,964	1,947	1,965	5,876	1,964	1,947	1,965	5,876
2018	1,992	1,967	1,951	5,910	1,992	1,967	1,951	5,910
2019	1,973	1,997	2,008	5,979	2,006	2,010	1,980	5,996
2020	1,889	1,977	2,000	5,866	1,928	2,055	2,058	6,041
2021	1,872	1,892	1,981	5,745	1,951	1,972	2,102	6,026
2022	1,872	1,876	1,896	5,643	1,987	1,994	2,015	5,996
2023	1,759	1,875	1,879	5,513	1,899	2,027	2,036	5,962
2024	1,794	1,761	1,879	5,433	1,964	1,935	2,068	5,968
2025	1,885	1,796	1,765	5,447	2,052	1,968	1,940	5,961
2026	1,873	1,888	1,801	5,562	2,042	2,054	1,972	6,068
2027	1,896	1,876	1,893	5,665	2,072	2,041	2,055	6,168
2028	1,892	1,899	1,881	5,671	2,071	2,068	2,041	6,180

POPULATION/ENROLLMENT PROJECTIONS

9-12 Total Headcount**High School Enrollment Scenarios**

Year	Baseline Scenario					Alternative Scenario				
	9	10	11	12	Total	9	10	11	12	Total
2007	1,926	1,919	2,029	2,115	7,989	1,926	1,919	2,029	2,115	7,989
2008	2,052	2,003	2,154	2,208	8,417	2,052	2,003	2,154	2,208	8,417
2009	2,187	2,047	2,225	2,392	8,851	2,187	2,047	2,225	2,392	8,851
2010	2,229	2,193	2,252	2,373	9,047	2,229	2,193	2,252	2,373	9,047
2011	2,191	2,184	2,350	2,322	9,047	2,191	2,184	2,350	2,322	9,047
2012	2,159	2,102	2,334	2,563	9,158	2,159	2,102	2,334	2,563	9,158
2013	2,197	2,192	2,265	2,508	9,162	2,197	2,192	2,265	2,508	9,162
2014	2,123	2,235	2,406	2,517	9,281	2,123	2,235	2,406	2,517	9,281
2015	2,074	2,059	2,400	2,535	9,068	2,074	2,059	2,400	2,535	9,068
2016	2,007	2,124	2,385	2,467	8,983	2,007	2,124	2,385	2,467	8,983
2017	1,983	2,021	2,459	2,405	8,868	1,983	2,021	2,459	2,405	8,868
2018	1,970	2,016	2,276	2,402	8,664	1,970	2,016	2,276	2,402	8,664
2019	2,135	1,975	2,343	2,312	8,764	2,137	1,975	2,343	2,313	8,769
2020	2,173	2,102	2,283	2,346	8,903	2,198	2,156	2,342	2,407	9,103
2021	2,166	2,140	2,401	2,284	8,991	2,282	2,217	2,525	2,402	9,426
2022	2,148	2,135	2,439	2,410	9,131	2,331	2,300	2,599	2,595	9,826
2023	2,065	2,115	2,437	2,448	9,065	2,249	2,347	2,694	2,670	9,961
2024	2,049	2,034	2,421	2,447	8,951	2,276	2,265	2,754	2,768	10,062
2025	2,049	2,019	2,349	2,430	8,847	2,277	2,252	2,648	2,781	9,958
2026	1,938	2,018	2,336	2,358	8,650	2,151	2,249	2,643	2,675	9,718
2027	1,976	1,909	2,338	2,345	8,568	2,186	2,126	2,649	2,669	9,630
2028	2,068	1,946	2,239	2,347	8,600	2,272	2,159	2,542	2,676	9,649

EVERGREEN PUBLIC SCHOOLS
APPENDIX C
CAPITAL FACILITIES INVENTORY

ELEMENTARY SCHOOLS	ADDRESS	SITE (ACRES)	OCCUPANCY	Building SF per WAC	Attached Covered Play SF	Detached Covered Play SF	Portable SF	Modular SF	Other	Total SF
Burnt Bridge Creek	14619-A NE 49th Street Vancouver, WA 98682	11	1988	49,414	4,230	0	6,272	0	500	60,416
Burton	14015 NE 28th Street Vancouver WA 98682	13	1970	40,642	1,500	3,634	10,976	0	200	56,952
Columbia Valley	17500 SE Sequoia Circle Vancouver, WA 98683	12	2004	60,556	2,200	0	0	0	0	62,756
Crestline	13003 SE 7th Street Vancouver, WA 98683	11	2014	60,143	3,761	3,634	0	0	0	67,538
Early Childhood Center (Operated by SWCCC)	14405 NE 28th Street Vancouver, WA 98682	20	1989	0	0	0	4,704	0	0	4,704
Ellsworth	512 SE Ellsworth Road Vancouver, WA 98664	10	1958	38,014	0	3,634	8,904	0	0	50,552
Endeavour	2701 NE Four Seasons Lane Vancouver, WA 98682	11	2008	60,556	2,200	0	6,272	0	0	69,028
Evergreen Flex Academy	13501 NE 28th Street Vancouver, WA 98682	0.88	2003	0	0	0	0	13,295	0	13,295
Fircrest	12001 NE 9th Street Vancouver, WA 98684	11	1976	54,400	4,500	0	3,136	0	500	62,536
Fisher's Landing	3800 SE Hiddenbrook Drive Vancouver, WA 98683	12	1996	49,972	4,010	0	9,408	0	500	63,890
Harmony	17404-A NE 18th Street Vancouver, WA 98684	11	1991	49,519	4,020	0	12,544	0	500	66,583
Hearthwood	801 NE Hearthwood Boulevard Vancouver, WA 98684	11	1981	49,100	4,500	0	3,136	5,040	500	62,276
Illahee	19401 SE 1st Street Camas, WA 98607	11	2001	55,699	4,016	0	4,704	0	500	64,919
Image	4400 NE 122nd Avenue Vancouver, WA 98682	15	1976	54,400	4,500	0	6,272	0	500	65,672
Marrion	10119 NE 14th Street Vancouver, WA 98664	19	1968	40,158	0	3,634	10,752	0	500	55,044
Mill Plain	400 SE 164th Avenue Vancouver, WA 98684	9	1952	48,565	3,160	0	6,496	0	0	58,221
Orchards	11405 NE 69th Street Vancouver, WA 98662	13	2004	60,556	2,200	0	3,136	5,040	0	70,932
Pioneer	7212 NE 166th Avenue Vancouver, WA 98682	11	1993	49,519	4,020	0	9,408	0	0	62,947
Riverview	12601 SE Riveridge Drive Vancouver, WA 98683	11	1976	54,400	4,500	0	3,136	0	500	62,536
Sifton	7301 NE 137th Avenue Vancouver, WA 98682	10	1958	37,822	0	3,634	11,360	0	0	52,816
Silver Star	10500 NE 86th Street Vancouver, WA 98662	12	1973	41,463	1,728	3,634	11,508	0	0	58,333
Sunset	9001 NE 95th Street Vancouver, WA 98662	14	1976	54,400	4,500	0	4,704	0	500	64,104
York	9301 NE 152nd Avenue Vancouver, WA 98682	11	2003	56,108	2,200	0	0	0	0	58,308
TOTAL ELEMENTARY		269.88		1,065,406	61,745	21,804	136,828	23,375	5,200	1,314,358

MIDDLE SCHOOLS	ADDRESS	SITE (ACRES)	OCCUPANCY	Building SF per WAC	Attached Covered Play SF	Detached Covered Play SF	Portable SF	Modular SF	Other	Total SF
49th Street Academy	14619-B 49th Street Vancouver, WA 98682	2.71	1988	10,799	0	0	1,568	0	0	12,367
Cascade	13900 NE 18th Street, Vancouver, WA 98684	16.4	2004	110,315	0	6,570	3,136	8,064	1,000	129,085
Covington	11200 NE Rosewood Road, Vancouver, WA 98662	21.45	2006	112,361	0	0	7,840	8,064	1,000	129,265
Frontier	7600 NE 166th Avenue, Vancouver, WA 98682	28	1996	101,046	0	0	17,248	0	2,000	120,294
Evergreen Flex Academy / IQ Academy - see ASC	13501 NE 28th Street, Vancouver, WA 98682	w/Elem	2003	w/Elem	w/Elem	w/Elem	w/Elem	w/Elem	w/Elem	0
Pacific	2017 NE 172nd Avenue, Vancouver, WA 98684	17.18	1983	106,581	0	2,946	29,792	0	500	139,819
Shahala	601 SE 192nd Avenue, Vancouver WA 98683	20	2001	104,298	0	3,224	18,816	0	720	127,058
Wy'east	1112 SE 136th Avenue, Vancouver WA 98683	29.88	1979	118,207	3,840	0	17,248	0	1,000	140,295
TOTAL MIDDLE SCHOOLS		136		663,607	3,840	12,740	95,648	16,128	6,220	798,183

EVERGREEN PUBLIC SCHOOLS
APPENDIX C
CAPITAL FACILITIES INVENTORY

HIGH SCHOOLS	ADDRESS	SITE (ACRES)	OCCUPANCY	Building SF per WAC	Attached Covered Play SF	Detached Covered Play SF	Portable SF	Modular SF	Other	Total SF
49th Street Academy	14619-B 49th Street, Vancouver, WA 98682	w/MS	1988	w/MS	w/MS	w/MS	w/MS	w/MS	w/MS	0
Crestwood Business Park	11818 SE Mill Plain Blvd, Vancouver, WA 98684	Leased	Leased	2,642	0	0	0	0	0	2,642
Evergreen	14300 NE 18th Street, Vancouver, WA 98684	34.4	1969/2007	264,354	0	0	13,748	0	0	278,102
HeLa	9105 NE 9th Street, Vancouver, WA 98664	2.89	2013	69,008	0	0	0	0	0	69,008
Heritage	7825 NE 130th Avenue, Vancouver, WA 98682	45	1999	219,841	0	0	31,360	0	1,700	252,901
IQ Academy (See ASC)	13501 NE 28th Street, Vancouver, WA 98682	w/ASC	2003	w/Elem	w/Elem	w/Elem	w/Elem	w/Elem	w/Elem	0
Legacy	2205 NE 138th Avenue, Vancouver, WA 98683	w/EHS	1987	11,554	0	0	3,144	5,180	0	19,878
Mountain View	1500 SE Blaimont Drive, Vancouver, WA 98683	41.09	1981	238,075	0	0	9,044	0	3,250	250,369
Union	6201 NW Friberg/Strunk Street, Camas, WA 98607	54.75	2007	234,900	0	0	0	11,648	0	246,548
TOTAL HIGH SCHOOLS		178		1,040,374	0	0	57,296	16,828	4,950	1,119,448
Cascadia Technical Academy	12200 NE 28th Street, Vancouver, WA 98682	11.92	1983 to 2014	100,704	0	0	0	0	0	100,704
TOTAL CCVSC		12		100,704	0	0	0	0	0	100,704

Administrative Service Center	13501 NE 28th Street, Vancouver, WA 98682	16.12	1993	0	0	0	70,000	11,600	0	81,600
Maintenance	3004 NE 124th Avenue, Vancouver, WA 98682	3	1981	7,000	0	0	0	0	0	7,000
McKenzie Stadium	2205 NE 138th Avenue, Vancouver, WA 98682	6	1984	2,000	0	0	0	0	0	2,000
Transportation	13909 NE 28th Street, Vancouver, WA 98682	9	1960's	9,170	0	0	2,464	0	0	11,634
Warehouse (Central Receiving)	2205 NE 138th Avenue, Vancouver, WA 98684	1	1976	25,000	0	0	0	0	0	25,000
TOTAL SUPPORT FACILITIES		35.12		43,170	0	0	72,464	11,600	0	127,234

Future School Site	NE 52nd St / NE 131st Ave, Vancouver, WA 98682	20.99	N/A	0	0	0	0	0		0
Future School Site	NE 39th St / NE 162nd Ave, Vancouver, WA 98682	9.8	N/A	0	0	0	0	0		0
Future School Site	NE 9th St / NE 136nd Ave, Vancouver, WA 98682	12.67	N/A	0	0	0	0	0		0
Future School Site	NE 9th St / NE 136nd Ave, Vancouver, WA 98682	6.05	N/A	0	0	0	0	0		0
TOTAL SUPPORT FACILITIES		49.51		0	0	0	0	0		0

STEPHEN W. HORENSTEIN
STEVE@HORENSTEINLAWGROUP.COM
360-597-0965

November 18, 2020

VIA EMAIL

(mark.person@cityofvancouver.us)
Mark Person
Community & Economic Development
City of Vancouver, Washington
415 W. 6th Street
Vancouver, Washington 98660

VIA EMAIL

Brent.Boger@cityofvancouver.us
Brent Boger
Prosecuting Attorney
City of Vancouver, Washington
415 W. 6th Street
Vancouver, Washington 98660

Subject: Acero Parkside/Acero 136th, LLC
260 Unit Multi-Family Development located at 1330 NE 136th
Ave, Vancouver, Washington (the “Project”)
PRJ-160972/LUP-73089
- School Impact Fee (SIF) Reduction and Refund Request

Dear Mark and Brent:

On behalf of our client(s) IDM Apartments, LLC, the “Developer”, we request that the development approval authority reduce the school impact fee (SIF) demanded by the City for this Project, as authorized by Vancouver Municipal Code 20.915.070(C)(1) and (2).

On several occasions in 2020, the City has demanded the Developer pay the 2019 SIF at the time any building permit is issued for any portion of the Project. The Developer objected to the application of the 2019 SIF to the Project because the building permits were sought and would be awarded in 2020. Thus, the 2020 SIF should apply.

The Developer further objects to the application of the 2019 SIF to the Project because Evergreen School District (“ESD”) has reported that the 2019 SIF formula did not accurately reflect school impacts. A copy of the ESD report has been requested multiple times from the City and has not been provided. We assume that you will include the necessary background information when it goes to Council for approval. Because ESD’s 2019 SIF rate does not reflect actual school impacts, the 2019 SIF rate also is not reasonably related to the Project’s potential school impacts.

Impact fees that are inaccurate and do not reasonably relate to potential impacts are unconstitutional. *See Dolan v. City of Tigard*, 512 U.S. 374, 114 S. Ct. 2309 (1994)

4837-2200-0073, v. 1

500 Broadway, Suite 370
Vancouver, Washington
98660

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November 18, 2020

Page 2

(government fees that are not “reasonable related” to the impact of new development on public infrastructure are unconstitutional); *Nolan v. California Coastal Comm’n*, 483 U.S. 825, 107 S. Ct. 3141 (1987) (same).

Given the above, we request that the development approval authority direct all SIF amounts paid under protest related to the Project in excess of the 2020 SIF rates be refunded to the Developer immediately. To ensure the SIFs associated with the Project are uniform,¹ we further request that the development approval authority mandate that all SIFs related to the Project shall be based upon the 2020 SIF rate, rather than the 2019 SIF rate.

We look forward to hearing from you.

Very truly yours



Stephen W. Horenstein

Enclosures:
ESD report

¹ VMC 20.915.020(A) (impact fees “shall be uniformly applicable to development that occurs within a designated service area”)



Memorandum

To: City of Vancouver: Jason Nortz, Patti McEllrath, Brent Boger, Greg Turner
From: Greg McGreevey, Executive VP, on behalf of 5th Plain Creek Station, LLC
Subject: School Impact Fees for Kestrel Apartments (aka 5th Plain Creek Station Apartments)
Reference: PRJ-158722 / LUP-70135
Date: October 13, 2020

Dear City of Vancouver Staff:

Hurley Development, as the Manager of 5th Plain Creek Station, LLC, requests on behalf of the company that the development approval authority cause the School Impact Fee (SIF) imposed by the City of Vancouver upon this project's multi-family dwellings to be calculated according to the current 2020 SIF of \$3,753 per multi-family unit. This current SIF is listed on page 14 in the attached Evergreen School District (ESD) Capital Facilities Plan 2019-2025, and it is reflected within *VMC Table 20.915.060-1 School District Impact Fees*. Because the permits for this project are to be awarded in 2020, and because the Evergreen School District amended its SIF calculations per the attached Capital Facilities Plan (CFP) effective in 2019, it is our position that the current 2020 SIF most accurately reflects the cost of the public school facility impacts necessitated by the project's to-be-constructed apartment complex, Kestrel Apartments.

EVERGREEN SCHOOL DISTRICT	Current SIF (CFP 2019-25)
Multi-Family Residence	\$3,753 per multi-family unit

In both *Dolan v. City of Tigard*, 512 U.S. 374, 114 S. Ct. 2309 (1994) and *Nolan v. California Coastal Comm'n*, 483 U.S. 825, 107 S. Ct. 3141 (1987), it was held that impact fees that are not reasonably related to the actual impact of the new development on public infrastructure are unconstitutional. Evergreen School District has established, via the passing of their new CFP and the new SIF calculations effective in 2019, that the original 2019 school impact fees were excessive, did not accurately reflect actual school impacts, and that the reasonable impact is reflected in the 2020 SIF calculations as shown above and in the attached CFP. Therefore, in order to ensure that the SIF assessed on this project bear the constitutionally required degree of relationship to the project impact and the constitutionally required essential nexus between ESD's interests and the fees imposed on this project, the 2020 SIF calculations should be applied.

Given the above, and as allowed in VMC 20.915.070.C, which provides Vancouver City Council the authority to reduce or eliminate impact fees and RCW 82.02.060(5) , which mandates the local ordinance by which impact fees are imposed to “allow the county, city, or town imposing the impact fees to adjust the standard impact fee at the time the fee is imposed to consider unusual circumstances in specific cases to ensure that impact fees are imposed fairly,” we respectfully request the development approval authority apply the current, fair, and reasonable 2020 multi-family SIF of \$3,753 per unit on the Kestrel Apartments project. In addition, we request that any fees paid toward SIF in excess of this amount be refunded immediately to the developer, 5th Plain Creek Station, LLC.

Sincerely



Greg McGreevey
Executive Vice President
Hurley Development.

Project Background

Kestrel Apartments is the multi-family phase of the master-planned development, 5th Plain Creek Station. It is approved for the development of 178 multi-family units with building permits to be issued and construction to commence in 2020. This is part of the larger 5th Plain Creek Station project that was previously annexed into the City of Vancouver and received preliminary plat approval to subdivide its 33 acres into 215 single-family residential lots, two multi-family residential lots, and nine commercial lots.



Staff Report 182-20

TO: Mayor and City Council

FROM: Eric Holmes, City Manager

DATE: 12/7/2020

SUBJECT Meridian Apartments 80% Impact Fee Waiver

Key Points

- City Council may waive Transportation and Park development impact fees for low income housing developments.
- In return applicant is required to maintain the affordability limitations for the project in perpetuity.
- The applicant is requesting an 80% reduction in Transportation and Park impact fees for a 46 unit multifamily development for people exiting homelessness and having special needs.

Strategic Plan Alignment

Goal 3, Objective 3.2: Improve services available to underserved or vulnerable residents.

Present Situation

In 2016 Council approved Ordinance M-4154 allowing a partial exemption or full waiver of transportation and parks impact fees to spur affordable housing projects. A waiver of the school district impact fees is only available upon approval by the school district in which the project is located.

For residential developments of four or more units Council may, by resolution, partially exempt up to 80% of the transportation and park impact fees or fully waive 100% of the impact fees. If Council only partially exempts the development, up to 80% of the impact fee, there is no requirement to pay the exempted portion of the fee from public funds. For partial exemptions (80%) the remaining 20% of the impact fees are paid by the applicant. .

The Meridian

The proposal is to build 46 new affordable housing units in three buildings. The units consist of single bedroom, multi-family dwelling units for low- and very low-income individuals and families.

The project site is a vacant site located on the west side of NE 78th Avenue, between NE Fourth Plain Boulevard and NE 32nd Street.

The Impact Fee ordinance requires that tenant housing costs be no greater than thirty percent of eighty percent of the median family income adjusted for family size for Clark County, Washington, as reported by the United States Department of Housing and Urban Development. As of July 1, 2020, maximum housing cost for a household of four at 80% AMI is \$1,843. The development will be exceeding the affordability requirement by serving tenants at 50% AMI for which the costs of a four-person household is \$1,151.

This request is for an 80% partial impact fee exemption. The transportation impact fees, based on the vehicle trips and designated fee subarea, are \$35,062.50 (Exhibit A). After an 80% reduction (\$28,050) the required transportation impact fee would be \$7,012.50. Park impact fees are based on the number of residential units and the park district subarea. The site is located within Park District B, which has a rate of \$1,739.00 per unit. The total park impact fee is \$79,994 (Exhibit A). After an 80% reduction (\$63,995.20) the applicant required park impact fee would be \$15,998.80.

The project site is located within the Vancouver School District, which requires \$2,381.93 per multi-family unit. City staff is expecting a response from the school district soon. All impact fees are due prior to the issuance of building permits.

Advantage(s)

1. Adds 46 affordable housing units in the Fourth Plain corridor.
2. Tenants to be previously homeless persons or low income people with developmental disabilities/special needs earning less than 50% of area median income.
3. All units must be maintained by the applicant as low and very-low income units in perpetuity.

Disadvantage(s)

1. Loss of \$28,050 in Transportation impact fees.
2. Loss of \$63,995.20 in Park Impact fees.

Budget Impact

There will be a reduction in revenue for transportation improvements (-\$28,050) and park improvements (-\$63,995.20); however, this will not significantly affect the City's ability to deliver services in these areas.

Prior Council Review

None

Action Requested

Adopt a resolution approving exemption of 80% of Transportation and Park impact fees for the Meridian Low income housing development.

Peggy Sheehan, Community Development Programs Manager, 360-487-7952

ATTACHMENTS:

- ▢ Impact fee waiver - Meridian Apts Resolution
- ▢ Impact fee Waiver-Meridian Apts Covenant
- ▢ The Meridian Apts- Impact Fee Exhibit

12/07/20

RESOLUTION NO. _____

A RESOLUTION of the City Council of the City of Vancouver Washington approving a partial exemption of the collection of Traffic and Park Impact Fees in the amount of \$92,045 for The Meridian Apartments development.

WHEREAS, the City Comprehensive Plan encourages development and funding for affordable housing and opportunities to provide unsubsidized housing; and

WHEREAS, pursuant to RCW 82.02.060, Vancouver Municipal Code 20.915.080 allows for conditional reduction, exemption, or waiver of Traffic and Park Impact Fees; and

WHEREAS, local governments may either: (1) grant a partial exemption of not more than eighty percent of impact fees, in which case there is no requirement under state law to pay the exempted portion of the fee from the City or other than impact fee accounts; or (2) provide a full waiver, in which case the remaining percentage of the exempted fee must be paid from City funds other than impact fee accounts; and

WHEREAS, The Housing Initiative is a Washington Limited Liability Company dedicated to bettering the homelessness problem in the Vancouver area; and

WHEREAS, The Housing Initiative has applied for a partial exemption 80% in the amount of \$92,075 of Traffic and Park Impact Fees for the Meridian Apartments, a project consisting of 46 residential units for low income persons which would otherwise be due prior of issuance of building permits; and

WHEREAS, the applicant has met the eligibility criteria of VMC 20.915.080 and agreed, through proposed covenant, to provide low income housing in perpetuity; and

WHEREAS, the City Council recognizes the importance of providing low income housing within the City of Vancouver.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY OF VANCOUVER:

Section 1. Findings. The Housing Initiative has applied for partial impact fee exemption for the Meridian Apartments low income housing project located at 3200 NE 78th Avenue (Tax ID#s 108141466 and 108141468). Pursuant to VMC 20.915.080 D, the City Council makes the following findings:

1. The Applicant has documented that the housing meets appropriate standards regarding household income, rent levels, and number of units by submitting evidence of agreements or contracts.
2. The Applicant has agreed to be monitored by the City of Vancouver to ensure compliance with the income requirements of VMC 20.915.
3. Prior to receiving building permits the developer shall record a covenant with the Clark County Auditor attesting that:
 - a. The property is prohibited from being used for any purpose other than for low-income housing.
 - b. If the property is converted to a use other than for low-income housing, the current property owner must pay the applicable impact fees in effect at the time of conversion.
 - c. Low-income housing is defined as housing for which the monthly housing expense is no greater than thirty percent of eighty percent of the median family income adjusted for family size for Clark County, as reported by the United States Department of Housing

RESOLUTION - 2

and Urban Development.

4. The City of Vancouver will not collect revenue lost through the granting of the exemption by increasing impact fees unrelated to the exemption.
5. The applicant is proposing a rental development. Adequate documentation has been provided attesting that such housing will remain exclusively available to low-income households at affordable rents in perpetuity.
6. The applicant will record appropriate covenants to insure compliance with the requirements set forth in VMC 20.915.080.

Section 2. Partial Exemption of Impact Fees. The impact fee waiver is for 46 housing units. Total Park impact fees for the development are \$79,994. The applicant is requesting a partial exemption of Park impact fees at 80% (\$63,995) for a final remaining fee of \$15,999 to be paid by applicant to the City of Vancouver at time of building permit issuance.

The total Traffic impact fee is \$35,062. The applicant is requesting a partial exemption of Traffic impact fees at 80% (\$28,050) for a final remaining fee of \$7,013 to be paid by applicant to the City of Vancouver at the time of building permit issuance.

The total combined impact fee exemption of \$92,045 will result in a final combined impact fee of \$23,012 for Parks and Transportation, exclusive of applicable School Impact Fees, which are reviewed separately by the school districts.

Section 3. Severability. If any provision of this resolution or its application to any person or circumstance is held invalid, the remainder or the application of the provision to other persons or circumstances is not affected.

RESOLUTION - 3

Signed this _____ day of _____, 2020.

Anne McEnerny-Ogle, Mayor

Attest:

Natasha Ramras, City Clerk

Approved as to form:

Jonathan Young, City Attorney

RESOLUTION - 4

When Recorded Return To:
City of Vancouver
CDBG and HOME Programs
PO Box 1995
Vancouver, WA 98668-1995
Attention: Peggy Sheehan, (360) 487-7952

**CITY OF VANCOUVER, WASHINGTON
LOW INCOME HOUSING IMPACT FEE WAIVER COVENANT AGREEMENT**

Grantor: HOUSING INITIATIVE LLC
Grantee: City of Vancouver
Assessor’s Tax ID#: 108141466 and 108141468
Legal Description: VANCOUVER MALL SQUARE PTN OF LOT 8 and VANCOUVER MALL SQUARE LOT 9 SUB 94.
Full legal description attached as Exhibit A
Address: 3200 NE 78TH Avenue, Vancouver, WA 98662

COVENANT RUNNING WITH THE LAND:

This COVENANT is made and effective this ____ day of _____, 20__, and by HOUSING INITIATIVE LLC to the CITY OF VANCOUVER, State of Washington (hereinafter the “City”).

Recitals.

- A. HOUSING INITIATIVE is the owner or party in interest of certain real property with tax ID # 108141466 and 108141468 and abbreviated legal description of **VANCOUVER MALL SQUARE PTN LOT 8 and VANCOUVER MALL SQUARE LOT 9 SUB 94.**, more particularly described in Exhibit “A” attached hereto and incorporated herein by reference (hereafter the “Site”).
- B. All of the development on the site shall be low income housing to be owned and occupied by, or leased to, low-income persons with income no greater than eighty percent of the median family income adjusted for family size for Clark County, Washington, as reported by the United States Department of Housing and Urban Development. That portion of the development which is low income housing is hereinafter the “Property”.
- C. For the purposes of this covenant, low income housing is defined as housing for which the monthly housing expense is no greater than thirty percent of eighty percent of the median family income adjusted for family size for Clark County, Washington, as reported by the United States Department of Housing and Urban Development.
- D. City approved an impact fee waiver for the Property in accordance with Vancouver Municipal Code Section 20.915.080.

Agreement:

NOW, THEREFORE, HOUSING INITIATIVE LLC covenants and agrees, on behalf of itself and all successors and assigns, as follows, it being specifically agreed that this is a covenant which touches, concerns, enhances, benefits and runs with the land:

- E. HOUSING INITIATIVE LLC is the sole and exclusive owner or party of interest of the Site in Clark County, State of Washington, described in Exhibit “A” hereto.
- F. Property shall not be used for any purpose other than for low income housing.

Low Income Housing Impact Fee Waiver Covenant (Continued)

G. In the event that that the Property is converted to a use other than for low income housing, the owner must pay the applicable impact fees in effect at the time of conversion.

H. This covenant and all of its provisions shall be binding upon HOUSING INITIATIVE LLC and any and all of its assigns and successors in interest into show ownership the Property may pass, and any obligations made herein by HOUSING INITIATIVE LLC shall be enforceable against all of its assigns and successors in interest into whose ownership the Property may pass, and all of them, except as this covenant shall expressly provide to the contrary.

I. Those signatories who sign on behalf of a corporation are expressly vested by the by-laws of the corporation which they purport to represent with the authority to bind such corporation in the manner in which such signatories have purported to bind their principal herein.

J. In the event of any litigation arising hereunder, or with respect hereto, the law of the State of Washington will control and, and all signatories hereto, do hereby submit themselves personally to the jurisdiction of the courts of the State of Washington, and do hereby agree that any action arising hereunder may be instituted in Clark County Superior Court, if the parties are served, including anywhere not within the State of Washington, ay any method authorized by Washington law.

K. This covenant shall remain in full force and effect until amended, modified, or terminated by the action of the City in zoning proceedings appropriate for that purpose.

L. A copy of this covenant will be filed with the County Auditor.

IN WITNESS HEREOF, HOUSING INITIATIVE LLC, a Washington state LIMITED LIABILITY CORPORATION, has executed this Covenant on the _____ day of _____, 20__.

BORROWER: HOUSING INITIATIVE LLC

By: _____

Print Name: SIERK BRAAM

CORPORATE NOTARY

STATE OF _____)
)ss
COUNTY OF _____)

On this ____ day of _____, 20____ before me, the undersigned, a Notary Public in and for the State of _____, personally appeared _____, known to me as the [title] _____ of _____, a Washington nonprofit corporation, the entity that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of the said entity, for uses and purposes therein mentioned, and on oath stated that he/she is authorized to execute the said instrument on behalf of the said entity.

WITNESS my hand and official seal hereto the day and year in the certificate above written.

NOTARY PUBLIC in and for the State of _____,
My Commission Expires: _____

Place notary seal centered on page below

EXHIBIT A:
SITE LEGAL DESCRIPTION

Tax ID #: I08141466 and I08141468

Description:

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE OF VANCOUVER, COUNTY OF CLARK, STATE OF WASHINGTON AND IS DESCRIBED AS FOLLOWS:

Lots 8 and 9, VANCOUVER MALL SQUARE, according to the plat thereof, recorded in Volume H of Plats, Page 801, records of Clark County, Washington.

Except that portion conveyed by Quit Claim Deed recorded August 15, 2014 under Auditors File No. 5096581, described as follows:

Beginning at the Northwest corner of said Lot 8; thence South 29°21'35" East along the West line of said Lot a distance of 54.50 feet; thence leaving said West line North 60°40'10" East parallel with the North line of said Lot 60.00 feet; thence North 30°49'21" East 109.51 feet to the Northeast corner of said Lot; thence South 60°40'10" West along the North line of said Lot a distance of 155.01 feet to the Point of Beginning.

[Excerpt from Development Review Planning Staff Report and Decision dated April 17, 2020]

Additional Development Standards

20.915 Impact Fees

Finding: *The proposed development is a residential project and is subject to park, transportation and school impact fees. For a multi-family development the impact fees are paid at the time of the individual building permit issuance. With regard to the transportation impact fee (TIF), the proposed project is located within the Pacific subarea which has a rate of \$320.00 per average daily trip (ADT); the site is also within the Mill Plain Overlay which has a rate of \$10.00 per ADT. The new ADT generated by this development is 125 ADT or \$35,062.50. This fee is due prior to the issuance of building permits.*

The site is located within Park District B, which has a rate of \$1,739.00 per unit and is located within the Vancouver School District which requires \$2,381.93 per multi-family unit. These fees are due prior to the issuance of building permits.



MEMORANDUM

DATE: Tuesday, November 24, 2020

TO: Mayor and City Councilmembers

FROM: Council Subcommittee 2 (Stober and Lebowsky)

CC: Eric J. Holmes, City Manager
Shannon Ripp, Boards and Commissions

RE: Recommendations for Appointments to the Vancouver Public Facilities District Board
--

The Vancouver Public Facilities District Board (PFD) is a municipal corporation governed by a five-member Board of Directors. It was created by Vancouver City Council in 1999 to develop the downtown hotel and convention center. The PFD consists of two seats appointed at-large and three seats that require recommendations from outside agencies.

Committee 2 interviewed two applicants for two full-term positions; one at-large position and one position requiring a recommendation, and they recommend the appointments of Ashley Thomas-Velikokhatko and Elie Kassab, respectively; with their terms beginning immediately and expiring November 30, 2024.

If there are no objections we would like to make these appointments at the **Monday, December 7, 2020** Council meeting.

Attachments:
Applications; incl. letters of recommendation for Elie Kassab
Roster

VOUCHER APPROVAL

We, the undersigned council members of the City of Vancouver, Clark County, Washington, do hereby certify that the merchandise or services hereinafter specified have been received and that the vouchers listed below are approved for payment in the amount of:

\$ 10,528,501.20 this 7th day of December 2020.

MAYOR



AUDITING OFFICER

COUNCILMEMBER

COUNCILMEMBER

DATE	INCLUSIVE CHECK NUMBERS	CHECK TOTAL
November 17 - November 30	Accounts Payable Checks (see attached)	\$ 7,414,080.44
November 17 - November 30	Hansen City Payments (see attached)	\$ 25,877.40
November 17 - November 30	Visa Refunds (see attached)	\$ 335.87
November 17 - November 30	Payroll Checks (see attached)	\$ 3,088,207.49
TOTAL		\$ 10,528,501.20

INVOICE PAYMENTS REPORT

<u>Payment Category</u>	<u>Payment Type</u>	<u>Check Number</u>	<u>Payment Date</u>	<u>Payment Amount</u>	<u>Payment Payee</u>	<u>Payment Memo if applicable</u>
Supplier Payment	Manual Wire	No Reference	11/1/2020	1,258.26	Athlactron Holding	
Supplier Payment	Manual Wire	No Reference	11/2/2020	1,794.54	Athlactron Holding	
Supplier Payment	Manual Wire	No Reference	11/9/2020	197.50	Keybank National Association	
Supplier Payment	Manual Wire	No Reference	11/16/2020	356,682.11	Blue Cross Blue Shield of Oregon	
Supplier Payment	Manual Wire	No Reference	11/16/2020	323,203.58	Kaiser Permanente	
Supplier Payment	Manual Wire	No Reference	11/16/2020	53,032.34	Symetra Life Insurance Company	
Supplier Payment	Manual Wire	No Reference	11/16/2020	970.90	VSP Vision Care Inc	
Supplier Payment	Manual Wire	No Reference	11/16/2020	18,097.10	Washington Dental Service	
Supplier Payment	Manual Wire	No Reference	11/17/2020	60,443.84	Columbia Ford Inc	
Supplier Payment	Manual Wire	No Reference	11/17/2020	25,692.24	Gallagher Bassett Services Inc	
Supplier Payment	Manual Wire	No Reference	11/19/2020	26,417.26	Gallagher Bassett Services Inc	
Supplier Payment	Manual Wire	No Reference	11/19/2020	1,677.00	State of Washington Department of Licensing - Remit-To: DOL - Seattle Remit	
Supplier Payment	Manual Wire	No Reference	11/23/2020	144,642.95	Blue Cross Blue Shield of Oregon	
Supplier Payment	Manual Wire	No Reference	11/23/2020	12,854.90	Washington Dental Service	
Procurement Card Payment	Manual Wire	No Reference	11/25/2020	467,285.59	CoV Procurement Card	
Supplier Payment	Manual Wire	No Reference	11/25/2020	75.00	HRA VEBA Plan	
Supplier Payment	Manual Wire	No Reference	11/25/2020	3,836.69	ICMA 401A	
Supplier Payment	Manual Wire	No Reference	11/25/2020	171,435.88	ICMA Corp	
Supplier Payment	Manual Wire	No Reference	11/25/2020	25,984.44	ING	
Supplier Payment	Manual Wire	No Reference	11/25/2020	560.50	Oregon SDU	
Supplier Payment	Manual Wire	No Reference	11/25/2020	54,643.47	State of Washington Department of Retirement System (PERS)	
Supplier Payment	Manual Wire	No Reference	11/25/2020	1,577.62	Vancouver Fire Command Officers	
Supplier Payment	Manual Wire	No Reference	11/25/2020	24,613.85	Vancouver Firefighters Union Health & Welfare Trust	
Supplier Payment	Manual Wire	No Reference	11/25/2020	4,026.44	Washington SDU	
Supplier Payment	Manual Wire	No Reference	11/25/2020	20,200.00	Washington State Firefighters	
Supplier Payment	Manual Wire	No Reference	11/25/2020	16,985.30	Western States Health & Welfare Trust	
Supplier Payment	Manual Wire	No Reference	11/27/2020	847,001.28	Internal Revenue Service	
Supplier Payment	Manual Wire	No Reference	11/27/2020	99.33	State of Arizona	
Supplier Payment	Manual Wire	No Reference	11/27/2020	23.60	State of California	
Supplier Payment	Manual Wire	No Reference	11/30/2020	8,488.66	Bank Of America N.A. - Remit-To: Charlotte NC	
Supplier Payment	Manual Wire	No Reference	11/30/2020	29,035.25	Gallagher Bassett Services Inc	
Supplier Payment	Manual Wire	No Reference	11/30/2020	23,284.92	State of Oregon Department of Revenue	
Supplier Payment	Manual Wire	No Reference	11/30/2020	768,313.93	State of Washington Department of Retirement System (PERS)	
Expense Payment	Direct Deposit	EFT-00078769	11/19/2020	304.05	Randal Scrivner	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00078770	11/19/2020	58.00	Nicholas Popravak	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00078771	11/19/2020	200.00	Robert Schaefer	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00078772	11/19/2020	33.99	Magaiva Herman	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00078773	11/19/2020	29.97	Timothy Brown	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00078774	11/19/2020	71.94	Dustin Nicholson	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00078775	11/19/2020	47.63	Tanya Stewart	Employee Reimbursement

INVOICE PAYMENTS REPORT

<u>Payment Category</u>	<u>Payment Type</u>	<u>Check Number</u>	<u>Payment Date</u>	<u>Payment Amount</u>	<u>Payment Payee</u>	<u>Payment Memo if applicable</u>
Expense Payment	Direct Deposit	EFT-00078776	11/19/2020	210.99	Daren Peterson	Employee Reimbursement
Supplier Payment	EFT	EFT-00078777	11/19/2020	2,075.86	Metro Overhead Door Inc	
Supplier Payment	EFT	EFT-00078778	11/19/2020	96,317.63	City Electric Co of WA	
Supplier Payment	EFT	EFT-00078779	11/19/2020	47,694.27	State of Washington Auditor's Office	
Supplier Payment	EFT	EFT-00078780	11/19/2020	67,383.21	Halme Excavating Inc	
Supplier Payment	EFT	EFT-00078781	11/19/2020	25,756.38	Vancouver Housing Authority	
Supplier Payment	EFT	EFT-00078782	11/19/2020	625.00	Rapid Response Bio Clean	
Supplier Payment	EFT	EFT-00078783	11/19/2020	1,483.24	State of Washington Consolidated Technology Services	
Supplier Payment	EFT	EFT-00078784	11/19/2020	6,359.92	Operations Management International Inc	
Supplier Payment	EFT	EFT-00078785	11/19/2020	998,855.03	Rotschy Inc	
Supplier Payment	EFT	EFT-00078786	11/19/2020	9,963.50	Toole Design Group, LLC	
Supplier Payment	EFT	EFT-00078787	11/19/2020	3,199.50	Clark County - Remit-To: Clark County - Treasurer Vancouver	
Supplier Payment	EFT	EFT-00078788	11/19/2020	199.50	Otak Inc	
Supplier Payment	EFT	EFT-00078789	11/19/2020	838.29	Praxair Distribution Inc	
Supplier Payment	EFT	EFT-00080582	11/25/2020	12,282.34	Allegiance Benefit Plan Management Inc	
Supplier Payment	EFT	EFT-00080583	11/25/2020	68.12	Legal Shield	
Expense Payment	Direct Deposit	EFT-00080584	11/25/2020	37.25	William Ashford	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00080585	11/25/2020	603.07	Teresa Brum	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00080586	11/25/2020	78.04	Lee Gelsinger	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00080587	11/25/2020	98.90	James Fields	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00080588	11/25/2020	190.03	Anne McEnerny-Ogle	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00080589	11/25/2020	114.00	John Honrath	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00080590	11/25/2020	47.16	Robert Givens	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00080591	11/25/2020	65.01	Mark Brinski	Employee Reimbursement
Supplier Payment	EFT	EFT-00080592	11/25/2020	2,200.00	JCI Jones Chemicals Inc	
Supplier Payment	EFT	EFT-00080593	11/25/2020	108,307.36	Clark County - Remit-To: Clark County - Treasurer Vancouver	
Supplier Payment	EFT	EFT-00080594	11/25/2020	13,565.70	Second Step Housing	
Supplier Payment	EFT	EFT-00080595	11/25/2020	5,912.73	Universal Field Services Inc	
Supplier Payment	EFT	EFT-00080596	11/25/2020	4,617.84	Fire Systems West	
Supplier Payment	EFT	EFT-00080597	11/25/2020	4,309.88	Consolidated Supply Co	
Supplier Payment	EFT	EFT-00080598	11/25/2020	16,170.39	Operations Management International Inc	
Supplier Payment	EFT	EFT-00080599	11/25/2020	7,736.60	Go Connect	
Supplier Payment	EFT	EFT-00080600	11/25/2020	2,773.12	Rapid Response Bio Clean	
Supplier Payment	EFT	EFT-00080601	11/25/2020	4,530.78	Boys and Girls Clubs of Southwest Washington	
Supplier Payment	EFT	EFT-00080602	11/25/2020	15,694.18	Otak Inc	
Supplier Payment	EFT	EFT-00080603	11/25/2020	324.00	Rotschy Inc	
Supplier Payment	EFT	EFT-00080604	11/25/2020	13,315.20	MacKay Sposito Inc	
Supplier Payment	EFT	EFT-00080605	11/25/2020	95.00	T2 Systems Inc	
Supplier Payment	EFT	EFT-00080606	11/25/2020	1,998.20	Six Degrees Inc	
Ad Hoc Payment	Check	18038	11/18/2020	49.75	Abraham,Brianna and Mohit	Utility Refunds: 0159027700-03
Ad Hoc Payment	Check	18039	11/18/2020	56.78	Ayako Pitman	Utility Refunds: 0126008450-05

INVOICE PAYMENTS REPORT

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Ad Hoc Payment	Check	18040	11/18/2020	168.00	Bassim Fanous and Riham Girgis	Utility Refunds: 0153000164-06
Ad Hoc Payment	Check	18041	11/18/2020	138.91	Bert L. & Paula R Buland	Utility Refunds 0036040600-01
Ad Hoc Payment	Check	18042	11/18/2020	1,454.60	Bethesda Church	2017 CAM fee partial refund
Ad Hoc Payment	Check	18043	11/18/2020	87.35	Bobby Chen and Ya Wen Chuang	Utility Refunds: 0124000364-02
Ad Hoc Payment	Check	18044	11/18/2020	148.28	Brian Dale and Laura Gill-Dale	Utility Refunds: 0054027382-02
Ad Hoc Payment	Check	18045	11/18/2020	58.40	Brian Power Inc	MPE-290504 refund
Ad Hoc Payment	Check	18046	11/18/2020	226.70	Carol Pickerele	Utility Refunds: 0057009600-10
Ad Hoc Payment	Check	18047	11/18/2020	272.22	Catholic Comm Services of W. Washington	2017 CAM fee partial refund
Ad Hoc Payment	Check	18048	11/18/2020	914.20	Cloudone	2017 CAM fee partial refund
Ad Hoc Payment	Check	18049	11/18/2020	55.44	Collard,Thomas	Utility Refunds: 0063089000-10
Ad Hoc Payment	Check	18050	11/18/2020	171.56	Collard,Thomas and Zoraida	Utility Refunds: 0063089000-10
Ad Hoc Payment	Check	18051	11/18/2020	490.18	Community Services Northwest	2017 CAM fee partial refund
Ad Hoc Payment	Check	18052	11/18/2020	164.38	Cool,Margaret and Steve	Utility Refunds: 0119014016-02
Ad Hoc Payment	Check	18053	11/18/2020	90.00	Court Guerri	Chris Guerri Activity Cancellation due to COVID-19
Ad Hoc Payment	Check	18054	11/18/2020	101.06	Daniel and Christine Wamsley	Utility Refunds: 0049084146-00
Ad Hoc Payment	Check	18055	11/18/2020	49.54	Deafvibe, LLC	2017 CAM fee partial refund
Ad Hoc Payment	Check	18056	11/18/2020	136.12	Depriest,Kwoeng Mi	Utility Refunds: 0126007240-01
Ad Hoc Payment	Check	18057	11/18/2020	116.65	Donna and Rick Jones	Utility Refunds: 0032061600-02
Ad Hoc Payment	Check	18058	11/18/2020	117.01	Dunham,April	Utility Refunds: 0026064800-01
Ad Hoc Payment	Check	18059	11/18/2020	21.77	Dunham,April and Ken	Utility Refunds: 0026064800-01
Ad Hoc Payment	Check	18060	11/18/2020	52.73	Dunn Trustees,Sharon and Charles	Utility Refunds: 0015049275-08
Ad Hoc Payment	Check	18061	11/18/2020	39.17	Dynamic Educational Systems, Inc	2017 CAM fee partial refund
Ad Hoc Payment	Check	18062	11/18/2020	133.10	Ella V Anderson	Utility Refunds: 0067045000-07
Ad Hoc Payment	Check	18063	11/18/2020	3.90	Ella V and Rodger G Anderson	Utility Refunds: 0067045000-07
Ad Hoc Payment	Check	18064	11/18/2020	87.58	Evanson Family Trust	Utility Refunds: 0012031302-01
Ad Hoc Payment	Check	18065	11/18/2020	277.70	Evelina Lee Crawford	Prorated 12 Mos Membership Refund
Ad Hoc Payment	Check	18066	11/18/2020	37.57	Fanous,Bassim	Utility Refunds: 0153000164-06
Ad Hoc Payment	Check	18067	11/18/2020	644.55	Farmers Insurance Company of Washington	20200615
Ad Hoc Payment	Check	18068	11/18/2020	30.71	Filip,Florian and Sofia	Utility Refunds: 0124033072-05
Ad Hoc Payment	Check	18069	11/18/2020	120.00	Forest Ridge Neighborhood Association	201112 RecycleU
Ad Hoc Payment	Check	18070	11/18/2020	534.30	GIFT SERVICES	2017 CAM fee partial refund
Ad Hoc Payment	Check	18071	11/18/2020	258.07	Gregory,Debra	Utility Refunds: 0016051300-01
Ad Hoc Payment	Check	18072	11/18/2020	133.00	Jacob M Lingo, Successor Trustee	Utility Refunds: 0115000544-01 Consolidated refund created from multiple refunds
Ad Hoc Payment	Check	18073	11/18/2020	73.30	James and Norma Pond Family Trust	Utility Refunds: 0082004100-10
Ad Hoc Payment	Check	18074	11/18/2020	187.86	Jean Gabriel and Mariana Tudor	Utility Refunds: 0165000970-02
Ad Hoc Payment	Check	18075	11/18/2020	34.86	Jeannette A and Stuart J Ward	Utility Refunds: 0109007664-02
Ad Hoc Payment	Check	18076	11/18/2020	192.00	JENNIFER SAULS	VOUCHER 2007989.030
Ad Hoc Payment	Check	18077	11/18/2020	76.00	Jennifer S Embrich Living Trust	Utility Refunds: 0500001276-01
Ad Hoc Payment	Check	18078	11/18/2020	129.00	Jones,Lisa	Utility Refunds: 0161007730-05 Consolidated refund created from multiple refunds
Ad Hoc Payment	Check	18079	11/18/2020	33.00	KATHRYN AMELL	VOUCHER 2007987.030
Ad Hoc Payment	Check	18080	11/18/2020	257.66	Kelly,Boyd and Shirley	Utility Refunds: 0055023508-05
Ad Hoc Payment	Check	18081	11/18/2020	89.18	Kelly Day	Utility Refunds: 0044081637-05
Ad Hoc Payment	Check	18082	11/18/2020	109.00	Kelly Goyer and Bill Sowers Jr	Utility Refunds: 0063800020-10
Ad Hoc Payment	Check	18083	11/18/2020	150.88	Kerri and Kandy Uhacz	Utility Refunds: 0078057591-05 Consolidated refund created from multiple refunds
Ad Hoc Payment	Check	18084	11/18/2020	155.86	Kurt Schmidt	Utility Refunds: 0017016100-02
Ad Hoc Payment	Check	18085	11/18/2020	152.42	LaCamas Insurance, Inc	2017 CAM fee partial refund
Ad Hoc Payment	Check	18086	11/18/2020	55.55	Lakeview Loan Servicing LLC	Utility Refunds: 0017063200-07

INVOICE PAYMENTS REPORT

<u>Payment Category</u>	<u>Payment Type</u>	<u>Check Number</u>	<u>Payment Date</u>	<u>Payment Amount</u>	<u>Payment Payee</u>	<u>Payment Memo if applicable</u>
Ad Hoc Payment	Check	18087	11/18/2020	56.01	Lapierre,Susan	Utility Refunds: 0097001286-04
Ad Hoc Payment	Check	18088	11/18/2020	59.30	Lindsay Personal Rep,Toni R	Utility Refunds: 0033065500-00
Ad Hoc Payment	Check	18089	11/18/2020	67.98	Lorri L Strickland	Utility Refunds: 0104300504-02
Ad Hoc Payment	Check	18090	11/18/2020	123.45	Luis Alcantar	Utility Refunds: 0090043600-24
Ad Hoc Payment	Check	18091	11/18/2020	123.45	Luis Alcantar	Utility Refunds: 0090043600-24
Ad Hoc Payment	Check	18092	11/18/2020	168.00	McElligotty,Terrence	Utility Refunds: 0161015350-03 Consolidated refund created from multiple refunds
Ad Hoc Payment	Check	18093	11/18/2020	641.00	McGavran-Ward,Debra K	Utility Refunds: 0107005080-01 Consolidated refund created from multiple refunds
Ad Hoc Payment	Check	18094	11/18/2020	235.76	Meewes,Ashley and Matthew	Utility Refunds: 0117050048-05
Ad Hoc Payment	Check	18095	11/18/2020	183.62	Melinda Robinson	CMI-290258
Ad Hoc Payment	Check	18096	11/18/2020	21.50	Michael Meyer and Sarah Hategen	Utility Refunds: 0032053000-03
Ad Hoc Payment	Check	18097	11/18/2020	169.00	Miley,Jamierose and Kyle	Utility Refunds: 0026018100-02
Ad Hoc Payment	Check	18098	11/18/2020	125.32	Morris,Christopher	Utility Refunds: 0056013002-17
Ad Hoc Payment	Check	18099	11/18/2020	327.70	NAMI Southwest Washington	2017 CAM fee partial refund
Ad Hoc Payment	Check	18100	11/18/2020	171.53	Obrien,Kelly and Jeffrey	Utility Refunds: 0118015250-05
Ad Hoc Payment	Check	18101	11/18/2020	69.73	Paul Gornitzka	Utility Refunds: 0040063500-17
Ad Hoc Payment	Check	18102	11/18/2020	20.00	PCS	Lance/Amy Howard (cust #17614; Inv #99405538)
Ad Hoc Payment	Check	18103	11/18/2020	50.00	PCS	7202400289 Hyundai Lease \$50
Ad Hoc Payment	Check	18104	11/18/2020	92.27	Pegalabree Profit Sharing Plan and Trust	Utility Refunds: 0015049275-08
Ad Hoc Payment	Check	18105	11/18/2020	48.72	Phelan,Kimberly	Utility Refunds: 0020012700-07
Ad Hoc Payment	Check	18106	11/18/2020	67.48	Posey,Darius and Constance	Utility Refunds: 0124000100-06
Ad Hoc Payment	Check	18107	11/18/2020	175.00	Robert and Kami Cozzi	Utility Refunds: 0097001574-03
Ad Hoc Payment	Check	18108	11/18/2020	160.00	Ross Dress For Less #147	refund overpmt alarm
Ad Hoc Payment	Check	18109	11/18/2020	219.49	Russell,Robert and Diane	Utility Refunds: 0127011210-01
Ad Hoc Payment	Check	18110	11/18/2020	20.00	Salon Birch	refund overpmt alarm
Ad Hoc Payment	Check	18111	11/18/2020	534.30	Sea Mar Community Health	2017 CAM fee partial refund
Ad Hoc Payment	Check	18112	11/18/2020	75.84	Sharon Christopherson	Utility Refunds: 0002000111-02
Ad Hoc Payment	Check	18113	11/18/2020	241.74	Smith,Kimberly	Utility Refunds: 0057092000-04
Ad Hoc Payment	Check	18114	11/18/2020	163.71	Spiekerman,Mitchell and Shana	Utility Refunds: 0036044000-11
Ad Hoc Payment	Check	18115	11/18/2020	95.81	The Miller Living Trust	Utility Refunds: 0146002920-02
Ad Hoc Payment	Check	18116	11/18/2020	227.63	Tonya J Lundsgaarde	Utility Refunds: 0012034950-04
Ad Hoc Payment	Check	18117	11/18/2020	135.86	Tyler,Todd	Utility Refunds: 0019038300-09
Ad Hoc Payment	Check	18118	11/18/2020	49.83	Virgin,Tenaya and Veanne	Utility Refunds: 0117052158-01
Ad Hoc Payment	Check	18119	11/18/2020	75.00	Wade Stewart	Utility Refunds: 0500001276-01
Ad Hoc Payment	Check	18120	11/18/2020	65.51	Watman,Sandra	Utility Refunds: 0134002510-01
Ad Hoc Payment	Check	18121	11/18/2020	29.54	Wendy Lee Scott	Utility Refunds: 0099090035-02
Ad Hoc Payment	Check	18122	11/18/2020	486.50	Yang Em	Utility Refunds: 0118014062-01 Consolidated refund created from multiple refunds
Supplier Payment	Check	18123	11/18/2020	5,182.00	Accenture LLP	
Supplier Payment	Check	18124	11/18/2020	247.00	Accurate Corporate Services Inc	
Supplier Payment	Check	18125	11/18/2020	8,490.00	Allegis Group Holdings Inc - Remit-To: TekSystems Inc - Atlanta	
Supplier Payment	Check	18126	11/18/2020	121.80	American Sani-Can	
Supplier Payment	Check	18127	11/18/2020	1,869.91	Anderson Glass Co	
Supplier Payment	Check	18128	11/18/2020	450.47	Annas Consultants Inc	
Supplier Payment	Check	18129	11/18/2020	4,498.35	Annuncio Corporation	
Supplier Payment	Check	18130	11/18/2020	151,739.95	APGN Inc	
Supplier Payment	Check	18131	11/18/2020	239.92	Aramark Uniform & Career Apparel LLC - Remit-To: Aramark - Pasadena	
Supplier Payment	Check	18132	11/18/2020	875.00	Arborscape Ltd Inc	

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Supplier Payment	Check	18133	11/18/2020	3,197.58	Avaya Inc - Remit-To: Avaya New York	
Supplier Payment	Check	18134	11/18/2020	7,804.80	Bloomberg Finance LP - Remit-To: Bloomberg - Boston	
Supplier Payment	Check	18135	11/18/2020	5,856.85	Bound Tree Medical LLC	
Supplier Payment	Check	18136	11/18/2020	3,106.80	Broadcast Pix	
Supplier Payment	Check	18137	11/18/2020	250.00	BSK Associates - Remit-To: Supplier BSK Associates	
Supplier Payment	Check	18138	11/18/2020	225.00	Bullard Law P. L.	
Supplier Payment	Check	18139	11/18/2020	3,860.00	Cascadia Consulting Group Inc	
Supplier Payment	Check	18140	11/18/2020	1,228.83	Cellco Partnership - Remit-To: Cellco - Dallas	
Supplier Payment	Check	18141	11/18/2020	63,627.55	Century West Engineering Corp	
Supplier Payment	Check	18142	11/18/2020	125,630.86	CH2M Hill Engineers Inc - Remit-To: CH2M Hill Engineers Inc - Bellevue	
Supplier Payment	Check	18143	11/18/2020	30,413.80	CH2M Hill Inc - Remit-To: CH2M - Dallas	
Supplier Payment	Check	18144	11/18/2020	42.98	Clark Public Utility District No. 1	
Supplier Payment	Check	18145	11/18/2020	330.13	Clark Public Utility District No. 1	
Supplier Payment	Check	18146	11/18/2020	1,815.94	Clark Public Utility District No. 1	
Supplier Payment	Check	18147	11/18/2020	28.16	Clark Public Utility District No. 1	
Supplier Payment	Check	18148	11/18/2020	881.73	Clark Public Utility District No. 1	
Supplier Payment	Check	18149	11/18/2020	375.83	Clark Public Utility District No. 1	
Supplier Payment	Check	18150	11/18/2020	880.05	Clark Public Utility District No. 1	
Supplier Payment	Check	18151	11/18/2020	850.20	Clark Public Utility District No. 1	
Supplier Payment	Check	18152	11/18/2020	626.34	Code Publishing Co	
Supplier Payment	Check	18153	11/18/2020	1,203.24	Columbia Cascade Company	
Supplier Payment	Check	18154	11/18/2020	48,091.66	Columbia Ford Inc	
Supplier Payment	Check	18155	11/18/2020	17,268.73	Columbia Resource Company	
Supplier Payment	Check	18156	11/18/2020	114.90	Comcast Holdings Corporation - Remit-To: Comcast Business - City of Industry	
Supplier Payment	Check	18157	11/18/2020	241.10	Comcast Holdings Corporation - Remit-To: Comcast Business - City of Industry	
Supplier Payment	Check	18158	11/18/2020	109.90	Comcast Holdings Corporation - Remit-To: Comcast Business - City of Industry	
Supplier Payment	Check	18159	11/18/2020	109.90	Comcast Holdings Corporation - Remit-To: Comcast Business - City of Industry	
Supplier Payment	Check	18160	11/18/2020	108.27	Comcast Holdings Corporation - Remit-To: Comcast Business - City of Industry	
Supplier Payment	Check	18161	11/18/2020	188.27	Comcast Holdings Corporation - Remit-To: Comcast Business - City of Industry	
Supplier Payment	Check	18162	11/18/2020	344.99	Corporate Translation Services Inc	
Supplier Payment	Check	18163	11/18/2020	2,946.17	CUES Inc - Remit-To: CUES Inc - Cincinnati	
Supplier Payment	Check	18164	11/18/2020	15,643.88	DSK Culturally Responsive Educational Services LLC	
Supplier Payment	Check	18165	11/18/2020	97.57	DSU Peterbilt & GMC Inc	
Supplier Payment	Check	18166	11/18/2020	2,810.68	Eagle Newspaper Inc	
Supplier Payment	Check	18167	11/18/2020	14,718.16	Epic Land Solutions Inc	
Supplier Payment	Check	18168	11/18/2020	275.00	ERF Company Inc	
Supplier Payment	Check	18169	11/18/2020	850.00	Eric Thomas Lanciault	
Supplier Payment	Check	18170	11/18/2020	850.00	Examworks Inc	
Supplier Payment	Check	18171	11/18/2020	2,500.00	Exigy LLC	
Supplier Payment	Check	18172	11/18/2020	5,812.17	Ferguson Enterprises - Remit-To: Ferguson - Dallas	
Supplier Payment	Check	18173	11/18/2020	1,893.98	Genuine Parts Company - Remit-To: NAPA - Los Angeles	

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Supplier Payment	Check	18174	11/18/2020	1,243.61	Gray & Osborne Inc	
Supplier Payment	Check	18175	11/18/2020	2,664.00	H&H Wood Recyclers	
Supplier Payment	Check	18176	11/18/2020	3,762.45	Harper Houf Peterson Righellis Inc	
Supplier Payment	Check	18177	11/18/2020	1,670.80	Invintus Media LLC	
Supplier Payment	Check	18178	11/18/2020	1,626.00	Jamestown Networks	
Supplier Payment	Check	18179	11/18/2020	32,218.00	Jay Ostermiller	
Supplier Payment	Check	18180	11/18/2020	1,050.00	Jensen Hughes Inc	
Supplier Payment	Check	18181	11/18/2020	360.00	Julia Thornton Investigative & Consulting Services	
Supplier Payment	Check	18182	11/18/2020	2,103.75	Keller Associates Inc	
Supplier Payment	Check	18183	11/18/2020	103,934.99	King County Directors Association Purchasing Department	
Supplier Payment	Check	18184	11/18/2020	1,932.18	Kittelson & Associates Inc	
Supplier Payment	Check	18185	11/18/2020	1,084.00	Kurita America Inc - Remit-To: US Water - Minneapolis	
Supplier Payment	Check	18186	11/18/2020	4,009.72	Lasko Printing Specialties Inc	
Supplier Payment	Check	18187	11/18/2020	25,345.10	LSW Architects PC	
Supplier Payment	Check	18188	11/18/2020	3,125.00	Man's Best Friend Inc	
Supplier Payment	Check	18189	11/18/2020	151.76	Mark IV Enterprises Inc	
Supplier Payment	Check	18190	11/18/2020	167.50	Marquam Group LTD	
Supplier Payment	Check	18191	11/18/2020	310.18	Mather and Sons Pump Service Inc	
Supplier Payment	Check	18192	11/18/2020	1,842.61	McFarlanes Bark Inc	
Supplier Payment	Check	18193	11/18/2020	4,499.81	Municipal Emergency Services Inc - Remit-To: Municipal Emergency Services - Chicago	
Supplier Payment	Check	18194	11/18/2020	12,696.65	Murray Smith Inc	
Supplier Payment	Check	18195	11/18/2020	71.88	Northwest Cascade Inc	
Supplier Payment	Check	18196	11/18/2020	6,397.47	Northwest Natural Gas Company - Remit-To: NW Natural - Portland	
Supplier Payment	Check	18197	11/18/2020	780.48	Pacific Safety Supply Inc	
Supplier Payment	Check	18198	11/18/2020	45.00	Parkeon	
Supplier Payment	Check	18199	11/18/2020	910.56	Portland Mechanical Construction LLC	
Supplier Payment	Check	18200	11/18/2020	24,997.28	PPC Solutions Inc	
Supplier Payment	Check	18201	11/18/2020	1,029.80	Projects NW LLC	
Supplier Payment	Check	18202	11/18/2020	4,292.75	Quick Caption Inc	
Supplier Payment	Check	18203	11/18/2020	3,280.00	Rigert Landscaping Co	
Supplier Payment	Check	18204	11/18/2020	746.25	Salazar Architect Inc	
Supplier Payment	Check	18205	11/18/2020	7,300.00	Saul Valencia	
Supplier Payment	Check	18206	11/18/2020	995.96	Software House International SHI - Remit-To: SHI - Dallas	
Supplier Payment	Check	18207	11/18/2020	26,400.00	Southwest Washington Humane Society	
Supplier Payment	Check	18208	11/18/2020	9,700.00	Stephen Floyd	
Supplier Payment	Check	18209	11/18/2020	31.08	Stericycle Inc	
Supplier Payment	Check	18210	11/18/2020	476.30	Synergy Litigation Support Services Inc - Remit-To: Synergy Legal	
Supplier Payment	Check	18211	11/18/2020	861.78	Towing & Recovering Services Inc	
Supplier Payment	Check	18212	11/18/2020	1,185.00	Triangle Resources Inc	
Supplier Payment	Check	18213	11/18/2020	663.95	Triple J Enterprises	
Supplier Payment	Check	18214	11/18/2020	490.00	Urgent Medical Center	
Supplier Payment	Check	18215	11/18/2020	29.42	US Bank National Association - Remit-To: Voyager Fleet Systems Inc	
Supplier Payment	Check	18216	11/18/2020	379.40	Vancouver Granite Works Inc	
Supplier Payment	Check	18217	11/18/2020	229.00	Vast Data Concepts	

*Please contact Procurement Services if you would like to review the justification for EMERGENCY procurement.

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Supplier Payment	Check	18218	11/18/2020	390.24	Walter E Nelson Company	
Supplier Payment	Check	18219	11/18/2020	6,739.26	Wapiti NW LLC	
Supplier Payment	Check	18220	11/18/2020	21,180.00	Waste Connections of Washington - Remit-To: Waste Connections - Vancouver	
Supplier Payment	Check	18221	11/18/2020	1,285.19	Wesco Distribution Inc	
Supplier Payment	Check	18222	11/18/2020	15,288.00	West Coast Coating Consultants LLC	
Supplier Payment	Check	18223	11/18/2020	4,374.14	Wire Works LLC	
Supplier Payment	Check	18224	11/18/2020	900.45	WSP USA Inc. - Remit-To: WSP USA Inc. Dallas	
Supplier Payment	Check	18225	11/18/2020	142.76	XPO Logistics Enterprise Services, Inc - Remit-To: XPO - Portland	
Supplier Payment	Check	18226	11/18/2020	875.50	Yakima County	
Supplier Payment	Check	18227	11/18/2020	2,282.68	Zayo Group Holding Inc - Remit-To: Zayo Group Holding Inc	
Supplier Payment	Check	18228	11/18/2020	55,792.00	Angelo Property CO., LP	
Supplier Payment	Check	18229	11/18/2020	979.00	Broadway Investors LLC	
Supplier Payment	Check	18230	11/18/2020	9,785.79	Brown & Wilson Partnership LLC	
Supplier Payment	Check	18231	11/18/2020	441,812.35	Clark Public Utility District No. 1	
Supplier Payment	Check	18232	11/18/2020	32,972.12	Life Insurance Company of North America	
Supplier Payment	Check	18233	11/18/2020	500.00	Nagra & Atwal Corporation	
Supplier Payment	Check	18234	11/18/2020	4,365.34	National Park Service	
Supplier Payment	Check	18235	11/18/2020	1,433.63	Northwest Natural Gas Company - Remit-To: NW Natural - Portland	
Supplier Payment	Check	18236	11/18/2020	2,924.73	Northwest Staffing Resources Inc - Remit-To: NW Staffing - Portland	
Supplier Payment	Check	18237	11/18/2020	50.80	State of Washington Department of Labor & Industries - Remit-To: State of WA LNI - Boiler Pressure Vessel	
Supplier Payment	Check	18238	11/18/2020	87,431.89	State of Washington Department of Labor and Industries	
Supplier Payment	Check	18239	11/18/2020	1,721.00	Summit Law Group	
Supplier Payment	Check	18240	11/18/2020	891.50	The Doty Group, P.S.	
Supplier Payment	Check	18241	11/18/2020	38.04	United Parcel Service	
Supplier Payment	Check	18242	11/18/2020	600.00	United States Postal Service - Remit-To: United States Postal Service Caples	
Supplier Payment	Check	18243	11/18/2020	2,049.85	Waste Connections of Washington - Remit-To: Waste Connections - Vancouver	
Supplier Payment	Check	18244	11/25/2020	8,623.65	Aflac	
Supplier Payment	Check	18245	11/25/2020	5,119.33	AFSCME Local #307	
Supplier Payment	Check	18246	11/25/2020	1,150.00	Chapter 13 - Trustee	
Supplier Payment	Check	18247	11/25/2020	22,491.85	IAFF Local #452	
Supplier Payment	Check	18248	11/25/2020	682.50	IAM Local #1374	
Supplier Payment	Check	18249	11/25/2020	8,457.84	Life Insurance Company of North America	
Supplier Payment	Check	18250	11/25/2020	575.00	MFS Service Center Inc	
Supplier Payment	Check	18251	11/25/2020	4,268.06	OPEIU Local #11	
Supplier Payment	Check	18252	11/25/2020	25.00	OPEIU Local #11	
Supplier Payment	Check	18253	11/25/2020	576.00	Teamsters Local #58	
Supplier Payment	Check	18254	11/25/2020	297.50	UA Local #290	
Supplier Payment	Check	18255	11/25/2020	890.97	United Way of the Columbia Willamette	
Supplier Payment	Check	18256	11/25/2020	899.40	Vancouver Command Guild	
Supplier Payment	Check	18257	11/25/2020	10,659.54	Vancouver Police Officer Guild	
Supplier Payment	Check	18258	11/25/2020	2,402.40	Western Conference of Teamsters	

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Supplier Payment	Check	18259	11/25/2020	1,040.00	Western Metal Industry Pension Plan	
Ad Hoc Payment	Check	18260	11/24/2020	108.35	Aaron Hittle	Utility Refunds: 0000004358-03
Ad Hoc Payment	Check	18261	11/24/2020	30.85	Aila Wallace and Gregory Harvey	Utility Refunds: 0003001400-26
Ad Hoc Payment	Check	18262	11/24/2020	192.00	Amelia Francisco	Swim lesson refund due to facility closure
Ad Hoc Payment	Check	18263	11/24/2020	413.02	Amplified Wireless SLTNS Inc	FRI-277151 refund
Ad Hoc Payment	Check	18264	11/24/2020	27.72	ANDREA HERTZEL	VOUCHER 2007992.030
Ad Hoc Payment	Check	18265	11/24/2020	128.00	Asaka Hiraoka	Swim lesson refund due to facility closure
Ad Hoc Payment	Check	18266	11/24/2020	101.03	ASHLEY E RUDOLPH	Check 584993 reissue
Ad Hoc Payment	Check	18267	11/24/2020	256.00	ASHLEY VANNORMAN	Swim lesson refund due to facility closure
Ad Hoc Payment	Check	18268	11/24/2020	96.00	Becky Calvert	Swim lesson refund due to facility closure
Ad Hoc Payment	Check	18269	11/24/2020	1,207.29	Bobby Carpenter	RES-289779 refund
Ad Hoc Payment	Check	18270	11/24/2020	192.00	Caitlin MacArthur	Swim lesson refund due to facility closure
Ad Hoc Payment	Check	18271	11/24/2020	96.00	Carol Kanda	Swim lesson refund due to facility closure
Ad Hoc Payment	Check	18272	11/24/2020	74.00	Christine Donaugh	Utility Refunds: 0000006760-01
Ad Hoc Payment	Check	18273	11/24/2020	201.73	Cornerstone Hardscapes	RES-270980 refund
Ad Hoc Payment	Check	18274	11/24/2020	116.16	David Roush	Utility Refunds: 0000004673-02
Ad Hoc Payment	Check	18275	11/24/2020	32.00	Denise Oliver	Swim lesson refund due to facility closure
Ad Hoc Payment	Check	18276	11/24/2020	79.36	Ellen Scheppach	Utility Refunds: 0000005118-03
Ad Hoc Payment	Check	18277	11/24/2020	147.00	Erika Anderson-Neu	Swim lesson refund due to facility closure
Ad Hoc Payment	Check	18278	11/24/2020	16.83	EVERGREEN PUBLIC SCHOOLS	VOUCHER 2007991.030
Ad Hoc Payment	Check	18279	11/24/2020	128.00	Hannah Mosebach	Swim lesson refund due to facility closure
Ad Hoc Payment	Check	18280	11/24/2020	96.00	Hattie Nosko	Swim lesson refund due to facility closure
Ad Hoc Payment	Check	18281	11/24/2020	60.07	Henry Hillig	Utility Refunds: 0000007156-01
Ad Hoc Payment	Check	18282	11/24/2020	150.36	Ilya and Nadezhda Styopin and,Alekandr Izoita	Utility Refunds: 0076077800-04
Ad Hoc Payment	Check	18283	11/24/2020	60.19	Jaime L Luse and Andrew M Chavanu	Utility Refunds: 0000008291-02
Ad Hoc Payment	Check	18284	11/24/2020	231.00	James Lee	Utility Refunds: 0000008863-02
Ad Hoc Payment	Check	18285	11/24/2020	192.00	Janet Moskop	Swim lesson refund due to facility closure
Ad Hoc Payment	Check	18286	11/24/2020	81.88	Janine L Pierson	Utility Refunds: 0129001094-09
Ad Hoc Payment	Check	18287	11/24/2020	184.94	Jason Bodine	Utility Refunds: 0000006701-02
Ad Hoc Payment	Check	18288	11/24/2020	192.00	Jennifer Evans	Swim lesson refund due to facility closure
Ad Hoc Payment	Check	18289	11/24/2020	32.04	Jennifer Hernandez	Utility Refunds: 0000005851-03
Ad Hoc Payment	Check	18290	11/24/2020	36.67	Jennifer Raetz	Swim lesson refund due to facility closure
Ad Hoc Payment	Check	18291	11/24/2020	276.72	Josh and Su Ji Adams	Utility Refunds: 0000005301-03
Ad Hoc Payment	Check	18292	11/24/2020	378.00	Josiah and Lorinda Ruth	Utility Refunds: 0000004031-02
Ad Hoc Payment	Check	18293	11/24/2020	96.00	Karen Wolcott	Swim lesson refund due to facility closure
Ad Hoc Payment	Check	18294	11/24/2020	32.00	Karina Crumrine	Swim lesson refund due to facility closure
Ad Hoc Payment	Check	18295	11/24/2020	110.00	Katherine Gardner	Swim lesson refund due to facility closure
Ad Hoc Payment	Check	18296	11/24/2020	96.00	Kevin Morgan	Swim lesson refund due to facility closure
Ad Hoc Payment	Check	18297	11/24/2020	112.38	Keys Limited Partnership -Cindy Dawson	Utility Refunds: 0041010730-10
Ad Hoc Payment	Check	18298	11/24/2020	64.00	Kim Pitzer	Swim lesson refund due to facility closure
Ad Hoc Payment	Check	18299	11/24/2020	64.00	Laura O'Neill	Swim lesson refund due to facility closure
Ad Hoc Payment	Check	18300	11/24/2020	30.32	Lopez,Amy and Carlos	Utility Refunds: 0015047601-05
Ad Hoc Payment	Check	18301	11/24/2020	157.00	Lupe Alvarez, Trustee	Utility Refunds: 0005029000-03
Ad Hoc Payment	Check	18302	11/24/2020	35.23	Margaret Pera	Utility Refunds: 0000004813-02
Ad Hoc Payment	Check	18303	11/24/2020	107.78	Maria M Fogg	Utility Refunds: 0122006660-03
Ad Hoc Payment	Check	18304	11/24/2020	36.67	Mark Banwarth	Swim lesson refund due to facility closure
Ad Hoc Payment	Check	18305	11/24/2020	128.00	Matt Hermen	Swim lesson refund due to facility closure
Ad Hoc Payment	Check	18306	11/24/2020	32.00	MAYA MITTS	VOUCHER 2007993.030
Ad Hoc Payment	Check	18307	11/24/2020	128.00	Miho Oe	Swim lesson refund due to facility closure

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Ad Hoc Payment	Check	18308	11/24/2020	110.00	Nathan Treisch	Swim lesson refund due to facility closure
Ad Hoc Payment	Check	18309	11/24/2020	11,136.00	National League of Cities	Inv #170837
Ad Hoc Payment	Check	18310	11/24/2020	2,495.00	New Tradition Homes Inc	WTR-284139 refund
Ad Hoc Payment	Check	18311	11/24/2020	25.00	PCS	7201704770 David Platt
Ad Hoc Payment	Check	18312	11/24/2020	60.00	PCS	Umpqua Bank- Cascade Park (cust #12489; inv #99387806/99381431/99399748)
Ad Hoc Payment	Check	18313	11/24/2020	351.27	PLS Engineering	ENG-80007 refund
Ad Hoc Payment	Check	18314	11/24/2020	64.00	Rachael Campbell	Swim lesson refund due to facility closure
Ad Hoc Payment	Check	18315	11/24/2020	220.00	Rachel Blomgren	Swim lesson refund due to facility closure
Ad Hoc Payment	Check	18316	11/24/2020	110.00	Rebecca Moldenhauer	Swim lesson refund due to facility closure
Ad Hoc Payment	Check	18317	11/24/2020	96.00	Rebekah Hetrick	Swim lesson refund due to facility closure
Ad Hoc Payment	Check	18318	11/24/2020	59.08	Rhonda Kuykendall	Utility Refunds: 0115000706-04
Ad Hoc Payment	Check	18319	11/24/2020	128.00	Roderick McCallum	Swim lesson refund due to facility closure
Ad Hoc Payment	Check	18320	11/24/2020	20.00	Rodger/Lorie Lewis	refund over pmt alarm
Ad Hoc Payment	Check	18321	11/24/2020	33.63	Sally and Frank Antonovich	Utility Refunds: 0000004672-02
Ad Hoc Payment	Check	18322	11/24/2020	235.00	Sheryl K Schwartz	Utility Refunds: 0118015226-01 Consolidated refund created from multiple refunds
Ad Hoc Payment	Check	18323	11/24/2020	65.21	Solgen Power LLC	MPE-290898 refund
Ad Hoc Payment	Check	18324	11/24/2020	110.00	Stephanie Platt	Swim lesson refund due to facility closure
Ad Hoc Payment	Check	18325	11/24/2020	168.37	Tanya and Vladimr Grizhinku	Utility Refunds: 0000003877-04
Ad Hoc Payment	Check	18326	11/24/2020	61.52	The Management Group	Utility Refunds: 0000008979-02
Ad Hoc Payment	Check	18327	11/24/2020	138.00	Thomas Bolton	Utility Refunds: 0000008979-02
Supplier Payment	Check	18328	11/24/2020	5,422.63	Abatement Services Inc.	
Supplier Payment	Check	18329	11/24/2020	116,074.18	Advanced Excavating Specialists LLC	
Supplier Payment	Check	18330	11/24/2020	8,176.18	Advantel Incorporated	
Supplier Payment	Check	18331	11/24/2020	92.58	Airgas, Inc	
Supplier Payment	Check	18332	11/24/2020	8,535.00	Allegis Group Holdings Inc - Remit-To: TekSystems Inc - Atlanta	
Supplier Payment	Check	18333	11/24/2020	257.50	Amex Products Inc	
Supplier Payment	Check	18334	11/24/2020	81.69	Aramark Uniform & Career Apparel LLC - Remit-To: Aramark - Pasadena	
Supplier Payment	Check	18335	11/24/2020	2,802.76	Arborscape Ltd Inc	
Supplier Payment	Check	18336	11/24/2020	8,845.00	Barran Liebman LLP	
Supplier Payment	Check	18337	11/24/2020	680.75	Bike Clark County	
Supplier Payment	Check	18338	11/24/2020	62,700.40	Brightview Holdings Inc	
Supplier Payment	Check	18339	11/24/2020	20,242.50	Bullard Law P. L.	
Supplier Payment	Check	18340	11/24/2020	45,884.64	Cascade Fire Equipment	
Supplier Payment	Check	18341	11/24/2020	23,668.12	CECO Inc	
Supplier Payment	Check	18342	11/24/2020	1,969.68	Chicago Title Company of WA	
Supplier Payment	Check	18343	11/24/2020	249.42	Clark County Title Company	
Supplier Payment	Check	18344	11/24/2020	17,000.00	Columbia Springs	
Supplier Payment	Check	18345	11/24/2020	333.25	Courier Northwest	
Supplier Payment	Check	18346	11/24/2020	5,947.50	Davidson Benefits Planning	
Supplier Payment	Check	18347	11/24/2020	1,498.71	Distinctive Landscape LLC	
Supplier Payment	Check	18348	11/24/2020	360.00	El Latino De Hoy Newspaper	
Supplier Payment	Check	18349	11/24/2020	2,966.43	Enviro-Clean Equipment Inc	
Supplier Payment	Check	18350	11/24/2020	365.16	Ferguson Enterprises - Remit-To: Ferguson - Dallas	
Supplier Payment	Check	18351	11/24/2020	61,100.00	Fort Vancouver Regional Libraries	
Supplier Payment	Check	18352	11/24/2020	1,916.43	Gallagher Bassett Services Inc	
Supplier Payment	Check	18353	11/24/2020	34.00	Gilbarco Veeder-Root	

INVOICE PAYMENTS REPORT

<u>Payment Category</u>	<u>Payment Type</u>	<u>Check Number</u>	<u>Payment Date</u>	<u>Payment Amount</u>	<u>Payment Payee</u>	<u>Payment Memo if applicable</u>
Supplier Payment	Check	18354	11/24/2020	20,841.55	Gray & Osborne Inc	
Supplier Payment	Check	18355	11/24/2020	7,328.82	Halbert Construction Services LLC	
Supplier Payment	Check	18356	11/24/2020	5,356.68	H D Fowler Company Inc	
Supplier Payment	Check	18357	11/24/2020	749.12	Herren Printing Co	
Supplier Payment	Check	18358	11/24/2020	12,778.75	Herrera Environmental Consultants Inc	
Supplier Payment	Check	18359	11/24/2020	14,335.68	Janus Youth Programs Inc	
Supplier Payment	Check	18360	11/24/2020	432.00	Julia Thornton Investigative & Consulting Services	
Supplier Payment	Check	18361	11/24/2020	11,190.00	Kearns & West Inc	
Supplier Payment	Check	18362	11/24/2020	15,933.50	Keating Bucklin & McCormack Inc PS	
Supplier Payment	Check	18363	11/24/2020	4,560.00	Lee Weinstein	
Supplier Payment	Check	18364	11/24/2020	3,589.64	Linguava Interpreters Inc	
Supplier Payment	Check	18365	11/24/2020	55,042.27	LP-USA LLC	
Supplier Payment	Check	18366	11/24/2020	505.00	Marquam Group LTD	
Supplier Payment	Check	18367	11/24/2020	19,378.15	McFarlanes Bark Inc	
Supplier Payment	Check	18368	11/24/2020	5,456.55	Municipal Emergency Services Inc - Remit-To: Municipal Emergency Services - Chicago	
Supplier Payment	Check	18369	11/24/2020	30,825.38	Nelson Nygaard Consulting Associates Inc - Remit-To: Nelson Nygaard Consulting Associates Inc	
Supplier Payment	Check	18370	11/24/2020	63.88	Northwest Cascade Inc	
Supplier Payment	Check	18371	11/24/2020	362.73	Otis Elevator	
Supplier Payment	Check	18372	11/24/2020	175.00	Porter W Yett Company	
Supplier Payment	Check	18373	11/24/2020	2,987.87	Portland Adventist Medical Center	
Supplier Payment	Check	18374	11/24/2020	441.19	Rentokil North America Inc	
Supplier Payment	Check	18375	11/24/2020	4,085.38	S&B Inc	
Supplier Payment	Check	18376	11/24/2020	2,500.00	Seanette Corkill	
Supplier Payment	Check	18377	11/24/2020	85.90	Shred It USA LLC	
Supplier Payment	Check	18378	11/24/2020	591.62	SME Solutions LLC	
Supplier Payment	Check	18379	11/24/2020	13,574.59	Software House International SHI - Remit-To: SHI - Dallas	
Supplier Payment	Check	18380	11/24/2020	7,272.11	Stantec Consulting Services Inc - Remit-To: Stantec - Chicago	
Supplier Payment	Check	18381	11/24/2020	3,506.84	The Salvation Army	
Supplier Payment	Check	18382	11/24/2020	1,352.24	Towing & Recovering Services Inc	
Supplier Payment	Check	18383	11/24/2020	800.00	Treewise LLC	
Supplier Payment	Check	18384	11/24/2020	589.97	Triple J Enterprises	
Supplier Payment	Check	18385	11/24/2020	22,595.24	Vancouver Downtown Association	
Supplier Payment	Check	18386	11/24/2020	243.90	Vancouver Granite Works Inc	
Supplier Payment	Check	18387	11/24/2020	10,925.44	Waste Connections of Washington - Remit-To: Waste Connections - Vancouver	
Supplier Payment	Check	18388	11/24/2020	1,543.56	Waste Management - Remit-To: Waste Management Los Angeles	
Supplier Payment	Check	18389	11/24/2020	40,315.84	Wilson Oil Inc	
Supplier Payment	Check	18390	11/24/2020	7,563.35	Xchange Recovery	
Supplier Payment	Check	18391	11/24/2020	2,309.45	Zenner Performance	
Supplier Payment	Check	18392	11/24/2020	8,696.13	Esther Short Commons LLP	
Supplier Payment	Check	18393	11/24/2020	2,865.22	Northwest Staffing Resources Inc - Remit-To: NW Staffing - Portland	
Supplier Payment	Check	18394	11/24/2020	432.00	Owings Lewis LLC	
Supplier Payment	Check	18395	11/24/2020	12,378.75	Pacifica Law Group LLP	

INVOICE PAYMENTS REPORT

<u>Payment Category</u>	<u>Payment Type</u>	<u>Check Number</u>	<u>Payment Date</u>	<u>Payment Amount</u>	<u>Payment Payee</u>	<u>Payment Memo if applicable</u>
Supplier Payment	Check	18396	11/24/2020	28,335.63	Port of Vancouver USA - Remit-To: Supplier Port of Vancouver	
Supplier Payment	Check	18397	11/24/2020	10,183.64	Qwest Corp - Remit-To: Qwest Corp- Seattle	
Supplier Payment	Check	18398	11/24/2020	14.45	United Parcel Service	
Supplier Payment	Check	18399	11/24/2020	8,627.33	Waste Connections of Washington - Remit-To: Waste Connections - Vancouver	
Supplier Payment	Check	18400	11/24/2020	108.00	Willis Towers Watson Insurance Services West inc	
Supplier Payment	Check	18401	11/24/2020	40.69	Ziply Fiber	
Ad Hoc Payment	Check	18402	11/24/2020	1,496.56	Russell Nail	201024 interview reimbursement
			SUBTOTAL	7,414,080.44		
Hansen			11/23/2020	2,467.51	City Payments	Posted 11-16-20 to 11-22-20
Hansen			11/30/2020	23,409.89	City Payments	Posted 11-23-20 to 11-29-20
			SUBTOTAL	25,877.40		
Visa			11/24/2020	201.67	Miscellaneous	Parks Class Refunds - FCC 11-16-20 to 11-22-20
Visa			11/24/2020	134.20	Miscellaneous	Parks Class Refunds - MCC 11-16-20 to 11-22-20
Visa			11/24/2020	0.00	Miscellaneous	Parks Class Refunds - Special Events 11-16-20 to 11-22-20
Visa			11/24/2020	0.00	Miscellaneous	Parks Class Refunds - WREC 11-16-20 to 11-22-20
Visa			11/24/2020	0.00	Miscellaneous	Parks Class Refunds - FCC 11-23-20 to 11-29-20
Visa			11/24/2020	0.00	Miscellaneous	Parks Class Refunds - MCC 11-23-20 to 11-29-20
Visa			11/24/2020	0.00	Miscellaneous	Parks Class Refunds - Special Events 11-23-20 to 11-29-20
Visa			11/24/2020	0.00	Miscellaneous	Parks Class Refunds - WREC 11-23-20 to 11-29-20
			SUBTOTAL	335.87		
			TOTAL	7,440,293.71		

City of Vancouver
Payroll Council Report
November 17, 2020 - November 30, 2020

[illegible]

\$ 3,088,207.49



Staff Report 183-20

TO: Mayor and City Council

FROM: Eric Holmes, City Manager

DATE: 12/7/2020

SUBJECT Surplus of Utility owned property - LM Shotwell LLC

Key Points

- The City owns a parcel of real property assigned Clark County assessor parcel number 29333-000 ("the City Property"), which is used for a stormwater detention pond. The parcel measures 25,700 square feet.
- The adjacent land owner has been maintaining a portion of the parcel (5,817 square feet) for many years.
- Sometime in the past, the City placed a 6-foot cyclone fence on the property that has been assumed to be the property line by both parties, which then provided for the unintentional encroachment on the City Property by the adjacent landowner.
- As a means of settling this matter, City staff and the adjacent property owner have discussed a potential boundary line adjustment and sale of real property.
- City staff has determined that the 5,817 square-feet of real property on which the adjacent property owner encroached is surplus to the City's needs and is not necessary for utility purposes.

Strategic Plan Alignment

N/A

Present Situation

The property proposed for surplus is 5,817 square-feet section of land ("subject property") that is part of an approximately 0.59-acre parcel that houses a stormwater detention pond. The subject property is not used by the City of Vancouver for utility or other municipal purposes.

Upon purchase of the property several decades ago, the City of Vancouver placed a 6-foot cyclone fence on the property. The alignment of this fence has been assumed to be the boundary line of the property for many years. This assumption by both parties has provided for unintentional encroachment by the adjacent landowner. As a result of continued assumption of the fence as the property boundary, the adjacent landowner has maintained the 5,817 square-feet of

property for several decades.

The City will reserve a maintenance easement for a storm sewer outfall to Burnt Bridge Creek. The City will also retain an emergency access and maintenance easement over the entire 5,817 square feet so that the City can respond in the event of an emergency such as a blocked stream causing flooding or to access the creek as may be needed for other purposes.

The Interim Director of Public Works has determined that the subject property is not needed for public utility purposes and cannot be put to another municipal use by the City of Vancouver. The City has been in discussions with the adjacent property owner regarding the encroachment. City staff would like to settle the matter by executing a boundary line adjustment and sale of the subject property as follows: (1) adjust the boundary line so that the subject property is incorporated into the neighboring parcel, (2) City of Vancouver to maintain access and maintenance easement over entire parcel being declared surplus and, (3) receive payment for the real property, which is 5,817 square feet. Fair market value was determined to be \$6.30/square foot for surrounding developable parcels. Then a 70% discount was applied to account for this property being undevelopable due to its proximity to Burnt Bridge Creek, and for the various easement encumbrances on the property, to arrive at a selling price of \$1.89/square foot.

The subject property is shown on a map attached as Exhibit A. Exhibit B shows the property being transferred and is titled "City of Vancouver to LM Shotwell LLC". The proposed boundary line adjustment is also shown on Exhibit D. The City of Vancouver will maintain an access and maintenance easement over the surplus property which is shown as Exhibit E.

Because the subject property was originally acquired for public utility purposes, 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 7, 2020.

Advantage(s)

1. Allows 5,817 square feet of the subject property to be transferred to the adjacent property owner, and placed on the tax rolls.
2. The City will receive compensation in the amount of \$10,994.13.

Disadvantage(s)

No known disadvantages.

Budget Impact

None at this time. The City will receive revenue for the property.

Prior Council Review

None

Action Requested

On December 7, 2020, following a public hearing, adopt a resolution declaring the real property described in this staff report to be surplus and authorizing disposition of the property by City Manager.

Dan Swensen, Interim Public Works Director, 360-487-7754

ATTACHMENTS:

- ▣ Resolution
- ▣ Exhibits A, B, C and D
- ▣ Map
- ▣ Covenant
- ▣ Boundary Line Adjustment
- ▣ Storm Easement
- ▣ Storm Easement Exhibit A
- ▣ Storm Easement Exhibit B
- ▣ Quit Claim Deed

12/7/2020

RESOLUTION NO. M- [Resolution Number]

A RESOLUTION of the City of Vancouver declaring certain real property as surplus.

WHEREAS, the City of Vancouver acquired the real property listed on the attached Exhibit A;
and

WHEREAS, the real property on Exhibit A is surplus to the needs of the City,

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VANCOUVER:

The real property described on the attached Exhibit A is declared surplus to the needs of the City
as described in Staff Report No. _____.

Passed by the City Council of the City of Vancouver at its regular meeting on the 7th day of
December 2020.

Anne McEnery-Ogle, Mayor

Attest:

Natasha Ramras, City Clerk

Approved as to form:

Jonathan Young, City Attorney

RESOLUTION - 1

EXHIBIT "A"

September 7, 2020

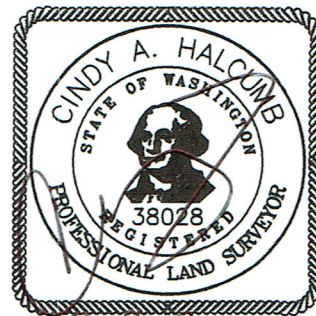
City of Vancouver to LM Shotwell LLC

Legal Description

A portion of the Edward Moore Donation Land Claim, situated in the Southeast 1/4 of the Southeast 1/4 of Section 24, and in the Northeast 1/4 of the Northeast 1/4 of Section 25, Township 2 North, Range 1 East, Willamette Meridian, Clark County, Washington, being more particularly described as follows:

Beginning at the 5/8" Rebar with Yellow Plastic Cap inscribed "KC DEV LS 38028" at the Southeast Corner of the L.M. Shotwell, LLC Tract of Land described as Parcel I in Auditor's File Number 5746650 BLA, Clark County Records on the Northerly Right of Way line of E. 18th Street, a 50.00 foot wide public roadway; thence along the West line of said L.M. Shotwell, LLC Tract of Land, N00°00'00"E, 149.27 feet to the 3/4" Iron Pipe marking the Northwest Corner of the City of Vancouver Tract of Land as described in deed, recorded in Auditor's File Number G276010, said Records; thence along the North line of said Tract of Land, N89°50'01"E, 42.77 feet to the 5/8" Rebar with Yellow Plastic Cap inscribed "KC DEV LS 38028"; thence leaving said line, S22°35'28"W, 20.10 feet; thence S00°14'49"E, 80.14 feet; thence S21°59'36"E, 39.50 feet; thence S01°05'42"E, 14.07 feet to the Northerly Right of Way line of said E. 18th Street; thence along said line, N90°00'00"W, 50.46 feet to the Point of Beginning.

Containing 5817 Square Feet.





PO Box 398
Camas, WA 98607
360.834.2519
www.kcdevelopment.net

PROVIDING SURVEYING AND PLANNING SERVICES WITH A PERSONAL COMMITMENT TO EXCELLENCE.

EXHIBIT "B"

September 7, 2020

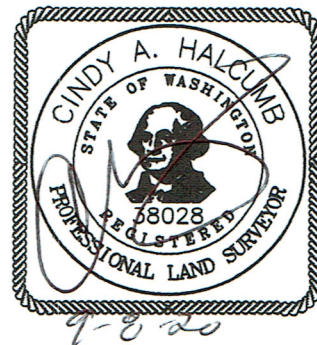
New LM Shotwell LLC Parcel

Legal Description

A portion of the Edward Moore Donation Land Claim, situated in the Southeast 1/4 of the Southeast 1/4 of Section 24, and in the Northeast 1/4 of the Northeast 1/4 of Section 25, Township 2 North, Range 1 East, Willamette Meridian, Clark County, Washington, being more particularly described as follows:

Beginning at the 5/8" Rebar with Yellow Plastic Cap inscribed "KC DEV LS 38028" at the Southeast Corner of the L.M. Shotwell, LLC Tract of Land described as Parcel I in Auditor's File Number 5746650 BLA, Clark County Records on the Northerly Right of Way line of E. 18th Street, a 50.00 foot wide public roadway; thence along said Right of Way line, N90°00'00"W, 83.70 feet to a 5/8" Rebar with Yellow Plastic Cap inscribed "KC DEV LS 38028" at the Southwest Corner of said L.M. Shotwell, LLC Tract of Land; thence along the West line thereof, N00°02'32"E, 230.81 feet to a 5/8" Rebar with Yellow Plastic Cap inscribed "KC DEV LS 38028" at the Northwest Corner thereof; thence along the North line thereof, S82°46'05"E, 64.52 feet to a 5/8" Rebar with Yellow Plastic Cap inscribed "KC DEV LS 38028" at an angle point; thence continuing on said North line, S40°21'42"E, 96.19 feet to a 5/8" Rebar with Yellow Plastic Cap inscribed "KC DEV LS 38028" on the North line of the City of Vancouver Tract of Land as described in deed, recorded in Auditor's File Number G276010, said Records; thence leaving said line, S22°35'28"W, 20.10 feet; thence S00°14'49"E, 80.14 feet; thence S21°59'36"E, 39.50 feet; thence S01°05'42"E, 14.07 feet to the Northerly Right of Way line of said E. 18th Street; thence along said line, N90°00'00"W, 50.46 feet to the Point of Beginning.

Containing 25,552 Square Feet.





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PROVIDING SURVEYING AND PLANNING SERVICES WITH A PERSONAL COMMITMENT TO EXCELLENCE.

EXHIBIT "C"

September 7, 2020

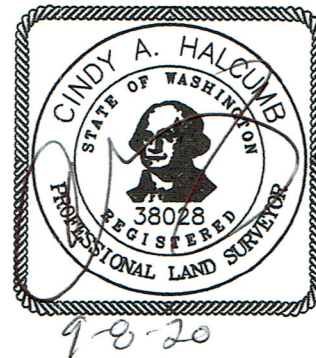
New City of Vancouver Parcel

Legal Description

A portion of the Edward Moore Donation Land Claim, situated in the Southeast 1/4 of the Southeast 1/4 of Section 24, and in the Northeast 1/4 of the Northeast 1/4 of Section 25, Township 2 North, Range 1 East, Willamette Meridian, Clark County, Washington, being more particularly described as follows:

Beginning at a point on the Northerly Right of Way line of E. 18th Street, a 50.00 foot wide public roadway, which bears S90°00'00"E, 50.46 feet from the 5/8" Rebar with Yellow Plastic Cap inscribed "KC DEV LS 38028" at the Southeast Corner of the L.M. Shotwell, LLC Tract of Land described as Parcel I in Auditor's File Number 5746650 BLA, Clark County Records; thence leaving said Northerly Right of Way line, N01°05'42"W, 14.07 feet; thence N21°59'36"W, 39.50 feet; thence N00°14'49"W, 80.14 feet; thence N22°35'28"E, 20.10 feet to the 5/8" Rebar with Yellow Plastic Cap inscribed "KC DEV LS 38028" marking the North line of the City of Vancouver Tract of Land as described in deed, recorded in Auditor's File Number G276010, said Records; thence along said North line, N89°50'01"E, 127.03 feet to the 1-inch Iron Pipe marking the Northeast Corner thereof; thence along the East line of said Tract of Land, S00°00'00"E, 149.76 feet to the 5/8" Rebar with Yellow Plastic Cap inscribed "KC DEV LS 38028" marking the Southeast Corner thereof; thence along the South line of said City of Vancouver Tract of Land, being also the Northerly Right of Way line of E. 18th Street, N90°00'00"W, 119.34 feet to the Point of Beginning.

Containing 19,571 Square Feet.





1"=50'

BEARING BASE

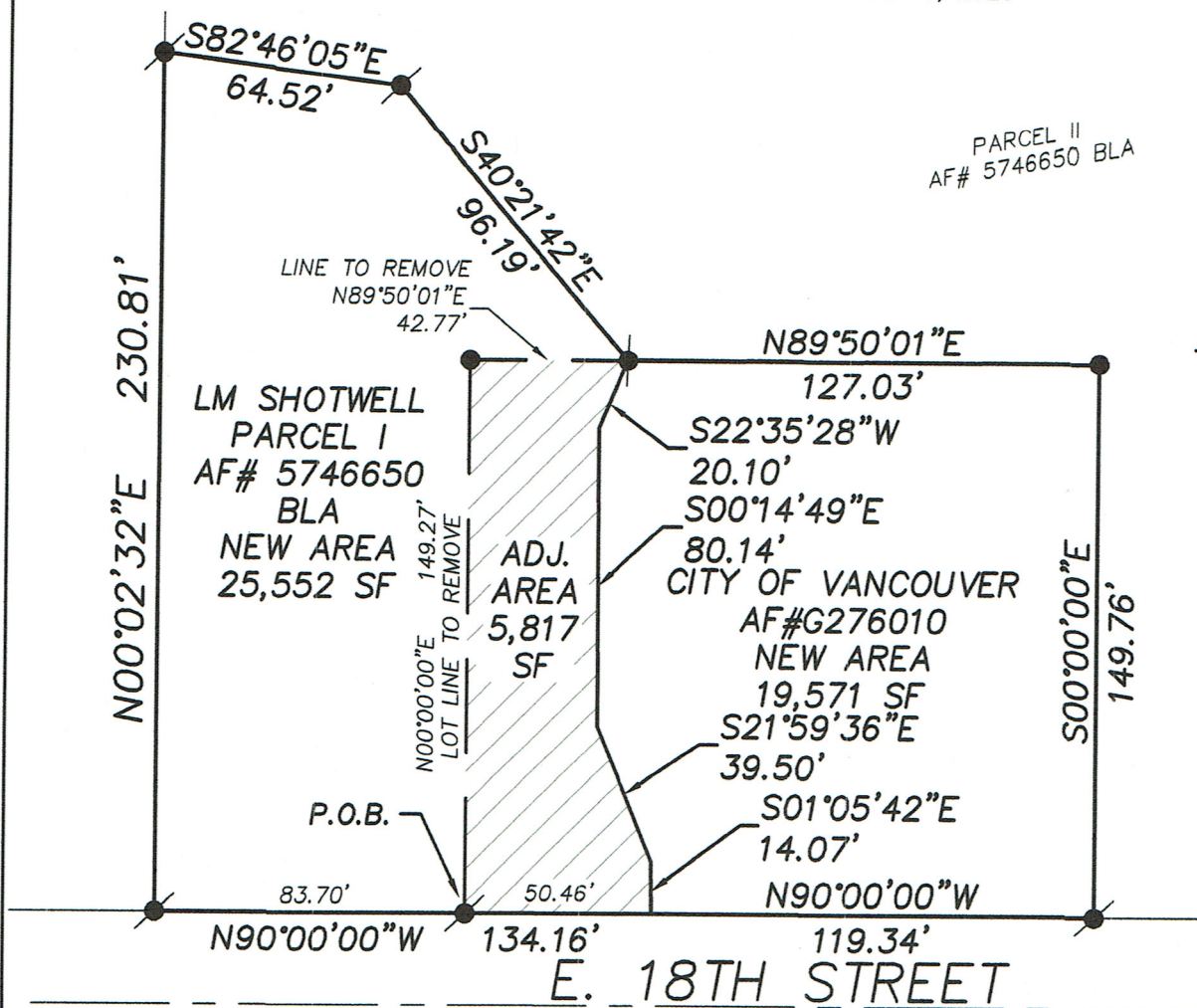
SURVEY BY KC DEVELOPMENT
IN BOOK 70, PAGE 69

EXHIBIT "D"

A PORTION OF THE EDWARD MOORE DLC
SITUATED IN THE SOUTHEAST 1/4 OF THE
SOUTHEAST 1/4 OF SECTION 24,
AND IN THE NORTHEAST 1/4 OF THE NORTHEAST
1/4 OF SECTION 25,
TOWNSHIP 2 NORTH, RANGE 1 EAST, W.M.,
CITY OF VANCOUVER, CLARK COUNTY, WASHINGTON

SEPTEMBER 7, 2020

PARCEL II
AF# 5746650 BLA



LEGEND

- SET 5/8" REBAR WITH YELLOW PLASTIC CAP "KC DEV LS 38028"
- FOUND IRON PIPE

PREPARED FOR
LM SHOTWELL
PREPARED BY
KC DEVELOPMENT
360.834.2519





Parcel 29333-000



Legend

- ☐ Taxlots
- All Roads
 - Interstate
 - State Route
 - Arterial
 - Forest Arterial
 - Minor Collector
 - Forest Collector
 - Private or Other
- Cities Boundaries
- Urban Growth Boundaries

Notes:

188.0 0 94.00 188.0 Feet

WGS_1984_Web_Mercator_Auxiliary_Sphere
Clark County, WA. GIS - <http://gis.clark.wa.gov>

This map was generated by Clark County's "MapsOnline" website. Clark County does not warrant the accuracy, reliability or timeliness of any information on this map, and shall not be held liable for losses caused by using this information.

After Recording Return To:
City of Vancouver
PO Box 1995
Vancouver, WA 98668-1995
Attn: Property Services

COVENANT RUNNING WITH THE LAND

Grantor: _LM SHOTWELL LLC____
Grantee: _CITY OF VANCOUVER_____
Abbreviated Legal: _PORTION OF #74 EDWARD MOORE DLC .45A ____
Full legal descriptions begin on page _4_ of this document
Assessor's Tax Parcel Numbers: 29349-000

A COVENANT to the City of Vancouver, State of Washington, hereinafter "City" entered into in conjunction with real property of 5,817 square feet as described in Exhibit "A", hereinafter "SHOTWELL SITE" whereby the owners of said real property on behalf of themselves and their heirs, assigns and successors in interest into whose ownership said property may pass, covenant that the City shall be granted an easement onto the SITE to access the natural waterway for emergency maintenance for prevention of flooding or pollution.

Owners herein covenant and agree to the City of Vancouver on behalf of themselves and their heirs, assigns and successors in interest into whose ownership the SITE might pass, as follows, it being specifically agreed and covenanted that this is a covenant running with the land hereinafter described in Exhibit "A".

1. It is the purpose of this covenant to ensure that the City is allowed access to the natural waterway via the SHOTWELL SITE for emergency maintenance for prevention of flooding or pollution.
2. The City of Vancouver agrees that if easement access is exercised that any damage to the site including but not limited to landscaping, non-building structures, water embankment or vegetation will be restored in like and kind where possible. Where vegetation that is damaged or has to be removed is not replaceable in like and kind it will be replaced with like species and size as can be reasonably obtained and installed. The City will coordinate with SHOTWELL SITE owner on restorative measures.
3. Nothing in this covenant shall be construed to provide for public use of or entry into the SHOTWELL SITE. However, representatives and agents of the City are hereby authorized to make reasonable entry upon such land for purposes related to administering this covenant.
4. The provision of this covenant is enforceable in law or equity by the City of Vancouver and its successors.
5. This covenant and all its provisions, and each of the exhibits, shall be binding upon the owners and any of their heirs, assigns and successors in interest into whose ownership the WILLIAMS SITE may pass, and any obligations made herein by owners, shall be enforceable against their heirs, assigns and successors in interest into whose ownership the WILLIAMS SITE may pass.

SIGNATURE BLOCK ON NEXT PAGE

IN WITNESS WHEREOF, of parties here to have caused this agreement to be executed the day and year indicated below.

Dated this _____ day of _____ 20 _____

Signature

Printed Name

STATE OF WASHINGTON)
):ss
COUNTY OF CLARK)

I hereby certify that I know or have satisfactory evidence that _____ signed this instrument, on oath stated that he/she was authorized to execute such, and acknowledge it to be the free and voluntary act for the uses and purposes mentioned in this instrument.

Dated this _____ day of _____ 20 _____

Signature of Notary

Printed Name of Notary

Notary Public for the State of WA, residing

My commission expires: _____

**APPROVED AS TO FORM AND CONTENT ONLY:
CITY OF VANCOUVER, WASHINGTON**

By: _____

Eric J. Holmes
City Manager (or his designate)

Covenant running with the land

EXHIBIT "A"

After Recording Return To:
City of Vancouver
PO Box 1995
Vancouver, WA 98668-1995
Attn: Property Services

BOUNDARY LINE ADJUSTMENT

Grantor: CITY OF VANCOUVER
Grantee: LM SHOTWELL LLC
Abbreviated Legal: PORTION OF #57 OF EDWARD MOORE DLC .59A
Full legal descriptions begin on page 3 of this document
Assessor's Tax Parcel Numbers: 29333-000, 29349-000

City of Vancouver, the owner of the real property described herein, does hereby declare that said property shall be owned and held according to the legal descriptions attached hereto as Exhibit A, Exhibit B and Exhibit C in compliance with the requirements set forth in RCW 58.17.040(6). The purpose of this instrument is to implement the boundary line adjustment approved by City of Vancouver under Case Number _____

Dated this _____ day of _____, 2020

CITY OF VANCOUVER

Eric J. Holmes, City Manager

LM Shotwell, LLC, the owner of the real property described herein, does hereby declare that said property shall be owned and held according to the legal descriptions attached hereto as Exhibit A, Exhibit B and Exhibit C in compliance with the requirements set forth in RCW 58.17.040(6). The purpose of this instrument is to implement the boundary line adjustment approved by City of Vancouver under Case Number _____.

Dated this _____ day of _____, 2020.

Title: _____

Title: _____

STATE OF WASHINGTON)
)ss.
County of Clark)

On this _____ day of _____, 2020, personally appeared before me Eric J. Holmes, to me known to be the individual described in and who executed the within and foregoing instrument on behalf of City of Vancouver, and acknowledged that he signed the same at his free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and seal this _____ day of _____, 2020.

Notary Public residing in _____
Printed Name _____
My commission expires: _____

STATE OF WASHINGTON)
)ss.
County of Clark)

On this _____ day of _____, 2020, personally appeared before me _____ and _____ to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that they signed the same at their free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and seal this _____ day of _____, 2020.

Notary Public residing in _____
Printed Name _____
My commission expires: _____

RETURN ADDRESS:

City of Vancouver
Attn: Property Management
P.O. Box 1995
Vancouver, WA 98668-1995

Document: Storm Utility Easement
Grantor: LM Shotwell LLC
Grantee: City of Vancouver
Legal Desc.: #74 Edward Moore DLC .45A
Serial No. 29349-000

STORM UTILITY EASEMENT

The GRANTOR(S), LM SHOTWELL, LLC, a **Limited Liability Corporation of the State of Washington**, for and in consideration of mutual benefits hereby acknowledged, does grant and convey to **CITY OF VANCOUVER, WASHINGTON, a municipal corporation of the State of Washington**, GRANTEE(S), its successors and assigns, a non-exclusive, perpetual easement, together with the right of ingress and egress for the purpose of altering, repairing, maintaining and operating thereon and therein storm utilities, in, on, over, under and across the lands in Clark County, Washington, described as follows:

As of this date being a portion of Serial No. 29349-000, #74 Edward Moore DLC .45A.

More particularly described and shown on the attached Exhibits "A" and "B", by reference made a part hereof.

The Grantor covenants for itself, its successors and assigns that it will not build or place, or allow to be built or placed, any structure of any kind over the easement granted herein without written approval of Grantee.

The Grantor also covenants to and with the Grantee that Grantor has the right and power to convey an Easement over the tract of land described herein.

DATED this _____ day of _____, 2020.

Signature Lines on following page

Storm Easement
Page 1 of 2

BY: _____
Eric J. Holmes, City Manager

APPROVED AS TO FORM:

ATTEST:

Jonathan Young, City Attorney

Natasha Ramras, City Clerk

STATE OF WASHINGTON)
):ss
County of CLARK)

I certify that I know or have satisfactory evidence that _____, is the person who appeared before me, and said person acknowledged that he/she signed this instrument and acknowledged it to be his free and voluntary act and deed of LM Shotwell LLC, for the uses and purposes mentioned in the instrument.

Dated: _____, 2020.

Notary Public in and for said County and State
of _____
residing at _____
My Appointment Expires _____



PO Box 398
Camas, WA 98607
360.834.2519
www.kcdevelopment.net

PROVIDING SURVEYING AND PLANNING SERVICES WITH A PERSONAL COMMITMENT TO EXCELLENCE.

EXHIBIT "A"

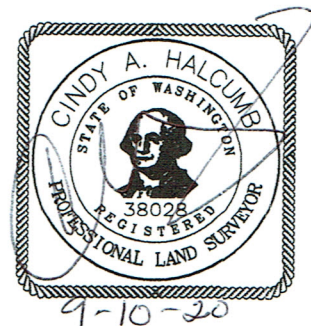
September 10, 2020

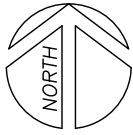
City of Vancouver Storm Drainage Easement Legal Description

A portion of the Edward Moore Donation Land Claim, situated in the Northeast 1/4 of the Northeast 1/4 of Section 25, Township 2 North, Range 1 East, Willamette Meridian, Clark County, Washington, being more particularly described as follows:

Beginning at a point on the Northerly Right of Way line of E. 18th Street, a 50.00 foot wide public roadway, which bears S90°00'00"E, 34.28 feet from the 5/8" Rebar with Yellow Plastic Cap inscribed "KC DEV LS 38028" at the Southeast Corner of the L.M. Shotwell, LLC Tract of Land described as Parcel I in Auditor's File Number 5746650 BLA, Clark County Records; thence leaving said Northerly Right of Way line, N00°22'10"E, 8.31 feet; thence N03°25'19"W, 15.00 feet; thence N86°34'41"E, 12.74 feet; thence S21°59'36"E, 10.76 feet; thence S01°05'42"E, 14.07 feet to the South line of the City of Vancouver Tract of Land as described in deed, recorded in Auditor's File Number G276010, said Records; thence along said South line, being also the Northerly Right of Way line of E. 18th Street, N90°00'00"W, 16.18 feet to the Point of Beginning.

Containing 366 Square Feet.





1"=50'

BEARING BASE

SURVEY BY KC DEVELOPMENT
IN BOOK 70, PAGE 69

EXHIBIT "B"

A PORTION OF THE EDWARD MOORE DLC
SITUATED IN THE NORTHEAST 1/4 OF THE
NORTHEAST 1/4 OF SECTION 25,
TOWNSHIP 2 NORTH, RANGE 1 EAST, W.M.,
CITY OF VANCOUVER, CLARK COUNTY, WASHINGTON

SEPTEMBER 10, 2020

PARCEL II
AF# 5746650 BLA

LM SHOTWELL

CITY OF VANCOUVER

STORM EASEMENT
366 S.F.

N86°34'41"E

12.74'

N03°25'19"W

15.00'

N00°22'10"E

8.31'

83.70'

N90°00'00"E

34.28'

P.O.B.

S21°59'36"E

10.76'

S01°05'42"E

14.07'

119.34'

N90°00'00"W

16.18'

E. 18TH STREET

LEGEND



SET 5/8" REBAR WITH
YELLOW PLASTIC CAP "KC
DEV LS 38028"



FOUND IRON PIPE

PREPARED FOR
LM SHOTWELL
PREPARED BY
KC DEVELOPMENT
360.834.2519



When recorded mail to:

City of Vancouver
Attn: Property Management
PO Box 1995
Vancouver, Washington 98668-1995

QUIT CLAIM DEED

GRANTOR: City of Vancouver, Washington, a municipal corporation

GRANTEE(S): LM Shotwell LLC

LEGAL DESCRIPTION: Complete legal description on Exhibit A hereto

WHEREAS on December 7, 2020, the City Council of the City of Vancouver (“Grantor”) authorized the City Manager to execute a boundary line adjustment (“BLA”), which includes the transfer of 5,817 square feet of real property (“the Subject Property”) from Grantor to Grantee and

WHEREAS the Subject Property is included in the property described in the attached Exhibit A, which describes the Grantees’ parcel as adjusted by the BLA; and

WHEREAS, it is the intent of Grantor and Grantee to add the Subject Property to Grantee’s adjacent parcel through the BLA; and

WHEREAS, Grantee has compensated Grantor for the Subject Property.

NOW, THEREFORE, THE GRANTOR, the CITY OF VANCOUVER, a municipal corporation of the State of Washington, for and in consideration of valuable consideration as set out above, conveys and quitclaims to LM SHOTWELL LLC, a Washington Limited Liability Corporation, any and all interest it has in the real estate described on Exhibit A hereto, situated in the County of Clark, State of Washington, together with all after acquired title of the Grantor therein.

DEED EXHIBIT: Exhibit A – Legal Description

EXECUTED this _____ day of _____, _____.

GRANTOR:
CITY OF VANCOUVER

Eric J. Holmes, City Manager

STATE OF WASHINGTON)
) ss.
COUNTY OF CLARK)

I certify that I know or have satisfactory evidence that Eric J. Holmes is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the City Manager for the City of Vancouver, to be the free and voluntary act of such corporation for the uses and purposes mentioned in the instrument.

Dated this _____ day of _____, 20____

Notary Public

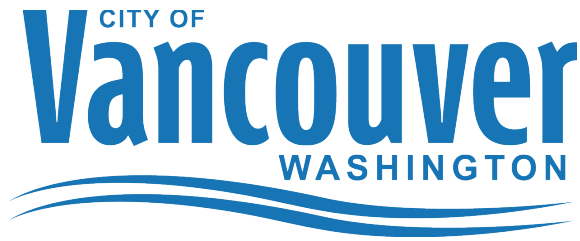
Print Name

Notary public in and for the state of Washington
Residing at _____

My appointment expires: _____

Approved as to form:

Jonathan Young, City Attorney



**City Center
Redevelopment
Authority**

MEMORANDUM

TO: Eric Holmes, City Manager
CC: Richard Keller, President, City Center Redevelopment Authority

FROM: Chad Eiken, Executive Director
City Center Redevelopment Authority

DATE: December 7, 2020

SUBJECT: **CCRA Recommendation Regarding MFTE Program Change**

On December 3, 2020, The City Center Redevelopment Authority met at a special meeting to consider the proposed changes to the Area Median Income threshold used by the Multi-Family Tax Exemption Program. Following a presentation by staff and discussion by the board, CCRA approved the following motion:

"The CCRA Board recommends that City Council delay any decision with regard to the MFTE Program until impacts on both the market and non-market (affordable) aspects of the program can be considered in totality; and, that further study is undertaken to evaluate whether or not the proposed changes in definition of what is affordable will result in a program that will still be attractive to developers."

Motion by D. Ewing
Seconded by J. Onder

Additional comments during discussion of the motion which CCRA asked to be communicated to City Council are as follows:

- *The economy is still fragile; we are in uncertain economic times*
- *The City is attempting to jumpstart the development in the Waterfront Gateway area and CCRA is reluctant to see any changes that would make this more difficult;*
- *Housing in the downtown is subject to higher land costs versus other areas of the city and (relative to cost of construction), when you compare Portland to Vancouver, developers in Vancouver must pay sales tax on construction which adds significant cost; and*
- *The CCRA Board is very much in support of adjusting the program to incentivize the construction of more affordable housing, but further study is needed to ensure that any such adjustments do not significantly reduce the number of new units that are built.*

Motion was passed by a vote of 6-0.

Due to time constraints, full minutes of the meeting were not available in time for tonight's public hearing, but staff will be available for any questions.

Multi-Family Tax Exemption Program Changes to Income Limits



December 7, 2020
City Council Public Hearing

Chad Eiken, CED Director
Peggy Sheehan, Community Services Manager

Summary of Presentation

- Proposed Change to VMC 3.22 – Multi-Family Tax Exemption Program
- Background of MFTE Program
- Explanation of Discrepancy Between Income Limits
- Explanation of Proposed Adjustment in Area Median Income
- City Authority to Make Adjustments to Income Limits
- Stakeholder and CCRA Input
- Next Steps

Proposed Change to MFTE Program

- The city's Multi-Family Tax Exemption(MFTE) program currently defines affordable rent in Vancouver using the Portland metropolitan statistical area's (MSA) median family income, which distorts income limits, effectively making the MFTE “affordable” rents **significantly higher** than if based on Vancouver incomes
- The proposal would modify the definition of MFTE affordable rent to reflect Vancouver's median household income to adjust the program so rents are more comparable to actual conditions in Vancouver

Multi-Family Tax Exemption Program Background

- Intent of state program
- Two designated areas in City of Vancouver
- Exemption applies to new or rehabilitated multi-family housing: market-rate, or three levels of affordability
- Property tax exemption applies to multi-family improvements only, not land or non-residential

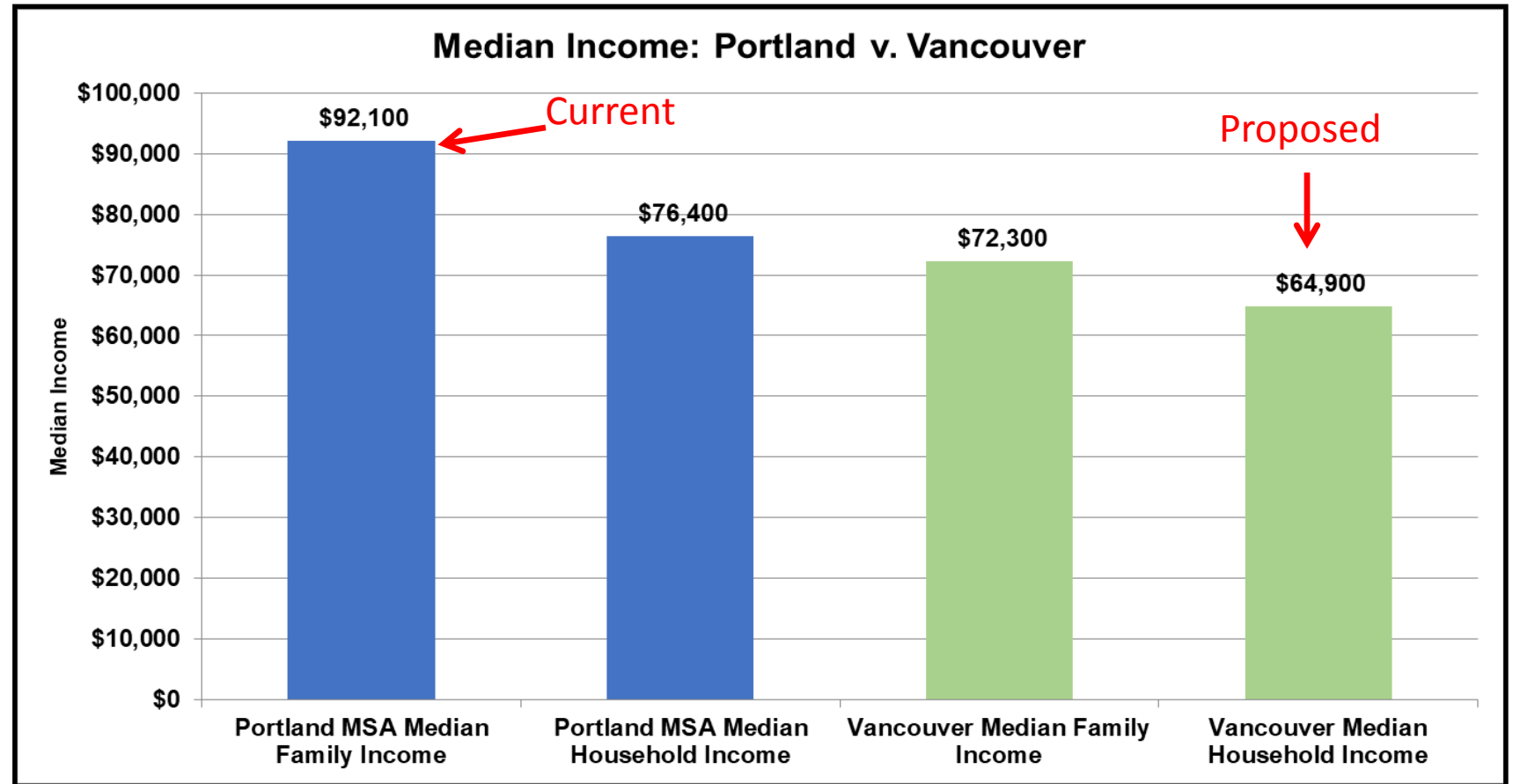
MFTE Program Background

Four Options for Developers:

Term of Tax Abatement	Program Option
8 Years	Market Rate with Approved Public Benefit
8 Years	20% of units at 100% Area Median Income
10 Years	20% of units at 80% Area Median Income
12 Years	20% of units at 60% of Area Median Income

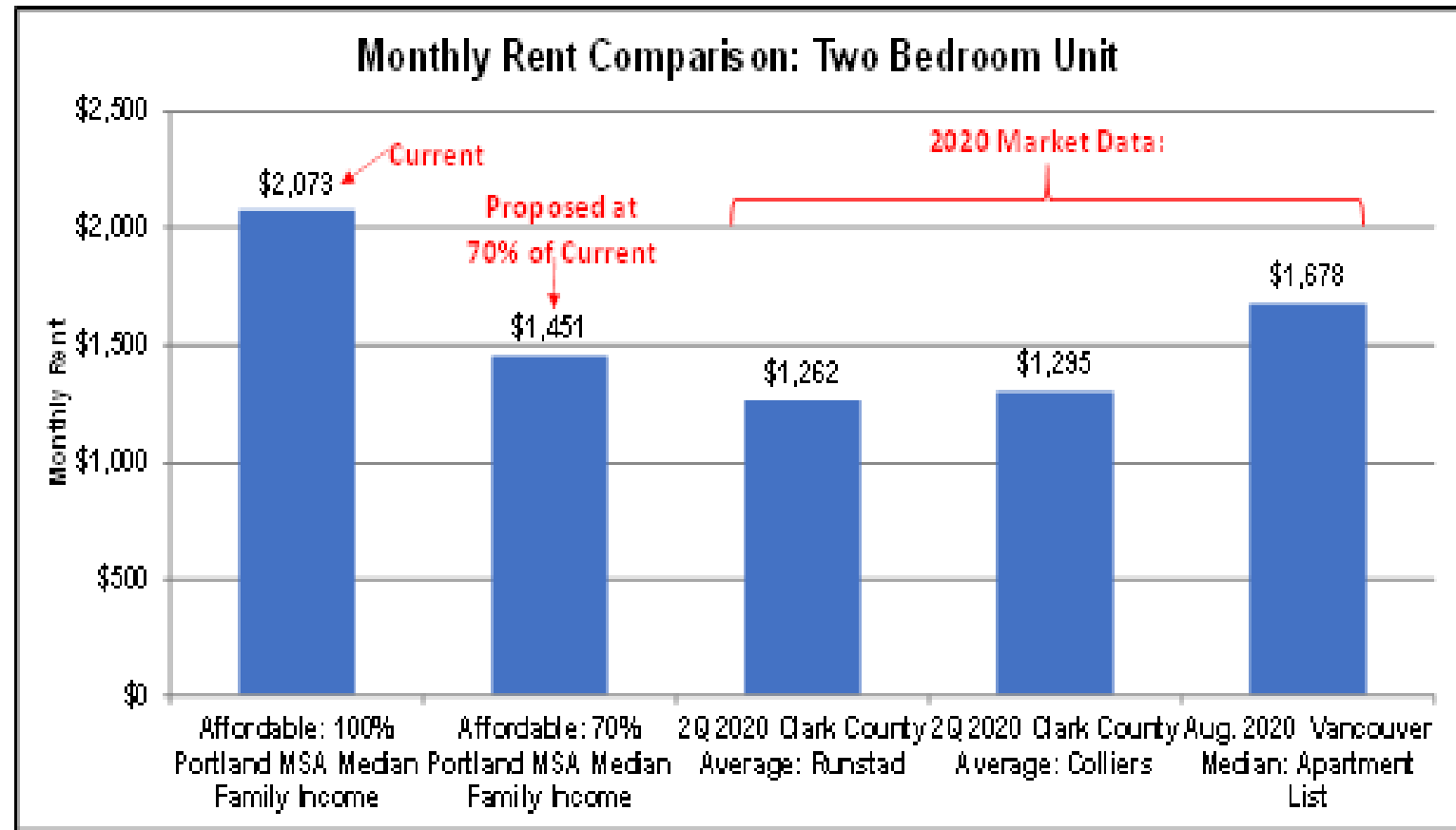
Adjustment to Income/Rent Thresholds

- “Family” income excludes single person and non-family households
- Vancouver “families” roughly 10% of Portland MSA families
- Vancouver Median Household Income is 70% of Portland MSA Median Family Income



Adjustment to Income/Rent Thresholds

- Vancouver Median Household Income is 70% of Portland MSA Median Family Income
- Proposed adjustment factor to MFTE affordable rents using Portland MSA Median Family Income = 70%



Income Adjustment Results in Lower Rent Thresholds

- “Affordable” rent for a 2-bedroom apartment would be \$622 less than current program
- The midpoint of the rent for a 2-bedroom unit according to recent market surveys is \$1,470

Unit Size (#BR)	Current Affordable Rent Using Portland MSA Median Family Income	Proposed Affordable Rent Using Vancouver Median Household Income	Reduction: Dollar Amount	Reduction: Percent
Studio	\$1,613	\$1,136	-\$477	-29.6
1	\$1,728	\$1,217	-\$511	-29.6
2	\$2,073	\$1,460	-\$613	-29.6
3	\$2,384	\$1,679	-\$705	-29.6
4	\$2,672	\$1,882	-\$790	-29.6

Income Adjustment Results in Lower Rent Thresholds

- The 70% adjustment factor will be applied to the affordable rent levels for the 8, 10 and 12 year exemptions
- Proposal to use 55% and 45% adjustment for the 10 and 12 year exemptions

	8 Year Exemption	10 Year Exemption	12 Year Exemption
Unit Size (#BR)	Affordable at 70% of Portland MFI	Affordable at 55% of Portland MFI	Affordable at 45% of Portland MFI
Studio	\$1,136	\$909	\$681
1	\$1,217	\$974	\$730
2	\$1,460	\$1,168	\$876
3	\$1,679	\$1,343	\$1,008
4	\$1,882	\$1,506	\$1,129

City Has Authority to Adjust Program

City Council is authorized to adopt adjustments to affordability and income eligibility criteria by RCW 84.14.030(2) as follows:

“The multiple-unit housing must meet guidelines as adopted by the governing authority that may include height, density, public benefit features, number and size of proposed development, parking, income limits for occupancy, limits on rents or sale prices, and other adopted requirements indicated necessary by the city or county.”

Other Jurisdictions Have Adjusted MSA Incomes

City	Exemption Term	Affordability Requirements	Income and Rent Limit Methodology
Burien	8 and 12 year	20% low/moderate	Follows King County's published rent and income limits
Edmonds	12 year	10% low, 10% moderate	Uses Snohomish County income data since Seattle-Bellevue area (King & Snohomish counties) incomes are higher than Edmonds city median
Tacoma	8 and 12 year	20% low	Uses 80% of Pierce County median family income and not Seattle MSA

Development Stakeholder Outreach

- City Listening Sessions with stakeholders held in September, November
- Input received from approximately 25 developers of multi-family housing who have used the MFTE Program
- Representative feedback:
 - Proposed 30% drop in income threshold will make it harder for affordable projects to generate enough rent to be feasible
 - Consensus is that is “unlikely” that anyone will participate in program for affordable housing
 - Concern that projects mid-stream will have to meet new criteria; request for applications in process to be “vested” to current standard

City Center Redevelopment Authority Input

- The City Center Redevelopment Authority (CCRA) is charged with making recommendations to City Council on the MFTE Program, per their bylaws
- CCRA met on September 21 and December 3 to consider proposed changes
- Following discussion, CCRA agreed that the affordable rents under the MFTE program should be based on Vancouver Median Household Income, but that there should be ongoing monitoring of the program to understand impacts to the supply of new housing

Next Steps Regarding Further MFTE Changes

- 1/4/2021 Council Workshop on MFTE Public Benefit, Fee-in-Lieu
- Feb. 2021 Council Public Hearing on Changes to Public Benefit Requirement
- Q1-2 2021 CCRA and Council Meetings to Discuss Phase 2 of MFTE Program Adjustments (to include assessment of efficacy of the program, review specific policy goals, and consider boundary changes to MFTE area)

Recommendation

City staff recommend **approval** of the attached ordinance in order to base income and rent limits for projects that include affordable units under the Multi-Family Tax Exemption Program on the Portland-Vancouver-Hillsboro MSA median income, to be adjusted to reflect the Vancouver Median Household Income.

Questions and Discussion



Chad Eiken, CED Director
chad.eiken@cityofvancouver.us

Peggy Sheehan, Community Services Mgr.
peggy.sheehan@cityofvancouver.us



Staff Report 174-20

TO: Mayor and City Council

FROM: Eric Holmes, City Manager

DATE: 12/7/2020

SUBJECT Multi-Family Tax Exemption Program Changes to Area Median Income Limits

Key Points

- Under VMC Chapter 3.22 the City of Vancouver allows tax exemptions for construction of multifamily developments for durations of 8, 10, or 12 years on the condition that 20% of the total units provided are affordable to households at or below 100%, 80%, and 60% respectively of the Area Median Income established by HUD.
- HUD uses a six-county metropolitan statistical area (MSA) for median the income in Vancouver. The 2020 median income for the Portland MSA is \$92,100.
- Using HUD's calculation methodology and Vancouver specific American Community Survey (ACS) data the median income of Vancouver calculates at \$64,900, which is 29.5% lower than the \$92,100 Portland MSA area median income used by HUD.
- The inflated MSA income means that the restricted income levels for the 8-, 10-, and 12-year tax exemptions were still priced outside of affordable incomes for Vancouver households.
- City staff are recommending using more specific ACS calculation of Vancouver's median household income as the basis for establishing affordable rent limits. This would be accomplished by multiplying the maximum income and affordable rent levels obtained from the HUD area median income for Clark County (based on the Portland MSA median family income) by 70% (a reduction of 30%).

Strategic Plan Alignment

Goal 3, Objective 3.2: Improve services available to underserved or vulnerable residents.

Goal 8, Objective 8.1: Make downtown Vancouver a vibrant destination for the community and the region.

Goal 8, Objective 8.2: Strengthen neighborhood business districts.

Present Situation

As permitted under RCW 84.14 the City of Vancouver adopted a multi-family tax exemption program in 1997 to stimulate the construction or rehabilitation of multifamily housing as part of the Esther Short Redevelopment Plan and create a more active and vibrant downtown. The MFTE program was a major part of the City's downtown redevelopment strategy and provided an incentive to attract more residents to the downtown area. Currently, the City offers the MFTE program in two designated residential target areas: The Vancouver City Center Vision Area (VCCV) and the Fourth Plain Corridor Subarea (added in 2007). The City has approved 33 MFTE program applications to date representing an estimated \$608 million in private investment. The City has approved over 2,700 units including 686 affordable units under the program.

As affordable housing became more of a crisis, state law was changed to allow the use of the exemption for affordable housing units. The Vancouver City Council enacted a modification to the city's MFTE program in January 2017. The City's 2017 modification made the following tax exemption options available to applicants:

- An 8-year exemption for market-rate projects offering public benefits negotiated through a development agreement process.
- An 8-year exemption for projects with 20% of units affordable to households earning up to 100% of area median income (AMI).
- A 10-year exemption for projects with 20% of units affordable to households earning up to 80% AMI.
- A 12-year exemption for projects with 20% of units affordable to households earning up to 60% AMI.

As these project applications were reviewed and processed the discrepancy between the restricted income levels defined in RCW 84.14 and local median incomes of Vancouver households became apparent. RCW 84.14 defines moderate and low income *"for the county where the project is located, as reported by the United States department of housing and urban development."* HUD has grouped the median income for Vancouver households in a six-county Portland metropolitan statistical area in which the current median income is \$92,100. The current median income specific to the City of Vancouver, using adjusted 2017 ACS data, is \$64,900 which is 29.5% lower than the \$92,100 Portland MSA area median income used by HUD. Using the MSA median income as the base line for income restrictions resulted in "affordable" units that were still outside the financial means of Vancouver residents.

City Council is authorized to adopt the more stringent affordability and income eligibility criteria under RCW 84.14.030(2): *"The multiple-unit housing must meet guidelines as adopted by the governing authority that may include height, density, public benefit features, number and size of proposed development, parking, income limits for occupancy, limits on rents or sale prices, and other adopted requirements indicated necessary by the city or county."*

The City Center Redevelopment Authority (CCRA) per their bylaws is charged with making recommendations to City Council regarding the Multi-Family Tax Exemption Program. On September 21, City staff held a workshop with the City Center Redevelopment Authority to discuss the proposed adjustment to Area Median Income to reflect Vancouver's Median Household Income. The board agreed that affordable rents under the program should reflect rents that are based on Vancouver, versus more regionally-based incomes, but also expressed that impacts from this change to the new supply of affordable housing should be monitored over time. The CCRA will be making a formal recommendation to City Council prior to the public hearing date.

City staff are recommending using the more specific Vancouver median household income as the basis for establishing affordable rent limits. This would be accomplished by multiplying the maximum income and affordable rent levels obtained from the HUD area median income based on the Portland MSA income by 70% (a reduction of 30%).

City staff will conduct an annual analysis of the HUD area median income for Clark County in relation to Vancouver's median household income and adjust the reduction factor accordingly. This annual review will ensure that affordable housing rents stay relevant to the City of Vancouver population. Additionally, staff will monitor the future use of the affordable housing options under the program and will report any significant changes to Council that might warrant further adjustments.

Advantage(s)

The proposed reduction in the average median income will ensure that the multifamily tax exemptions for affordable projects will more closely reflect the median incomes of Vancouver households, thereby resulting in maximum rents that more affordable to Vancouver renters.

Disadvantage(s)

Several local developers have expressed concerns about their ability to build affordable housing projects under the MFTE program if the rents are lowered as proposed.

Budget Impact

No budget impact

Prior Council Review

Council workshop held on September 28, 2020

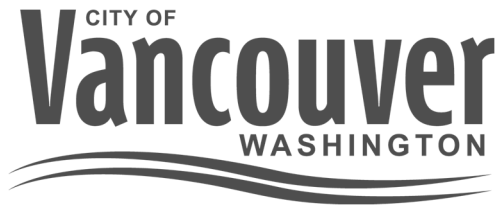
Action Requested

On Monday, December 7, 2020, subject to second reading and public hearing, approve the ordinance.

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

ATTACHMENTS:

- ▢ Council Memo 11-5-2020
- ▢ Ordinance - Multifamily Tax Exemption Program Changes to Area Median Income Limits
- ▢ Workshop Memo from Sept 28 2020
- ▢ CCRA Minutes 21Sep2020
- ▢ Developer Feedback to MFTE Changes
- ▢ Presentation (separate cover)



MEMORANDUM

TO: City Council

FROM: Eric Holmes, City Manager
Chad Eiken, Community and Economic Development Director

DATE: November 5, 2020

SUBJECT: Proposed Revision to the Multi-Family Tax Exemption Program – Income Restrictions

This memorandum summarizes the rationale for a proposal to revise the City's multi-family tax exemption (MFTE) program income restrictions. City staff developed the proposal after receiving feedback from City Council at the September 28, 2020 workshop on the MFTE program.

Summary

This revision to the MFTE program focuses on reducing the eligible household income levels based on Vancouver Median Household Income instead of the current six-county metropolitan statistical area median family income used by HUD. Vancouver's 2020 median household income calculated using HUD's methodology through the ACS is \$64,900 which is 29.5% lower than the \$92,100 Area Median Income established by HUD for Clark County using the Portland MSA median family income. City staff are recommending using Vancouver's median household income as the basis for establishing affordable rent limits. This would be accomplished by multiplying the maximum income and affordable rent levels obtained from the HUD area median income for Clark County (based on the Portland MSA median family income) by 70% (a reduction of 30%).

City staff will conduct an annual analysis of the HUD area median income for Clark County in relation to Vancouver's median household income and adjust the reduction factor accordingly. This annual review will ensure that affordable housing rents stay relevant to the City of Vancouver population.

It is important to note that City Council is authorized to adopt the more stringent affordability and income eligibility criteria under RCW 84.14.030(2): *"The multiple-unit housing must meet guidelines as adopted by the governing authority that may include height, density, public benefit features, number and size of proposed development, parking, income limits for occupancy, limits on rents or sale prices, and other adopted requirements indicated necessary by the city or county."*

Revisions to Eligible Income Levels

Adjusting the MFTE eligible income levels based on the Vancouver median household income will provide a more appropriate basis for establishing affordable rents than those currently used in the MFTE program.

The current available exemption options include

- An 8-year exemption for market-rate projects offering public benefits negotiated through a development agreement process.
- An 8-year exemption for projects with 20% of units affordable to households earning up to 100% of area median income (AMI).
- A 10-year exemption for projects with 20% of units affordable to households earning up to 80% AMI.
- A 12-year exemption for projects with 20% of units affordable to households earning up to 60% AMI.

Adjusting the current income and rent limits using Vancouver median household income will result in rents under the 8, 10 and 12-year affordable housing options that are more aligned with actual incomes in Vancouver. The table below shows the difference between the current eligible incomes and housing costs calculated using the Portland MSA median family income and the proposed income limits and housing costs using the proposed reduction factor obtained using the Vancouver median household income.

Table 1 - Adjusted Area Median Income by Household Size

	Income Level	1-Person Household		2-Person Household		4-Person Household	
		Annual Income	Max. Affordable Housing Costs	Annual Income	Max. Affordable Housing Costs	Annual Income	Max. Affordable Housing Costs
100%	Current HUD MSA	\$64,500	\$1,613	\$73,700	\$1,843	\$92,100	\$2,303
x70%	Proposed COV	\$45,150	\$1,129	\$51,590	\$1,290	\$64,470	\$1,612
80%	Current HUD MSA	\$51,600	\$1,290	\$59,000	\$1,475	\$73,700	\$1,843
x70%-	Proposed COV	\$36,120	\$903	\$41,300	\$1,033	\$51,590	\$1,290
60%	Current HUD MSA	\$38,700	\$968	\$44,220	\$1,106	\$55,260	\$1,382
x70%	Proposed COV	\$27,090	\$677	\$30,954	\$774	\$38,682	\$967

Source: US Department of Housing and Urban Development effective 7/01/2020
Reduction methodology note here

Revisions to Maximum Affordable Housing Cost

The MFTE program requires that the maximum costs for rents and utilities are based on 30% of a household's income. Table 2 below compares the current and proposed rent levels. The adjusted Vancouver maximum housing cost is shown in in column 3 below.

Table 2 - Comparison of Rents and Utilities Using Median Family Income vs. Median Household Income (Adjusted by 30% Reduction)

Unit Size (#BR)	Current Affordable Rent Using Portland MSA Median Family Income	Proposed Affordable Rent Using 70% Adjustment Factor	Reduction: Dollar Amount	Reduction: Percent
Studio	\$1,613	\$1,128	-\$485	-30%
1	\$1,728	\$1,209	-\$519	-30%
2	\$2,073	\$1,451	-\$622	-30%
3	\$2,384	\$1,668	-\$716	-30%
4	\$2,672	\$1,870	-\$802	-30%

*100% of Area Median Income

The data source for the 2020 estimate is the Census Bureau's American 2017 Community Survey (ACS) 1-year estimate inflated to 2020 using the Consumer Price Index and the same methodology used by HUD.

MFTE Program Rents

As shown in Table 3 below, the proposed affordable rent level for a two-bedroom apartment using the adjusted income factor is \$1,451 or \$622 lower than the rent using the Portland MSA median family income.

The table provided below summarizes the proposed *rent levels* for each unit size under the three affordable housing options. Note that the MFTE affordable rent levels would be adjusted annually using the HUD methodology and the most recent ACS data on Vancouver median household income. To simplify the calculations for income monitoring the affordable rent levels for the 10 and 12 year exemptions would be set at 55% and 45% of the HUD area median income for Clark County instead of the 56% and 42% obtained by multiplying the original 80% and 60% times 70%.

Table 3 - Proposed Rent Levels (8-10-12 Year Exemption) Using Median Household Income.

	8 Year Exemption	10 Year Exemption	12 Year Exemption
Unit Size (#BR)	Affordable at 70% of Portland Median Family Income	Affordable at 55% of Portland Median Family Income	Affordable at 45% of Portland Median Family Income
Studio	\$1,128	\$886	\$725
1	\$1,209	\$950	\$777
2	\$1,451	\$1,140	\$933
3	\$1,668	\$1,311	\$1,072
4	\$1,870	\$1,469	\$1,202

The data source for the 2020 estimate is the Census Bureau's American 2017 Community Survey (ACS) 1-year estimate inflated to 2020 using the Consumer Price Index and the same methodology used by HUD.

According to the Washington Center for Real Estate Research 2Q Apartment Report and Colliers 2Q 2020 Multi-Family Market Report and data from Apartment List on the median rent in Vancouver, the market rent for a two-bedroom apartment is between \$1,262 and \$1,678. Research indicates that the proposed maximum rents are in-line with what is currently being charged in Vancouver.

Development Stakeholder Outreach

City staff reached out to 25 housing developers who have participated in the Multi-Family Tax Exemption Program to obtain feedback on the proposed adjustment to Area Median Income to better reflect Vancouver Median Household Income, versus the inflated Median Family Income of the broader Portland region. Two listening sessions were held in September, and two additional listening sessions have been scheduled in November prior to the consent agenda date. So far, staff have received feedback from eleven developers.

While there is an acknowledgement among developers who participated that Vancouver rents and incomes are generally lower than in Portland, the feedback received to-date indicates overall concerns with the proposed reductions in the maximum affordable rents in affordable projects, which are seen as making it harder for developers to build quality affordable housing projects, even with the generous tax benefits over 8, 10 or 12 years.

Specific feedback:

- *Important to understand that the margin on affordable projects is “very thin.” Land prices are getting close to Portland prices, particularly in the downtown and Waterfront areas. Design, labor and material costs are the same as Portland, projects in Vancouver pay Washington state sales tax on improvements, and Vancouver apartments cannot command the same rents as in Portland.*
- *The tax incentive through the MFTE program is just about enough to cover the state sales tax on construction.*
- *Reducing the tax incentive by further limiting affordable rents by 30% will result in fewer developers opting to build under the affordable housing options or if they do, the projects will be of lower quality.*
- *New projects are more expensive, and therefore it is difficult to begin with to build “new” affordable housing.*
- *Need to understand the “ecosystem” of affordable housing, and how new housing supply – regardless of affordability – leads to overall increase in affordable units in the system.*
- *Decrease in rents from affordable units would need to be shifted to other units that are market rate.*

City Center Redevelopment Authority

The City Center Redevelopment Authority is responsible for advising City Council on the Multi-Family Tax Exemption Program per their bylaws. On September 21, 2020, the CCRA met to consider the proposed adjustment to income limits for affordable units under the program to better reflect Vancouver incomes. Several members reflected on the success of the program over the past twenty years, especially in bringing more residents to the downtown, and noted that the original intent of the state law was to incentivize housing in city centers, regardless of affordability. However, board members also acknowledged that the incomes in Vancouver

are much lower than the Portland-Vancouver-Hillsboro MSA, which results in units that are less affordable to Vancouver residents at 100%, 80% and 60% of Area Median Income. While the board indicated support for the changes, they intend to monitor how these changes affect the number of new affordable projects and advise caution when considering further adjustments that would reduce the value of the tax incentive.

Staff Recommendation

Staff recommends that Council approve the ordinance to adjust the income and rent limits for the City's multi-family tax exemption program by using the Vancouver median household income. The revised income restriction and rent limits would only impact the new projects going forward that utilize the MFTE affordable unit option (at 100%, 80% or 60% of Area Median Income).

11/23/20
12/07/20

ORDINANCE NO. M-_____

AN ORDINANCE related to multi-family property tax exemption, amending Vancouver Municipal Code Section 3.22.040; and providing for an effective date.

WHEREAS, the City of Vancouver desires increased affordable housing in urban areas, and

WHEREAS, The Washington State legislature has put into state law the authorization of a multifamily housing property tax exemption to promote multifamily housing including an affordability option, (RCW 84.14), and

WHEREAS, the RCW 84.14 affordability option allows the multifamily tax exemption for low and moderate income households earning below 115% of the area median income as reported by the United States Department of Housing and Urban Development (HUD), and

WHEREAS, HUD uses data from a six county regional metropolitan statistical area (MSA) as the basis to determine the area median income rather than income data specific to Vancouver, Washington, and

WHEREAS, Vancouver's 2020 median household income estimate (using HUD calculation methodology) is \$64,900, 29.5% lower than the \$92,100 Portland MSA median family income, and

WHEREAS, Rents affordable to households using the Portland MSA area median income are not equally affordable to households using the Vancouver median household income.

WHEREAS, RCW 84.14.040 (6) allows that "The governing authority may adopt and implement, either as conditions to eight-year exemptions or as conditions to an extended exemption period under RCW 84.14.020(1)(a)(ii)(B), or both, more stringent income eligibility, rent, or sale price

limits, including limits that apply to a higher percentage of units, than the minimum conditions for an extended exemption period under RCW 84.14.020(1)(a)(ii)(B)”.

WHEREAS, the Vancouver City Council recommended changes to VMC Chapter 3.22 to increase the affordability of units constructed through the Multifamily Tax Exemption program by lowering the eligible household income requirement,

NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF VANCOUVER:

Section 1. Vancouver Municipal Code, Chapter 3.22 MULTI-FAMILY HOUSING TAX EXEMPTION as last amended by Ordinance M-4225 and codified at Vancouver Municipal Code Section 3.22.040 D, sub-section 8 is hereby amended to read as follows:

8. Affordability. To be eligible for the eight-year tax exemption option under this chapter, the applicant may choose between the market-rate option and the affordable option.

a. Under the eight-year market-rate exemption option, applicants shall enter into a development agreement with the city specifying requirements such as enhanced design, public art, additional parking or structured parking, enhanced landscaping, enhanced infrastructure (e.g. wider sidewalks, undergrounding utilities), homeownership component, energy efficiency, consistency with subarea plan.

b.

1. To be eligible for the eight-year affordable exemption option under this chapter, applicants must commit to renting or selling at least 20% of units as affordable housing to households with annual incomes at or below ~~400~~ 70% of Area Median Income.

2. To be eligible for the ten-year tax exemption, applicants must commit to renting or selling at least 20% of units as affordable housing to households with annual incomes at or below ~~80~~ 55% of Area Median Income.
3. To be eligible for the twelve year tax abatements exemption under this chapter, applicants must commit to renting or selling at least 20% of units as affordable housing to households with annual incomes at or below ~~60~~ 45% of Area Median Income.

Table 1: Affordability Requirements

<u>Exemption Period</u>	<u>Affordability Requirement</u>
<u>Eight (8) Years</u>	No affordability requirement with development agreement under market-rate option; or Minimum of 20% of units rented or owned will be affordable housing to households at/below 40 <u>70</u> % of Area Median Income
<u>Ten (10) Years</u>	Minimum of 20% of units rented or owned will be affordable housing to households at/below 80 <u>55</u> % of Area Median Income
<u>Twelve (12) Years</u>	Minimum of 20% of units rented or owned will be as affordable housing to households at/below 60 <u>45</u> % of Area Median Income

Section 2. Effective Date. This ordinance shall take effect January 6, 2021.

Read first time:

Ayes: Councilmembers

Nays: Councilmembers

Absent: Councilmembers

Read second time:

PASSED by the following vote:

Ayes: Councilmembers

Nays: Councilmembers

Absent: Councilmembers

SIGNED this _____ day of _____ 2020.

Anne McEnery-Ogle, Mayor

Attest:

Approved as to form:

Natasha Ramras, City Clerk

Jonathan Young, City Attorney

SUMMARY

ORDINANCE NO. _____

AN ORDINANCE related to the MultiFamily Tax Exemption; amending Ordinance M-4186 now codified at Vancouver Municipal Code Section 3.22 and as last amended by Ordinance M-4225, and providing for savings and an effective date of January 6, 2021.

The full text of this ordinance will be mailed upon request. Contact Raelyn McJilton, Records Officer at 487-8711, or via www.cityofvancouver.us (Go to City Government and Public Records).

MEMORANDUM

TO: City Council

FROM: Eric Holmes, City Manager
Chad Eiken, Community and Economic Development Director

DATE: September 28, 2020

SUBJECT: Proposed Revision to the Multi-Family Tax Exemption Program – First Phase

This memo summarizes the background and substantive elements of a proposal to revise the City's multi-family tax exemption (MFTE) program in two key areas. City staff developed the proposal after receiving feedback from City Council, conducting research on MFTE programs in other cities and engaging the City Center Redevelopment Authority (CCRA). The proposal retains and strengthens the linkage between the MFTE program and the City's efforts to expand access to affordable housing that City Council established in 2017 and provides additional flexibility to developers.

Executive Summary

The current set of proposed changes are the first of two phases of possible revisions to the MFTE program and include two key areas which are a high priority, based on recent input from City Council.

Key characteristics of the proposed Phase I of MFTE program refinement include:

- **Revision to affordable rent levels.** Affordable rent levels based on Vancouver median household income instead of Portland metropolitan area median family income.
- **Retention of the current 8, 10 or 12-year exemption terms.** An exemption term of 8, 10 or 12 years will continue to be available in exchange for an owner offering 20% of the units at rents affordable to households earning 100%, 80% or 60% of the revised median income.
- **Removal of the public benefit option.** The option for a developer to provide a public benefit in excess of other required improvements in exchange for an 8-year exemption is removed.
- **Addition of a fee-in-lieu of using an affordable housing option.** A new option is provided that allows a developer to pay a fee in-lieu of providing affordable housing in exchange for an 8-year exemption. The fee would support the city's Affordable Housing Fund (AHF) and the AHF's various affordable housing programs.

Phase II is intended to include:

1. consideration of an expansion of geographic boundaries of program to include Mill Plain Corridor, broaden Fourth Plain Corridor, and expand the Vancouver City Center Vision MFTE boundary; and

2. review the overall efficacy of the program, review and refine policy goals, and adjust the incentive by area as needed to accomplish policy goals.

A brief background of the MFTE program is provided below followed by more specific information on the proposed revisions. Staff will be presenting these options to City Council and will be requesting direction at a City Council workshop on September 28, 2020. After receiving direction from City Council staff will work with the CCRA on specific revisions to the MFTE program to bring back to City Council for final consideration and adoption.

Background

The State of Washington established the MFTE program in 1995 (Revised Code of Washington (RCW) Chapter 84.14) to help cities stimulate residential development in designated urban centers and to assist local governments in meeting density goals to help lower the infrastructure and operating costs associated with local government services. While the purpose of the law includes affordable housing, the program is not exclusively intended to be an affordable housing program. The 1995 MFTE program exempted the value of eligible housing improvements from property taxes for a period of 10 years and had no affordable housing requirement.

In 2007 the state revised the MFTE statute and reduced the 10-year exemption to 8 years and offered a 12-year exemption to projects that included at least 20% of their units as affordable housing at 115% of Area Median Income (AMI). Under the MFTE program land and non-residential improvements are not exempt.

In 2019 the Joint Legislative Audit and Review Committee (JLARC) issued a report assessing the impacts of the program state-wide. [That report can be found here](#). Further resources can be found on the Municipal research Services Center site [here](#).

The City of Vancouver adopted a multi-family tax exemption program in 1997 to stimulate the construction or rehabilitation of multifamily housing as part of the Esther Short Redevelopment Plan and create a more active and vibrant downtown. The MFTE program was a major part of the City's downtown redevelopment strategy and provided an incentive to attract more residents to the downtown area. Currently, the city offers the MFTE program in two designated residential target areas: The Vancouver City Center Vision Area (VCCV) and the Fourth Plain Corridor Subarea (added in 2007).

The Vancouver City Council enacted a modification to the city's MFTE program in January 2017. The city's 2017 modification made the following tax exemption options available to applicants:

- An 8-year exemption for market-rate projects offering public benefits negotiated through a development agreement process.
- An 8-year exemption for projects with 20% of units affordable to households earning up to 100% of area median income (AMI).
- A 10-year exemption for projects with 20% of units affordable to households earning up to 80% AMI.

- A 12-year exemption for projects with 20% of units affordable to households earning up to 60% AMI.

The City has approved 30 MFTE program applications to date representing an estimated \$550 million private investment. The table below provides a summary of the approved projects. As shown, the city has approved nearly 2,600 units including 653 affordable units. Of the 653 affordable units 424 are in projects that received Federal tax credit financing support and are required to limit monthly rents to amounts affordable to households earning 60% of the Portland median family income. Another 25 units are affordable due to other financing. The remaining 204 affordable units are in projects that only received a MFTE tax exemption.

Table 1. Summary of Projects and Units under the MFTE Program (2001-Present)

Multi-Family Tax Exemption Program Summary	Completed	In Construction	In Permitting	TOTAL
Approved Projects				
VCCV	17	6	4	27
Fourth Plain	2	1	0	3
Total Approved Projects	19	7	4	30
Total Units				
VCCV	1,266	663	420	2,349
Fourth Plain	212	36	0	248
Total Units	1,478	699	420	2,597
Affordable Units				
VCCV	308	43	82	433
Fourth Plain	212	8	0	220
Total Affordable Units	520	51	82	653
Affordable Units				
Federal Tax Credit Projects	424	0	0	424
Other Program Units			25	25
MFTE Only Projects	96	51	57	204
Total Affordable Units	520	51	57	653

Issue 1: Revisions to Affordable Rent Levels

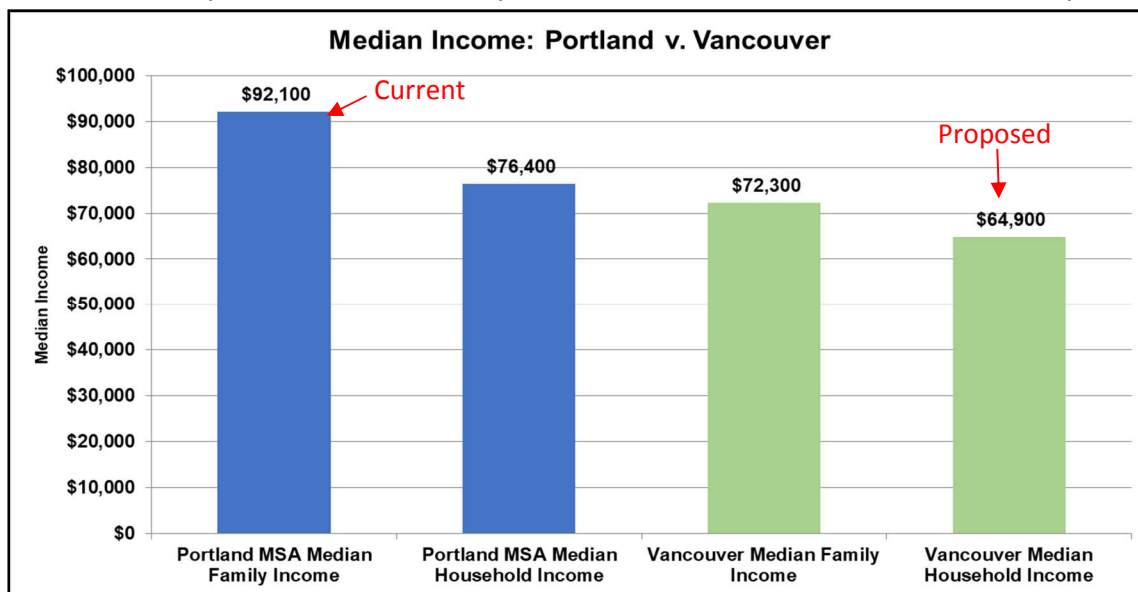
City Council, CCRA board members, city staff, and the public have all commented on the fact that the MFTE program's affordable rent levels are significantly higher than the average rent in Vancouver and Clark County. The city's MFTE program currently defines affordable rent in Vancouver using the Portland metropolitan statistical area (MSA) median family income which is the same source the federal Housing and Urban Development (HUD) program uses for Vancouver Community Development Block Grant (CDBG) programs. As discussed in this memo, City staff recommend using Vancouver's median household income as the basis for establishing affordable rent limits and applying a reduction factor to the Portland MSA Median Family Income index.

Adjusting the MFTE income level based on the Vancouver median household income will provide a more appropriate basis for establishing affordable rents used in the MFTE program. Shortcomings associated with using the Portland MSA’s median family income as the base include:

- The U.S. Census Bureau’s definition of a “family” includes a group of two people or more related by birth, marriage, or adoption and residing together. It excludes single individuals and non-family households (roommates) which are 35% of the households in Vancouver and 36% of the households in the MSA.
- Vancouver “Families” represent roughly 10% of the total Portland MSA families – meaning Vancouver’s families and their incomes are woefully underrepresented in the estimate of Portland MSA median family income.
- Family income is higher than overall household income since it only includes households of two or more persons that are related.

The below table illustrates the difference between incomes in the Portland MSA and City of Vancouver using the median family income or median household income as the basis for the program.

Table 2. Comparison of Median Family Income and Median Household Income (Family of 4).



In addition, the MFTE program’s use of median family income to determine affordability is in conflict with the MFTE program’s definition of households which includes “...a single person, family or unrelated persons living together.” HUD’s median family income estimate is based on the U.S. Census Bureau’s American Community Survey (ACS) median family income data. The ACS defines a family as “...a group of two people or more (one of whom is the householder) related by birth, marriage, or adoption and residing together.” Family households are a subset of total households and exclude single person households or households with unrelated individuals.

The data and methodology for establishing the Vancouver median household income comes from the same source and uses the same method as the Portland MSA median family income. The data source for the 2020 estimate is the Census Bureau's American 2017 Community Survey (ACS) 1-year estimate inflated to 2020 using the Consumer Price Index and the same methodology used by HUD. The 2020 Vancouver median household income estimate can then be converted to income limits for various household sizes and then to affordable rent levels (at 30% of income) for each unit size using the same methodology used by HUD.

Vancouver's 2020 median household income estimate using HUD's methodology is \$64,900 and is 29.5% lower than the \$92,100 Portland MSA median family income. Despite the smaller sample size, the accuracy of the ACS estimate of Vancouver's median household income is well within the criteria used by HUD.

A table comparing the current MFTE program affordable rent level to the affordable rent level using Vancouver's median household income (adjustment in column 3) is provided below.

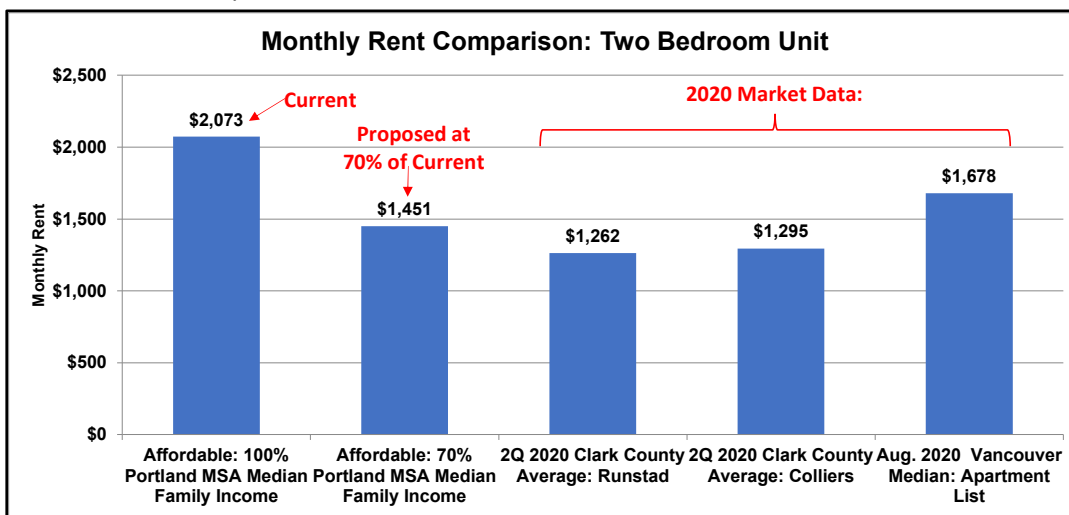
Table 3. Comparison of Rents Using Median Family Income vs. Median Household Income*

Unit Size (#BR)	Current Affordable Rent Using Portland MSA Median Family Income	Proposed Affordable Rent Using 70% Adjustment Factor	Reduction: Dollar Amount	Reduction: Percent
Studio	\$1,613	\$1,128	-\$485	-30%
1	\$1,728	\$1,209	-\$519	-30%
2	\$2,073	\$1,451	-\$622	-30%
3	\$2,384	\$1,668	-\$716	-30%
4	\$2,672	\$1,870	-\$802	-30%

*100% of Area Median Income

As shown, the proposed affordable rent level for a two-bedroom apartment is \$1,451 or \$622 lower than the rent using the Portland MSA median family income. For context several surveys suggest the proposed affordable rent level is comparable to the current market rent. Data for the average rent in Clark County from the Washington Center for Real Estate Research 2Q Apartment Report and Colliers 2Q 2020 Multi-Family Market Report and data from Apartment List on the median rent in Vancouver suggest the market rent for a two bedroom apartment is between \$1,262 and \$1,678. The midpoint of this range is \$1,470 or \$19 (1.3%) higher than the proposed affordable rent using Vancouver median household income.

Table 4. Comparison of Median Income Indices to Actual Rents in Vancouver.



Current MFTE program rules allow an 8, 10 or 12-year exemption for providing 20% of units affordable to households earning 100%, 80% and 60% of Portland MSA median family income respectively. Under the proposed approach, an 8, 10 or 12-year exemption would be available for providing 20% of units affordable at rent levels of 100%, 80% and 60% of Vancouver median household income. A table summarizing the proposed rent levels for each unit size under the three affordable housing options is provided below. Note that the MFTE affordable rent levels would be adjusted annually on April 1 using the HUD methodology and the most recent ACS data on Vancouver median household income.

Table 5. Proposed Rent Levels (8-10-12 Year Exemption) Using Median Household Income.

	8 Year Exemption	10 Year Exemption	12 Year Exemption
Unit Size (#BR)	Affordable at 70% of Portland Median Family Income	Affordable at 55% of Portland Median Family Income	Affordable at 45% of Portland Median Family Income
Studio	\$1,128	\$886	\$725
1	\$1,209	\$950	\$777
2	\$1,451	\$1,140	\$933
3	\$1,668	\$1,311	\$1,072
4	\$1,870	\$1,469	\$1,202

The change to Vancouver's MFTE Program to adjust the Median Family Income threshold by -30 percent (derived from the Vancouver Median Household Income) will result in rents under the 8, 10 and 12-year Affordable Housing Options that are more aligned with actual incomes and rents in Vancouver.

City Council is authorized to adopt adjustments to affordability and income eligibility criteria by RCW 84.14.030(2) as follows: *“The multiple-unit housing must meet guidelines as adopted by the governing authority that may include height, density, public benefit features, number and size of proposed development, parking, income limits for occupancy, limits on rents or sale prices, and other adopted requirements indicated necessary by the city or county.”*

Issue 2: Removal of the Public Benefit Option

The city’s MFTE program currently allows an applicant to receive an 8-year property tax exemption, without providing 20% of the units as affordable housing, so long as the developer provides other public benefits over and above those required by the city’s approval of the project. The Vancouver Municipal Code (VMC) section for the MFTE provides general guidance on what a public benefit is including “...enhanced design, public art, additional parking or structured parking, enhanced landscaping, enhanced infrastructure (e.g. wider sidewalks, undergrounding utilities), homeownership component, energy efficiency...”.

The VMC guidance provides examples of the types of public benefit but lacks specific criteria which has made the review and approval process a challenge for applicants, staff, and decision makers. For example, there is no direction on the minimum cost or value of the public improvements, the nexus between the value of the forgone affordable units, or the location and accessibility of the public improvements – all of which has caused confusion.

To-date the city has received four applications using the public benefit approach and city staff have negotiated with each applicant to determine the public benefit to be provided. Each negotiation has required significant staff and developer time. A final agreement regarding the negotiated public benefit is required by the VMC to be memorialized in a development agreement that is approved by City Council. The formal approval process adds cost to applicants and requires an additional investment of time by staff and City Council.

The subjective nature of the public benefit and the lack of guidance on the appropriate value or cost have made negotiations with applicants a challenge for staff and leads to an opaque policy discussion for the City Council when projects come before them for consideration. To address these challenges, staff worked with the CCRA to consider a few options:

Table 6: Possible Options to Revising Public Benefit

Options	Considerations
Option 1: Retain the public benefit requirement but define it more clearly in terms of: • Value (public amenity should approximate \$2,000 per unit in value) • Proximity to the project site (preference for amenity that is on the project site or within several blocks); and • Type of public improvement (park or trail improvements, public art installation, or transportation improvement beyond typical requirements of development);	• Would add clarity to the definition of public benefit, assuring more consistency between projects. • Maintains flexibility in administration for the public benefit concept based on individual project characteristics. • Retains some ambiguity inherent in the public benefit concept; requires project-by-project negotiation.
Option 2: Eliminate the public benefit option in favor of a fee-in-lieu of the required public benefit to be paid at \$2,000 for each unit in the project, at the option of the developer, which could: • Be committed fully to an affordable housing fund, or • Split the fee-in-lieu between affordable housing (directed to the AHF) and a to-be-created public amenity fund (with program administration also to be determined).	• Provides clarity for city and applicant through a quantifiable payment to the City in lieu of taxes; Assures absolute consistency between projects under program administration. • Draws a logical nexus between market rate housing development and support of funding for additional affordable housing. • Splitting the fee between a to-be-created public benefit program and the AHF could “water down” positive impact on affordable housing. • Affordable housing funds derived through a fee in lieu program could be used to support development of income-based housing that would remain affordable for a longer period (up to 20 years) than that allowed under the MFTE program (max 12 years).
Option 3: Eliminate the affordable housing options (100%-80%-60% AMI) and apply the fee-in-lieu (\$2,000 per unit) to all MFTE projects • Any project would qualify for the abatement if up-front fee is paid • Fee would be directed to the AHF to increase supply of very low income housing (at or below 50% AMI)	• Streamlines the approval process (no development agreement required). • Eliminates the need for the city to monitor rents and incomes of renters in approved affordable units (new projects only). • Could have an unintended effect of decreasing the number of new projects with moderate income units.

The City Center Redevelopment Authority, which is charged in their bylaws with periodically reviewing the effectiveness of the MFTE Program, recommends that the city's MFTE program provide an option for an applicant to pay a fee in-lieu of providing affordable housing or a public benefit (Option 2 above). The fee-in-lieu option might be appealing to applicants who do not want the administrative burden that comes with offering affordable units. The exemption term associated with the fee-in-lieu option would be limited to eight years.

Under a fee-in-lieu option the applicant would pay a fee of \$2,000 per multi-family unit to the city in exchange for the exemption from certain taxes under the program. The staff recommendation is to have the fee go into the city's existing Affordable Housing Fund (AHF). The AHF is funded by a six-year voter approved property tax levy and supports several programs to expand the availability of affordable housing for the most vulnerable households within the city which earn 50 percent or less of the area median income. AHF programs include grants to build and preserve affordable housing in Vancouver, rental assistance and services to help households avoid an eviction or access a rental unit and temporary shelter for people experiencing homelessness. AHF grants require units to be retained as affordable for a full 20 years instead of the 8, 10 or 12 years under the current MFTE program.

Basis for Determining Recommended Fee per Unit

The \$2,000 per unit fee amount is based on a June 2019 analysis that looked at:

- Fees on new development related to affordable housing charged by other cities.
- The impact on developer/owner rental income of requiring affordable housing.
- The value of the tax exemption to the developer/owner over the exemption period.

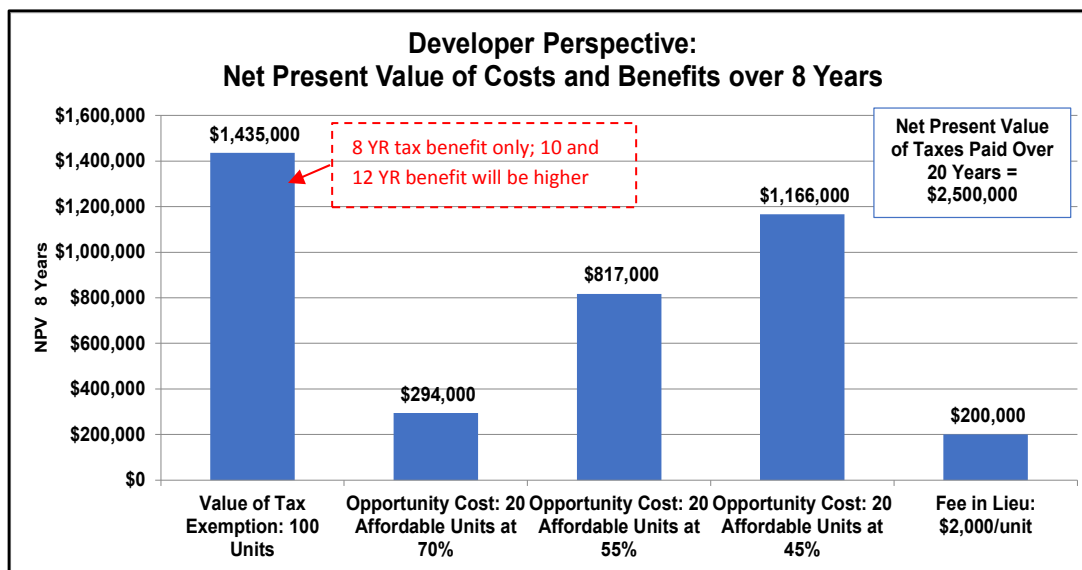
The 2019 affordable housing fee analysis found that fees in some cities ranged up to \$20 per square foot or \$20,000 for a 1,000 square foot unit. The CCRA recommended a fee of \$10,000 per affordable unit (assuming affordable units are 20% of total units) or a fee of \$2,000 per unit for all units. For context, the city's AHF provides grants of up to \$50,000 per affordable unit for a 20-year affordable housing commitment. The equivalent value for an 8-year commitment to affordability would be \$20,000. In addition, the estimated net present value benefit of an 8-year tax exemption to the owner was estimated at just over \$50,000 per affordable unit or \$10,000 per unit for all units.

The CCRA identified \$10,000 per affordable unit as the appropriate fee citing the MFTE program's main goal of encouraging residential housing in targeted areas, the higher cost of developing projects in the two target areas and the other benefits the city receives from the creation of more housing and long term generation of tax revenue in the targeted urban areas.

A fee in lieu requirement in lieu of providing affordable units, in conjunction with elimination of the current "public benefit" requirement, would create a supplemental source of funding for affordable housing which has been identified as a high priority by City Council. The fee in lieu would streamline the review process by eliminating lengthy negotiations over the adequacy of proposed public amenities as well as the need for a development agreement. Further, the fee in lieu would provide greater consistency among market rate MFTE projects.

The below table compares the net present value of the tax benefit for a 100-unit, market rate project (8 years) with the opportunity cost of providing affordable rents to 20% of the project under the 60%, 80% and 100% of AMI options (note that the tax benefit is greater for the 60% and 80% options since the exemption period is 10 and 12 years, respectively). The fee-in-lieu of providing affordable units is also shown for comparison purposes. In the below example, the proposed fee-in-lieu is slightly less than the opportunity cost of affordable units under the 8-year, 100% of AMI option.

Table 7. Value of Tax Exemption vs. Opportunity Costs and Fee-in-Lieu



City Center Redevelopment Authority Input

The CCRA reviewed the currently proposed revisions to the MFTE program at a special meeting on September 21, 2020. The consensus of the CCRA was:

- Support for the proposed 30% reduction in the Portland MSA Median Family Income to better reflect Vancouver income and rents.
- Support for continuing to offer 8, 10 and 12-year exemptions as incentives for additional housing in the target areas as well as incentives for more affordable housing.
- Support for offering a fee in lieu option and a fee of \$2,000 per unit seems reasonable and should not adversely affect the role of the incentive; however, they noted that developers should weigh in on this proposal to provide a more complete picture of how this might impact new housing.
- Support for using any MFTE fee in lieu payment to support affordable housing.

Development Stakeholder Outreach

As of the writing of this memo, a meeting with local developers who have utilized the MFTE Program had been scheduled but had not yet occurred. Staff will provide an update on feedback received from the ad hoc Developer Stakeholder group at the Council Workshop.



CITY CENTER REDEVELOPMENT AUTHORITY MEETING MINUTES

Vancouver City Hall – Council Chambers – 415 W. 6th Street

PO Box 1995 – Vancouver, Washington 98668-1995

www.cityofvancouver.us

Richard Keller • Marc Fazio • Debi Ewing • Jack Onder • Brad Hutton • David Copenhaver • Richard Krippaehne

September 21, 2020

SPECIAL MEETING (Convened telephonically, no in person attendance)

The meeting agenda materials referenced in these minutes can be found [online](#). The agenda for this meeting was a continuation of agenda items from the regular meeting on Thursday, September 17, 2020.

ITEM 1: CALL TO ORDER AND ROLL CALL

The September 21, 2020 meeting of the City Center Redevelopment Authority was called to order at 1:01 pm by President Richard Keller.

Present: Richard Keller, Dick Krippaehne, Debi Ewing, Marc Fazio, David Copenhaver

Absent: Brad Hutton, Jack Onder

ITEM 2: MULTI-FAMILY TAX EXEMPTION PROGRAM CHANGES – PHASE I

Item Summary

Chad Eiken, Community and Economic Development Director, introduced proposed revisions to the Multi-Family Tax Exemption (MFTE) program. These revisions seek to address two issues identified by the CCRA, City Council, city staff and program applicants: to ensure that the maximum rents allowed under the affordability criteria are indeed affordable to Vancouver residents, and to tie the public benefit requirement for market rate housing to the value of the tax incentive in order to create project-to-project consistency. Peggy Sheehan, Community Development Program Manager, provided some background on the program, stating that it has been initially enacted to incentivize residential growth downtown, and was subsequently revised in 2017 to additionally incentivize affordable housing. Paul Lewis, consultant, walked the board through the methodology used to compare the Portland metropolitan statistical area's median family income (used to define affordability in the current MFTE program) to Vancouver's median household income (a Vancouver-specific number that is additionally inclusive of single person and non-family households) to establish meaningful rent thresholds for Vancouver.

Chad Eiken presented proposed changes to the Public Benefit Option for market rate projects, using a fee-in-lieu model. Previously, the CCRA board had provided feedback requesting additional guidelines to assist with comparing the value of public benefit proposals project-to-project, to alleviate some of the subjectivity in their decision making. This proposal would replace the public benefit requirement that is negotiated project-by-project with a per unit fee of \$2,000 per unit. The fees would then be directed to the City's Affordable Housing Fund, providing predictability for developers and leveraging affordable units for lower income households for a longer period (20 years). Next steps include a City Council workshop for introduction on Sept. 28, a CCRA meeting to discuss program refinements and implementation on Oct. 10, and adoption of the changes at a City Council hearing in November. Staff anticipates a second phase of program analysis and revisions to occur in the second quarter of 2021.

Board Discussion

The CCRA board discussion centered around the origins and intent of the various iterations of MFTE program and sought to understand potential constraints to the feasibility of development if these amendments were enacted. There was general acceptance of the need to ensure rents labeled affordable by the program are indeed affordable to the Vancouver market. Paul Lewis noted that value of the revised tax incentive would still be significant relative to the opportunity cost of the foregone market-rate rents, but board members were particularly interested in potential outcomes to development programs and potential for securing funding. Chad Eiken indicated that there would be a stakeholder meeting including developers later that week and one group had volunteered to share that type of numerical analysis. David Copenhaver noted that including incentives from the Opportunity Zone designation would be useful to include in the rate of return analysis. President Keller noted that the cost of land and need for high rise buildings downtown increase construction costs and wondered if there should be a VCCV adjustment factor built into the program.

Dick Krippaehne observed that since 2017, the MFTE program has had two objectives, to incentivize development downtown, and to incentivize affordable housing. Those two objectives, coupled with the regional cost of construction and geographically variable rent prices, create a narrow 'tight rope' to walk in order to balance incentivizing investment and preserving rent prices. Marc Fazio built on this observation, questioning whether incentivizing residential buildings downtown and incentivizing affordable housing should be blended into the same program. He asked if the 2017 changes undermined the original intent of the program and wondered at what point development downtown will be stabilized and no longer in need of stimulus. Debi Ewing echoed Marc Fazio's question about the stability of downtown development and added that City Council must decide if all developers seeking a property tax exemption should be required to contribute to affordable housing. Ewing asked about the possibility of eliminating the 8-, 10-, 12-year options and requiring all developers to pay into the affordable housing fund. Chad Eiken indicated that idea had been discussed at one point, but the concerns arose that the only affordable housing projects benefitting from the fund would be at the very low income levels (50% of AMI and below), which could undermine efforts to preserve working wage and missing middle housing options.

President Keller stated concerns that making the wrong choice in amending this program could halt nascent development on the Waterfront and at Waterfront Gateway. David Copenhaver provided preliminary rate of return calculations based on a recent project, the Broadway, which is anticipated to

receive the market rate with public benefit MFTE. It was indicated that without any MFTE program the return would be 3.75%, with the pending MFTE proposal it would be 6.5%, and with the fee-in-lieu model proposed here the return would be 6.35%. It was noted that 6.35% was adequate to move forward (as opposed to 3.75%), but other factors came in to play in project feasibility besides the yield of cost, such as availability of funding and debt service options. Debi Ewing encouraged the board and City Council to keep their eye on the intent of the original program and assess when the rental market downtown will be saturated. David Copenhaver expanded on that thought, noting that at some point downtown incentives will need to switch over to business recruitment to employ these new downtown residents, and without those opportunities, downtown will stagnate regardless.

CITIZEN COMMUNICATIONS

None.

ADJOURNMENT

2:06 PM

Richard Keller, President

Meetings of the City Center Redevelopment Authority are electronically recorded on audio. The audio tapes are kept on file in the office of the City Clerk for a period of six years.



To request other formats, please contact:
City Manager's Office
(360) 487-8600 | WA Relay: 711
Amanda.Delapena@cityofvancouver.us

Developer Feedback on MFTE Program

City Listening Sessions: Sept-Nov 2020

Summary

City staff held a series of four listening sessions (by video conference) with development stakeholders, most of whom have recently participated in the city's Multi-Family Tax Exemption (MFTE) Program. Meeting invitations were sent to 50 developers or consultants familiar with the program, and approximately 25 people participated in the meetings. The sessions were held on September 21 (two sessions), and on November 20 and 23.

Attendees included: Matt Grady, Fred Dockweiler, Ian Johnson, Phil Hays, Dave Campos, Garret Hodgins, Elie Kassab, Tim Leavitt, Ryan Zygar, Greg Daniels, Jamison Loos, Alkash Patel, George Diamond, Marc Heffron, Dave (Alliance Residential), Greg McGreevey, Patrick Ginn, Phil Wuest, Scott Vanderhofen, Frank Stock, Albert Angelo III, Dean Kirkland, Victoria Kirkland, Dana, Peggy Sheehan (City) and Chad Eiken (City). Phil Wuest, Lance Killian, and Clyde Holland sent more detailed written comments after the listening sessions, some of which are included below.

Below is a summary of comments received at the meetings and in subsequent emails from stakeholders:

- Rents for Clark County and Vancouver are likely much lower than what we would find if we only looked at newer projects, because the studies include housing stock that is 10-20-or more years old, which have much lower rents because they are older and possibly in poor shape.
- The City should be accounting for the “bump” in net income that Vancouver residents receive compared with Portland residents, who have to pay state income tax. Their point was that yes, incomes and rents are higher in Portland, but should be “grossing up the incomes” to reflect a true picture of the difference in incomes, which might show that it is not a 30% difference.
- Land, soft costs (engineering, architecture) and construction costs are the same as Portland (except downtown Portland), but that in Vancouver, there is sales tax on construction which Portland projects do not have. One developer stated that the tax benefit sometimes is enough to just cover the sales tax on construction.
- The City should consult with housing developers who specialize in affordable housing to understand how to make sure that affordable housing can be developed in the City of Vancouver.
- Affordable housing will not be feasible without public subsidy/support and understanding what may be necessary is critical to actually achieving the intended outcome of affordable housing being constructed.

- How important is increasing housing supply in urban/targeted areas? The MFTE program was created on a certain premise which still holds true and in some respects is even more exaggerated now with increased costs, accelerated climate change, etc. Certainly any incremental costs makes the feasibility of underwriting a project more challenging – other factors (market rent, etc.) being held constant.
- There is a common mis-conception that multi-family housing has a high return profile – that is not correct...these projects have fragile under-writing. Typically multi-family housing has one of the lowest return and highest equity profiles (for various reasons) of most real estate product types. The MFTE program has made a material difference in the expansion of the urban housing supply and density (particularly in downtown Vancouver) which is now gaining some momentum.
- Adding a fee in lieu seems reasonable (and for the right cause), it is additional cost and at a minimum should be considered in light of any other fees or charges that the City might consider increasing or imposing over time (cumulative effect can be very real).
- Is affordable housing important in urban areas (yes!)? Adjusting the AMI levels to the actual levels in Clark County makes sense, but will further complicate the underlying feasibility of affordable housing. Affordable housing simply does not pencil without public subsidy, and as we all know communities need to be doubling down on expanding affordable housing with the growing need (and extreme deficit that already exists).
- The MFTE program helps, but is only one of many cost-reducing structures that is required to make an affordable housing project financially feasible. This change to the AMI will effectively reduce the revenue potential of an affordable housing project, making it that much more challenging to under-write and may have the un-intended consequence of constraining supply.
- Has the Council explored other ideas like tax increment financing (which can be plowed back into affordable housing programs) within these prescribed areas as a means of helping support more affordable housing, or looked at other jurisdictions for ideas on how to further enable the creation of affordable housing (ie. Oregon's passage of Measure 102 in 2018)?
- The conditional certificate for Roosevelt Commons (attached here), which we're scheduled to submit for finalization this week, requires ongoing compliance with VMC 3.22, demonstrated by annual reporting. If the draft ordinance is adopted in the current form with an effective date early in 2021, will Roosevelt Commons need to demonstrate compliance with the 80% that is currently in effect or the 55% threshold in the revised Section 3.22? As drafted, it appears to me that the project would have to demonstrate compliance with 55% AMI. If that is the case, we will remove the property from the MFTE program.

- Using Roosevelt Commons as a general example, we believe the proposed code change will work against the City's affordable housing goals. The present value of the modified MFTE program for Roosevelt Commons at 55% AMI would be about -\$154,000 over the ten year abatement period (or -\$15,400/year or -\$1,284/month). That loss arising from program participation is based on reduction in collected rents of about \$350,000 to \$400,000 measured against the benefit of the property tax savings over the same time period. Participating in a program with negative returns doesn't make sense.
- For Roosevelt Commons, a 36 unit project (each a 4-bedroom townhome) with 8 units currently rented to residents qualifying under 80% AMI criteria, the effect of the code change will be to remove the below-market-rate-rent units from available inventory. As the current leases come up for renewal, we will have to convert them to market rate if the proposed changes are adopted.
- During the stakeholder input process, we mentioned that the Vancouver AMI (as proposed) doesn't have a direct relationship to development/construction of new rental housing stock. In terms of construction costs and lending/underwriting requirements, it's a regional market. Rents are also very similar throughout the market area. I believe it will be significant challenge for market-rate projects that could otherwise provide 20% of units at below market rents at 80% AMI to be able to justify participation financially at 55% AMI.
- Because we don't believe the revised program criteria will work for project underwriting anything but project that are already receiving other subsidies, we believe that the proposed code change will result in a drop in program participation and reduction in the total number of units available at below-market rents in Vancouver.
- I trust you know we are in favor of and support affordable housing as an essential element of a healthy housing market and we are working to be part of a solution – it seems this new ordinance hasn't been fully vetted and balanced to make sure it continues to encourage and stimulate affordable housing.
- If there were lower parking ratios and opportunity for a density bonus in conjunction with MFTE program participation, that could help offset the impact of lower income limits.
- Decrease in rent revenue from the change would need to be made up from other non-restricted rents.
- I'm not sure extending the period will help. The math is really whether the annual reduction in property taxes is more or less than the reduction in rent collected. If that holds, then extending the period won't really have an impact on participation.

- When you lower the rent on the 20% of the units gaining a lower affordable unit you raise the rent required to rebalance the revenue on the 80% of the remaining units. Your analysis provides the following rental rate decreases:

	Potential Savings	Additional Cost to 80% units
Average MFI %	(\$483)	\$121
Studio	(\$517)	\$129
IBR	(\$621)	\$155
2BR	(\$726)	\$182
3BR	(\$800)	\$200

So going forward the average market rate units in Vancouver will have to rise an additional \$121 monthly or \$1,452 to produce the same average revenue to the community.

- Projects will not go forward if this is implemented. Need to create more housing at all levels as more supply leads to lower rents overall. Important to understand the “ecosystem” of affordable housing.
- Impact of the proposed change would be significantly detrimental to the affordable housing options under the program.
- Most developers are not set up to go after federal tax credits which may be necessary to build more affordable housing, and there is a limit on how many credits are available each year.
- Adopting this additional incentive will have a number of what we believe are unintended consequences. First if this proposed requirement was in place we would not have been able to finance either Vancouver Center or Block 10. As it was we had to subsidize the capital requirements in order to successfully close these two new developments. Had we not financed these the amount of sales tax we are paying on the projects would not be paid, we would also not be paying property taxes on these communities after the MFTE time period expired, there would be approximately 300 less individuals living in downtown supporting local businesses. The cost to the City of Vancouver would quickly escalate into millions of dollars and lower values on the commercial buildings from the lack of density and individuals in downtown.



Staff Report 172-20

TO: Mayor and City Council

FROM: Eric Holmes, City Manager

DATE: 12/7/2020

SUBJECT Banking Services Contract Amendment

Key Points

- The City currently has a banking service and merchant services contract with Bank of America.
- The contract period ends on December 31, 2020.
- City Charter Section 11.05 requires City Council approve the execution of contracts with a duration of more than five (5) years by Ordinance.
- Due to a delay in issuing an RFP for banking and merchant services, staff is requesting Council authorize a contract extension with Bank of America through December 31, 2021, and increase the current contract not-to-exceed amount by an additional \$1,500,000 for a total of \$5,500,000.
- An RFP for banking and merchant services will be released November 2020, and a new banking service contract will be brought forward to Council for approval by late first quarter 2021.

Strategic Plan Alignment

N/A

Present Situation

The City currently is under contract with Bank of America for general banking services. This includes depository account services, electronic payment services, settling credit/debit card transactions for money the City collects for its various fees and services, and other banking transactions. Council authorized the City Manager or his designee to sign banking services agreements with Bank of America from January 1, 2016, through December 31, 2020, for a total contract not-to-exceed amount of \$4,000,000. City Charter Section 11.05 requires City Council approve the execution of contracts with a duration of more than five (5) years by Ordinance.

Staff has been working on issuing a new RFP for banking services and anticipates releasing the RFP in late November 2020. Due to a delay in getting the RFP released, and then receiving

responses, and negotiating a new contract, staff is requesting that Council authorize a one-year extension of the existing banking services agreement with Bank of America to expire on December 31, 2021. Staff anticipates the RFP will be released in late November 2020, and a new contract will be entered into prior to March 31, 2021. The new contract will be presented to Council for approval prior to March 31, 2021. If the same financial institution is selected, the new contract authorized by Council would supersede this amendment. However if a different financial institution is selected and the contract is approved by Council, the existing banking services would need to be extended through December 31, 2021, to allow time for checks to clear or go through the unclaimed property process, and to transition other banking services to the new City bank accounts.

The existing banking service contract was initially estimated at a not-to-exceed amount of \$4,000,000 over the life of the contract. In the last year of the contract, the City is fast approaching the \$4,000,000 total contract limit due to a higher prevalence of credit card utilization by City customers than had originally been anticipated. Staff is recommending adding an additional \$1,500,000 to the contract limit for a total of \$5,500,000 through the contract extension. Originally about 90% of the banking service fees paid were attributed to credit/debit card processing fees added on by Visa/MasterCard/Discover. Currently merchant service fees represent 97% of the total annual fees paid for banking services. Over the past 5-years, the City has implemented new software payment systems that allow more citizens and businesses to pay for City fees and services by credit/debit card on-line. Most recently the City implemented the on-line permit module, which has significantly increased payments by credit cards through the Community and Economic Development department. Parking is also seeing an increase as more pay stations were added

Advantage(s)

The contract extension will allow continuity of operations for processing financial transactions.

Disadvantage(s)

None

Budget Impact

The 2020 clean-up budget supplemental will include an adjustment for banking service fees to cover the need in 2020. The 2021-2022 Biennial City Budget includes enough appropriation for banking service fees over the upcoming biennium.

Prior Council Review

Contract approval December 7, 2015 City Council meeting.

Action Requested

On Monday, December 7, 2020, subject to second reading and public hearing, approve ordinance.

Carrie Lewellen, City Treasurer, 360-487-8482

ATTACHMENTS:

- ▣ Ordinance
- ▣ Amendment to Banking Services Agreement

11/23/20
12/07/20

ORDINANCE M - _____

AN ORDINANCE authorizing the execution of a contract amendment with Bank of America N.A., a national banking association (hereinafter “Contractor”), to continue the provision of professional banking services (hereinafter “Services”) to the City of Vancouver, Washington (“City”); authorizing a contract amendment extending the contract beyond its original five (5) year duration; providing for severability; and setting an effective date.

WHEREAS, Contractor has provided necessary professional banking services to the City pursuant to agreements effective on December 7, 2015 and expiring on December 31, 2020; and

WHEREAS, in order to ensure continuity of professional banking services, the City wishes to extend the use of Contractor’s Services for an additional one (1) year period beyond the original December 31, 2020 expiration date; and

WHEREAS, pursuant to City Charter Section 11.05, the City Council has the authority to approve the execution of contracts with a duration of more than five (5) years by Ordinance; and

NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF VANCOUVER:

Section 1. Approval. The City Manager or designee is hereby authorized to execute a contract amendment with Contractor for the continuation of Contractor’s Services to the City.

Section 2. Duration. The duration of such contract amendment is hereby authorized to extend the contract beyond its original five (5) year duration, until no later than December 31, 2021.

ORDINANCE - 1

Does not require codification

Section 3. Severability. If any clause, sentence, paragraph, section, or part of this ordinance or the application thereof to any person or circumstances shall be adjudged by any court of competent jurisdiction to be invalid, such order or judgment shall be confined in its operation to the controversy in which it was rendered and shall not affect or invalidate the remainder of any parts thereof to any other person or circumstances and to this end the provisions of each clause, sentence, paragraph, section or part of this law are hereby declared to be severable.

Section 4. Effective Date. This ordinance shall go into effect five (5) days after its recording.

Read the first time:

Ayes: Councilmembers

Nays: Councilmembers

Absent: Councilmembers

Read the second time:

Approved by the following vote:

Ayes: Councilmembers

Nays: Councilmembers

Absent: Councilmembers

ORDINANCE - 2

Does not require codification

SIGNED this _____ day of _____, 2020.

Anne McEnerny-Ogle, Mayor

Attest:

Natasha Ramras, City Clerk

Approved as to form:

Jonathan Young, City Attorney

ORDINANCE - 3

Does not require codification

SUMMARY

ORDINANCE M-_____

AN ORDINANCE authorizing the execution of a contract amendment with Bank of America N.A., a national banking association, to continue the provision of professional banking services to the City of Vancouver, Washington; authorizing a contract amendment extending the contract beyond its original five (5) year duration; providing for severability; and setting an effective date. The full text of this ordinance will be mailed upon request.

Contact Raelyn McJilton, Records Officer at (360) 487-8799, or via www.cityofvancouver.us (Go to City Government and Public Records).

ORDINANCE - 4

Does not require codification

AMENDMENT No. 2
BANKING AND RELATED SERVICES

This is an Amendment to the **UMBRELLA AGREEMENT FOR GOVERNMENT BANKING SERVICES** dated December 9, 2015, hereinafter referred to as the "Agreement", by and between the City of Vancouver, a municipal corporation under the laws of the State of Washington, hereinafter referred to as "City", and Bank of America, a national banking association, hereinafter referred to as "Contractor," whose address is PO Box 15284, Wilmington, DE, 19850.

This amendment modifies the Agreement as follows:

1. The termination date of the Agreement is extended to December 31, 2021.
2. The earnings credit rate is amended to reflect Contractor's standard earnings credit rate, currently at 19 basis points. The earnings credit rate is a managed rate that is based on market conditions and the overall rate and funding environment. Adjustments made to rates are both in line with Fed actions and the broader shifts in the market. In accordance to our terms and conditions, Contractor does reserve the right to change rates at any time.
3. The City's Account Analysis Statements going forward may include a fee line item entitled: "Balance Related Fee". Although the Balance Related Fee is not being assessed at the time of amendment submission, Contractor may need to assess this fee in future as a result of market conditions (e.g., interest rates turn negative) or for other reasons (e.g., costs).
4. Ratification: Acts taken pursuant to this Amendment but prior to its effective date are hereby ratified and confirmed.

This amendment in no way alters any other provisions of the original agreement.

CITY OF VANCOUVER:
A municipal corporation

CONTRACTOR:
Bank of America N.A.

Eric Holmes, City Manager

Signature

Date

Printed Name /Title

Attest:

Date

Natasha Ramras, City Clerk

Approved as to form:

Jonathan Young, City Attorney



Staff Report 173-20

TO: Mayor and City Council

FROM: Eric Holmes, City Manager

DATE: 12/7/2020

SUBJECT Six-month extension of temporary moratorium prohibiting the establishment of new, or expansion of existing, large-scale fossil fuel facilities

Key Points

- On June 8, 2020, the City Council adopted Ordinance M-4295 establishing an emergency six-month moratorium prohibiting the establishment of new, or expansion of existing, large-scale fossil fuel facilities. Adoption of the moratorium preserves the ability to develop the Strategic Plan, Vancouver City Center Vision (VCCV), Title 20 updates, Climate Action Plan, and other plans with the widest range of choices and alternatives for future development until the strategy and corresponding code updates are completed.
- On July 20, 2020, the City Council held a public hearing on Resolution M-4082 making findings of fact in support of the adoption of Ordinance No. M-4295 declaring an emergency and adopting a six-month temporary moratorium prohibiting the establishment of new, or expansion of existing, large-scale fossil fuel facilities. At the conclusion of the public hearing City Council voted to adopt Resolution M-4082.
- This ordinance would extend the emergency six-month moratorium prohibiting the establishment of new, or expansion of existing, large-scale fossil fuel facilities for an additional period of six months and directs staff to continue work on recommendations addressing the circumstances necessitating the moratorium.

Strategic Plan Alignment

Goal 1: Ensure our built urban environment is one of the safest, most environmentally responsible and well maintained in the Pacific Northwest.

Present Situation

The current moratorium prohibits the acceptance, processing, and granting of applications for permits for establishment of new, or expansion of existing, large-scale fossil fuel facilities until December 8, 2020. This provides time for work to continue on updates to the Strategic Plan, VCCV, Title 20 updates, and the drafting of a Climate Action Plan. This extension would keep the

current moratorium in place until June 8, 2021.

Advantage(s)

1. Allows the City time to consider the widest range of choice and alternatives for future development when developing strategy and plans and implementing corresponding code updates.
2. Allows time for associated public process, stakeholder outreach, and required environmental review.
3. Avoids jeopardizing any possible land use option that may be precluded by unrestricted development until work on the Strategic Plan, VCCV, Title 20 updates, and Climate Action Plan are further underway.

Disadvantage(s)

Prohibits the acceptance, processing, and granting of applications for permits for previously allowed new or expanded fossil fuel facilities.

Budget Impact

Minimal budget impact. No permit applications for new, or the expansion of existing, facilities means no permit fee revenue but also no permit review costs. Because permit review fees are capped, permit fees may not fully cover the cost of reviewing a large and complicated project like a fossil fuel facility, meaning the moratorium may have a slight budget benefit to the City.

Prior Council Review

- June 8, 2020, adoption of Ordinance M-4295 adopting temporary moratorium.
- July 20, 2020, adoption of Resolution M-4082 making findings of fact in support of the adoption of Ordinance No. M-4295.

Action Requested

On Monday, December 7, 2020, subject to second reading and public hearing, approve ordinance.

Aaron Lande, Senior Policy Analyst, 360-487-8612

ATTACHMENTS:

- ▣ Ordinance

11/23/2020
12/07/2020

ORDINANCE NO. _____

AN ORDINANCE extending the six-month moratorium enacted by Ordinance No. M-4295, prohibiting the establishment of new, or expansion of existing, large-scale fossil fuel facilities, for an additional period of six months; directing staff to continue efforts to develop recommendations addressing the circumstances necessitating the moratorium; and establishing an immediate effective date.

WHEREAS, the City of Vancouver is a Charter City of the First Class and has the authority to adopt and renew temporary moratoria pursuant to the City’s constitutional police powers, home rule authority, RCW 36.70A.390, and RCW 35.63.200; and

WHEREAS, on June 8, 2020, the Vancouver City Council adopted Ordinance No. M-4295, enacting a six-month temporary moratorium prohibiting the establishment of new, or expansion of existing, large-scale fossil fuel facilities; and

WHEREAS, the City Council held a public hearing on July 20, 2020, and thereafter adopted findings of fact supporting the enactment of the moratorium; and

WHEREAS, “Goal 1” of the City of Vancouver’s 2016-2021 Strategic Plan is to “[e]nsure our built urban environment is one of the safest, most environmentally responsible and well maintained in the Pacific Northwest;” and

WHEREAS, local governments have a core responsibility for upholding the public health, safety, and welfare, mitigating and preparing for disasters, protecting and preserving natural systems and supporting economic development; and

WHEREAS, the City of Vancouver and the greater Pacific Northwest are vulnerable to powerful subduction zone earthquakes that occur with periodic frequency along the Juan de Fuca and North American plates; and

WHEREAS, geologic research has shown that subduction zone earthquakes have occurred along the Pacific Northwest with relative regularity over the last 10,000 years, and if averages from past events are predictive, the region could be overdue for another powerful subduction zone earthquake; and

WHEREAS, many of the city's buildings and critical infrastructure were built before the city's seismic exposure was widely understood; and

WHEREAS, the Clark Regional Emergency Services Agency has identified Critical Facilities and Infrastructure (including Hazardous Materials, Energy Facilities, Transportation Systems, and Water and Sanitation Systems) to be co-located within areas of the City with a "Moderate to High" liquefaction susceptibility; and

WHEREAS, the City of Vancouver's drinking water (almost 26 million gallons per day) is supplied entirely from groundwater resources; and

WHEREAS, the vast majority of Vancouver's drinking water (approximately 90%) is supplied from the Troutdale, Upper Orchards and Lower Orchards Aquifers, the boundaries of which are often blurred (the Orchards Aquifer is likely an alluviated portion of the Troutdale with little or no silica cementing), and historical water monitoring indicates that water moves vertically through the hydrogeologic layers of these aquifers; and

WHEREAS, facilities that store or process hazardous materials have been recognized to present an increased risk of spills or leaks, and a greater concentration of such facilities renders

the City's water supply at an increased susceptibility to contamination, particularly in the event of a powerful earthquake; and

WHEREAS, prior Vancouver city councils have endeavored to protect City water resources by establishing development regulations and minimum standards to reduce the risks of contaminants entering water resources by enacting local ground and surface water regulations, now codified in Chapter 14.26 VMC, the Water Resources Protection Ordinance; and

WHEREAS, recognizing the risks posed by transportation of petroleum, prior Vancouver city councils have encouraged agencies to deny permits for facilities that increase the transportation of Bakken crude oil through Clark County (June 2014, Resolution M-3821), restricted the expansion of crude petroleum facilities by way of a moratorium (Sept. 2014, Resolution M-4090), and made corresponding revisions to the City land use code (Chapter 20.150 VMC); and

WHEREAS, this City Council recognizes that the storage, transfer, processing and handling of other fossil fuels within the City pose risks to safety, health, and livability, including mobility of people, other freight, and other commercial vehicles which are potentially catastrophic in magnitude; and

WHEREAS, this City Council finds that it is appropriate to conduct review and analysis of the City's current vulnerabilities to determine if the purposes of Title 20 and Chapter 14.26 VMC may continue to be fulfilled while accommodating the establishment of new, or expansion of existing, large-scale fossil fuel facilities; and

WHEREAS, the siting of large-scale fossil fuel facilities raises issues of social equity, as these types of facilities have historically been disproportionately located in close proximity to low-income communities and communities of color; and

ORDINANCE - 3

WHEREAS, in addition to the foregoing, on January 17, 2020, the Ninth Circuit Court of Appeals found that “Copious expert evidence” establishes that an unprecedented rise in the Earth’s carbon concentration levels stems from fossil fuel combustion, and if left unchecked, such levels will wreak havoc on the Earth’s climate; stating further: “The problem is approaching ‘the point of no return.’ Absent some action, the destabilizing climate will bury cities, spawn life-threatening natural disasters, and jeopardize critical food and water supplies.” (Hon. Andrew D. Hurwitz, Circuit Judge authoring the majority opinion of Juliana v. United States, No. 18-36082, p.13 (9th Cir., Jan. 17, 2020); and

WHEREAS, studies conducted by the University of Oregon have found that the effects of climate change on water supplies, public health, coastal and storm damage, wildfires, and other impacts, will cost Washington almost \$10 billion per year after 2020, unless additional actions are taken to mitigate these effects; and

WHEREAS, the University of Washington has found that Washington State has experienced long-term warming, a lengthening of the frost-free season, more frequent nighttime heat waves, rising sea levels along most of Washington’s coast, increased coastal ocean acidity, declining glacial area and spring snowpack, and changes in the peak streamflows in many rivers to earlier in the year; such that three key areas of risk, specifically changes in the natural timing of water availability, sea level rise and ocean acidity, and increased forest mortality, will likely bring significant consequences for the economy, infrastructure, natural systems, and human health of the region; and

WHEREAS, the scientifically projected increase of forest mortality poses a unique, and heightened threat to the quality of life enjoyed by residents of the City of Vancouver, which has been annually recognized as “Tree City USA” since 1989; and

ORDINANCE - 4

WHEREAS, the scientifically projected changes to streamflows pose a unique, and heightened threat to the life, health, safety, and economic vitality enjoyed by residents of the City of Vancouver, as it has been long-recognized that “one of the greatest assets of Vancouver is its shoreline along the Columbia River” (August 1991, Resolution M-2739); and the City has made significant financial investments to complete capital improvements such as the Waterfront Development Project and Columbia River Renaissance Trail, in order to “draw walkers and bikers to the water’s edge” and “reinforce recognition of the [Columbia River] waterfront as a place of community-wide enjoyment” (June 1993, Resolution M-2836); and

WHEREAS, large-scale fossil fuel facilities create significant public health risks, including air pollution resulting in impaired respiratory functions from fine particulates, noise pollution affecting hearing loss and psychological health, and exposure to heavy metals and contaminated drinking sources resulting in cancers, premature death and lung and heart diseases; and

WHEREAS, fossil fuels, including petroleum, coal and natural gas, are a major source of carbon dioxide, heavy metals, nitrogen oxide and sulfur dioxide, and each has a demonstrated nexus to climate change and environmental pollution; the Vancouver City Council has grave concerns regarding the safety of Vancouver City residents and the environment, and the strain on public services and existing infrastructure resulting from the siting and operation of new, or expansion of existing, large-scale fossil fuel facilities; and

WHEREAS, the City of Vancouver is preparing to update the City Strategic Plan, the Vancouver City Center Vision (“VCCV”), and make annual updates to Title 20 VMC; and it is appropriate at this time to facilitate citizen engagement, undertake appropriate review of large-scale fossil fuel zoning and siting considerations in order to mitigate avoidable risks of catastrophic harm, ensure that the resiliency goals adopted as part of the City Strategic Plan are capable of

being fully realized, focus more economic development on safe and renewable energy sources and “green” businesses, and account for the social and environmental impacts on traditionally marginalized communities; and

WHEREAS, the City Council finds that in order to preserve the ability to develop the Strategic Plan, VCCV, and Title 20 updates, with the widest range of choices and alternatives for future development, it is necessary to temporarily restrict the establishment of new, or expansion of existing, large-scale fossil fuel facilities until the strategy and corresponding code updates are completed; and

WHEREAS, City staff has begun the process of outreach and engagement with interested stakeholders, in order to better understand the interests of all parties potentially affected by more comprehensive regulation of large-scale fossil fuel facilities, but more time is needed to integrate this information with possible amendments to existing regulations; and

WHEREAS, extending the moratorium for an additional six months will allow City staff more time to adequately research and develop appropriate strategies to mitigate risks associated with the establishment of new, or expansion of existing, large-scale fossil fuel facilities in the future, through amendments to existing zoning ordinances if necessary; and

WHEREAS, extending the existing moratorium will enable the City to continue to maximize public input in the siting of new, or expansion of existing, large-scale fossil fuel facilities, without jeopardizing any possible land use options that may be precluded by unrestricted development; and

WHEREAS, the extension of the existing moratorium prohibiting the establishment of new, or expansion of existing, large-scale fossil fuel facilities, for an additional six months,

promotes the public health, safety, and general welfare of the people of Vancouver, and will encourage the most desirable and productive use of land and community resources; and

WHEREAS, it is necessary that this ordinance go into effect immediately in order to keep the existing moratorium in place, maintain continuity of the status quo, and avoid a rush of applications for new or expanded development of large-scale fossil fuel facilities.

NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF VANCOUVER:

Section 1. Findings of fact. The recitals to this ordinance are hereby incorporated by this reference and adopted as the City Council’s findings of fact justifying renewal of the existing moratorium prohibiting the establishment of new, or expansion of existing, large-scale fossil fuel facilities, for an additional period of six months, in accordance with RCW 36.70A.390 and RCW 35.63.200. The City Council held the requisite public hearing on December 7, 2020, prior to final adoption of this ordinance and renewal of the existing moratorium.

Section 2. Definitions. For the purposes of this ordinance:

A. “Fossil fuels” means petroleum and petroleum products, coal, and natural gasses, including without limitation methane, propane and butane, derived from prehistoric organic matter and used to generate energy. Fossil fuels do not include by-products such as asphalt, plastics, fertilizers, paints, or denatured ethanol.

B.1. “Large-scale fossil fuel facilities” means:

a. Facilities engaged in the wholesale distribution, extraction, refinement or processing of fossil fuels;

b. Terminals engaged in the bulk movement of fossil fuels (excluding railyards, fuel storage for airports, and fuel storage for marine servicing facilities);

ORDINANCE - 7

c. Bulk coal storage: any structure, group of structures, equipment, or device that stores or transfers coal for use in the production of electricity or power.

d. Coal power plant: a thermal power station which burns coal to generate electricity or other usable power.

e. Natural gas processing: any facility which (i) separates natural gas components to recover usable natural gas liquids (*i.e.*, liquefied petroleum or natural gas), or (ii) produces natural gas suitable for transport (*i.e.*, pipeline quality dry natural gas), or (iii) processes natural gas to create methanol or other chemical products.

f. Natural gas storage and handling: any structure, group of structures, equipment, or devices that stores or transfers natural gas for use in the production of electricity or power, or for further processing (excluding facilities that create energy from landfill gas).

g. Bulk storage of one type of fossil fuel, or a combination of multiple types of fossil fuels, in excess of two million gallons.

2. “Large-scale fossil fuel facilities” do not include facilities that solely provide direct sales or distribution to consumers (*e.g.*, gas stations are not large-scale fossil fuel facilities).

Section 3. *Six-month renewal of moratorium.* As authorized by the City’s constitutional police powers, home rule authority, RCW 36.70A.390 and RCW 35.63.200, the City Council hereby renews the temporary moratorium on the acceptance, processing, and granting of applications for permits for establishment of new, or expansion of existing, large-scale fossil fuel facilities, for an additional period of six months.

Section 4. *Exemptions.* The moratorium enacted by Ordinance No. M-4295, and renewed in Section 3 of this ordinance, shall not apply to permits required for upkeep, repair, or

maintenance of existing buildings or properties, or work mandated by the City to maintain public health and safety.

Section 5. Duration. The moratorium enacted by Ordinance No. M-4295 shall not expire on December 8, 2020, as stated in Ordinance No. M-4295, but instead shall remain in effect for an additional six months following the effective date of this ordinance, until June 8, 2021, unless earlier terminated by the City Council.

Section 6. Vested rights. The moratorium renewed and extended by this ordinance does not apply to properties with vested rights existing on the date of adoption of this moratorium ordinance. “Vested Rights” shall be defined in accordance with VMC 20.210.110.

Section 7. Severability. If any provision of this ordinance or its application to any person or circumstance is held invalid, or should any portion of this ordinance be preempted by state or federal law or regulation, the remainder of the ordinance or the application of the provision to other persons or circumstances shall survive and be unaffected.

Section 8. Effective date. The City Council hereby finds and declares that an emergency exists which necessitates that this ordinance become effective immediately in order to preserve the public health, safety and welfare. This ordinance shall become effective immediately upon passage at second reading, following public hearing. The City Clerk is directed to publish a summary hereof including the title at the earliest possible publication date.

Read the first time:

Ayes: Councilmembers

Nays: Councilmembers

Absent: Councilmembers

ORDINANCE - 9

Read the second time:

Passed by the following vote:

Ayes: Councilmembers

Nays: Councilmembers

Absent: Councilmembers

SIGNED this _____ day of _____, 2020.

Anne McEnerny-Ogle, Mayor

Attest:

Natasha Ramras, City Clerk

Approved as to form:

Jonathan Young, City Attorney

SUMMARY

ORDINANCE NO. _____

AN ORDINANCE extending the six-month moratorium enacted by Ordinance No. M-4295, prohibiting the establishment of new, or expansion of existing, large-scale fossil fuel facilities, for an additional period of six months; directing staff to continue efforts to develop recommendations addressing the circumstances necessitating the moratorium; and establishing an immediate effective date.

The full text of this ordinance will be mailed upon request. Contact Raelyn McJilton, Records Officer at (360) 487-8711, or via www.cityofvancouver.us (Go to City Government and Public Records).



TO: Mayor and City Council

FROM: Eric Holmes, City Manager

DATE: 12/7/2020

SUBJECT a. Impact Fee Vesting: Change to VMC 20.915

ATTACHMENTS:

- ▣ Presentation

Impact Fee Vesting: Change to VMC 20.915



December 7, 2020
City Manager Communications

Chad Eiken, CED Director

Background of VMC 20.915 Impact Fees

- Impact fee ordinance first adopted in mid-1990's
- Purpose is to ensure adequate school, park and transportation facilities are available to serve new growth and development
- In principle, new development pays impact fees based on impacts as assessed at the time of building permit issuance (non-residential development only pays transportation impact fees)

Background of VMC 20.915 Impact Fees (cont.)

- In practice, current code provides that such impact fees be calculated at the time of site plan approval or subdivision or short plat approval, and paid at the time of building permit issuance
- Due to lag between impact fee calculation and collection (as much as three years), projects are often paying much lower impact fees than if calculation of fees occurred when fees are collected
- In context of budget adoption, Council expressed interest in considering an ordinance that would eliminate the vesting for impact fees in order to collect most current fees at the time a building permit is issued

Potential Change to VMC 20.915

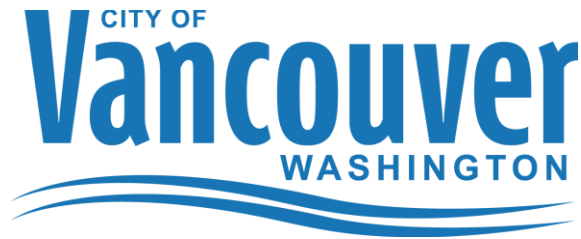
- Language that states that impact fees are to be calculated and “vested” until the time of building permit issuance would be deleted;
- Text would be inserted that says impact fees would be payable at the current rate at the time of building permit issuance;
- In order to reduce uncertainty for applicants, impact fees would instead be estimated (but not vested) at the time of site plan, short plat, or subdivision approval.

Stakeholder Outreach Plan

- Email notices of proposed changes to be sent to all applicants who paid impact fees in the past three years
- Targeted outreach to CREDC, BIA, SWCA, Clark County Realtors
- Listening sessions (video conferences) to be advertised on city website will be held prior to Planning Commission consideration
- Other opportunities: SEPA comment period; Planning Commission and Council hearings

Next Steps

- February 2021: Planning Commission Workshop
- SEPA Review/Determination
- Stakeholder Outreach
- March 2021: Planning Commission Hearing
- April 2021: City Council Workshop and Public Hearing
- Reprogramming, testing of City Permit Software
- May 2021: Ordinance takes effect



MEMORANDUM

TO: Vancouver City Council

CC: Eric Holmes, City Manager

FROM: Jonathan Young, City Attorney 

DATE: November 17, 2020

SUBJECT: Burnt Bridge Creek Trail – safety and legal enforcement efforts when engaging with residents experiencing unsheltered homelessness.

During Citizen Communications on October 26 and November 9, 2020, the City Council heard testimony from a resident who expressed concerns regarding perceived inaction by City Staff in response to: (a) safety concerns along the Burnt Bridge Creek Trail, and (b) requests for code enforcement action along the Burnt Bridge Creek Trail. ^{FN1} While the specific concerns raised by this resident were factually inaccurate in numerous respects, ^{FN2} this testimony nevertheless highlights several areas in which confusion can arise relative to the legal rights and obligations of a municipality when providing services related to individuals experiencing unsheltered homelessness. The following memorandum is provided for the propose of sharing a high-level overview of the legal landscape in the following areas:

1. Federalism and Preemption;
2. Enforcement of prohibitions regarding Unlawful Camping and Storage of Personal Property in Public Places; and
3. Enforcement of prohibitions regarding Assault, Illegal Dumping and Reckless Burning.

Should you have questions or concerns regarding any of the information contained in this memorandum, I would be happy to discuss this subject in greater detail under Communications on Monday, December 7, 2020.

Footnotes:

^{FN1} Testimony from the [October 26, 2020](#) and [November 9, 2020](#) Citizen Communication forums can be found on CVTV.org. The Oct. 26 and Nov. 9 testimony of the resident in question (Peter Bracchi), can be found at 11:25 min. and 28:19 min., respectively.

Federalism and Preemption of Conflicting Local Laws

As City Council is well-aware, homelessness is a complex social problem that raises numerous (and sometimes competing) legal rights and duties. As a practical matter, when faced with seemingly conflicting legal obligations, it can be helpful to remember that the United States Constitution sets “the floor” of civil rights owed to all city residents. While state and local governments are free to provide greater protections in certain areas (i.e., establishing the “ceiling” of individual rights), the enforcement of state and local laws cannot come at the expense of violating any resident’s basic U.S. Constitutional rights. A common source of community frustration is that efforts to respect the Constitutional rights of those experiencing unsheltered homelessness can look like inaction. As stated by Judge Posner of the Seventh Circuit Court of Appeals:

“The Constitution is a charter of negative liberties; it tells the federal government or the state to let people alone; it does not require the federal government or the state to provide services, even so elementary a service as maintaining law and order.”

Judge Richard A. Posner
Bowers v. DeVito (1982)

Footnotes:

FN2 On October 26, 2020, Mr. Bracchi inferred that City Staff should have issued a park exclusion notice to an individual suspected of committing an assault in October 2016, and that the City’s failure to issue such a notice somehow contributed to the homicide of Cody O’Brien during the summer of 2017, (a death which Mr. Bracchi characterized as “preventable”). This is demonstrably false for numerous reasons:

1. The person accused of assault in 2016 was a different person than the individual later convicted of murdering Cody O’Brien.
2. The person accused of assault in 2016 (Person “A” for simplicity) was, in fact, convicted of assault arising out of a domestic violence incident with no known nexus to park land. (A park exclusion is only appropriate for offenses that occur on park property.)
3. Person A was convicted of Assault 3 and sentenced to more than a year in jail in December 2016. Had the City issued a first-time park exclusion notice to Person A in November 2016 as requested, it would have expired seven days later while person A was still in jail. ([VMC 15.04.170.](#))
4. Cody O’Brien was murdered in the summer 2017. A completely different person (Person “B”) plead guilty to the murder of Cody O’Brien. Details concerning the death of Cody O’Brien as reported by Jessica Prokop of *The Columbian* can be found online here: <https://www.columbian.com/news/2019/may/17/man-pleads-guilty-in-2017-arnold-park-murder/>

Mr. Bracchi further alleged that City inaction in response to the assault described above contributed to unsafe working conditions for City Staff. This allegation of City inaction is also inaccurate. Information concerning the 2016 assault referenced above, in fact, prompted numerous internal discussions including labor-management meetings with representatives of Teamsters and AFSCME. These discussions resulted in greater clarity of roles and responsibilities and concluded with direction that VPD should assume the lead role in responding to occupied encampments given peace officers’ training in crisis response and verbal de-escalation. Public Works Staff is neither expected nor encouraged to make initial contact with occupied encampments.

Finally, on November 9, 2020, Mr. Bracchi inferred that the City has permitted or tolerated reckless fire-setting, contributing to wildfires along the Burnt Bridge Creek Trail in 2020. Contrary to this allegation, City Staff has consistently maintained that fires are prohibited outside of designated areas. (See e.g., [City Fact Sheet – Homeless Legal Issues](#), p.2, bullet 2, letter c.)

To be clear, the Constitution does not require that local governments ‘do nothing’ relative to homelessness. (City Staff certainly strives to provide law and order, as well as countless other services to city residents.) Rather, the point Judge Posner aptly raises is that none of these services may be provided at the expense of violating the Constitutional rights of our most vulnerable residents – as at issue here, the poor or infirm which includes those experiencing unsheltered homelessness. The U.S. Constitution requires that all residents be afforded “due process” which means providing notice of contemplated government actions and a meaningful opportunity to safeguard personal property items.

Enforcement of Unlawful Camping and Storage of Personal Property

1. Residents may legally camp and store personal property on most public land between 9:30 p.m. and 6:30 a.m. and COVID-19 requires additional considerations.

On October 21, 2015, on advice of the City Attorney’s Office, the Vancouver City Council amended VMC 8.22.040 “Unlawful Camping” and VMC 8.22.050 “Unlawful Storage of Personal Property in Public Places” to ensure compliance with the requirements of the Eighth Amendment to the United States Constitution. (Ordinance M-4133.) The changes made to VMC 8.22 in 2015 effectively made it legal for individuals to sleep, and store personal belongings, on most public land between the hours of 9:30 p.m. and 6:30 a.m. The recommendation for these changes were based on a Statement of Interest filed by the U.S. Dept. of Justice in a case called *Bell v. Boise*.^{FN3} On April 1, 2019, the United States Court of Appeals for the Ninth Circuit issued a decision in *Martin v. City of Boise* holding that a city may not impose criminal sanctions (such as jail or fines) for people sleeping outside on public property unless the City can show that at the time of the sanction, alternative shelter was available.^{FN4} The City of Boise asked the Supreme Court to reverse the Ninth Circuit’s *Martin* decision, but the Supreme Court declined to hear the case. As such, the *Martin* decision remains binding law on all municipalities on the West Coast, which includes the City of Vancouver. Under our current declared state of emergency for the COVID-19 pandemic, [Interim Guidelines from the Center for Disease Control](#) advise even further caution and consideration of public health concerns (e.g., balancing risks of displacing infected individuals into the community against competing health and sanitation concerns) when evaluating the need for enforcement of unlawful camping ordinances.

2. Not all land in the vicinity of the Burnt Bridge Creek Trail is “public land” or “park property.” City actions vary depending on the type of land at issue.

Community members have occasionally inquired why remedies such as Park Exclusion Notices^{FN5} may be issued to individuals engaged in offensive behaviors in one instance and not another. By City Code, Park Exclusion Notices may be issued by law enforcement or the Parks Director when a person engages in illegal conduct or violates a park rule while in a park. (VMC 15.04.170(A)). By definition a “park” includes many types of property, but not all city owned property.^{FN6} In the

^{FN 3} [Statement of Interest by US Dept. of Justice](#), District Court of Idaho, No. 1:09-cv-540-REB, filed 08/06/2015.

^{FN 4} *Bell v. Boise*, 920 F.3d 584 (2019).

^{FN 5} [VMC 15.04.170](#).

^{FN 6} A “park” means city owned or operated public parks, open spaces, public squares, golf courses, bathing beaches, trails, play and recreation grounds, athletic field or facility, city-owned or operated community center, skate park, shelter, and restrooms or parking lots associated with any park within the city limits. [VMC 15.04.020](#).

case of the [Burnt Bridge Creek Trail](#), while the trail itself is – by definition – a “park”, some but not all of the land in the vicinity of the trail is publicly owned, much less, a park. Before resorting to issuing a Park Exclusion Notice, law enforcement must be cognizant of the legal ownership interests and the location of property lines in the area where offensive conduct has occurred in order to know what remedies are available.

3. Individuals experiencing unsheltered homelessness have a Constitutional right to be free from unreasonable seizures of personal property.

The government may not deprive any individual of life, liberty or property without due process of law.^{FN7} In 2012, the Ninth Circuit Court of Appeals confirmed that this constitutional protection applies equally to individuals experiencing unsheltered homelessness as it does to housed residents.^{FN8} Constitutionally, both the reason for, and manner of, any intrusion into personal property rights must be done in a way that is Constitutionally reasonable. Further, the mere fact that someone’s property has been left in a place that violates a city ordinance (e.g., the sidewalk or the woods), does not absolve the government from providing due process (i.e., notice of intent to remove it) in compliance with law. The Ninth Circuit Court of Appeals has explained:

“Violation of a City ordinance does not vitiate the Fourth Amendment’s protection of one’s property. Were it otherwise, the government could seize and destroy any illegally parked car or unlawfully unattended dog without implicating the Fourth Amendment.”

Judge Kim McLane Wardlaw
Levan v. City of L.A. (2012)

With these protections in mind, City Staff are mindful of the fact that individuals experiencing unsheltered homeless may occasionally leave personal belongings momentarily unattended without intending to permanently abandon them. Further, what resembles “trash” to one resident, may constitute all of the worldly possessions of another. With this in mind, when City Staff learn that an area has been used for habitation by individuals experiencing unsheltered homelessness and that the area has deteriorated to a level giving rise to health and safety concerns or calling for intervention, City Staff follow outreach steps including:

- A. Conducting education, outreach and pair individuals experiencing unsheltered homelessness with available housing options.
- B. Giving notice of the City’s intent to conduct clean-up activities.
- C. Giving time for compliance.
- D. Giving assistance to those who cannot relocate on their own.
- E. Providing options for storage and subsequent retrieval of personal belongings.

^{FN 7} Fifth Amendment to the U.S. Constitution, made applicable to the states by way of the Fourteenth Amendment.

^{FN 8} Levan v. City of L.A., 693 F.3d 1022 (2012).

- F. Conducting necessary cleaning and sanitation services and posting any applicable warnings about the presence of chemical treatments in the vicinity.

Offenses such as Assault, Illegal Dumping and Reckless Burning remain illegal and subject to prosecution.

As indicated on the City's website, the Constitutional requirements above do not absolve individuals experiencing unsheltered homelessness from complying with other applicable legal requirements. A non-exhaustive list of conduct that is prohibited by state and local laws is listed below for sake of convenience. Violation of the following remain subject to legal penalties:

- **Camping in parks:** Although it is legal to camp on most publicly owned property within the city limits between the hours of 9:30 p.m. and 6:30 a.m., this does not include public parks, which close nightly from 10 p.m. to 5 a.m. It is against the law to camp in any City park and it is still against the law to be in a public park after the park's posted hours of operation (all City parks are closed from 10 p.m. to 5 a.m.)
- **Park Rules:** The following conduct is prohibited in all City parks: (a) allowing or permitting dogs to run at large; (b) discharging firearms or fireworks; (c) building fires except in designated areas; (d) smoking or using any form of tobacco product; (e) possessing open containers of alcohol. Violators may be excluded.
- **Storage of personal property on public land:** It is against the law to store personal items, including camp paraphernalia (such as tents, tarps, sleeping bags and related equipment), on publicly owned property during the day (6:30 a.m. to 9:30 p.m.)
- **Obstruction of vehicular or pedestrian travel:** Obstructing pedestrians or vehicle travel is against the law. This means that people may not: (a) sit or lay in a manner that blocks passage of another person or vehicle or requires another person or driver to take evasive action to avoid contact, or (b) sit or lay down on a public sidewalk between 7 a.m. and 9 p.m. in a manner that blocks the sidewalk.
- **Aggressive panhandling:** (i.e. begging with the intent to intimidate another into giving money or goods) is against the law).
- **Alcohol and drugs:** it is generally illegal to open a container of alcohol or consume liquor in public. It is also illegal to use or consume marijuana or marijuana infused products in view of the public.
- **Fighting:** It is disorderly conduct to engage in a physical fight or brawl in a public place – even if both parties consent to fighting.
- **Noise:** it is unlawful to yell or shout on or near the public streets, particularly between the hours of 10 p.m. and 7 a.m., or at any time and place in a manner so as to unreasonably disturb or interfere with the peace, comfort, and repose of owners or possessors of real property.
- **Litter and human waste:** It is against the law to urinate in public and it is unlawful to litter. All property should be treated with respect, regardless of the value of the property and, as a community, we have a right to keep our city beautiful by requiring all citizens pick up after themselves.

Summary / Next Steps

The City Attorney's Office remains committed to assisting City Staff as they thoughtfully navigate the complex legal landscape surrounding homelessness. In doing so, we are cognizant of the fact that we cannot arrest our way out of homelessness and that long-term solutions will require (a) continued efforts creating affordable housing solutions, (b) supporting existing businesses and incentivizing the presence of new employers that offer stable, good-paying jobs, (c) investing time and effort maintaining our trails, parks and green spaces, and (d) reforming the way that we deliver social services so that meaningful alternatives to prosecution are made available to all city residents.