

CITY COUNCIL MEETING

**June 10, 2008
7:00 p.m.**

MINUTES

City of



*The City of Bonney Lake's Mission is to protect the community's livable identity and scenic beauty through responsible growth planning and by providing accountable, accessible and efficient local government services.
Website: www.ci.bonney-lake.wa.us*

"Where Dreams Can Soar"

Audio Time
Stamp ↓

I. CALL TO ORDER – Honorary Mayor Kellen Allen called the meeting to order at 7:00 p.m.

A. Flag Salute: Honorary Mayor Allen led the audience in the Pledge of Allegiance.

B. Roll Call: [A 1.3]

City Clerk Edvalson called the roll. In addition to Honorary Mayor Kellen Allen, elected officials attending were Mayor Neil Johnson, Deputy Mayor Swatman, Councilmember David Bowen, Councilmember Laurie Carter, Councilmember Dan Decker, Councilmember Mark Hamilton, Councilmember Dave King and Councilmember James Rackley.

[Staff members in attendance were City Administrator Don Morrison, Police Chief Mike Mitchell, Public Works Director Dan Grigsby, Community Services Director Gary Leaf, City Attorney Jim Dionne, Chief Financial Officer Al Juarez, Administrative Services Director/City Clerk Harwood Edvalson and Records & Information Specialist Susan Duis.]

Mayor Johnson welcomed Kellen Allen, the Honorary Mayor for the day. He said Kellen spent the day touring City offices and meeting staff and councilmembers. The City donated a 'Mayor for a Day' for the middle school raffle as part of an effort to get kids more involved in local government. Mayor Johnson presented Kellen Allen with a Certificate of Appointment as 'Mayor for a Day' in Bonney Lake.

Mayor Johnson said Planning & Community Development Director John Vodopich was unable to attend due to a family emergency.

C. Announcements, Appointments and Presentations [A 3.6.9]

1. Announcements: None.

2. Appointments: None.

3. Presentations:

a. **Planning Commission Recommendation**: AB08-126 – D08-126 – Electronic Signs

Planning Commissioner Chair Randall McKibbin said Director Vodopich had planned to present information to the Council. He said the memo included in the Council packet was fairly self-explanatory and offered to answer any questions. Councilmembers discussed animated signs currently in the city and how brightness affects energy use.

D. Agenda Modifications: None.

7:05:40

II. PUBLIC HEARINGS, CITIZEN COMMENTS & CORRESPONDENCE:**A. Public Hearings [A 3.6.12]****1. AB08-20 – D08-20 – TIF Rebate Incentive Program.****Mayor Johnson opened the Public Hearing at 7:05 p.m.**

Steve Nolen, 23817 31st Pl W, Briar, WA, is a consultant with Transportation Solutions, Inc. Rick Gienger is one of his clients. He said he reviewed the proposed program and provided some numbers and alternatives. He said with the current proposal, the thresholds would exclude some businesses, while others could receive more in refunds than they originally put in. He suggested refunding 50% of the sales tax and capping the total refund at 50% of the TIF originally paid. He also said the City should consider how different businesses would be affected, such as grocery stores, which have a high traffic impact but generate little sales tax. He said the City needs to make economic policy decisions about what types of businesses should be encouraged.

Councilmembers discussed incentives, rebate options, types of businesses and rebate thresholds. Councilmember Bowen said it wasn't clear how a TIF rebate would work when the developer pays the TIF but tenants bring in tax revenues.

Ray Frey, 12356 Northrup Way, Suite 119, Bellevue, of Halsen-Frey LLC, Greenwood Partners, and Eastown LLC, addressed how a TIF Rebate Incentive program would affect Eastown and Greenwood developments. He said he is very encouraged to see the proposed program come before the Council. He said the City wants some 'big box' stores but must also support smaller retail, restaurants and meeting spaces. Mr. Frey said overregulation can hinder development and the City needs to do as much as possible to help encourage development.

Councilmember Rackley said a rebate program should attract small businesses as well as 'big box' stores.

Mary Miller, 23015 Hwy 410 E, Bonney Lake, said the City must be flexible and 'think outside the box.' She said people don't want to go down the hill to shop, especially as gas prices get higher. She said there should be as much variety as possible for people to purchase goods and services in Bonney Lake. She said businesses like computer colleges, clinics, etc. do not generate much tax.

Roger Watt, 22719 Hwy 410 E, Bonney Lake, is the owner of the Emerald Links Driving Range. He agreed with the previous speaker and said any program should include small businesses. He said with the proposed threshold, small retail can't get credit. He also said professional businesses that do not create sales taxes should be considered when developing the rebate program. He suggested the City review State B&O taxes for professional businesses, and rebate a percent of their real estate taxes instead. He said if smaller businesses will be required meet a smaller percentage of the threshold, what would that percentage be? He said everyone pays the TIF at the same rate, so the credit should be given at the same rate as well. He suggested the City offer rebates for a specific time period to encourage development right now.

Jeff Oliphant, Bonney Lake Marketplace, P.O. Box 1294, Auburn, worked on the Lowe's development. He said they paid over \$600,000 for the TIF, and stores coming later could pay up to \$1 million in fees. He said it does not seem fair to allow one part of the City to have a different rate than others. He said few businesses would

generate the sales tax needed to qualify for the program as it was drafted. He said City should treat all businesses the same and let them compete in the marketplace.

Councilmember Rackley asked why Midtown is not included in the proposed rebate program. Mayor Johnson said Eastown and Downtown have not been developed yet, which is why they are the focus of the program. He said Midtown could be included in the program if the Council wishes. Councilmember Rackley said there is justification to include the whole city, as the program is meant to attract by lowering fees and sharing revenues.

Mayor Johnson closed the public hearing at 7:34 p.m.

B. Citizen Comments: [A 1.5]

Roger Watt, 22719 Hwy 410 E, Bonney Lake, addressed Councilmember Decker's question from the June 3, 2008 Workshop about what promises were made to Eastown property owners during the annexation period. Mr. Watt submitted a copy of the documents and notes he had gathered to the Mayor, Councilmembers and City Clerk. He said he purchased his property in 1996 and started his business in 1997, and lived here during the entire annexation process. He read from his list of documents including letters, memos and notes from public hearings and meetings with City staff and Mayor Young. He described information the City provided on commercial zoning, sanitary sewer extension and other incentives. He asked the Council if this seems like a promise or not. He said the issues were first discussed over ten years ago, in June of 1997. He said some Eastown property owners made business decisions based on what they were told. He said he is facing difficulties now because he thought more would happen sooner. He said he would have made different choices if he had known more about the timing.

Councilmember Rackley said issues with sewer capacity were just solved in 2006. He said it took seven years to work through the sewer treatment plant update. He said he was not sure what Mr. Watt was told in the past, but these projects can take a lot of time. Councilmember Hamilton said if the lift station was put in place today, Mr. Watt would still not have sewer. Mr. Watt said he did not expect the city to extend the sewer. He added that he was not pointing out mistakes or placing blame, but simply wanted to lay out the facts and the expectations of owners based on the comments made to them. Councilmember Hamilton said the City pays to increase capacity but does not extend the sewer to private properties. He said sometimes it seems citizens expect the City to build out the sewer. Mr. Watt said no one expected to get free sewers, but they did expect to have a sewer system in Eastown.

Deputy Mayor Swatman said he was on the Council during the annexation and thinks there were a lot of misunderstandings. Mayor Johnson said in his search of records he found a 1999 Puyallup Herald article in which Eastown property owners seemed to think that everything would happen right away. Mayor Johnson said he will provide the Council with copies of any information he finds. Mr. Watt said the property owners' interest in annexation was fueled by the City. He said the City invited property owners in, and he believes the City wanted to expand the commercial area. Deputy Mayor Swatman said his recollection is very different from Mr. Watt's.

Susan Steinbach, 3160 Hunter Ct, Enumclaw, is concerned about the local espresso businesses Hot Chick-A-Latte and Cowgirls Espresso. She said she is not familiar with what is going on, but feels that how they dress is in violation of the municipal code for indecent exposure and contributing to delinquency of minors. She said the windows on these businesses expose the public, including minors, even those who do not drive up.

She said the code should be revised if necessary. She said she went to one of the stands and saw an employee's nude bottom, and she feels even lingerie is indecent and should be stopped. She said leadership must create boundaries. Ms. Steinbach said she lives in Enumclaw but works as a driver for an assisted living facility in Bonney Lake. She said the espresso stands have made her life unpleasant, and she has chosen to shop elsewhere and take back roads. She provided a copy of her written statements to the City Clerk.

Mayor Johnson told Ms. Steinbach that the City has found its Adult Entertainment ordinances can be used to regulate these businesses. He said the Police Department and Code Enforcement Officer are patrolling the businesses and the City is working on the issue. He explained that clothing similar to what people wear at the beach is protected, and noted the Hot Chick-A-Latte employees have been wearing at least bikinis since the City Attorney clarified the City's ordinances and enforcement options. Mayor Johnson said this is an ongoing issue and offered to send Ms. Steinbach updates in the future.

Jeffrey Oliphant, Bonney Lake Marketplace, P.O. Box 1294, Auburn, said the Lowe's project broke ground ten months ago and will have its 'soft' opening on Sunday, June 15th. He said all the conditions of a settlement with the Homeowner's Association have been met. The work on SR 410 is complete and the left lane is open. He said there is an issue with illegal left turns on 200th Ave Ct E, and he will submit a proposal to Public Works to fix this issue. He said the project paid \$1.2 million in government fees, \$200,000 in other fees, and spent over \$2 million on infrastructure. He gave statistics on the work site and said there were no complaints from the Department of Ecology or Labor & Industries during the project. He said City staff was extremely responsive, and even when they did not agree they were able to work things out. Councilmember Rackley congratulated Mr. Oliphant and said he had never seen a project done so quickly.

At 8: 18 p.m. Councilmember Rackley motioned for a seven minute break. Deputy Mayor Swatman seconded the motion.

**Motion approved 6 – 1.
Councilmember King voted no.**

The Meeting was reconvened at 8:29 p.m.

C. Correspondence: None.

8:29:45

III. COUNCIL COMMITTEE REPORTS: [A 3.6.4]

- A. Finance Committee: Deputy Mayor Swatman said the Committee met this evening and discussed personnel updates, alternative work schedule options, workplace retention, and TIF allocations.
- B. Community Development Committee: Councilmember Rackley said the Committee met on June 2, 2008 and had a one hour discussion on Eastown, as well as discussions on sidewalk banking program. Two items were forwarded to the evening's agenda: Resolution 1853 for 183rd Ave E improvements and D08-117 for underground utilities.
- C. Public Safety Committee: Councilmember King had nothing to report.
- D. Other Reports:
DOT Workshop

Councilmember Rackley attended a workshop with the Sumner City Council on June 9, 2008. Sound Transit CEO Joni Earl gave a two hour presentation on options for parking garage placement in Sumner and/or Puyallup. He said Sound Transit seems to be willing to consider all options, and the garages will not go up for another 4 to 8 years.

Leadership Breakfast

Councilmember Carter attended Dr. Gil Mendoza's quarterly leadership breakfast on June 6, 2008. She reported that 95% of the seniors should graduate on time for the 2007-08 school year, the Lakeridge Middle School remodel is scheduled for completion by Fall 2010, and the budget was balanced. She said the Superintendent's goals are "communications, community, and effect." She added that the Tahoma View ran a story about the spring planting at Ken Simmons Park.

Lake Tapps Water Management Meeting

Mayor Johnson said a meeting is scheduled for Thursday, June 12, 2008 at the Bellevue office of the Department of Ecology. The cities of Bonney Lake, Buckley, Sumner, Auburn, and Cascade Water Alliance will discuss regional water supply and water supply governance, and review and explore pathways for shared strategies that meet regional water needs. He said he will report back to Council on this meeting.

Pep Rally for Melanie Roach

Mayor Johnson said the City will hold a pep rally for Melanie Roach on Monday, June 16, 2008 at Noon at Allen Yorke Park. Ms. Roach is the #1 rated clean and jerk women's weightlifter in the nation. The 'Today Show' is doing a story on Melanie and will be taping the rally. He said Special Event Coordinator David Wells is planning the event.

Loitering Ordinance

Mayor Johnson said a loitering ordinance may be in the works for an upcoming Public Safety Committee agenda. Business owners of the Godfather's Pizza have been having problems with kids at the Gamebreakerz store.

8:36:14

IV. **CONSENT AGENDA:** [A 3.6]

- A. **Approval of Corrected Minutes:** ~~May 6th Council Workshop~~, May 13th Council Meeting, May 20th Council Workshop, May 27th Council Meeting.
- B. **Checks/Vouchers:** Accounts Payable checks/vouchers #51471 thru #51518 (including wire transfer #6200807) in the amount of \$448,375.13; Accounts Payable check/voucher #51519 in the amount of \$500.00; and Accounts Payable checks/vouchers #51520 thru 51607 in the amount of \$265,852.26. [F 4.9]
- C. **Payroll:** Payroll for June 1-15th, 2008 for checks 27177-27184, including Deposits and Electronic Transfers for \$ 153,340.65 (Police Department); Payroll for June 1-15th, 2008 for checks 27185-27225 including Deposits and Electronic Transfers for \$ 356,699.51 (AFSCME and Non-represented) [F 4.9]
- D. **AB08-125 – Resolution 1852** – A Resolution Of The City of Bonney Lake, Pierce County, Washington, Authorizing A Professional Management Services Agreement With Kalles Property Management For Managing Recently Acquired Residential Properties. [O 4.4]
- E. **AB08-128 – Resolution 1853** – A Resolution Of The City of Bonney Lake, Pierce County, Washington, Authorizing A Professional Services Agreement With Jerome W. Morrisette & Assoc. For The Construction Survey Portion Of Bonney Lake Blvd/ 183rd Ave E/ Locust Ave Roadway, Sidewalk And Watermain Improvements Project. [O 4.12.8]

Councilmember Rackley moved to approve the Consent Agenda. Councilmember Decker seconded the motion.

Deputy Mayor Swatman requested the May 6, 2008 minutes be moved to the Full Council Issues to discuss revisions.

Motion approved 7 – 0.

V. FINANCE COMMITTEE ISSUES: None.

8:36:38

VI. COMMUNITY DEVELOPMENT COMMITTEE ISSUES:

- A. **AB08-117 – Ordinance D08-117** – An Ordinance Of The City Of Bonney Lake, Pierce County, Washington, Amending Chapter 12.04 Of The Bonney Lake Municipal Code And Ordinance No. 766 In Section 17.48.040, Relating To Placing Utilities Underground. [A 3.5.5]

Councilmember Rackley moved to approve Ordinance D08-117. Councilmember Decker seconded the motion.

Councilmember Bowen asked how exemptions are determined. Director Grigsby said staff will review and automatically apply exemptions, and only short plats with fewer than four houses would qualify for the exemption. Deputy Mayor Swatman asked how this exemption was decided upon. Director Grigsby said a short plat with four parcels or more requires a roadway, whereas three or less can use a private road. He said all commercial development is included in the proposed ordinance. Deputy Mayor Swatman said he thinks the ordinance needs to be tweaked significantly, as requirements for commercial infill development would be onerous.

Councilmember Rackley moved to table the proposed ordinance to the Community Development Committee. Councilmember Decker seconded the motion.

Motion approved 7 – 0.

VII. PUBLIC SAFETY COMMITTEE ISSUES: None.

8:46:35

VIII. FULL COUNCIL ISSUES:

- A. **AB08-130 – A Motion** Of The Bonney Lake City Council Canceling The Joint Special Meeting Of The City Council And Planning Commission And Holding Instead A Special Meeting Of The City Council On July 29, 2008, At 5:30 P.M. In The Council Chambers In Bonney Lake City Hall. [A 1.1.2] [A 3.6.10]

Councilmember Decker moved to approve the motion. Councilmember Rackley seconded the motion.

Planning Commissioner McKibbin said the Commission discussed this issue and suggested rescheduling the joint meeting on September 30, 2008. This would be the second joint meeting in 2008.

Motion approved 7 – 0.

B. Approval of Corrected Minutes: May 6th Council Workshop.

Administrative Services Director/City Clerk Edvalson offered the following suggested revisions: on p. 2, change from “Councilmember Grigsby” to “Director Grigsby”; on p. 2, change from “start the LID process” to “re-start the LID process”; on p. 3 correct the spelling of David Konsmo’s name.

Deputy Mayor Swatman moved to approve the minutes with these revisions. Councilmember Carter seconded the motion.

Motion approved 7 – 0.

IX. EXECUTIVE SESSION: None.

8:49:23

X. ADJOURNMENT:

At 8:49 p.m. Councilmember Decker moved to adjourn the meeting. Councilmember Carter seconded the motion.

Motion approved 7 – 0.

Harwood Edvalson, CMC
City Clerk

Neil Johnson
Mayor

Items submitted to the Council meeting of June 16, 2008:

- Traffic Solutions, Inc. – *Letter entitled “Proposed Bonney Lake TIF Adjustment Ordinance D08-20”* – Steve Nolen.
- Enumclaw Citizen – *Letter and Attachments re: Espresso Businesses* – Susan Steinbach.
- Bonney Lake Citizen – *Letter entitled “Promises Made to Property Owners During Annexation of Eastown”* – Roger Watt.