

CITY COUNCIL WORKSHOP

*July 15, 2008
5:30 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 ↓

Call to Order:

Deputy Mayor Dan Swatman called the meeting to order at 5:34 p.m.

Roll Call: [A1.3]

City Clerk Edvalson called the roll. In addition to Deputy Mayor Dan Swatman, elected officials attending were Councilmember David Bowen, Councilmember Laurie Carter, Councilmember Dan Decker, Councilmember Mark Hamilton, Councilmember Dave King and Councilmember James Rackley. Mayor Neil Johnson arrived at 5:38 p.m.

[Staff Members in attendance were City Administrator Don Morrison, Public Works Director Dan Grigsby, Director of Planning and Community Development John Vodopich, Assistant Police Chief Dana Powers, Chief Financial Officer Al Juarez, Community Services Director Gary Leaf, City Attorney Jim Dionne, Administrative Services Director/City Clerk Harwood Edvalson and Records & Information Specialist Susan Duis.]

Agenda Items:

Deputy Mayor Swatman noted the Mayor would be a few minutes late and suggested the Council consider amending the agenda.

Councilmember Bowen moved to amend the agenda by moving Item 4., AB08-139, to the first item on the agenda. Councilmember Carter seconded the motion.

Motion approved 7 – 0.

5:35:03

1. Discussion: AB08-139 – Resolution 1861 – Public Works Interim Maintenance Building – Ownership vs. Lease Options.

City Administrator Morrison described the options for leasing or purchasing a modular building for the Public Works Department. He said if the Council chooses to purchase the building, it could be used for a variety of purposes once the new Public Works facility is completed. He said System Development Charge (SDC) funds can be used to purchase the building. Councilmembers discussed remodeling, set up, utilities costs, and ongoing parking issues on the site. Councilmember King suggested the Council consider adding secure parking areas on the site for additional City vehicles. Consensus of the Council was to move forward in purchasing a modular building, rather than leasing one. The City Administrator said the City would advertise for bids and come back to the Council once the bid process is completed.

5:46:53

2. Discussion: AB08-20 – D08-20 – Transportation Impact Fee Rebate Incentive Program – Consensus On Next Steps.

City Administrator Morrison summarized the three draft ordinances provided for review. The third version offers incentives to redevelop rather than re-use existing buildings in the Downtown area. The tax revenue threshold for businesses in Easttown is reduced to \$50,000 over three years. He asked for Council input on the options and recommended the Council offer another Public Hearing before making a final decision. Councilmember Bowen suggested citizens attending the Workshop should be allowed to speak.

Councilmember Bowen moved to amend the agenda to allow public comment, limited to three minutes each, on AB08-20. Councilmember Rackley seconded the motion.

**Motion approved 5 – 2.
Deputy Mayor Swatman and
Councilmember King voted no.**

Steve Nolen, 23817 31st Pl W, Briar, Washington, is a Senior Project Manager for Transportation Solutions, Inc., working with Gienger-Frey Development Corp. on the Compass Pointe Development. He said the third version of the draft ordinance is an improvement, with lower thresholds, blended sales tax and TIF levels, etc. He said he would advocate to include both the Downtown Core and Downtown Mixed-Use zoned areas in the incentive program for Downtown. He said the report of sales tax generation for businesses in Bonney Lake may not be realistic for a new business in its first three years. He said tax revenues tend to increase by 20% or more after the first year or two. He suggested lowering the tax revenue threshold to \$30,000 in Easttown to include more businesses. In response to Council questions, he said the TIF in Bonney Lake is somewhat high because there are a lot of needs in the City. He said the incentive program would be a helpful tool to attract some businesses to Bonney Lake.

Raymond Frey, 12356 Northup Way Suite 119, Bellevue, of Halsen-Frey, Easttown and Greenwood LLC, said the draft ordinance is very encouraging. He said it is important to target national chain businesses, and said the threshold should be lowered to \$30,000. He also said the minimum building size of 15,000 square feet for the Downtown area is rather large and suggested that be lowered or eliminated. He commented that the TIF is high in Bonney Lake because a lot is going on here. He said the rebate program is not a break for businesses, but would make Bonney Lake competitive.

Councilmember Rackley spoke in favor of lowering the tax threshold to \$15,000 to include more businesses. Councilmembers and Mayor Johnson discussed what type and how many businesses the incentive program is meant to attract.

Councilmember Hamilton suggested offering incentives to businesses that generate new employment. City Administrator Morrison said he is considering other ordinances for employment incentives, but employment levels do not tie in well with the TIF rebate program being proposed now. Deputy Mayor Swatman said the Council should consider developing a separate incentive program ordinance specifically for the Downtown area. Mayor Johnson said his goal is to get an incentive program started, and the Council can review and amend it later. He said he also envisions development of an employment-based incentive program in the future. City Attorney Dionne said employment could be used as a classification but specific standards would need to be set. He said any criteria used for a rebate program must not be subjective, and the City must explain its purpose and show why specific criteria were selected.

Councilmember Bowen expressed concern that if the tax incentive threshold can only be met by 'big box' stores, it could take a long time to fill the space in Eastown. Councilmember Rackley agreed. Deputy Mayor Swatman said he wants the area to be well developed, and asked whether the City would benefit from building out with strip malls.

Councilmember Rackley questioned why the Downtown mixed-use (DM) zoned area does not qualify for the incentive program in the third version of the ordinance. He asked whether the intent of the incentive program is to control growth or attract businesses.

Mayor Johnson said the Council seems to favor the third version of the draft ordinance. He asked the Council to give their opinion on two issues: where the tax threshold in Eastown should be set, and which zones in the Downtown area should be included – both the Downtown Core (DC) and DM zones, or only the DC zone. Council consensus was to lower the tax threshold to \$30,000 in Eastown, and to include both the DC and DM zones in the Downtown area. Mayor Johnson asked that the Public Hearing period for this issue be continued to the July 22, 2008 Council Meeting to gather public comment on all three versions of the draft ordinance.

6:49:52

3. Council Open Discussion.

Lake Tapps Dike

Councilmember Bowen asked if the City can work with Puget Sound Energy to fill in the area behind the dike at the south end of Lake Tapps. He said people would use the space if it was available. Councilmember Carter said the Park Board discussed this on July 14, and suggested other uses for the gravel area, such as a volleyball court. Director Grigsby said PSE previously told the City 'no' due to ongoing negotiations. He said he told the Cascade Water Authority that this is a priority for the City. City Administrator Morrison said it may take a while to process. Mayor Johnson said he will bring the issue up at a meeting about Lake Tapps he is attending in August.

Relay for Life

Councilmember Rackley said the City is sponsoring a relay team again this year, and those who donate \$100 or more will get a sign on the track. Councilmember Carter said she has made a donation online as well.

Tunes at Tapps

Mayor Johnson said there was a great turnout of about 130 people at the first Tunes at Tapps, with Vicci Martinez performing. The next event is July 16, 2008.

Food Bank

Mayor Johnson said Stew Bowen is working with the Kiwanis Club to buy a refrigerated truck for the Food Bank. The Kiwanis donated \$5,000 and has offered to match donations. He asked Councilmembers to consider donating part of their discretionary funds for the purchase, which will cost about \$15,000-20,000. City Administrator Morrison said funds are still available from the Human Services budget as well.

Wooden O Theater

Mayor Johnson said he watched the production on July 13, 2008 from backstage. He said it was great and thanked David Wells for planning successful summer events.

Ward 3 Open House

Councilmember Carter thanked the staff who helped organize the Open House on July 12, 2008. She said about 130 people attended. She also thanked the board members, commissioners, and staff from the Pierce County Library who attended.

Historical Marker Grant

City Administrator Morrison said the City was notified that it received the historical grant for which it recently applied. The City will receive \$8,500 in grant funds.

Councilmembers' E-mail Addresses

City Administrator Morrison said he is updating the Bonney Lake Reporter template and asked Councilmembers which e-mail address they want to be published. Councilmembers King, Rackley and Decker use City addresses, while others continue using personal addresses. Councilmember Decker said he was originally skeptical about using the City e-mail, but is very happy with it and finds it is very easy and reduces clutter in his personal e-mail.

Budget Workshop

Deputy Mayor Swatman said the Budget Workshop scheduled for July 29, 2008 should be rescheduled since the City Administrator is unavailable on that date. Councilmembers chose to move the Budget Workshop to Monday, August 11, 2008, and reschedule any conflicting committee meetings.

Interim Justice Center Design

Deputy Mayor Swatman said he sat in on a meeting of the core design group and learned how complex the internal process is. He said the designs will be reviewed again in a month.

- 7:09:10 4. Review of Council Minutes: July 1st Council Workshop and July 8th Council Meeting.
By consensus of the Council, the July 1, 2008 and July 8, 2008 minutes were moved forward with no corrections, additions or changes.

5. Executive Session: None.

- 7:09:39 6. Adjournment.

**At 7:09 p.m., Councilmember Rackley moved to adjourn the meeting.
Councilmember Decker seconded the motion.**

Motion approved 7 – 0.

Harwood T. Edvalson, CMC
City Clerk

Mayor Neil Johnson, Jr.