

## REGULAR MEETING DES MOINES CITY COUNCIL

MINUTES

August 28, 2008

The regular meeting of the Des Moines City Council was called to order at 7:34 p.m. by Mayor Sheckler in the Council Chambers, 21630 11<sup>th</sup> Avenue South, #B.

PLEDGE OF ALLEGIANCE to the Flag was led by Councilmember White.

ROLL CALL - Present: Mayor Bob Sheckler, Mayor Pro Tem Dan Sherman, Councilmembers Dave Kaplan, Ed Pina, Carmen Scott, Scott Thomasson and Susan White. Also in attendance were City Manager Tony Piasecki, City Attorney Pat Bosmans, Planning, Building & Public Works Director Grant Fredricks, Finance Director Paula Henderson and Clerk Autumn Lingle.

### COMMENTS FROM THE PUBLIC

#### Elton Fry, 903 South 261<sup>st</sup> Place

Mr. Fry was speaking for his mother-in-law regarding the dust problem at the intersection of 9<sup>th</sup> Avenue South and 249<sup>th</sup> Street. The Puget Sound Clean Air Agency has been contacted by Mr. Fry and they have sent a document to the City of Des Moines. Mr. Fry also requested the City not issue a home business license for the address of 905 South 249 Street due to increase of traffic resulting in more dust.

#### Mike Colello, 20903 3<sup>rd</sup> Avenue South

Mr. Colello, owner of The Butlers Bar and Grill, expressed concern over City parking codes that require more parking be constructed before he can expand his business.

#### Andy Langsford, 710 South 226<sup>th</sup> Street

Mr. Langsford owns five properties at the corner of 7<sup>th</sup> & 226<sup>th</sup> Avenue South. He expressed the need to increase density and height limits for development. He felt the solution to parking was to build below ground facilities. He also encouraged the City to support tax incentives and exemptions.

### BOARD & COMMITTEE REPORTS & COUNCILMEMBER COMMENTS

#### Des Moines 50<sup>th</sup> Anniversary

Councilmember Scott is composing a 2009 calendar commemorating the 50<sup>th</sup> Anniversary of the City of Des Moines. It will include community events and should be available October 2008 for purchase.

#### Jury Duty

Councilmember Kaplan encouraged all citizens to accept the privilege and responsibility of jury duty.

#### Environment Committee

Councilmember Thomasson touched on three items discussed at the meeting.

- Surface water rate proposals
- Surface water capital improvement plan

- Consultant contracts for remediation of a fuel spill at Public Works 15-18 years ago to complete cleanup and budget implications.

### 8th Avenue Traffic Revision

Councilmember Thomasson stated he would not have voted to approve 8th Avenue proposal as he feels it is not the correct solution. Councilmember White noted that after receiving an email, Mayor Sheckler, Mayor Pro Tem Sherman and she walked down 8th Avenue to observe traffic and now feels she wants to move to bring it back for reconsideration. She feels it was the wrong decision.

**MOTION** was made by Councilmember White, seconded by Councilmember Thomasson, to bring the 8<sup>th</sup> Avenue Traffic Revision back for reconsideration.

Councilmember Scott queried those unhappy with the decision to articulate what the issues are they are unhappy about.

Mayor Sheckler requested that Councilmembers wait until the required date is announced for debate of this topic.

Councilmember White stated issues are speeding traffic, parking and a sidewalk that creates a bottleneck. Councilmember Thomasson noted he was not present to hear staff's presentation. He feels action taken to make it a one way street was shortsighted and feels Council needs to view long term goals and what's needed to meet those goals. Possibly need to change the light at 227<sup>th</sup> for residential owners to reach their homes.

Mayor Sheckler stated there was no consensus with home owners about solutions for 8<sup>th</sup> Avenue.

Councilmember Kaplan added that there was not unanimity on committee. Safety was the only reason it was addressed. It needed to be taken care of immediately. Sidewalk was a paramount concern. Options limited due to what will fit in the 30 foot right-of-way. Developers want immediate direction from the City in regard to requirements.

Mayor Sheckler observed sidewalk creates one way street. Hedges and utility poles would have to be moved.

City Manager Piasecki said the State has to be involved as it is a State Highway and will weigh in as whether a left turn signal is needed.

**VOTE ON MOTION:** Motion failed with a vote of 3 to 4 to reconsider the 8<sup>th</sup> Avenue Traffic Revision. Councilmember's White, Thomasson, and Sherman voted yes. Mayor Sheckler and Councilmember's Scott, Kaplan and Pina opposed the motion.

### ADMINISTRATION REPORTS

#### Consent Calendar Item #9

City Manager Piasecki announced Item #9 was removed and put on the agenda for September 11, 2008 council meeting.

Consent Calendar Item #8

School Resource Officer Contract changed to eight month cancellation clause.

King County Ferry District Study

A focus group meeting will be held at the Public Meeting Room at the Public Works yard (2255 S.223<sup>rd</sup> Ave. S.) On Friday, September 12<sup>th</sup>, at 8:00a.m.-9:30a.m. Local residents and business owners are invited to give their opinions regarding ferry service to Seattle from Des Moines. Some City of Des Moines Councilmembers, along with King County Councilmember Julia Patterson, will be in attendance.

8:33p.m. City Manager Piasecki called for a 10 minute Executive Session to discuss pending or potential litigation.

8:43p.m. City Attorney Bosmans called for a 10 minute extension on the Executive Session.

8:53p.m. City Attorney Bosmans called for an additional 10 minute extension of the Executive Session followed by a 10 minute break.

Adjournment – Executive Session adjourned at 9:09 p.m. and Council returned to open meeting.

No formal action was taken.

CONSENT CALENDAR was read by Clerk Lingle.

1. Motion to approve the regular minutes of July 10 and 17, and the special and regular minutes of July 24, 2008.

2. Findings: Vouchers audited and certified by the auditing officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090, have been recorded on a listing which has been made available to the City Council.

Motion: As of this date the Council, by unanimous vote, does approve for payment those vouchers and payroll transfers included in the above list and further described as follows:

Claim checks #115419 through # 115891 & electronic fund transfers in the total amount of \$3,850,085.01

Payroll fund transfers in the total amount of \$932,946.38

3. Motion is to confirm Mayor Sheckler's appointment of Rev. Victor Atienza to an unexpired two year term on the Human Services Advisory Board effective immediately and terminating on December 31, 2009.

4. Motion is to authorize the City Manager to sign the contract amendment, substantially in the form submitted, with Leonard D. Madsen for professional services continuing those services through December 31, 2008, up to 16 hours per week, to complete the 16<sup>th</sup> Avenue South project as well as assist staff with transportation system management issues, with a not-to-exceed additional cost of \$11,000.

**~~5. Draft Resolution No. 08-183 – Title: A resolution of the city council of the City of Des Moines, Washington, authorizing interfund loans to the Arterial Street Fund from the Revenue Stabilization Fund in the amount of \$300,000, and from the Equipment Rental Replacement Fund in the amount of \$300,000 for total authorized interfund loans of \$600,000 at an interest rate equivalent to the Washington State Local Government Investment Pool rate with interest to be paid monthly to the lending funds and with~~**

~~principal loan repayments to occur prior to December 31, 2009. [ED NOTE: Item removed by~~

~~MOTION is to approve Draft Resolution No. 08-183. [ED NOTE: Item removed by Councilmember Thomasson.]~~

6. Motion is to approve Supplement No. 5 in the amount of \$7,512.00 for construction engineering for the Saltwater Park Bridge Emergency Repair Project to the professional services contract with Reid Middleton, Inc., dated February 27, 2007 in the original amount of \$258,321.0 bringing the revised contract total to \$265,833.00.

7. Motion is to approve the amendment to Exhibit B of the Interlocal Agreement between the City of Kent and the City of Des Moines regarding the revised Midway Planning Project Study Area Map boundary and authorize the City Manager to sign the ILA substantially in the form as shown on Attachment 1.

8. Motion is to approve the agreement between the City of Des Moines and the Highline School District for the City to provide one police officer to serve as a school resource officer and for the District to compensate the City for salary and benefits not to exceed \$298,753.51 for the three year period the officer will be assigned to the school as described in the Interlocal agreement and to authorize the City Manager to sign the Agreement substantially in the form as submitted.

9. ~~Draft Ordinance No. 08-186— Title: To enact Draft Ordinance No. 08-186, amending DMMC 1.08.010 to replace the Redondo Store and Post Office location with the Redondo Boat Launch location as an official posting location to serve our southerly Des Moines residents.~~

~~10. Motion is to approve the Supplemental Task Order Assignment with KPG for right-of-way acquisition services on the South 216<sup>th</sup> Street—Phase 4 Improvement Project (Marine View Drive to 11<sup>th</sup> Avenue South) in the amount of \$62,380.00, bringing the total amount for KPG's Task Order Assignment number 2008-001 to \$225,880.00, authorize the City Manager to approve other task order supplements as necessary up to an amount of \$22,500.00 for the Task Order Assignment, and further authorize the City Manager or his designee to sign said Supplemental Task Order Assignment, substantially in the form as submitted. [ED NOTE: Item removed by Councilmember Thomasson.]~~

11. Motion to approve the contract with Pacific Pile and Marine, L.P. for dredging in the Marina which authorizes payments to Pacific Pile and Marine, L.P. of \$486,360.18, contingent upon the successful completion of the scope of work contained in the contract, and authorize a contingency fund of \$40,000 for this project, and authorize the City Manager to sign the contract, substantially in the form as submitted.

Mayor Pro Tem Sherman expressed his approval of Rev. Victor Atienza for the Human Services Committee.

Mayor Sheckler referenced page 3 of the regular July 10<sup>th</sup> minutes, the update on the party house, last sentence should state, 4<sup>th</sup> of July *wrap* up will be forthcoming. This error will be corrected.

MOTION was made by Councilmember Thomasson, seconded by Councilmember Pina and passed unanimously, to approve the Consent Calendar as amended.

#### REMOVED CONSENT CALENDAR ITEMS

The following Consent Items were pulled from the Calendar:  
#5 and #10 - Removed by Councilmember Thomasson

Item #5 – Draft Resolution No. 08-183 – Authorizing Interfund loans

Councilmember Thomasson removed this item because of concerns about debt and past borrowing. Reminding all he did not vote to approve last years budget because it was relying on money the City did not have and using it inappropriately.

**MOTION** was made by Councilmember Kaplan and, seconded by Councilmember Pina, to approve Draft Resolution No. 08-183, authorizing interfund loans to the Arterial Street Fund from the Revenue Stabilization Fund in the amount of \$300,000, and from the Equipment Rental Replacement Fund in the amount of \$300,000 for total authorized interfund loans of \$600,000 at an interest rate equivalent to the Washington State Local Government Investment Pool rate with interest to be paid monthly to the lending funds and with principal loan repayments to occur prior to December 31, 2009.

Councilmember Kaplan referred to August 7<sup>th</sup> Council meeting explaining it was determined that in order to finance the City's needs, council made a decision it was less expensive to borrow money from itself than seek money from more expensive outside lenders.

Mayor Pro Tem Sherman explained he would vote against this motion because he felt not enough programs have been eliminated from the budget.

Planning, Building and Public Works Director Fredricks identified the projects that were eliminated and funded, advising that to postpone some projects would add to the cost of completing them in the future.

**VOTE ON MOTION:** Passed 6 to 2 with Councilmember Thomasson and Mayor Pro Tem Sherman opposed.

Item #10 – Motion to approve the Supplemental Task Order Assignment with KPG

Councilmember Thomasson removed this item because of the way it would be funded, referring to Item #5.

**MOTION** was made by Councilmember Kaplan and seconded by Councilmember Pina, to move to approve the Supplemental Task Order Assignment with KPG in the amount of \$62,380.00, bringing the total amount for KPG's Task Order Assignment number 2008-001 to \$225,880.00, authorize the City Manager to approve other task order supplements as necessary up to an amount of \$22,500.00, 10%, for the Task Order Assignment, and further authorize the City Manager or his designee to sign said Supplemental Task Order Assignment, substantially in the form as submitted.

Mayor Pro Tem Sherman feels this project may assist other projects which will in turn bring revenue to the City.

**VOTE ON MOTION:** Passed 6 to 1 with Councilmember Thomasson opposed.

Agenda Revision

Mayor Sheckler announced that he is going to take New Business Item #3 before New Business Item #2 to accommodate those attending the meeting.

## NEW BUSINESS

### Regional Commission on Airport Affairs (R.C.A.A.) Contract

City Manager Piasecki introduced Mr. Larry Corvari from the Regional Commission on Airport Affairs. He discussed the proposal to the City to enter into service with the RCAA. There are four projects, three that affect the City.

- Wildlife Task Force, run by WSDOT Aviation Division, eliminating all predator birds. Possible unintended consequences as noted previously by Councilmember Scott. Continuous monitoring because of possible adverse affects upon the City storm water retention ponds.
- LAT Study sponsored by State Senator Karen Keiser to locate potential airport capacity in central Puget Sound Region.
- Every 5 years Port of Seattle has to reapply for its general operating pollution permit. This is under the Clean Water Act, Section 402, The National Pollution Discharge Elimination System Permit. That permit is now up. A draft will be coming out shortly. This year concentration is on those effluents which are dumped into the creeks and affecting Des Moines Creek.
- Lower Lake PCB pollution problem affecting Burien and Normandy Park. Doesn't directly affect Des Moines and funds would not be commingled.

**MOTION** was made by Councilmember Thomasson, seconded by Councilmember White, to move to enter into an agreement for services with the Regional Commission on Airport Affairs for services and authorize the City Manager to sign the agreement substantially in the form as submitted. [ED NOTE: See FRIENDLY AMENDMENT]

Mayor Pro Tem Sherman asked if we had a contract with RCAA last year. City Manager answered 2006 was the last Year the City had a contract with RCAA. The 2006 contract was \$10,000 for ongoing services and \$10,000 for special projects (of which approximately only \$3,000 was used). The cost for the city was about \$13,000, according to Mr. Corvari.

Councilmember Thomasson stated that funding should come from the Airport Defense Fund.

City Manager Piasecki advised that the entire Airport Defense Fund balance was programmed to transfer over to the general fund as part of the budget process last year. The Agreement is for \$5,000.00 for ongoing services not to exceed \$10,000.00 for special projects. Source of funding must be the general fund balance but money can be transferred back to Airport Defense fund. The process will be rechecked.

Mayor Pro Tem Sherman suggested the Motion should reduce the special project amount to not more than \$5,000. This was accepted as a FRIENDLY AMENDMENT by the maker and seconder of the Motion.

**VOTE ON MOTION:** Motion passed unanimously.

### Property Tax Exemption Program

Matt Chan, Manager of S.S.I.Pacific Place, LLC, developer on proposed Pacific Ridge, presented information on the Multi-Family Tax Exemption. 1996 Legislation created the 10 year MFTE Program. This program is a tool for growth and redevelopment. Many Puget Sound cities have approved this program to encourage revitalization of blighted neighborhoods. His company has expended time and money to support the City of Des Moines with a vision for the future. This will help the City be competitive and successful.

Ms. J.J. McCament, with McCament & Rogers, a real estate consulting firm, explained in greater detail the benefits to the City. The purpose is to stimulate and revitalize housing.

Quick Overview of MFTE Program

- 8-year exemption for market-rate housing
- 12-year exemption requires 20% of units be affordable to those earning 80% of the Area Median Income (AMI)
- Additional reporting requirements: costs, benefits, and tenant/buyer income information
- Affordable units are defined as qualifying under HUD's Area Median Income guidelines for each county for low and moderate income families.
- Within a Mixed-Use Development, tax exemption applies only to new residential improvements and associated parking & amenities
- Money flowing to the City from proposed development with a multi-family tax exemption generates more tax revenue than presently received from vacant or underdeveloped property
- The City continues to receive property tax on land
- Improvements lift the value of the land and increase property taxes during exemption period
- The City receives revenue from one-time and annual taxes generated by construction activity & new residents
- Makes area competitive for residents that would otherwise chose to live in single family housing or neighboring community.

Mayor Pro Tem Sherman requested an economic study from Ms. McCament.

Kim Nakamura, with Team Tacoma, added it was important to develop Pacific Ridge. It will benefit the City economically because of tax opportunities for the City along with a vibrant community. He encouraged Councilmembers to move forward with the Pacific Ridge development. He asked them to authorize staff programs to make this vision a reality.

Councilmember White stated she supports the Pacific Ridge development.

Councilmember Kaplan noted he did not feel adding low income or affordable housing was the vision the Council had for the City.

**MOTION** was made to extend the meeting to 11:00 p.m. by Mayor Sheckler and seconded by Councilmember Kaplan and passed unanimously.

Mr. Nakamura states the MTFE is a tool for economic stimulus.

**MOTION** was made by Mayor Sheckler, seconded by Ed Pina, to instruct staff to construct an ordinance that implements the Multi-Family Tax Exemption in Pacific Ridge area. Vote was 6 to 1, with Mayor Pro Tem Sherman opposed.

Mayor Pro Tem Sherman questioned the concessions for the Pacific Ridge Project.

Councilmember Scott expressed appreciation for the Pacific Ridge Project.

Councilmember White wanted to grant The Pacific Ridge more flexibility to move forward with their project.

Councilmember Thomasson would like to study the pros and cons more thoroughly before making a decision.

Councilmember Pina considers the MFTE helpful to the development of the City.

Mr. Chan explained in great detail the benefits of the Pacific Ridge Project. He verbalized his willingness to be flexible with the planning of the project as the council deems necessary. He reminded Council of his 4 years of planning and investment in this project.

Councilmember Kaplan wants to consider the MFTE to begin with at Pacific Ridge with certain parameters. He wishes to explore the ordinance further before making a decision.

**MOTION** made to extend the meeting to 11:15p.m by Councilmember Kaplan and seconded by Councilmember White and passed unanimously.

Councilmember Thomasson questioned how the tax revenue from MFTE is implemented.

Mayor Sheckler summarized his view on The Pacific Ridge Project and MFTE as a positive move for the City.

City Manager Piasecki stated that if Council desires, he will craft together some language so ordinance can be modified to restrict it to condos only or certain size projects or any other modifications the council may want to include.

**MOTION** by Councilmember Thomasson, seconded by Councilmember Pina and passed unanimously, that the items not covered by tonight's meeting be scheduled by the Mayor for the next appropriate meeting.

**NEXT MEETING DATE** - Study Session September 4, 2008

Mayor Sheckler announced next meeting is a Study Session on September 4, 2008

**ADJOURNMENT**

**MOTION** was made by Councilmember Thomasson, seconded by Councilmember Pina, to adjourn meeting at 11:09P.M. Passed unanimously.

Respectfully submitted,  
Autumn Lingle, Clerk