

**JOINT SPECIAL MEETING WITH CLALLAM COUNTY
BOARD OF COMMISSIONERS AND
REGULAR MEETING AGENDA
SEQUIM CITY COUNCIL
Sequim Civic Center
152 West Cedar Street
Sequim, WA
April 22, 2019
4:00 PM**

4:00 P.M. On-Site Tour Dungeness Off-Channel Reservoir

5:00 P.M. WORK SESSION WITH CLALLAM COUNTY BOARD OF COMMISSIONERS

In attendance:

Clallam County Board of Commissioners: Mark Ozias, Randy Johnson, Bill Peach

City Council: Dennis Smith, Candace Pratt, Bob Lake, Jennifer States, William Armacost, Ted Miller;
absent Brandon Janisse

1. Service Extension Review Process (SERP) Revisions

Bush explained that this agreement dates back to 1998 and there have been no updates. It outlines how the county will work with the city in the Urban Growth Area (UGA).

Barry explained that Kitsap County and the City of Poulsbo worked together on a plan. This document needs to be updated. The Countywide Planning Policies provide some direction. Ozias indicated he will take this back to the County's Department of Community Development.

2. Clallam County Climate Change Week

States suggested an eco-challenge between the county and the city in 2020 for the month of April for Earth Day. Mark Ozias offered to help organize.

Bush distributed and provided information on the green economy workshop taking place in Sequim in June. Bush provided information concerning what the city has been and will be doing regarding sustainability.

3. Funding for Homeless and the Changes to the 2019 Funding Process

Bush explained the City's new process for allocating human services dollars. The council adopted guiding principles and developed a Request for Proposals. One response was received which included 9 collaborative partners.

Randy Johnson reported the Homelessness Task Force has changed their grant cycle to a 2-year cycle. Some work needs to be done and the county is visiting with other counties to see how to be more effective.

Ozias explained there is a transition in behavioral health. The state has mandated integrating physical/mental health care. Our region needs to be ready for the new system on January 1, 2020. Behavioral health agencies have a lot of work to revamp their billing systems. There is a \$600-900K gap that will not have funding under the new system. Visit the county's website to see the video presented to the Board of Health by Salish.

Ozias would like to know what was learned through the new human services funding process.

4. Department of Natural Resources Performance

There was discussion concerning the Department of Natural Resources. They present their anticipated revenue to the County Commissioners and it is never accurate. Our regional DNR staff works hard to do a better job of budgeting and outlining the implications on junior taxing districts.

Peach added that what is being proposed will have a significant impact on junior taxing districts in Sequim.

5. Destination Strategic Plan for the North Olympic Peninsula

Randy Johnson discussed the plan developed by Snohomish County. He would like to develop a plan countywide showing how we think strategically about tourism across the county. The County's lodging tax committee has allocated \$150k to do this type of work this year.

- Olympic Medical Center Update – Eric Lewis

Eric Lewis, Executive Director of Olympic Medical Center, stated that OMC plans to maintain all current services in Sequim. Their plan for a \$15 million expansion in Sequim has been scaled back and will include the cancer center. Adding new services will be an issue. The cancer center should be completed in 2020. Primary care expansion will take place when there is more certainty. The surgery center is also on hold. After CMS did these cuts, OMC joined others in suing CMS for exceeding their authority. They hope to have a ruling on summary judgment in 60-90 days. Derek Kilmer is working on a legislative fix. The 2020 federal budget is proposing more site neutral policies for hospital facilities. Many services face a 60% cut. Expanding primary care is the highest priority.

OMC is currently updating their strategic plan. There will be a public input opportunity regarding the plan on Thursday at 11am in the medical services building. They have expanded the emergency services department and want to expand how they work with the City of Sequim regarding emergency management.

Lewis indicated he may ask for letters again this summer when CMS issues rules.

Mayor Smith called a five-minute break at 6:25 p.m. Meeting reconvened at 6:30 p.m.

PLEDGE OF ALLEGIANCE

ROLL CALL Present: Bob Lake, Ted Miller, Jennifer States, Brandon Janisse, Candace Pratt, William Armacost, Dennis Smith

CHANGES TO THE AGENDA

CEREMONIAL

6. Earth Day Proclamation

Mayor Smith read a proclamation for Earth Day.

7. Innovation Award

Charlie Bush presented the award that the city received at the TLG conference in Reno.

PUBLIC COMMENTS *Please limit comments to 3 minutes. Please see "Public Comments" rules attached.*

PUBLIC HEARINGS (Legislative)

8. Proposed Ordinance No. 2019-006 Providing for Planned Residential Developments

Mayor Smith read the rules and opened the public hearing at 6:39 p.m.

Barry Berezowsky explained the change to a table and dealing with private streets. This would require a C2 review process; minimum size of 3 acres or that other requirements are met; any use in the underlying zoning district is allowed; small commercial uses may be allowed not to exceed 15% of total land area. He presented a change that was made to the table that clarifies if an item is permitted or permitted through a conditional use permit.

Two options were presented concerning private streets. There was discussion concerning private streets and whether they should be allowed.

Laura Dubois stated the City Council previously voted to eliminate private streets. Some developments have private streets. She is glad to see council considering no private streets.

Bruce Emery, Green Crow, applauds this effort. There are many subdivisions that originated several years ago. RCW 18.35.060 allows for flexibility on minimum lot size. He asked why there is no flexibility on high end lots. As long as the overall density is complied with in the development as a whole, there should be flexibility. They are asking for consideration on the possibility of more flexibility with maximum lot size.

Mary Bell expressed concern about fire protection and emergency care in that type of development.

Berezowsky responded that these developments would receive the same level of first responder care as any other area in the city. We do still allow private streets with or without a Planned Residential Development under certain circumstances.

Berezowsky has had this conversation with Mr. Emery. While he appreciates Green Crow wanting to continue to develop at their density, that does not meet the requirements of the GMA.

Nelson-Gross added there is no bright line rule with the GMA Hearings Board. There is on the low end. She encouraged caution with half-acre lots. Berezowsky added that he looks to the Department of Health for guidance. Anything with more than three units must hook up to sanitary sewer.

Dennis Yackovich, Green Crow, stated they are not asking for half-acre lots. Their development

would have 150-200 parcels. They would like some relief on Solana Estates because the topography is challenging. Trying to develop small lots in the upper area is very difficult. They have a clubhouse and a pool. The pool is seldom used and is very expensive for that association. Operating costs are terrible for that community. He asked that council be careful when putting requirements in place.

Nelson-Gross reminded council this ordinance would be applied across the city. If the topography is an issue for a development, the variance process may be a more appropriate process.

Berezowsky indicated this ordinance is intended to encourage affordable housing but that is not its primary purpose. Half-acre lots are not affordable.

Ron Gilles stated there are several plats built under a PUD, which has been eliminated. He suggested we need something flexible to allow these developments to be finished. PRDs allow the flexibility, innovation and creativity that is needed. He is in favor of the PRD ordinance.

There was discussion concerning the list of amenities available for a project. Berezowsky explained that the amenities are based on the size of the project.

Mayor Smith asked for additional speakers. Hearing no response, the public hearing was closed at 7:30 p.m.

MOTION to approve, with private street option 2, the Planned Residential Development (PRD) regulations as proposed in Ordinance No. 2019-006 adopting new SMC Chapter 18.35 Planned Residential Development (PRD), amending SMC 3.68.030(F) Rates and Fees – Community Development to include a fee in the amount of \$750.00 for a PRD, and amending SMC 20.01.030 Procedures for processing development project permits, Table 2 to include PRDs as a Type C-2 application made by Miller; second by Pratt.

States expressed concern about flexibility and wants to encourage affordable housing.

Nelson-Gross responded that this is to provide flexibility in lot sizes and amenities. If council is looking for a more focused affordable housing ordinance, this is not it. That would be more appropriately taken up by the housing committee.

There was discussion concerning variances and subdivision applications. This PRD is optional to the applicant.

Vote on the motion. Carried Unanimously.

ACTION ITEMS

CONSENT AGENDA

9. Approve/Acknowledge
 - a. City Council Meeting Minutes – April 8, 2019
 - b. Claim Voucher Recap Dated 4/22/19 Total Payments \$574,479.32
 - c. Confirm Appointment of Port Angeles City Councilmember Michael French to the Homelessness Task Force
 - d. Sequim Dungeness Valley Chamber of Commerce 2018 Year-End Report

MOTION to approve the Consent Agenda made by Pratt; second by Miller. Carried Unanimously.

OTHER

1. Council Onboarding

Kuznek-Reese explained that the proposed documents formalize the process for onboarding new councilmembers and makes sure that everything is covered. The proposed orientation agenda also outlines everything that a councilmember-elect may need to know. These documents will be incorporated into the council rules.

2. Q1 2019 Financial Report

Hagener provided information on the first 3 months of 2019. Some items are over budget because of the snow storm. Others have timing issues. Revenues are 4% more than budget. Expenses were under budget by 11% or \$293,000. Fund balances are all strong. We were able to pay down \$3.7 million on a loan and saved over \$400,000 in interest.

INFORMATION

Committee, Board and Liaison Summary Reports

Lake reported he attended the Park & Rec Board meeting and they are working on the Park Master Plan. We might want to think about an FTE to do some things with parks. They heard a presentation from a basketball group. There are over 230 kids playing this sport; they have won awards, gone to state and nationals. They are looking for a place to play outdoors. The Boys & Girls Club and the middle school have limited court availability. He would like to ask staff to think about where we could put up basketball hoops temporarily. There was council consensus to proceed.

Lake reported on the Board of Health meeting and the Sequim CERT meeting.

States received an invitation to make a presentation at Sequim Science Café on June 11. They would like to know what we are doing locally around climate change.

Janisse attended the cancer center groundbreaking. He thanked Eric Lewis and the OMC board for putting Sequim in the spotlight and improving our medical facilities.

Pratt reported she attended the Clallam Transit board meeting. They discussed the new performance facility being built in downtown Port Angeles, the need to provide for the influx coming into downtown for the performances, and how CTS can be responsive to that.

Armacost reported that he attended the Arts Commission meeting. They are proposing allowing business owners in the city to be members of the commission. A Ground Hog Eve fundraiser is being planned.

Student Liaison Report

Eva Lofstrom reported that the Interact Club went to a large event in Seattle with 14K students. Sequim was recognized for its involvement in service projects.

Katie Potter added that state testing is taking place. The women's vocal ensemble and percussion ensemble are going to state competition.

Presiding Officer

City Manager

- Conferences

Bush reported on presentations made at the Habitat for Humanity conference in Georgia. He and our local Habitat representatives presented on neighborhood revitalization.

He attended the Alliance for Innovation conference. We received an offer from a firm to provide pro bono services on civic engagement.

GOOD OF THE ORDER

Pratt congratulated the middle and high school students who won the science award.

EXECUTIVE SESSION

ADJOURNMENT at 8:20 p.m.

Respectfully submitted,



Karen Kuznek-Reese, MMC
City Clerk



Dennis Smith
Mayor

Minutes approved at a regular Council meeting held on May 13, 2019.