

WALLA WALLA CITY COUNCIL
Work Session Minutes
November 14, 2016

1. CALL TO ORDER

Mayor Pomraning called the meeting to order at 4:00 p.m.

Present: Councilmembers Barbara Clark, Jerry Cummins, Steve Moss, Tom Scribner, and Mayor Allen Pomraning.

Absent: Councilmembers Jim Barrow and Dick Morgan.

City staff in attendance: City Manager Nabel Shawa, Public Works Director Ki Bealey, Development Services Director Elizabeth Chamberlain, Finance Director Jean Teasdale, City Engineer Neal Chavre, Acting Parks & Recreation Director Andy Coleman, Engineer Monte Puymon, Engineer Doug Eaton, Municipal Arborist/Grounds Maintenance Worker Kyle Clemens, and City Clerk Kammy Hill.

2. ACTIVE AGENDA

- A. Isaacs Avenue project tree actions and Green Park Elementary School bus loop.

Engineer Puymon reviewed the impacts to trees as a part of the Isaacs Avenue Phase 1 project; and placement of a school bus turnout at Green Park Elementary School.

There was discussion on:

- Alignment and impact of the bus turnout on Isaacs Avenue traffic. Staff reported there will only be six buses using the turnout in the morning and afternoon.
- Staff's goal is to replace trees with the largest canopy trees appropriate for the area.
- It is anticipated that trees removed on private property due to the project improvements will be replaced by the property owners. The City is compensating them for the value of the existing tree.
- An additional ten trees will be placed within the public right-of-way as part of the Isaacs Avenue, Phase 1 project.
- Tree survival and care.

WORK SESSION MINUTES
NOVEMBER 14, 2016
PAGE 2

B. Low income water rate discount discussion.

City Manager Shawa reported that current Municipal Code provisions allow for a utility low income discount for those over 65 or disabled. There had been discussion regarding the possibility of extending this discount to all low income utility customers. A proposal was received from the FCS Group for \$14,550 to perform an analysis on the impact of extending the low income discount.

There was discussion on:

- Cost of the proposal and tasks that could be performed by City staff.
- Impact of lowering rates for one population on the remaining ratepayers and the possibility of negatively impacting low income renters.
- The need to look at the impact on all utility rates, not just water, if a discount is extended beyond just senior and disabled utility customers.
- Potential benefits for offering a discount to all low income utility customers.
- How the current low income discounts are verified and applied.

Staff was directed to research the tasks that can be performed by staff, refine the proposal from the FCS Group, and bring back to Council for further review.

C. Business license report.

City Manager Shawa and Development Services Director Chamberlain reviewed:

- Business licensing is a method to identify, authorize, track, and report various commercial enterprises operating within the City and is authorized under RCW 35A.82.020. Licensing also ensures compliance with City ordinances, such as zoning requirements.
- Out of 281 Washington cities, 223 require business licenses. The average fee is \$71. Walla Walla is proposing a \$50 license fee.
- A City business license program will:
 - Improve administrative efficiency.
 - Provide better data and improve the City's knowledge and understanding of the business sector.
 - Provide for improved policy analysis and development.

WORK SESSION MINUTES

NOVEMBER 14, 2016

PAGE 3

- Provide revenue to assist in funding business support and required administration.
- Examples of administrative improvements provided by annual licensing include:
 - Track when a business vacates a location and moves or closes.
 - Track outside businesses conducting business within City limits.
 - Verify zoning compliance for business activity and location.
 - Collect data to help support grant applications, economic development, and Council policy development.
 - Track annual insurance updates from tenants and property owners for sidewalk signs and outdoor seating.
 - Help identify eating establishments and/or other activities that require fats, oils, and grease monitoring activities.
- Current business registration program has many inefficiencies compared to a business license program.
- City proposes to contract with the Washington State Department of Licensing to process business licenses which will provide the following advantages:
 - One stop licensing – City business license would be included with the annual State licensing process.
 - Improved data.
 - Reduced administration.
- Business licenses are a statutorily approved revenue source utilized by many cities to assist with administrative and operation costs associated with businesses. In Walla Walla these services include: Annual flower baskets, downtown banners, downtown ambassadors, downtown walking police officer, holiday decorations, Chamber of Commerce activities, small business office, and downtown street tree lighting.
- Overview of the State business license system: No charge for Walla Walla to join although the City would need to be in the set-up queue early in 2017 for implementation in 2018. New businesses pay to the state a onetime application fee of \$19, with an \$11 annual renewal fee. Through the State's user portal, staff would review the license for compliance with City regulations and approve or deny.
- This business license proposal will replace the City's current business registration program. The proposed \$50 annual business license is estimated to generate \$175,000 in revenue in 2018. This revenue is included in the 2017-2018 biennium budget. Staff suggests Council consider approving the business license ordinance at the

WORK SESSION MINUTES

NOVEMBER 14, 2016

PAGE 4

December 7, 2016 City Council meeting to allow time to work with the Department of Licensing and develop the program.

- This business license proposal provides reasonable time to implement a new business licensing process with a modest \$50 annual fee. It is neither extraordinary nor exorbitant. The program would result in more efficient administration, better data, and revenue to support business related costs.

There was discussion on:

- Application and renewal fees paid to the State would be in addition to the City's business license fee.
- The Council could contract with the Department of Licensing without charging a separate business license fee.
- The definition of a business; applicability of fees; potential exemptions for under a gross amount of revenue.
- Regulation of short-term rental housing.
- Enforcement of regulations.
- A flat fee for all types of businesses is the easiest to administer and manage.

Mayor Pomraning invited public input.

The following spoke in opposition to implementation of a business license program:

- Dave Woolson, Executive Director of the Walla Walla Valley Chamber of Commerce.
- Jim Harold, 3030 Brisbane, Walla Walla.
- Phil Wasser, Land Title.
- Elio Agostini, Executive Director of the Downtown Walla Walla Foundation, 217 Beam Court.

The following spoke in support of implementing a business license program:

- Norm Ostermann, 1032 Pomona, Walla Walla.

There was additional discussion on:

- Inability of the City Council to restrict the actions of future City Councilmembers.
- Benefits and value of having an annual business license program.
- Regulations currently required for professionals.
- Whether the implementation of a business license program is tied into approval of the biennium budget.

**WORK SESSION MINUTES
NOVEMBER 14, 2016
PAGE 5**

3. OTHER BUSINESS

No other business was discussed.

4. ADJOURNMENT

There being no further business, the meeting adjourned at 6:06 p.m.