

WALLA WALLA CITY COUNCIL
Regular Meeting Minutes
August 22, 2018

1. CALL TO ORDER

Mayor Clark called the meeting to order at 7:00 p.m.

Present: Councilmembers Yazmin Bahena, Riley Clubb, Jerry Cummins, Myron Huie, Steve Moss, Tom Scribner, and Mayor Barbara Clark.

Absent: None.

City staff in attendance: City Manager Nabel Shawa, City Attorney Tim Donaldson, Deputy City Manager Byron Olson, Development Services Director Elizabeth Chamberlain, Finance Director Jean Teasdale, Public Works Director Ki Bealey, Fire Chief Bob Yancey, Public Works Manager Mori Struve, and City Clerk Kammy Hill.

2. PLEDGE OF ALLEGIANCE/MOMENT OF SILENCE

Councilmember Clubb led the pledge of allegiance followed by a moment of silence.

3. PRESENTATIONS

Mayor Clark read and presented a proclamation declaring the month of September 2018 as "Recovery Month in Walla Walla" to Elizabeth Guerra, Trilogy Recovery Community Board President, and Luis Rosales, Executive Director. Ms. Guerra and Mr. Rosales outlined the upcoming events in recognition of recovery month.

4. PUBLIC COMMENTS

No one in the audience chose to address the City Council at this time.

5. CONSENT AGENDA

City Clerk Hill introduced the Consent Agenda, Items A and B, as follows:

- A. Resolution No. 2018-90 authorizing a professional services contract with Anderson Perry & Associates for design survey services for 2019 wastewater projects.

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- B. Resolution No. 2018-92 awarding bid for the 2018 small main sewer CIPP liner project to Columbia Pumping and Construction.

Mayor Clark invited public input. No one in the audience chose to address the City Council on any of these items.

Councilmember Cummins moved to adopt Consent Agenda Items A and B. Councilmember Moss seconded the motion. The motion unanimously carried with 7 yes votes and 0 no votes.

6. ACTIVE AGENDA

- A. Resolution No. 2018-91 approving the Walla Walla County Hazard Mitigation Plan.

City Manager Shawa reported Walla Walla County and its cities work cooperatively for emergency management planning. An updated hazard mitigation plan has been drafted and each jurisdiction is required to adopt it. This plan meets Federal and State requirements.

Mayor Clark outlined the natural and human hazards identified and addressed in the plan.

Mayor Clark invited public input. No one in the audience chose to address the City Council on this issue.

Councilmember Cummins moved to adopt Resolution No. 2018-91. Councilmember Huie seconded the motion. The motion unanimously carried with 7 yes votes and 0 no votes.

- B. Resolution No. 2018-89 approves the sale of \$6,390,000 principal amount of the City's water and wastewater revenue bonds to Raymond James & Associates for the wastewater treatment plant and other related projects.

Staff reported the City Council authorized the issuance of these bonds on June 25. The bonds were sold on August 9 at a true interest cost of 3.19 percent. These are twenty-year bonds.

Roy Koegen, Bond Counsel, reported this is his fortieth year representing the City of Walla Walla. There were nine bidders for the bond sale on

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August 9. The bids were all very close and it was a successful sale. Mr. Koegen reviewed the provisions of the resolution regarding maturities and the sale of the bonds.

Mayor Clark invited public input. No one in the audience chose to address the City Council on this issue.

Councilmember Clubb moved to adopt Resolution No. 2018-89. Councilmember Moss seconded the motion. The motion unanimously carried with 7 yes votes and 0 no votes.

- C. Resolution No. 2018-87 approves a contract to authorize an eight-year property tax exemption for the Evergreen Housing Development Group's multi-family project located at 351 E. Rose Street.

City Manager Shawa reported this item is being brought back after the City Council directed staff, with the assistance of Councilmember Moss, to negotiate for affordable housing units.

Development Services Director Chamberlain reviewed:

- Municipal Code updates to comply with State regulations.
- Positive outcome of negotiations with Evergreen Housing Group where they agreed to dedicate five studio units at a monthly rent of \$970 which includes utilities for the eight years of the agreement.
- The property tax exemption only applies to the multi-family portion of the development and doesn't apply to the land or first floor commercial extended stay units.
- Benefits to the City from the proposed development.

There was discussion on:

- Why a multi-million dollar project does not pencil out without the eight-year multi-family property tax exemption. The developer has indicated the project is not feasible and will not be constructed without the exemption.
- This project will increase housing supply which the community needs and incentivizes development in the downtown core.
- Greater subsidies than just a property tax exemption are necessary to build affordable housing to meet the housing needs of low income residents.
- Housing costs versus area median income.

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- The Municipal Code allows for an eight-year exemption with no affordable housing units and a twelve-year exemption if twenty percent are affordable housing units.
- The developer has only applied for an eight-year exemption. The initial proposal did not include any consideration of making any units more affordable. After negotiating, the proposal now includes five studio units at ninety percent of area median income.

Fred Hines, Evergreen Housing Development Group, thanked the City for negotiating a win-win agreement. The development will pay more than double the current property taxes paid on the property, along with sales taxes from construction. This development will provide additional housing units within the City, but without the eight-year multi-family property tax exemption the project does not pencil out. Lenders would not finance the development under a twelve-year affordable housing exemption. The company knew going into the proposal that the multi-family property tax exemption was necessary. There was discussion on yield on cost metrics; dealing with the high-end rental market; risks if units are not rented; and margin on investment.

Mayor Clark invited public input.

The following expressed concerns, had questions, or were opposed to the multi-family property tax exemptions:

- Dan Leeper, Marcus Whitman Hotel, read a letter on behalf of Kyle Mussman.
- Sharon Shiller, 1414 Topaz, Walla Walla.
- R.L McFarland, 3731 Middle Waitsburg Road, Walla Walla.
- Dorothy Knudson, 250 Rancho Villa, Walla Walla.
- Dave Fogarty, 1680 Cambridge, Walla Walla.
- Thad Sirmon, 805 Bess Lane, Walla Walla.
- Patrice Townsend, 801 W. Tietan, Walla Walla.

The following spoke in support of the project:

- Bonnie Bowton, Downtown Walla Walla Foundation.

Council expressed their individual opinions on whether to support or reject the request for an eight-year multi-family property tax exemption.

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Councilmember Scribner moved to reject Resolution No. 2018-87. Councilmember Huie seconded the motion. The motion carried with 5 yes votes by Councilmembers Bahena, Clubb, Cummins, Huie and Scribner and 2 no votes by Councilmember Moss and Mayor Clark.

D. Ordinance No. 2018-27 establishing an arts commission.

City Manager Shawa reported this had been previously discussed at a Work Session. The Downtown Walla Walla Foundation would like one of the three "at large" positions to be recommended by the Foundation.

Deputy City Manager Olson reported this commission will be advisory to the City Council with an ex-officio City Council representative. The proposed membership is:

- A person working in the Walla Walla public education community, preferably in the field of arts education.
- A minimum of two persons who have had professional experience or training related to the arts, originating from employment or study within the following disciplines: arts or art history, arts administration, architecture, art criticism, art education, curation, conservation, film and video, heritage arts, literature, music, new media, performing arts, public art, visual arts, or a related field. At least one of these persons shall be a working professional artist.
- A person nominated by ArtWalla (also known as the Blue Mountain Arts Alliance, a Washington non-profit corporation).
- The remaining positions may be filled at-large from persons representative of acknowledged accomplishment or persons working outside of professional practice in the arts but who demonstrate a deep interest in and appreciation of cultural and artistic activities.

The first tasks of the commission will be development of policies, procedures, and an arts master plan.

There was discussion on:

- Whether monuments will be subject to review by the arts commission. It was the consensus of a majority of Council that monuments should not be considered as art and will not be subject to the purview of the arts commission. The City Council may choose to refer a proposed monument to the arts commission if desired.

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- Allowing the arts commission to make the final decisions rather than the City Council. City Attorney Donaldson recommended leaving the arts commission as advisory due to potential liability.
- Appointments to the arts commission will be handled through the normal Council appointment process.
- Role of the arts commission in promoting performing and literary arts.
- City's special event process for special events.
- Amending the ordinance so that patrons of the arts are not precluded from serving on the arts commission.
- Ordinance has been reviewed by ArtWalla.

Mayor Clark invited public input.

Bonnie Bowton, Downtown Walla Walla Foundation, asked that one of the three at-large positions be selected and recommended by the Downtown Walla Walla Foundation.

Tricia Harding, 185 Bryant, Walla Walla, representing ArtWalla, spoke in support of the proposed ordinance including amendments to allow patrons of the arts to serve and having a member recommended by the Downtown Walla Walla Foundation. Ms. Harding had concerns with requiring members of the arts commission to live within the City limits. There was discussion on the meaning of "culture" and formation of an arts master plan as part of the commission's duties.

Councilmember Scribner moved to adopt Ordinance No. 2018-27 with an amendment to Section 2.25.280 (A) to add "or has demonstrated a deep interest in and appreciation of cultural and artistic activities" and adding under Section 2.25.280 (B) "A person nominated by the Downtown Walla Walla Foundation." Councilmember Bahena seconded the motion.

Mayor Clark indicated she would be voting no as she feels the proposed ordinance needs additional review and work. Council suggested the ordinance can be reviewed by the arts commission.

The motion to adopt Ordinance No. 2018-27 with amendments carried with 6 yes votes and 1 no vote by Mayor Clark.

The meeting was recessed for a break at 9:47 p.m. and reconvened at 9:53 p.m.

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- E. Public hearing and Ordinance No. 2018-29 annexing approximately 1.8 acres of property located south of Taumarson Road and west of Deerhaven Drive.

Development Services Director Chamberlain reviewed the annexation process, area, and rezoning of the requested annexation.

Mayor Clark declared the public hearing open at 9:57 p.m.

Ed Bruno, co-owner of the property and applicant, commended the Development Services Department staff and asked for approval.

There being no further public testimony, Mayor Clark declared the public hearing closed at 9:58 p.m.

Councilmember Cummins moved to adopt Ordinance No. 2018-29. Councilmember Huie seconded the motion. The motion unanimously carried with 7 yes votes and 0 no votes.

- F. Public hearing and Ordinance No. 2018-28 approving an interim zoning ordinance to allow designated camping areas in the heavy industrial zone.

City Manager Shawa reported this ordinance is related to the City's commitment to relocate the sleep center. It allows the City to look at heavy industrial zones as a possible location for the sleep center.

Mayor Clark declared the public hearing open at 10:00 p.m.

Chuck Hindman, 57 Paintbrush Court, Walla Walla, commented on the need for flexibility in finding a site for the sleep center but is concerned that any proposed site may be further from downtown, grocery stores, and other necessary services.

There being no further public testimony, Mayor Clark declared the public hearing closed at 10:02 p.m.

Councilmember Moss moved to adopt Ordinance No. 2018-28. Councilmember Cummins seconded the motion. The motion unanimously carried with 7 yes votes and 0 no votes.

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- G. Resolution No. 2018-93 declaring certain City property surplus, authorizing its sale or disposal, and authorizing acquisition of property.

Development Services Director Chamberlain reported the City has owned the property proposed to be declared surplus since 1900. This was the site of the City's former wastewater treatment plant. A neighboring property owner has approached the City for the potential acquisition of this site. This resolution would declare the property surplus and allow for acquisition of other property.

Mayor Clark invited public input. No one in the audience chose to address the City Council on this item.

**Councilmember Moss moved to adopt Resolution No. 2018-93.
Councilmember Bahena seconded the motion. The motion unanimously carried with 7 yes votes and 0 no votes.**

- H. Resolution No. 2018-94 approving a cost-sharing agreement for the Mill Creek general investigation study.

City Manager Shawa reported the general investigative study of the Mill Creek flood control channel has been on the City's congressional priorities for several years. This study is funded through the Federal government. The City's cost share was initially estimated at \$300,000 over three years but \$2,500,000 was appropriated which reduced the City's total share to \$100,000.

There was discussion on:

- The additional \$200,000 planned expense will be re-appropriated during the City's 2019-2020 biennium budget.
- There are other important functions to Mill Creek besides just flood control, such as fish passage. The City will continue to support both efforts.

**Councilmember Moss moved to adopt Resolution No. 2018-94.
Councilmember Scribner seconded the motion. The motion unanimously carried with 7 yes votes and 0 no votes.**

- I. Approval of minutes of the regular meeting held August 8, 2018.

Councilmember Cummins moved to approve the minutes of the regular meeting held August 8, 2018. Councilmember Moss seconded the motion. The motion unanimously carried with 6 yes votes, 0 no votes, and 1 abstention by Councilmember Scribner.

J. Approval of minutes of the Work Session held August 13, 2018.

Councilmember Cummins moved to approve the minutes of the Work Session held August 13, 2018. Councilmember Moss seconded the motion. The motion unanimously carried with 6 yes votes, 0 no votes, and 1 abstention by Councilmember Scribner.

7. COUNCIL MEMBER MEETING REPORTS

Councilmember Moss reported attendance at the Work Session held August 13; the Water & Wastewater Advisory Committee meeting held August 15; and the exit conference with representatives of the State Auditor's office held August 21.

Councilmember Huie reported attendance at the Work Session held August 13; the Good Roads Committee meeting held August 15; and the exit conference with representatives of the State Auditor's office held August 21.

Councilmember Bahena reported attendance at a meeting with Police Chief Bieber held August 10; and the Work Session held August 13.

Councilmember Cummins reported attendance on an Association of Washington Cities housing committee conference call held August 9; a KUJ radio interview on August 11; the Work Session held August 13; the Good Roads Committee meeting held August 15; the Valley Transit Board meeting held August 16; and the exit conference with representatives of the State Auditor's office held August 21.

Councilmember Clubb reported attendance at the Work Session held August 13; the Visit Walla Walla Board meeting held August 15; the Council on Housing meeting held August 16; the Blue Mountain Action Council board meeting held August 16; and the Council on Housing meeting held August 21.

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Councilmember Scribner reported attendance at the Blue Mountain Humane Society Board meeting held August 21; a tour of the watershed intake dam held August 22; and the agenda preparation meeting held August 22.

Mayor Clark reported attendance at a tour of the Mill Creek Channel held July 27; a sneak peak at the redevelopment of the Teague Motors showroom held July 31; the agenda preparation meeting held August 1; a lunch with City Manager Shawa held August 8; the KTEL Grapevine show on August 10; a meeting regarding formation of an arts community center on August 13; the Work Session held August 13; the agenda preparation meeting held August 15; the grand opening of the Marshalls store held August 16; the exit conference with representatives of the State Auditor's office held August 21; and the agenda preparation meeting held August 22.

8. UNFINISHED AND NEW BUSINESS

It was the consensus of a majority of Council that Work Sessions would be held the same week as the regular City Council meetings rather than the second and fourth Mondays of the month.

The issue of which wards will be voted on in 2019 and 2021 will be brought back before the City Council on September 12. The Sherwood Trust and members of the public can provide comments at this time.

It was the consensus of a majority of Council to form an ad hoc committee of Councilmembers Moss, Cummins and Mayor Clark to brainstorm ideas for voluntary gun safety measures that will be discussed at a future Work Session.

According to the U.S. Forest Service, the fire in the watershed is at one hundred percent containment.

9. ADJOURNMENT

There being no further business, the meeting adjourned at 10:48 p.m.