

IMPORTANT NOTICE

Due to regulations pertaining to in-person meetings listed in the Governor's Open Public Meetings Act Proclamation(s), this meeting will be held remotely.

There are two options for viewing/listening to the meeting:

1. Live-Stream

View and listen through live streaming by using the following link –

<https://www.ci.chehalis.wa.us/citycouncil/live-streaming-and-demand-viewing-city-council-meetings>

or

2. Telephone

Dial +1 253 215 8782

Meeting ID: 852 5959 1588

Passcode: 245076

Citizens wishing to provide public comments in general and on agenda items should submit comments by 4:00 pm on the day of the meeting. All comments received will be acknowledged by the Mayor under the Citizens Business portion of the meeting agenda. Please use the following form to submit comments – <https://www.ci.chehalis.wa.us/contact>. If you do not have computer access or would prefer to submit a comment verbally, please contact City Clerk Caryn Foley at 360-345-1042 or at cfoley@ci.chehalis.wa.us.

If you have any questions about live streaming the meeting or submitting a comment, please contact City Clerk Caryn Foley at cfoley@ci.chehalis.wa.us or 360-345-1042.

**The City truly appreciates the community's cooperation
and patience during this challenging time.**

CHEHALIS CITY COUNCIL AGENDA

CITY HALL
350 N MARKET BLVD | CHEHALIS, WA 98532

Dennis L. Dawes, Position at Large Mayor	Anthony E. Ketchum Sr., District 3 Chad E. Taylor, Position at Large, Mayor Pro Tem Robert J. Spahr, Position at Large	Jerry Lord, District 1 Daryl J. Lund, District 2 Dr. Isaac S. Pope, District 4
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Regular Meeting of Monday, September 28, 2020 5:00 p.m.

1. Call to Order. (Mayor)

PROCLAMATIONS / PRESENTATIONS

2. Chehalis Foundation. (Jenny Collins, Executive Director)

CITIZENS BUSINESS

Citizens wishing to provide public comments in general and on agenda items should submit comments by 4:00 pm on the day of the meeting. All comments received will be acknowledged by the Mayor under Citizens Business of this meeting agenda. Please use the following form to submit comments – <https://www.ci.chehalis.wa.us/contact>. If you do not have computer access or would prefer to submit a comment verbally, please contact City Clerk Caryn Foley at 360-345-1042 or at cfoley@ci.chehalis.wa.us.

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12. <u>Councilor Reports/Committee Updates.</u> (City Council)	INFORMATION ONLY	---

EXECUTIVE SESSION		
13. Pursuant to RCW: a. 42.30.110(1)(i) – Litigation/Potential Litigation		

**THE CITY COUNCIL MAY ADD AND TAKE ACTION ON OTHER ITEMS NOT LISTED ON THIS AGENDA.
NEXT REGULAR CITY COUNCIL MEETING IS MONDAY, OCTOBER 12, 2020.**

September 14, 2020

The Chehalis city council met in regular session on Monday, September 14, 2020. Mayor Dennis Dawes (present in the council chambers) called the meeting to order at 5:00 pm with the following council members present via Zoom: Jerry Lord; Daryl Lund; Dr. Isaac Pope; Bob Spahr; and Chad Taylor. Councilor Tony Ketchum was absent (excused). Staff present included: Jill Anderson, City Manager; Tammy Baraconi, Planning & Building Manager; Caryn Foley, City Clerk; Kiley Franz, City Manager's Administrative Assistant; Erin Hillier, City Attorney; Chun Saul, Finance Director; and Judy Schave, HR/Risk Manager. Due to orders from the Governor's office relating to COVID-19, members of the public and the press were able to view the meeting via live streaming or via telephone through Zoom. The public was also provided a process for submitting comments prior to the meeting.

Due to technical difficulties, the recording system initially captured only the first couple minutes of the meeting. A new recording was set-up and the meeting was restarted at 5:10 pm.

1. **Citizens Business – Lewis County Lollipop Guild.** Mayor Dawes read two letters addressed to the council from Kyle Wheeler with the Lewis County Lollipop Guild.

- Letter dated August 27, 2020

"As you are aware our representative has been in discussions about our options for development of a parcel that falls within the Chehalis UGA. It has been expressed to the Mayor and Council the concerning behaviors and blatant stonewalling that has happened over the past month by your City Planner while under the eye of your City Manager.

When these concerns were brought to council, the mayor avoided reading our full public comment onto the record and then responded that he was going to let the process run its course. When followed up with again, Mayor Dawes then stated he did not find any of these behaviors to be concerning and would not be looking into the matter further. You were all then provided a brief summary of the concerns mentioned again.

Our original letter and this one here were addressed to the full council, who are responsible for the oversight of the Planner, Manager and Mayor. We have members living in all of your council districts and two of you are up for reelection this year. Our members would like to request individual responses from each district representative whether you support overlooking these allegations of misconduct or not. We deserve to know our representatives opinions on this serious matter.

If response from all council members in not received by then, this letter should be considered a public comment and read, in it's entirety, on the record at the next council meeting scheduled 9/14/20."

- Letter dated September 11, 2020

"As you are all aware, we have had a hard time of clear communication over the last month. Here are some of my concerns during these interactions.

- *August 8th The City Planner told me, incorrectly, that I could not rezone this parcel at all.*
- *August 12th The City Planner told me, incorrectly, that no permits would ever be issued for this parcel, ever.*
- *August 13th The City Planner told me, incorrectly, that I could in fact rezone this parcel and it is a simple letter that can be submitted at any time.*
- *August 14th, The City Planner failed to properly handle and report a code violation concern.*
- *August 14th The City Planner refused to investigate and failed to report a secondary report regarding that initial code violation being rectified incorrectly.*
- *August 17th The City Planner told me, incorrectly, that our petition to rezone was denied and could be resubmitted in December.*
- *August 17th I was told to go to the county to determine access and then when told there was not enough room for access by the county, was told there WAS sufficient access by the City Planner. Who has authority and what is the correct answer?*
- *August 18th I was also told (incorrectly?) in a certified letter through USPS that our petition to rezone was denied and could be resubmitted in February, not December mentioned in previous communication one day prior.*

September 14, 2020

- August 18th I was made aware of the interlocal agreement which does this parcel under County jurisdiction in. This should have been discovered as part of the week of information gathering the city took from my initial contact.
- September 1st Mayor Pro Tem Taylor used the information discussed in our email chain to park a trailer at his business and further advertise his daughters business that he was recently in the hot seat for doing inappropriately, while Mr. Taylor willfully ignored responding to valid concerns from a constituent and instead took vacation.

During all of this I repeatedly asked the City Manager and head of HR who were both on the email chain to step in, provide better oversight and make sure that I am getting clear and correct information. After 6 weeks of stonewalling, I still do not have clear and correct answers from any of you. This is egregious.

What are you doing to address these concerns?"

Mayor Dawes stated reading into the record does not accomplish anything. A meeting was set between city and county staff with Mr. Wheeler, which Mr. Wheeler chose to postpone to get more information. Staff has been responding to Mr. Wheeler. He hoped the meeting between city and county staffs, and Mr. Wheeler was rescheduled so he could ask questions and get answers, noting the council could not answer his questions. Mayor Dawes read a statement from City Attorney Hillier:

"The purpose of public comment is to allow members of the public to inform the Council of their views. While the Council allows for public comment and carefully listens, it is not an opportunity for dialogue or a question and answer session—particularly on detailed matters requiring formalized feedback based on research.

The City has been in full communication with Mr. Wheeler since late July concerning property that he purchased in on or about July 20th. This parcel is subject to local and state zoning and land use regulations, for which the City has continuously and fully informed Mr. Wheeler."

Mayor Dawes indicated that anything that was sent to the city will be included in the file on this matter.

2. **Consent Calendar.** Councilor Spahr moved to approve the consent calendar comprised of the following:

- a. Minutes of the regular city council meeting of August 24, 2020;
- b. August 31, 2020 Claim Vouchers No. 129887 – 129997 and Electronic Funds Transfer Check Nos. 921 -930 and 720201 and 720202 in the amount of \$526,113.13 and voided Check No. 129779 in the amount of \$1,516.53 for the net total transfer of \$524,596.60;
- c. August 31, 2020, Payroll Vouchers No. 41398-41431, Direct Deposit Payroll Vouchers No. 12469-12584, Electronic Federal Tax and DRS Pension/Deferred Comp Payments No. 307-310 in the amount of \$761,408.22;
- d. Proposed 2020-2022 Teamsters Local #252 (non-uniformed personnel) collective bargaining agreement; and
- e. Lodging Tax Advisory Committee appointment of Trent Henning.

The motion was seconded by Councilor Taylor and carried unanimously.

3. **Ordinance No. 1009-B, Second and Final Reading – Amending the 2020 Budget.** City Manager Anderson stated a full report on the amendment was provided at the prior council meeting and there were no changes to the proposed ordinance since first reading.

Councilor Lund moved to pass Ordinance No. 1009-B on second and final reading. The motion was seconded by Councilor Pope and carried unanimously.

4. **Resolution No. 9-2020, First and Final Reading – Establishing a Policy for Retroactive Salary Adjustments for Non-Represented/Exempt Employees and Implementation of Previously Budgeted Cost of Living Allowance (COLA) for Non-Represented Employees.** Judy Schave stated the report involved two items – a 2020 salary adjustment for non-

September 14, 2020

represented/exempt employees and a policy regarding future retroactive payments for non-represented/exempt employees as recommended by the State Auditor. A 2.5% salary adjustment was being recommended for non-represented/exempt employees, which would apply to the October, November, and December pay periods. The adjustment would be less than what the 2% would have been for the entire year for this workgroup and would not include retroactive payments. The second item included the creation of a Retroactive Salary Adjustment Policy recommended as part of the 2018 state audit exit conference that took place on January 30, 2020. The policy would provide authorization to implement future retroactive payments to non-represented/exempt employees. The proposed resolution would amend the city's Employee Rules and Regulations to include the subject policy. Ms. Schave recapped the previously approved and proposed cost of living adjustments for 2020-2022 for all work groups.

Mayor Dawes noted the agenda report indicated the Chief of Police and Deputy Chief of Police would receive retroactive salary adjustments. Judy Schave explained that the city's Employee Rules and Regulations provide at least a ten percent base salary differential between management and union or non-union positions they supervise. Due to the wage increase for the Chehalis Police Officers Guild members in 2020, the salaries of the Chief and Deputy Chief need to be increased to meet that threshold.

Councilor Spahr moved that the City Council adopt Resolution No. 9-2020 on first and final reading and authorize the 2.5% salary increase for non-represented/exempt employees to be implemented as part of the October 2020 payroll process. It is also recommended that the City Council approve the 2% salary increase for the Police Chief and Deputy Police Chief retro back to the January 2020 pay period, to be consistent with the employee rules and regulations and the timing and implementation of the Chehalis Police Officers Guild CBA. The motion was seconded by Councilor Taylor and carried unanimously.

5. Ordinance No. 1010-B, First Reading – Amending the Comprehensive Plan Relating to Modifications to Chapter 3 – Land Use and Adding Land to the City's Urban Growth Area. Mayor Dawes stated this agenda item had nothing to do with the matter relating to the Lewis County Lollipop Guild. Any action on this agenda item pertained only to the addition of requested land into the city's UGA and how that land could be utilized.

Tammy Baraconi stated the city received an application from SCJ Alliance, on behalf of Raindrop Properties to bring about 677 acres of land into the city's Urban Growth Area (UGA). The area, known as the Widgeon Hill area, was located in Centralia's UGA. The city worked with Centralia and Lewis County to have the land removed from Centralia's UGA to Chehalis' UGA. To complete that, the city had to update its land use map and create a new land use and zoning classification called a Master Planned Development (MPD) Area that would allow for a mixed-use development, which was defined as neighborhood commercial and residential. Such a development was not intended for large box stores. The developer would enter into an agreement with the city to develop the land in a way that was approved by the city and give the developer time and assurances that they could continue and not have to worry about code changes interfering with their development. Ms. Baraconi provided a summary of the proposed changes to be made to Chapter 3 (Land Use) of the Comprehensive Plan.

Councilor Lord recalled there was discussion earlier in the year about congregate housing and thought it was supposed to be addressed through this process. City Manager Anderson stated she had not forgotten the desire to change some zoning designations. She stated zoning amendments would follow amendments to the Comprehensive Plan.

Ms. Baraconi hoped to have zoning amendments for council's consideration within the next 90 days.

Councilor Spahr moved to pass Ordinance No. 1010-B on first reading to adopt the 2019 Comprehensive Plan updates as proposed. The motion was seconded by Councilor Pope.

Councilor Pope stated he saw no relationship between the subject of the agenda and the questions about congregate housing. Councilor Lord stated that when the congregate housing issue came up, it was his understanding it would be addressed in early fall.

The motion carried unanimously.

6. Proposal for Use of CARES Funds. City Manager Anderson stated the state received money from the federal government from the CARES Act and they are allocating those funds to municipalities that were not eligible to receive the funds directly from the federal government. The funds are for eligible COVID response related activities and costs. The proposal was

September 14, 2020

to make available \$125,000 of city-allocated funds to non-profit groups. She noted the money was not designed or allowed to be used for the off-set of lost revenues to the city. City Manager Anderson stated funds would be used for financial assistance to small businesses impacted by the COVID-19 closures and subsequent operating restrictions; funding for childcare for public health and public safety workers responding to COVID-19; continued delivery of food to seniors; and other such activities. She reviewed the proposed requirements and schedule for applying for and receiving funds. Potential selection ideas included:

- Inviting applicants to make a short presentation to council at the October 12, 2020 meeting;
- Scheduling a special workshop prior to the October 12, 2020 meeting for the entire council;
- Creating a committee (or utilizing an existing one) to review proposals and potentially meet with the applicants the week of October 5 in order to make a recommendation to the full council for a decision at the October 12, 2020 meeting

Councilor Pope asked if there would be any cost to the city. City Manager Anderson stated any costs would come in terms of staff time needed to administer the program.

Councilor Pope asked what would happen if the State Auditor did not approve of an expense. Chun Saul stated that in her past experience, the city would have to reimburse any costs deemed ineligible, but she would check with the state. She noted applications would be reviewed carefully to ensure their eligibility under the stated guidelines.

Councilor Pope asked if the funds could be used by the non-profits to cover their expenses. Chun Saul stated it could cover up to 10% of administrative costs.

Councilor Pope asked about non-profits that had received money from other sources. Chun Saul stated that as long as they were not submitting reimbursement for the same cost(s), that would be eligible. City Manager Anderson added that any expenses before entering into a contract with the city of Chehalis would not be eligible. It would have to be a new program or the expansion of an existing program.

Councilor Spahr stated there were programs in the past that provided funding for a number of years, but then the city had to continue funding whatever the program was or pay the money back. City Manager Anderson stated it was her understanding that there was no requirement to continue the funding for any programs.

City Attorney Hillier stated it was always a risk when accepting highly regulated funds from the federal government, but with that came directives on how it could be used. The city would be protecting itself by using an application process and contractual relationship with applicants.

Councilors Lund, Pope, and Taylor volunteered to serve on a committee to review proposals and make a recommendation to the full council.

Councilor Spahr moved that the City Council authorize the City Manager to initiate a Chehalis Community Cares Program that complies with the COVID-19 CARES ACT consistent with the principles set forth in this report and provide direction on the process for reviewing the submitted proposals for potential award by the City Council on October 12, 2020, and that Councilors Lund, Pope, and Taylor serve on the committee to review the applications. The motion was seconded by Councilor Taylor and carried unanimously.

7. Administration Reports.

a. **City Manager Update.** City Manager Anderson encouraged everyone to watch weather and air quality reports. Mayor Dawes stated he received correspondence from an individual asking about air quality information and asked if that could be made available on the city's website. City Manager Anderson stated staff had already taken care of that.

8. Councilor Reports/Committee Updates.

a. **Councilor Lord.** Councilor Lord stated a new mural had been painted on the bakery.

September 14, 2020

9. **Executive Session.** Mayor Dawes announced the council would be in executive session pursuant to RCW 42.30.110(1)(i) – Litigation/Potential Litigation, not to exceed 6:45 pm and there would be no action following conclusion of the executive session. Mayor Dawes closed the regular meeting at 6:14 pm. The executive session began at 6:14 pm. Councilor Taylor left the meeting at 6:31 pm due to a conflict of interest regarding one item under litigation/potential litigation. Following conclusion of the executive session, the regular meeting was reopened at 6:43 pm and immediately adjourned.

Dennis L. Dawes, Mayor

Caryn Foley, City Clerk

Approved:

Initials: _____

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Chun Saul, Finance Director
Michelle White, Accounting Tech II

MEETING OF: September 28, 2020

SUBJECT: Vouchers and Transfers – Accounts Payable in the Amount of \$844,236.47

ISSUE

City Council approval is requested for Vouchers and Transfers dated September 15, 2020.

DISCUSSION

The September 15, 2020 claim vouchers have been reviewed by a committee of three councilors prior to the release of payments. The administration is requesting City Council approval for Claim Vouchers No. 129998 – 130131 and Electronic Funds Transfer Check Nos. 931 -949 and 82020 in the amount of \$844,236.47 dated September 15, 2020 which includes the transfer of:

- \$ 178,870.78 from the General Fund
- \$ 2,733.26 from the Dedicated Street Fund – 4% Sales Tax
- \$ 6,123.80 from the Arterial Street Fund
- \$ 11,822.12 from the Transportation Benefit District Fund
- \$ 2,201.15 from the LEOFF 1 OPEB Reserve Fund
- \$ 5.56 from the Garbage Fund
- \$ 77,284.95 from the Wastewater Fund
- \$ 513,159.63 from the Water Fund
- \$ 3,745.61 from the Storm & Surface Water Utility Fund
- \$ 48,289.61 from the Airport Fund

RECOMMENDATION

It is recommended that the City Council approve the September 15, 2020 Claim Vouchers No. 129998 – 130131 and Electronic Funds Transfer Check Nos. 931 – 949 and 82020 in the amount of \$844,236.47.

SUGGESTED MOTION

I move that the City Council approve the September 15, 2020 Claim Vouchers No. 129998 – 130131 and Electronic Funds Transfer Check Nos. 931 - 949 and 82020 in the amount of \$844,236.47.

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Caryn Foley, City Clerk

MEETING OF: September 28, 2019

SUBJECT: Resolution No. 10-2020, First and Final Reading – Declaring City Property to be Surplus

ISSUE

The Public Works Department (Wastewater Division) and the Fire Department have property that is no longer needed. State law requires that property must first be declared surplus by the City Council before being sold, transferred, or disposed of.

DISCUSSION

The Public Works Wastewater Division has an adult tricycle that was used to drive around the facility that is no longer needed. Because it has a city tag, it must be declared surplus before being disposed.

In 2018, the Fire Department purchased a skid-mounted fire pump and tank for just over \$9,000. The unit was to be used for seasonal wildland brush fires; however, it was never utilized. Lewis County Fire District 6 has expressed interest in purchasing the equipment.

FISCAL IMPACT

Proceeds from items that are sold or auctioned will go to their respective department/division.

RECOMMENDATION

It is recommended that the City Council adopt Resolution No. 10-2020.

SUGGESTED MOTION

I move that the City Council adopt Resolution No. 10-2020 on first and final reading.

RESOLUTION NO. 10-2020

A RESOLUTION OF THE CITY OF CHEHALIS, WASHINGTON, DECLARING PERSONAL PROPERTY OF THE CITY OF CHEHALIS TO BE SURPLUS AND OF NO FURTHER USE TO THE CITY, AND DIRECTING THE DISPOSITION THEREOF.

THE CITY COUNCIL OF THE CITY OF CHEHALIS, WASHINGTON, DO RESOLVE AS FOLLOWS:

Section 1. The following described personal property of the city of Chehalis, Washington, a municipal corporation, shall be, and the same hereby is, declared to be surplus and no longer of necessary use.

Public Works Department (Wastewater)	Identifying Information
One (1) Workman Adult Tricycle	City Tag: 60318
Fire Department	Identifying Information
One (1) Skid-Mounted Fire Pump and Tank	Model: WP-1394 200 Gallon Tank WS-AK306 Honda 2-Stage Pump

Section 2. The personal property described herein shall be disposed of by the City Manager.

ADOPTED by the City Council of the city of Chehalis, Washington, and **APPROVED** by its Mayor, at a regularly scheduled open public meeting thereof this _____ day of _____, 2020.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Chun Saul, Finance Manager

MEETING OF: September 28, 2020

SUBJECT: Debt Management and Post-Issuance Compliance Update – Fiscal Year 2019

ISSUE

The City is required to submit annual financial data and a timely notice of the occurrence of certain events to the Municipal Securities Rulemaking Board (MRSB) and then report to the City Council that the requirement has been fulfilled.

DISCUSSION

LTGO Bonds, 2011

As part of the issuance of the City of Chehalis' Limited Tax General Obligation (LTGO) Bonds, 2011, the City agreed to adhere to federal regulations (Rule 15c2-12) and the City's Post-Issuance Compliance (DMPI) Policy. The Bond Ordinance provides the deadline and the types of annual financial and operating data to be provided.

The deadline for submitting annual financial information is September 30 of each year per the Bond Ordinance. The following are the types of annual financial information and operating data the city is required to provide:

- 1) Annual Financial Statement;
- 2) Outstanding general obligation debt;
- 3) Assessed valuation;
- 4) Property taxes, rates, amounts levied, and percentage collected; and
- 5) General Fund revenues from other major tax sources.

The data for the fiscal year ended December 31, 2019 was submitted to Municipal Securities Rulemaking Board (MSRB) via their Electronic Municipal Market Access (EMMA) system on September 17, 2020. Confirmation of successful submission and other operating data submitted are attached.

LTGO Bonds, 2019

The City's LTGO Bonds, 2019 were issued to finance the Recreation Park improvement project through a private placement. Although the City does not have an obligation of continuing disclosure filing to MRSB, it still has the obligation to provide certain information to the registered Bond owner directly for annual monitoring. The types of information required to be provided may include:

- 1) budgets;
- 2) annual financial reports;

3) issuance of additional debt obligations; and

4) amendments to financing documents. The registered Bond owner is Zions Bancorporation, N.A.

The audited 2019 financial statement was provided to Mr. Andrew Face, Vice President of Zions Bancorporation N.A. on September 17, 2020. An email receipt confirmation from Mr. Face is attached.

FISCAL IMPACT

None.

RECOMMENDATION

No action is required; this update is informational only.

SUGGESTED MOTION

N/A.

From: EMMANotifications@msrb.org
To: [Chun Saul](#)
Subject: Confirmation: Continuing Disclosure Submission Successfully Published to EMMA
Date: Thursday, September 17, 2020 12:54:19 PM

NOTICE: This message originated outside of the City network - DO NOT CLICK on links or open attachments unless you are sure the content is safe!

Your continuing disclosure submission has been published and can be viewed on the MSRB's Electronic Municipal Market Access (EMMA®) website at the following link:

<https://emma.msrb.org/ContinuingDisclosureView/ContinuingDisclosureDetails.aspx?submissionId=P11079582>

SubmissionId: P11079582

Disclosure Type: FINANCIAL/OPERATING FILING

Annual Financial Information and Operating Data (Rule 15c2-12): Chehalis Additional Financial Information for the year ended 12/31/2019

Audited Financial Statements or CAFR (Rule 15c2-12): City of Chehalis Financial Statements and Federal Single Audit Report for the year ended 12/31/2019

Document Name: Financial Operating Filing dated 09/17/2020

2019 Audited Finanl Statements.pdf posted 09/17/2020 3:50:56 PM

City of Chehalis _Additional Financial Information posted 09/17/2020 3:50:56 PM

The following issuers are associated with this continuing disclosure submission:

CUSIP6	State	Issuer Name
163087	WA	CITY OF CHEHALIS, WASHINGTON

The following 5 Securities have been published with this continuing disclosure submission:

Security: CUSIP - 163087AA7, Maturity Date - 12/01/2014

Security: CUSIP - 163087AB5, Maturity Date - 12/01/2017

Security: CUSIP - 163087AC3, Maturity Date - 12/01/2021

Security: CUSIP - 163087AD1, Maturity Date - 12/01/2024

Security: CUSIP - 163087AE9, Maturity Date - 12/01/2026

Please follow the link to make changes to this submission:

<https://dataport.emma.msrb.org/Home/Index>

PLEASE DO NOT REPLY. This is a system-generated e-mail. If you need assistance please contact the MSRB at 202-838-1330 or you may obtain more information at www.msrb.org.

From: [Chun Saul](#)
To: [Andrew Face](#)
Subject: FW: City of Chehalis
Date: Thursday, September 17, 2020 1:09:00 PM
Attachments: [ar1026886.pdf](#)

Hi Andrew,

The State Auditor's has released the City's 2019 audit report, which is attached.

Thank you.

Chun Saul, CPA
Finance Director
City of Chehalis
1321 S. Market Blvd., Chehalis, WA 98532
P: 360-345-3231 (ext. 620) / F: 360-748-6993

From: State Auditor's Office <WASateAuditorReports@sao.wa.gov>
Sent: Thursday, September 17, 2020 10:14 AM
To: Chun Saul <csaul@ci.chehalis.wa.us>
Subject: City of Chehalis

NOTICE: This message originated outside of the City network - **DO NOT CLICK** on **links** or open **attachments** unless you are sure the content is safe!

Please find attached your official audit report. The report is also available on our website at the link provided below. Please distribute the report to all interested officials at your City.

Entity	Report Link
City of Chehalis	1026886

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Trent Lougheed, Public Works Director
Brandon Rakes, Airport Operations Coordinator

MEETING OF: September 28, 2020

SUBJECT: Amendment No. 2 to Professional Services Agreement with Precision Approach Engineering for the Taxiway Realignment Project

ISSUE

The original Professional Services Agreement with Precision Approach Engineering for engineering and consulting has expired and will need to be extended to complete the project closeout paperwork with the FAA. All work on-site for the project has been successfully completed. Ninety percent of this project has been funded with FAA grant funds.

DISCUSSION

In 2018, Precision Approach Engineering's contract was extended to provide services during the engineering and construction of the Taxiway Realignment Project. This project is still in the closeout phase for paperwork with the FAA. Due to this process taking longer than anticipated, an amendment will be required to complete the closeout of the paperwork related to the project. The amendment extends the contract period through September 3, 2021, as provided in the original agreement. All other conditions of the contract remain in force.

FISCAL IMPACT

There is no financial impact to amend the Professional Services Agreement since we are only asking to extend time. Services will be rendered in the closeout of the Taxiway Realignment Project that is scheduled to be completed within the next twelve months.

RECOMMENDATION

It is recommended that the City Council approve Amendment No. 2 to the Professional Services Agreement with Precision Approach Engineering and authorize the City Manager to execute the document.

SUGGESTED MOTION

I move that the City Council approve Amendment No. 2 to the Professional Services Agreement with Precision Approach Engineering and authorize the City Manager to execute the document.

AMENDMENT NO. 2
to
Professional Services Agreement
between
City of Chehalis
and
PRECISION APPROACH ENGINEERING, INC.

Included herein is Amendment No. 2 to the Professional Services Agreement dated September 3, 2015, hereinafter called CONTRACT, between the CITY OF CHEHALIS, hereinafter called OWNER, and PRECISION APPROACH ENGINEERING, INC.

Scope of Services

This amendment extends the contract period through September 3, 2021, as provided as an option in the original agreement.

All other conditions of the contract shall remain in full force and effect.

WITNESSETH, that the parties hereto do mutually agree to all mutual covenants and agreements contained within the CONTRACT.

CITY OF CHEHALIS

By: _____
Title: _____
Date: _____

PRECISION APPROACH ENGINEERING, INC.

By: Corbun McFarland
Title: President
Date: 9/11/2020

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**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Tammy Baraconi, Planning and Building Manager

MEETING OF: September 28, 2020

SUBJECT: Ordinance No. 1010-B, Second and Final Reading – Amending the Comprehensive Plan Relating to Modifications to Chapter 3 - Land Use, and Adding Land to the City’s Urban Growth Area

ISSUE

SCJ Alliance, on behalf of Raindrop Properties, LLC, applied to have 677 acres of land commonly known as the Widgeon Hill area brought into the Chehalis Urban Growth Area.

BACKGROUND

An application for the expansion of the Urban Growth Area on the north end of Chehalis in an area commonly known as Widgeon Hill was submitted in March of 2019 by Dan Penrose with SCJ Alliance on behalf of Raindrop Properties, LLC. At that time, the 677 acres was located in Centralia’s Urban Growth Area. Working together, Chehalis, Centralia, and Lewis County approached this transfer of land from one jurisdiction to another as a comprehensive plan and land use map amendment.

On November 25, 2019 Lewis County took action to remove the area from Centralia and assign it to the Chehalis Urban Growth Area. To facilitate the mixed development that the applicant is proposing for the area, staff has worked with the developer to create a new land use and zoning classification called Master Planned Development Area (MPD).

MASTER PLANNED DEVELOPMENT AREA DESIGNATION (MPD)

The proposed MPD designation would provide for mixed development, which is defined as neighborhood commercial and residential. Residential will be based in part of topography and will allow large lots of an acre or more in size for areas where necessary as well as higher density development. The overall residential density shall be four units per acre. The MPD also requires a minimum of 30% open space. This open space can be in the form of unbuildable lands, pocket parks, trails, or other types of amenities for the community. Neighborhood commercial is defined as small local service type businesses such as coffee shops, boutiques, salons, etc. It is not the intended purpose of this classification to allow large box stores or regional stores such as fast food to develop within the MPD.

This classification will allow the applicant to develop in phases as infrastructure becomes available to serve the development. By working in phases, the developer can transfer some of their density to other areas within the development, allowing for the preservation of environmentally sensitive areas and still allowing for urban densities. At the same time, it will give the City reassurances that work will be completed in a timely manner of no more than 20 years through the use of a developer’s agreement.

A summary of the proposed changes that can be found in Chapter 3 – Land Use are as follows:

- Proposed Land Use Map (Page 3)
- Figure LU-4 (Page 15)
- Master Planned District (Page 17 through Page 19)

The attachments to this report include Chapter 3 of the Comprehensive Plan for your convenience.

PLANNING COMMISSION

The Planning Commission heard this matter at a Public Hearing on August 11, 2020. All required public notices were conducted prior to the Lewis County decision in November 2019 and prior to the Chehalis Planning Commission hearing on August 11, 2020. City staff did receive some inquiries from the public on this proposal, but they were all contained to informational type questions and no concerns were raised.

Present at the hearing were staff and the applicant. No other members of the public attended.

After hearing from staff and the applicant, the Planning Commission discussed the issue and unanimously voted to recommend to the City Council that the changes to the Chehalis Comprehensive Plan be accepted as proposed. Ordinance No. 1010-B is included with this agenda report for the City Council's consideration.

FISCAL IMPACT

There are no associated costs with the proposed 2019 Comprehensive Plan amendment.

RECOMMENDATION

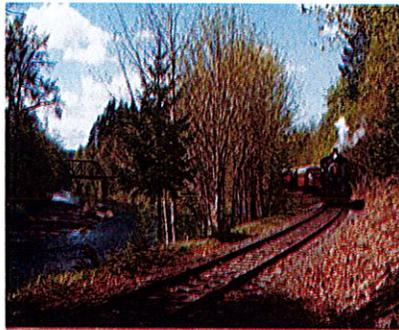
The Planning Commission recommends that the City Council adopt the 2019 Comprehensive Plan updates including the update to the Land Use Map and creating a new land use category of Mater Planned Development.

SUGGESTED MOTION

I move that the City Council pass Ordinance No. 1010-B on second reading and final reading to adopt the 2019 Comprehensive Plan updates as proposed.

Chapter 3

LAND USE



The land use element of the comprehensive plan will guide decision-makers in defining how the land in Chehalis and its urban growth area (UGA) will be used to accommodate the projected population and employment growth over the next twenty years. The Future Land Use map (Figure LU1) describes the range of land uses that will occur (i.e., residential, commercial, industrial), and where those land uses will occur. This element presents a broad vision of the future allocation and distribution of land uses. The policies in this element define the density, intensity and character of these proposed land uses, and will provide guidance in the drafting of development regulations to implement this plan.

Historic land use patterns have determined the character of the city --the development of the downtown area; the location of homes and industries; the patterns of transportation corridors: all of these elements have helped to shape Chehalis' urban fabric. Land use decisions have determined where people reside, shop and work. They have also shaped the traffic patterns that determine the mobility of citizens, and the size, amount and type of parks and recreation areas that impact residents' quality of life. Land use decisions must consider and be sensitive to the natural environment and physical constraints within the community, and they must also reflect the visions and values of the citizens of the community. Land use decisions will continue to play a significant role in determining the quality of life in the city of Chehalis.

RELATIONSHIP TO OTHER ELEMENTS

The land use element is the central component of the entire comprehensive plan. In conjunction with the Natural Environment element, it is the element upon which all other elements of the plan are based. Coordination between the land use element and the other plan elements is not only required by GMA, but it is essential in ensuring that the city can meet its land use, housing and economic development goals. The goals and policies expressed in this element, and shown on the Future Land Use map, are important in planning for the allocation, distribution and intensity of land uses. This information is also important in planning for the extension of streets and utilities, and for the siting

of facilities such as schools, police or fire facilities. Thus, this element will be the cornerstone of the Capital Facilities, Utilities, Housing and Transportation elements of this plan. In addition, possible future plan elements such as Economic Development or Parks and Recreation would rely on this element.

DISTRIBUTION, LOCATION AND EXTENT OF LAND USES

The city's existing land use pattern responds to the opportunities and constraints presented by natural features of the land, and also to the economic opportunities presented by rail and highway transportation corridors. The natural features of the land are described in the Natural Environment element. The Natural Environment Element also has provisions for the protection of the quality and quantity of groundwater used for public water supplies. Access to rail has attracted companies involved in manufacturing and distribution, while highway access and visibility has also promoted these activities, as well as commercial uses. Rail and highway access are described more fully in the Transportation element. As in most communities, housing development has followed economic opportunity.

EXISTING DEVELOPMENT PATTERNS

Chehalis developed in a north-south pattern along what is now the Burlington Northern-Santa Fe (BNSF) Railroad. The later construction of I-5 along this same general corridor reinforced this alignment. Commercial and industrial development is concentrated along this highway/rail corridor, with much of the new industrial growth occurring immediately to the south of the city. The high visibility from the highway attracts the commercial growth along this corridor. The economic energy of the city's traditional downtown has eroded over time as a result of competition from the commercial development along the highway. However, most city and county government offices and facilities have remained close to the city's central core.

Residential uses vary within the city, with the highest densities located close to the downtown. In outlying areas, lower densities predominate.

The flood plains of Coal Creek, Salzer Creek, and the Chehalis River present significant constraints to development in the northern and western portions of the city. Frequent flooding in these areas has resulted in limited development opportunities.

LAND USE TRENDS

Through many millennia, humans have settled in compact areas near the natural resources they needed. Early villages were small in size and population. Gradually, cities developed and grew, with people living, working, and socializing close together. Outside the cities, lands were either left in their natural state or used to supply food and other resources.

This pattern of compact development was predominant in North America during the 17th, 18th, 19th, and early 20th centuries. Cities and towns had a mix of land uses and buildings, connected by a grid or semi-grid of streets. Every city had a "downtown" or central area where businesses and civic buildings were concentrated. The countryside was rural with large areas of open space.

By the 1950s, the combination of inexpensive automobiles and abundant new roads in the United States helped create a new pattern of development, sometimes called sprawl. In this pattern, people did not need to walk from place to place. In fact, walking to get somewhere would be difficult, since greater distances began to separate each type of land use, and

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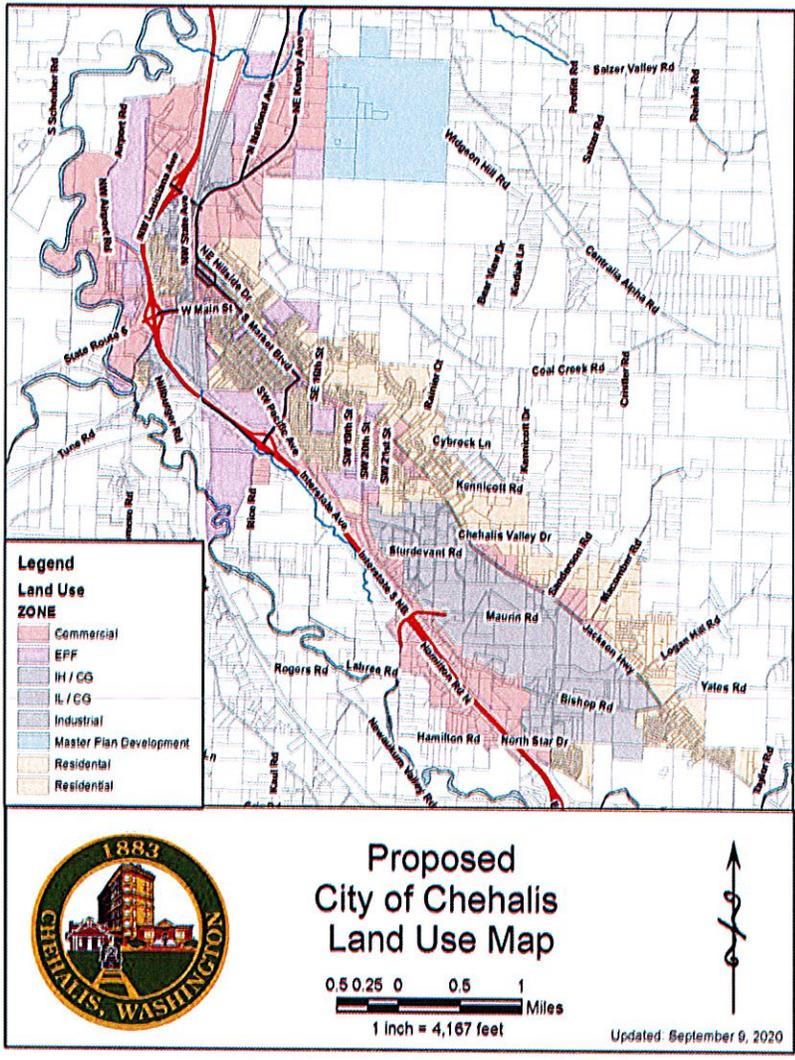


Figure 1

automobiles were given space and priority over pedestrians. The size of residential lots became bigger too. For example, where typical residential lots in the 1940s were 3000-5000 square feet, lots in later subdivisions would be 7500-10,000 square feet. Sprawl development had certain benefits, but it created new problems too. Farmlands and forests were rapidly eliminated in favor of subdivisions and strip malls. Flooding and drainage problems multiplied, exacerbated by increasing amounts of pavement and other surfaces that blocked natural stormwater absorption. Traffic congestion increased too, as more automobiles filled the roads. Their emissions led to greater air pollution. In Washington State alone, motor vehicles account for 57% of the air pollution.

“Every place looks the same” and “there is no ~~there~~” are common refrains about the worst of sprawl development. The complaints echo the sense that wherever you go, you see the same layout of parking lots, fast-food chains, and traffic lights. In many suburbs, houses are hidden by their garages and separated from each other on dead-end lanes. Public spaces are rare. It is difficult for people to feel part of a community in these circumstances.

SMART GROWTH AND GROWTH MANAGEMENT

Different areas of the U.S. began looking for relief from sprawl. In the 1970s, Oregon adopted a sweeping new growth management law that directed urban growth into designated urban areas and prevented it on farm and forestlands. In 1990, Washington adopted a growth management law with some similarities to Oregon’s. The main thrust in both cases was not to stop growth, but to direct it toward compact development patterns in urban areas and to preserve natural resource lands, open space, and environmentally sensitive areas.

Under Washington’s growth management act, every city is automatically an “urban growth area.” Certain other areas also can be designated as urban growth areas. Because of the broad definition for such areas, they vary a lot in character and scale. However, each must provide urban services, like sewer, and each must allow urban-type development in appropriate places. In Lewis County, the Chehalis Urban Growth Area encompasses unincorporated land, adjacent to the city of Chehalis. In 2016 Chehalis annexed 41 individual parcels totaling 173.5 acres. This was accomplished in two separate annexations. The first annexation was 116.5 acres zoned Industrial-Light. The second annexation was 57 acres. This included two parcels that are zoned residential (4.32 acres) and the remainder is zoned Essential Public Facilities, which will soon have two new elementary schools built upon it. The Chehalis Urban Growth Area total acreage has thus been reduced from previous totals.

BUILDABLE LANDS

Under a state program that took effect in 1997, counties and cities in the Puget Sound region track how they are providing for buildable lands, achieving urban densities, and meeting other goals. Each jurisdiction has a target population and a target number of jobs that is expected to occur by 2040. These targets are based on countywide population forecasts by the Planned Growth Committee of Lewis County and are combined with local data on transportation, employment, development trends, and land supply. The county has adopted the targets into countywide planning policies. The County and the cities are each responsible for meeting these targets. Lewis County and its cities for the period of 2010-2016 have met the intermediate population projections forecasted by the State of Washington’s Office of Financial Management (OFM).

Each city must review the objectives and targets in its comprehensive plan, compared with what has happened in the intervening five years, and evaluate whether the plan and reality are consistent with each other. If they are not, the city must take reasonable measures to correct the problem. A review of the City of Chehalis' 2009 amended comprehensive plan, compared with current events, shows that the city is experiencing difficulty in meeting two plan objectives: (1) accommodating its population target of 11,230 residents by the year 2025; and (2) providing jobs for the population target. Some of this is due to the overall economic downturn that began in 2008. Therefore these numbers have not changed for the projected future allocations.

Population Trends

Jurisdiction	2010			2016		
	City Population Census	UGA Population Estimate	City and UGA Population Estimate	City Population Census	UGA Population Estimate	City and UGA Population Estimate
Centralia	16,336	3,398	16,670	16,820	3,499	20,319
Chehalis	7,259	1,973	7,345	7,460	2,028	9,488
Morton	1,126	246	1,125	1,120	245	1,365
Mossyrock	759	91	760	745	89	834
Napavine	1,766	27	1,790	1,870	29	1,899
Pe Ell	632	12	635	640	12	652
Toledo	725	29	725	720	29	749
Vader	621	228	625	615	226	841
Winlock	1,339	326	1,340	1,340	326	1,666

Jurisdiction	2040				Increase		
	Adopted Allocation	Population Based on Highest Rate of Growth	UGA Population Based on Highest Growth	Highest Number Estimate	Increase Based on Allocation	Increase Based on Highest Growth-2010-2040	Increase Based on Highest Rate of Growth - 2016-2040
Centralia	22,535	27,219	26,280	27,219	2801	7485	5961
Chehalis	11,230	10,670	10,653	10,670	1998	1438	1165
Morton	1,869	1,584	1,531	1,869	497	212	167
Mossyrock	920	1112	1,035	1,112	70	262	200
Napavine	3,063	4,952	4,279	4,952	1270	3159	2381
Pe Ell	814	778	758	814	170	134	106
Toledo	1,131	919	877	1,131	377	165	128
Vader	885	1365	1,229	1,365	36	516	389
Winlock	4,550	2,238	2,111	4,550	2885	573	445

SOURCES: U.S. Census Bureau, Office of Financial Management and Lewis County updated February 2017

Figure-1

URBAN DESIGN

No matter the size of a city, how it is designed makes a big difference in livability. “Urban design” means the concept of planning streets, sidewalks, parks, open space, landscaping, buildings, and neighborhoods so they work together to make the community attractive, pleasant, safe, and convenient.

Quality design does not have to be extravagant or expensive. Rather, it can be a more thoughtful approach to many aspects of creating a development. Design describes more than appearance; design includes the way a development functions and how it relates to its surroundings.

The City of Chehalis has a set of design guidelines for certain commercial areas. The design guidelines should encourage development to be “pedestrian-friendly” and to include landscaping, art, and spaces for people to socialize.

WALKABILITY

“Walkable” and “pedestrian-friendly” are two design terms, often used interchangeably. They describe the qualities of a built environment that make walking and, to some extent, other human-powered transportation, a safe, enjoyable way to get from place to place.

In many ways, The City of Chehalis is a walkable city. It has a network of sidewalks, as well as several trails. People can walk to many destinations, within their own neighborhood and also to other neighborhoods.

The “Downtown Historic District” is a good example to consider. In 2009 the Lewis County Historical Museum, the Chehalis Renaissance Team with special help from the City of Chehalis and KELA-KMNT produced a historic Downtown Chehalis Walking Tour guidebook. From the “main core” of the Downtown Historic District of Market Boulevard and Boistfort Street, the tour includes forty-one historic buildings that house present-day eateries, retail shops and museums. Also included on the tour are the Lewis County Courthouse and the Northern Pacific Railroad Depot; which, now houses the Lewis County Historical Museum. The walking tour is shown in *Figure-2* below.

A five-minute walk translates to about one-quarter mile and a ten-minute walk to about one-half mile. These figures are often used to describe convenient walking distances for Americans.

Walking Tour

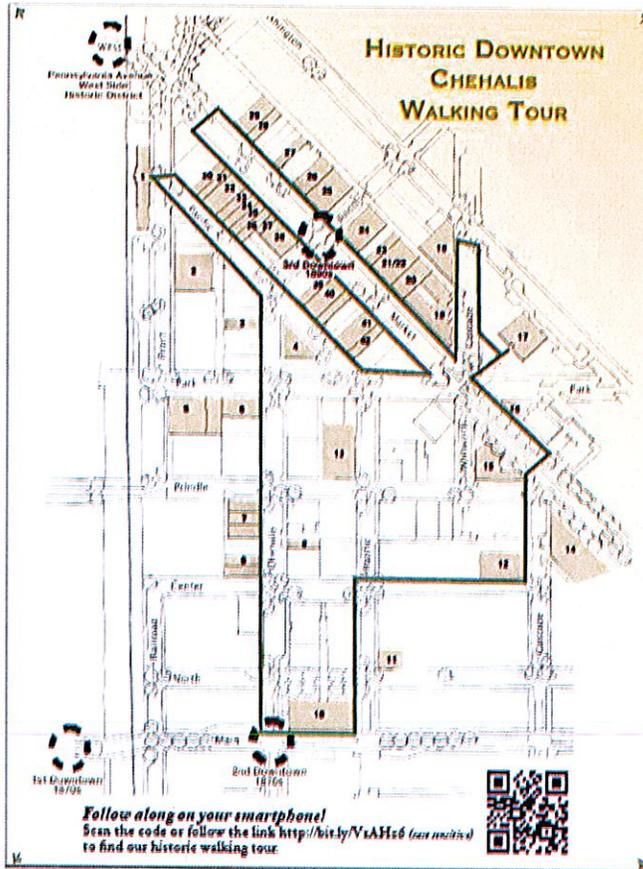


Figure-2

Source: Historic Downtown Chehalis Walking Tour Guide-updated December 2016

HISTORIC SITES AND AREAS

The city of Chehalis has a rich history that is reflected in much of its architecture and many of its neighborhoods. Future patterns of land use and development must consider the community identity that is created by maintaining and preserving those sites and structures that remind citizens of their heritage. The city contains three districts and six buildings that are listed on the National Register of Historic Places. These listings are largely the result of efforts by the Chehalis Historic Preservation Commission. The three districts are shown on the following pages and maps.

- **West Side National Historic District.** This district was entered into the National Register of Historic Places in 1992. The area includes Pennsylvania and St. Helens Avenues and features several blocks of antique street lamps and elaborate homes from the carriage era. A total of 35 buildings within the district are considered significant. These buildings include commercial and

residential structures, anchored by the former Burlington Northern Railroad Depot. The depot is now the home of the Lewis County Historical Museum.

Westside Historic District

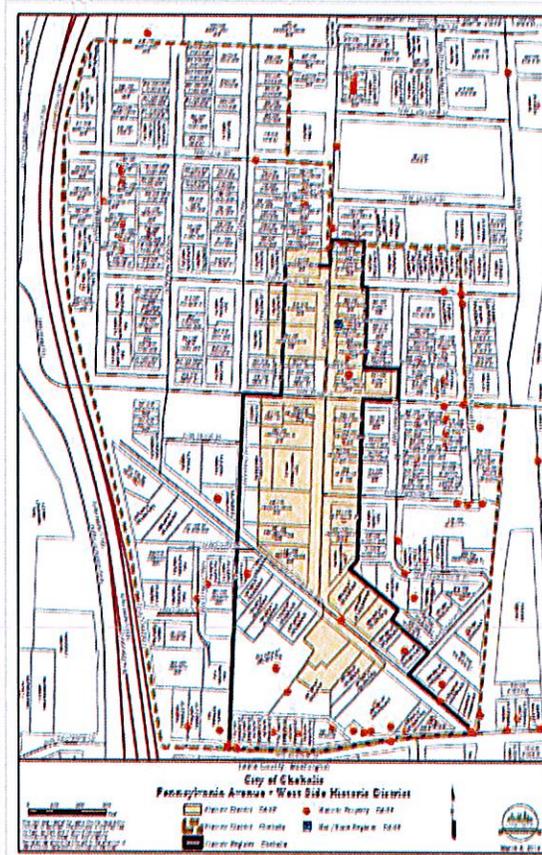


Figure-3

- **The Hillside Historic District.** This district was entered into the National Register of Historic Places in 1996. This district is shown on the following three maps:

Chapter 3 page 8

Hillside Historic District Maps

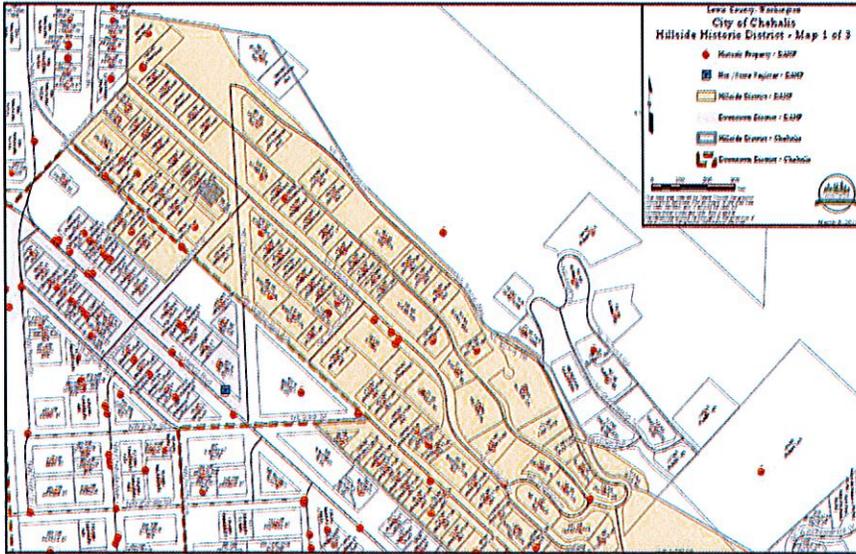


Figure-4

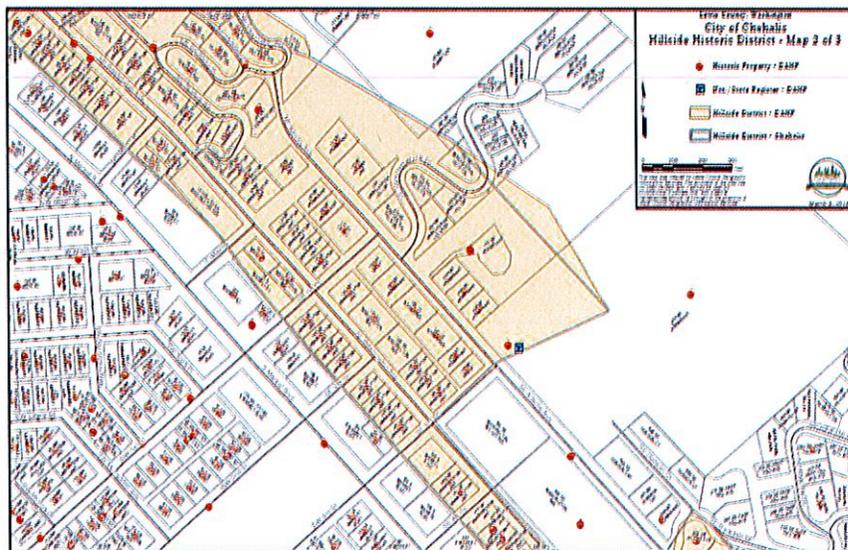


Figure-5

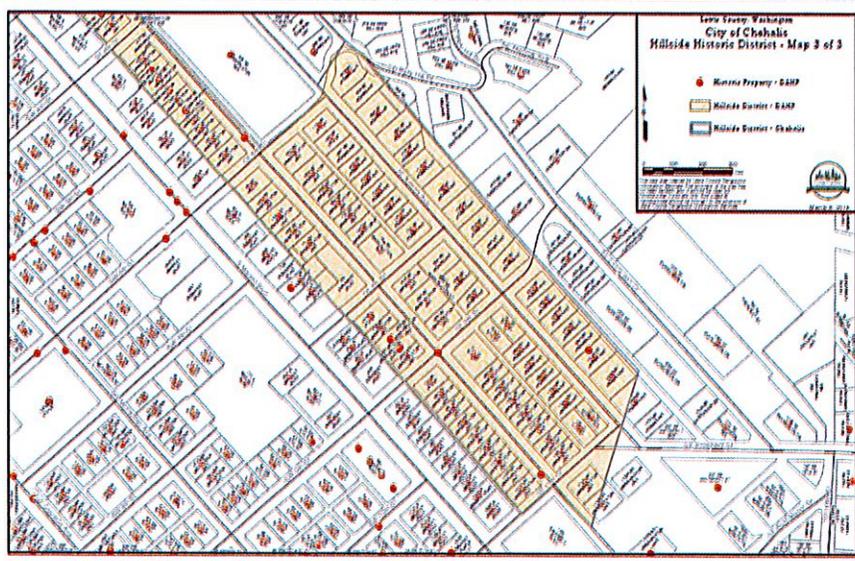


Figure-6

Source: City of Chehalis Community Development and Lewis County GIS Historic District maps updated 2016

Historic District Map Downtown

- The Downtown Historic District. This most recent addition to the National Register of Historic Places (added in 1997) runs generally between Main Street and Market Boulevard. It includes 21 significant buildings, and traces the development of the downtown through three city centers.

Historic District Map

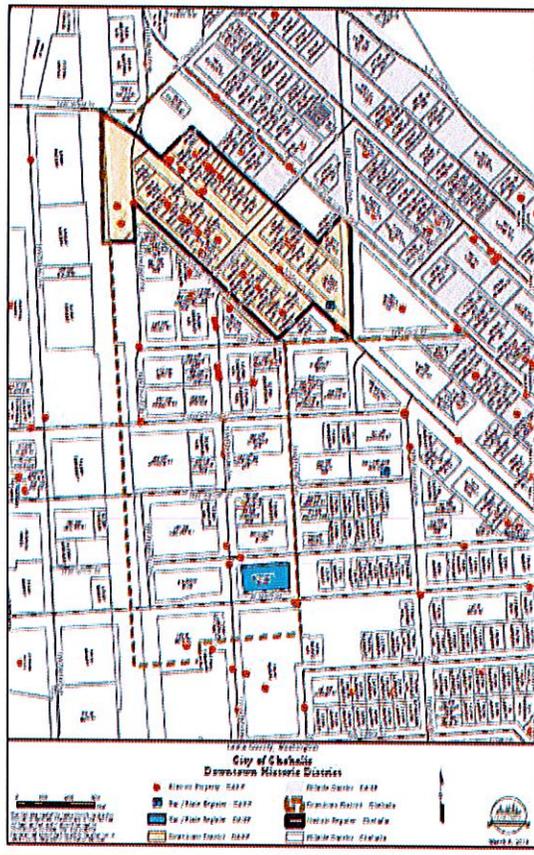


Figure-7

Source: Chehalis Renaissance Team updated 2017

Most of the six buildings listed independently are also located within one of the three historic districts. The six buildings are described in detail below:

1. Burlington Northern Depot, 599 NW Front Street. As noted above, this building is now the Lewis County Historical Museum. Built in 1912, this Mission Revival style building was once the area's center of transportation.
2. Obadiah B. McFadden House, 475 Southwest Chehalis Avenue. Built in 1859 of squared logs, this is the oldest residence in Chehalis. It is also believed to be the oldest continuously lived-in residence in Washington.
3. John R. Jackson House. It is located at Mary's Corner, 11 miles south of Chehalis on Jackson Highway. The house was built in 1845.
4. Osmer K. Palmer House, 673 Northwest Pennsylvania Avenue. This residence is one of the area's finest examples of the American Foursquare architectural style. It was built in 1910.
5. St. Helens Hotel, 440 North Market Boulevard. This downtown landmark was built between 1917 and 1920, to replace the original hotel built on this site in 1894.
6. United States Post Office, 225 Northwest Cascade Avenue. A Depression-era Works Progress Administration project dedicated in 1933, this building is a fine example of classical architecture and stone detailing.



In addition to those buildings listed on the National Register, a number of additional buildings and sites have been identified locally as having historic significance.

St. Helens Hotel, 440 North Market Boulevard

Examples of these buildings include:

- Westminster Presbyterian Church, 349 North Market Boulevard. The oldest still existing non-federated Presbyterian Church in the Chehalis Valley, organized October 8, 1855.
- Royal Bakery, 242 Northwest Chehalis Avenue. The Royal Bakery, built in 1910, is representative of the commercial structures erected in the 'second' downtown along Chehalis Avenue and is one of the few existing buildings from that era that retains most of its integrity. Used primarily as a bakery, the structure has also been a barbershop, and an apartment building. In 1941, it became the area's first state liquor store. It is currently the Star Tavern.
- Advocate Printing, 429/431 North Market Boulevard. This commercial property was established in 1892.

- Talmadge Tufts House, 382 Southwest Cascade Street. This Cape Dutch style home, constructed in 1928, is noted for the 'door to nowhere.'
- Turner House, 120 Southeast Washington Street. This two-story brick colonial was designed by George Wellington Stoddard, a renowned Seattle architect, and constructed in 1939. It is believed that this home was Stoddard's last design outside the Seattle area.
- Fred Allen House, 670 Northwest Pennsylvania Avenue. This English Cottage home was built for Mr. Allen, superintendent of the Coal Creek Lumber Company, and his wife, between 1912 and 1915. The home is historically tied to the lumber industry as the residence of one of the more prosperous managers.
- Residence, 585 Southeast Washington Avenue. This is a well-maintained craftsman-styled bungalow.
- Daniel T. Coffman House, 647 Northwest St. Helens Avenue. One of the city's finest examples of the bungalow style, this house sits adjacent to a unique round barn with a domed roof. The barn and an accompanying carriage house were originally shared between this house and the one next door at:
- Noah B. Coffman House, 675 Northwest St. Helens Avenue. The original owner was the founder of the bank and the land development company that helped to shape the development of the city.
- Mill Worker Cottages, Prindle Street. Several modest homes were constructed on the north side of Prindle Street between 1905 and 1912, to serve as employee housing for a nearby lumber mill. These homes take on an interesting social and cultural significance when compared to the homes on Pennsylvania and St. Helens Avenues, which were built during the same period for mill owners and other community leaders.

ALLOCATION OF LAND USES

The distribution of land uses also reflects the development constraints that occur in wetlands, flood ways, and other environmentally sensitive areas. Vacant land with such constraints should not be considered as part of the city's inventory of land available for future development. *Figure -8* shows the current allocation of land uses under the city's existing zoning.

City of Chehalis Land Allocation by Zoning

Zone	Acres	Percentage
Commercial		
CBD	53.96	1.45
CF	141.5	3.79
CG	1285.24	34.5
CO	10.6	0.28
Essential Public Facilities		
EPF (A)	200.69	5.38
EPF (F)	32.96	0.88
EPF (G)	53.32	1.43
EPF (I)	99.91	2.68
EPF (P)	256.56	6.89
EPF (S)	98.06	2.63
EPF (U)	67.34	1.8
EPF (W)	66.14	1.78
Industrial		
IH / CG	120.5	3.23
IL	111.15	2.98
IL / CG	242.67	6.5
Residential		
R1	479.63	12.88
R2	333.26	8.9
R3	11.61	0.31
R4	59.21	1.58
Total	3724.31	

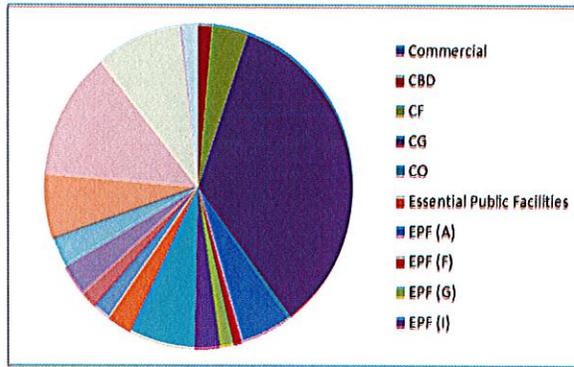


Figure-8

Source: Washington state Office of Financial Management/ Updated January 2017

TRANSPORTATION CORRIDORS

While not designated as such on the Future Land Use Map, important transportation corridors such as I-5, rail lines, and arterial streets are essential to the continued economic health of the community. Additional transportation corridors may be designated in the future, as the need arises.

The following is a list of Chehalis' major land use designations with general land use descriptions in *Figure -9*. A complete list of permitted uses, bulk and dimensional requirements, general conditional uses and unclassified uses may be found in the city's current development regulations.

Zoning Designations

Corresponding Comprehensive Plan Designation	Corresponding Zoning Designation	
Residential, Low Density	1. R-1: single-family residential – low density; 4-6 du/ac	
	2. R-2: single-family residential – medium density; 4-10 du/ac	
	3. R-3: multifamily residential – medium density; 6-18 du/ac	
Residential, High Density	4. R-4: multifamily residential – high density; 10-24 du/ac	
	5. R-UGA: urban growth area residential; provided, the R-UGA zone shall be further subdivided into the following categories: a. R-1: single-family residential – low density; 4-6 du/ac b. R-2: single-family residential – medium density; 4-10 du/ac c. R-3: multifamily residential – medium density; 6-18 du/ac d. R-4: multifamily residential – high density; 10-24 du/ac	
R-UGA: urban growth area residential;		
Master Planned District- Residential and Commercial	Master Planned District- Residential and Commercial	
EPF: essential public facilities	6. EPF: essential public facilities; provided, the EPF zone shall be further subdivided into the following categories: a. EPF(A): airport; b. EPF(C): cemetery; c. EPF(F): fairgrounds; d. EPF(G): government; e. EPF(H): hospital; f. EPF(I): institution; g. EPF(P): park/playground; h. EPF(S): school; i. EPF(U): utility; j. EPF(W): wetland;	
	7. C-O: commercial office/mixed use;	
	9. C-G: general commercial;	
	10. C-F: freeway-oriented commercial;	
	11. CBD: central business district;	
	12. I-L: light industrial;	
	13. I-H: heavy industrial.	
	Commercial	
	Industrial	

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Figure-9
SOURCE: Chehalis Public Works

The land use pattern described above is also reflected in the city's zoning map. This pattern reflects a balance of uses and densities that helps to define the community's character.

Land uses within the city are allocated between residential, commercial, industrial and essential public facility uses.

The city's zoning ordinance regulates land use densities by establishing minimum dwelling unit (DU) density that is calculated on the zone and maximum DU density is calculated on the lot. Because of the high value placed on open space, proposals for residential development that save open space by clustering development will be encouraged.

SINGLE FAMILY RESIDENTIAL

The single family home is seen as the cornerstone of a community. It is the basic form of housing that often determines the character of the community. Single family residential R-1 and R-2 zoning

constitutes 21.78% of the total land area. The amount of land zoned for single family development in R-1 and R-2 zones according to current city zoning regulations is approximately 817 acres.

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According to records of the Lewis County Assessor's office, the total number of single family housing units located in the city in 2016 was 1,913. However, not all single family housing is located in the R-1 and R-2 zones, as this housing type is a permitted use in R-3 and R-4 zones, if the lot size in these zones allows only one unit under the density calculation; otherwise it is conditionally permitted. The vision of Chehalis' future residential development includes both single family and multi-family development, subdivided further by development densities. Because of the high value placed on open space, proposals for residential development that save open space by clustering development will be encouraged. New development in this density range may occur in appropriate areas of limited size, with close proximity to shopping, public transit, and other necessary services. Manufactured housing will be permitted in these areas, as well.

- The intent of the R-1 low-density zone is to provide an area for development of low-density single-family residences with relatively larger lot sizes and adequate public facilities, and with zoning controls designed to protect the residential living environment. Conditional uses are limited and must protect the residential character of the zone. [Ord. 720B § 1, 2002.]
The minimum lot size in the single family (R-1) residential zone is 7,500 square feet. This lot size will generally result in a density of approximately 4 to 6 dwelling units per acre (du/ac).
- The intent of the R-2 medium-density zone is to provide an area for development of a higher density of single-family residences than the R-1 zone, including relatively smaller lot sizes with adequate public facilities. Zoning controls are designed to protect the residential living environment and provide for a variety of conditional uses under special or unique circumstances. [Ord. 720B § 1, 2002.]
The minimum lot size in the single family (R-2) residential zone is 5,000 square feet. This lot size will generally result in a density of approximately 4 to 10 dwelling units per acre (du/ac).

MULTI-FAMILY RESIDENTIAL

The higher residential densities permitted for multi-family housing are typically the most common method of promoting more affordable housing. The city may provide an affordable housing incentive program; which may include, but is not limited to, one or more of the following:

- Density bonuses within the urban growth areas;
- Height and bulk bonuses;
- Fee waivers or exceptions;
- Parking reductions; or
- Expedited permitting.

The amount of area zoned to permit multi-family development, which includes land in the R-2, R-3 and R-4 zones, is approximately 401 acres. This amount represents approximately 11.29% of the total land area in the city.

- The intent of the R-3 zone is to provide an area for a variety of housing types at a limited density, including institutional, with adequate public facilities and zoning controls

designed to protect the residential living environment. Conditional uses must protect any adjacent residential development. [Ord. 720B § 1, 2002.]

The minimum lot size in the multi-family (R-3) residential zone is 5,000 square feet. This lot size will generally result in a density of approximately 6 to 18 dwelling units per acre (du/ac).

- The intent of the R-4 zone is to provide an area for development of high density housing types, including institutions, with adequate public facilities and zoning controls designed to protect the residential living environment. Conditional uses must protect any adjacent residential development. [Ord. 720B § 1, 2002.]
The minimum lot size in the multi-family (R-4) residential zone is 5,000 square feet. This lot size will generally result in a density of approximately 10 to 24 dwelling units per acre (du/ac).

Master Planned Development (MPD) District

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The type and timing of land use development in the City of Chehalis and surrounding areas is the result of a variety of economic, social and physical variables. Growth is influenced by the topography, environmental constraints, economic conditions, the proximity and capacity of services including water and sewer, and the availability of convenient transportation networks as well as population projections (allocations). Population projections/allocations are assigned to the counties throughout Washington State by the Office of Financial Management. Upon receiving this information, the county works with local jurisdictions to assign areas of urban growth in conjunction with the plans and goals of that city.

The Growth Management Act (GMA) (Chapter 36.70A RCW) requires that all the aforementioned items be taken into consideration when planning growth for cities. It is also the goal of GMA to ensure that all lands brought into a cities' jurisdiction be able to develop at urban densities with an urban level of services (RCW 36.70A.020). And one of the most common ways to do this is through the urban growth area (UGA). It is the purpose of the Master Planned Development District (MPD) land use classification to provide flexibility and clarity when transitioning land from county to UGA to city jurisdiction. The MPD also provides that if land can not be developed at an urban level of service as defined through the GMA and Lewis Countywide Planning Goals and Policies within twenty years then the land will revert to Lewis County. This flexibility gives developers time to create plans and see them to fruition while still giving the city peace of mind that, if the land is not developed to urban densities by the twenty year mark, population allocations can be reassigned and other UGAs be created to allow the city continued growth.

The MPD designation is intended to take advantage of undeveloped/underdeveloped areas within the county jurisdiction that owners/developers want to bring into city jurisdiction, to create residential developments with a mix of neighborhood scale commercial, civic uses, open spaces or public facilities. An MPD can be applied to land that is within the City's Urban Growth Area, which when approved, results in a clear understanding of how the development will connect to urban services, addresses residential building types and densities and forecasts when annexation into the City would occur.

Areas with an MPD designation are intended to develop only after approval of an MPD permit pursuant to Chehalis Municipal Code. An MPD may include residential and commercial uses clustered around private and community open space, supported by adequate services and facilities. As part of the process of approving an MPD, a specific development plan or site plan shall be prepared and will specify the residential and nonresidential uses, densities and intensities, phasing of development, and specific development standards that apply to the site.

MPD Goals and Policies

1. LU/MPD Goal 1: Provide for land uses in the Chehalis Urban Growth Area that conform to the Growth Management Act, Lewis County Comprehensive Plan, and County-wide Planning Policies and that consider the provision of urban services to the area.
2. LU/MPD Goal 2: The Master Planned Development designation (MPD) is in Chehalis' Urban Growth Area and can be urbanized at such time that a full range of urban services can be efficiently provided. The primary purpose of the MPD designation is to promote an orderly transition from rural land uses and densities to urban land uses and densities.
 - o Policy 2.1: The MPD zoning district allows urban density development when a full range of urban services are provided. In areas where such services do not exist, the minimum density is one dwelling unit per five acres.
 - o Policy 2.2: Development within the MPD zoning district is anticipated to occur in phases. Phases of a MPD district may be annexed into the City when urban level of services are met. Phasing and development shall be designed to prevent conditions that will fail to meet annexation requirements in RCW 35A.14, Annexations by code cities such as pockets of county jurisdiction surrounded by city jurisdiction.
3. LU/MPD Goal 3: The MPD designation reserves certain land in the UGA for future urban purposes and allows interim uses that are complementary and compatible with future urban densities and services. The designation intends to encourage the responsible growth by assuring that a full range of urban services is available to support urban level densities.
4. LU/MPD Goal 4: Provide opportunities for a diversity of housing types in the Urban Growth Area.
5. LU/MPD Goal 5: Permit development concurrent with public facilities and services needed to support that development.
6. LU/MPD Goal 6: Provide for alternative, innovative forms of development that preserve open space and promote a balanced mix of housing, employment, civic and recreational activities.
 - o Policy 6.1: Provide significant opportunities for public involvement when considering an MPD proposal
 - o Policy 6.2: Require innovative site design and use of techniques that provide for environmentally sustainable development.
 - o Policy 6.3: Best engineering practices for low impact development which preserve existing vegetation, topography, and natural drainage are encouraged.
7. LU/MPD Goal 7: The predominant land use pattern within the MPD designation should be residential, allowing a variety of housing types and densities, neighborhood scale commercial in specific designated areas, parks and other public uses.
8. LU/MPD Goal 8: Complete execution of the MPD must occur within twenty years.
 - o Policy 7.1: Require a developer's agreement along with the MPD stating that the developer understands that parts of the plan that are not developed within the twenty-year time frame will revert to Lewis County.

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MPD Designation Criteria

- Existing or planned public facilities are adequate to support the planned development density.

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- The development plan contains standards that will allow development while providing appropriate protection to environmentally sensitive areas. The level of protection must be equal or better than that provided by the City’s environmentally sensitive area policies and regulations.
- The development plan requires flexibility to meet the requirements of an MPD.
- The MPD will provide public benefits, in the form of preservation or enhancement of physical characteristics, conservation of resources, provision of employment, improvement of the City’s fiscal performance, provision of adequate facilities, and other public benefits identified by the City.
- At least 30% of the MPD site is devoted to open space uses, which may include recreational amenities.
- Adequate mitigation, consistent with Chehalis Municipal Code and state and federal codes for adverse impacts on the community, neighborhood, and environment is provided.
- MPD net densities are urban (minimum 4 dwelling units per acre).

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INDUSTRIAL

The economy of an area generally relies on industry to provide its greatest employment opportunities. In 2016 the city annexed additional properties in the Industrial zones. The city now contains approximately 474 acres of land representing 12.71% of the city's total land area zoned for industrial use. In general, this land is located in areas that can take advantage of proximity to the airport, I-5 or access to rail lines. It is classified as being either light industrial (I-L) or heavy industrial (I-H).

- The intent of the (I-L) zone is to provide an area for development of limited industrial uses, typically contained within a building, limited commercial retail activity, typically large, bulky products, and employee-related accessory uses. Zoning controls will be designed to require mitigation of impacts that may occur with such development. [Ord. 720B § 1, 2002.] The minimum lot size in the I-L industrial zone is 5,000 square feet.
- The intent of the I-H zone is to provide an area for development of general industrial uses and employee-related accessory uses. Zoning controls will limit such uses to those that would not create a significant adverse impact on the community. [Ord. 720B § 1, 2002.] The minimum lot size in the I-L industrial zone is 5,000 square feet.

COMMERCIAL

Another important factor in the local economy is the availability of land for commercial purposes. Whether for offices, retail establishments, or similar uses, commercial property provides jobs and tax revenues that are essential to the community's economic health. In Chehalis, commercial land includes the Central Business District (CBD) and other commercially zoned areas located along Market Boulevard, along Pacific Avenue, in the vicinity of the airport, in the Kresky Avenue area and Highway Interstate 5. Approximately 1491 acres are zoned commercial which is approximately 40% of the city's land area.

GENERAL COMMERCIAL

The General Commercial zone (C-G) is the largest commercial zone in the city with approximately 1285 acres and encompasses 34.5% of the total land area of the City of Chehalis. The majority of the C-G land use surrounds the Chehalis airport. The C-G that is located directly east of the Chehalis

airport is bounded to the east by Interstate 5 and the C-G that lies west of the airport is bounded by the western Chehalis city limits. The second largest concentration of C-G land use is in the N

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N National Avenue and NE Kresky area and extends eastward to the Chehalis City Limits. The bulk of the remainder of the commercial zone is along Market Boulevard.

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- The intent of the C-G zone is to provide an area for development of general commercial businesses, offices, retail stores, institutions, and similar commercial uses, with zoning controls designed to require mitigation of significant impacts which may occur with such development. [Ord. 720B § 1, 2002.]
The minimum lot size in the C-G commercial zone is 5,000 square feet.

CENTRAL BUSINESS DISTRICT

The Central Business District is located in a rough triangle of land defined by Main and State Streets and Market Boulevard. This area includes several banks, savings and loans, government offices, retail specialty shops, restaurants, insurance firms, and other services. The CBD is approximately 57 acres encompassing approximately 1.45% percent of the city's total land base.

- The intent of the CBD zone is to provide an area for development of high-density commercial activity, typically pedestrian-oriented, with zoning controls designed to accommodate the unique characteristics of such an urban or core-area development. [Ord. 720B § 1, 2002.]
The minimum lot size in the CBD commercial zone is 1,000 square feet.

FREEWAY COMMERCIAL

The Freeway Commercial Land use area is adjacent to Highway Interstate 5. It encompasses 141 acres with nearly 3.79% of the city's total land use.

- The intent of the C-F zone is to provide an area for development of freeway-oriented businesses, primarily tourist facilities such as gas, food and lodging, and retail trade/shopping centers. Zoning controls will provide for such development and minimize the intrusion of non-freeway-oriented development in such an area. [Ord. 720B § 1, 2002.]
The minimum lot size in the C-F commercial zone is 5,000 square feet.

COMMERCIAL OFFICE/MIXED USE

Certain areas of the city are experiencing a transition from residential to non-residential uses. This is especially true for the CO zone. This transition is considered appropriate and has generally been encouraged. The predominantly single family dwellings are gradually being replaced by multi-family dwellings, professional offices, and small-scale mixed uses. Since many of the older single family structures in this area are becoming both structurally and functionally obsolete, the transition is generally regarded as positive for the future of the area. This zone will continue to transition in the next 20 years.

- The intent of the C-O zone is to provide an area for development of limited commercial activity, generally along arterial streets, where existing residential usage is expected to remain for a longer period of time. Zoning controls will provide protection for existing adjacent residential uses but will also provide for the conversion of the area to commercial uses. [Ord. 720B § 1, 2002.]
The minimum lot size in the C-O commercial zone is 5,000 square feet.

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AIRPORT SERVICE DISTRICT

Airports are a special form of land use. They can provide unique economic and recreational opportunities to a community, but they can also be seen as a nuisance by abutting property owners if land development surrounding the airport cannot tolerate the noise generated by airport operations. The ASD is a special 'overlay' district that provides for the appropriate development of the airport and surrounding properties. The clear intent of this designation is to ensure that development at and around the airport occurs in a manner that is compatible with the continued and expanding operation of the airport facility. The ASD contains approximately 295 acres, and encompasses the entire general area of the airport as illustrated in *Figure-10*. A majority of the ASD is also within the 100-year flood plain.

- There shall be, and hereby is, created a special district to be known as the airport service district. This district shall be subdivided into the following eight subcategories consistent with the Aircraft Accident Safety Zone:
 1. ASD-0 – Identified as the “primary surface” in said Aircraft Accident Safety Zone Diagram;
 2. ASD-1 – Identified as the “runway protection zone” in said diagram;
 3. ASD-2 – Identified as the “inner safety zone” in said diagram;
 4. ASD-3 – Identified as the “inner turning zone” in said diagram; provided, this zone shall be further subdivided into west and east categories;
 5. ASD-4 – Identified as the “outer safety zone” in said diagram;
 6. ASD-5 – Identified as the “sideline safety zone” in said diagram;
 7. ASD-6 – Identified as the “traffic pattern zone” in said diagram; provided, this zone shall be further subdivided into west and east categories; and
 8. ASD-7 – Identified as the “65 ldn noise contour” in the adopted airport master plan.

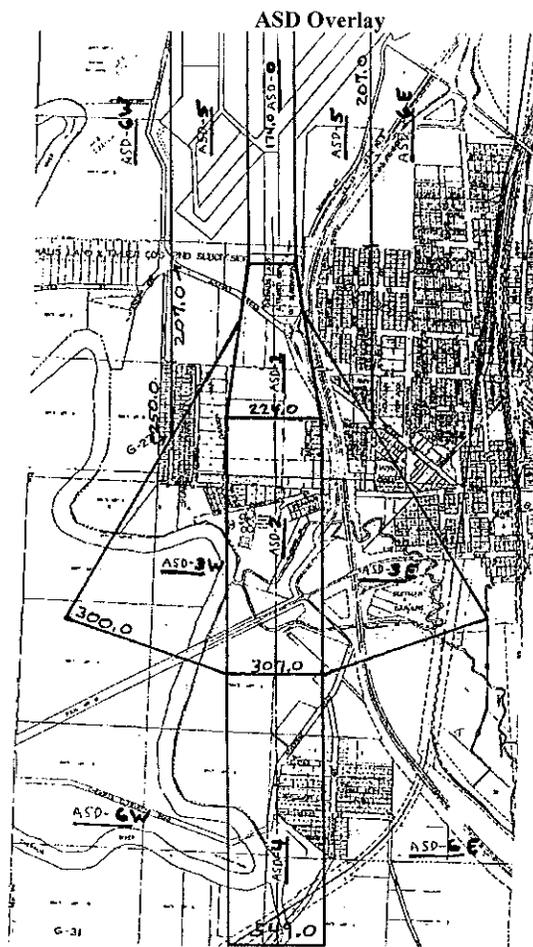


Figure-10

Source: City of Chehalis Community Development

HISTORIC DISTRICT

The Historic Districts define the early architectural heart of the City of Chehalis. Currently, the city has three Historical Districts: the Westside Historical District (approximately 80 acres); the Downtown Historical District (approximately 38 acres) and the Hillside Historical District (approximately 78 acres). The total approximate acreage for the combined Historic Districts is 196 acres.

A. There exist districts within the city, containing business uses, but also containing residential and other uses, which were platted and built upon before the advent of current zoning and building codes.

B. Buildings and uses within such historic districts, due to the age and condition of the buildings and structures, small lot size and high degree of lot coverage, suffer from unique problems when required to adhere strictly to current zoning and building regulations.

C. It is unduly difficult to repair, remodel or improve existing buildings in the historic districts for existing uses or to establish new uses therein, whenever such actions cause the building or use to be required to meet current zoning and building regulations.

D. Variances from the requirements of current zoning and building codes are an inappropriate means of dealing with the problems of the historic districts; as such problems that arise from characteristics applicable to a large number of buildings within such districts rather than from the unique characteristics of each individual property.

E. This state of affairs contributes to the continued physical deterioration of buildings, and to the loss of the ability to sustain viable business and other uses, in the historic districts.

F. Preservation and enhancement of the historic districts are deemed essential to preserve community identity and sociological integration as new development occurs in other parts of the city.

G. It is in the public interest to provide appropriate relief from the requirements of the strict application of current zoning and building codes when so doing will serve to preserve and enhance buildings and uses in the historic districts and the public health and safety are not thereby endangered. [Ord. 720B § 1, 2002.]

FOREIGN TRADE ZONE

The Department of Commerce created an FTZ covering approximately 90 acres along the southern portion of the airport and crossing Highway Interstate 5 to the northern most Light Industrial zoned area.

- From time to time the U.S. Department of Commerce may create additional FTZ zones within the city or its UGA. Creation of such zones is subject to the procedures and requirements specified in 15 CFR 400, et seq. [Ord. 720B § 1, 2002.]

INDUSTRIAL DEVELOPMENT DISTRICT

The City of Chehalis' Industrial Development district is under the auspices of the Port of Olympia. The Port has two industrial Parks as shown in *Figure-11*.



The Chehalis Industrial Park is located next to Interstate 5. It has over 700 acres with more than 200 acres available for new development. It is also in close proximity to US 12, this provides year-round access East over the Cascades. The Park is served by both the UPRR and BNSF railroads.

The Curtis Industrial Park is located 10 miles west of Interstate 5 and Chehalis via State Route 5. The park has 357 acres and available shortline railroad service to BNSF and UPRR railroads.



IDD Overlay

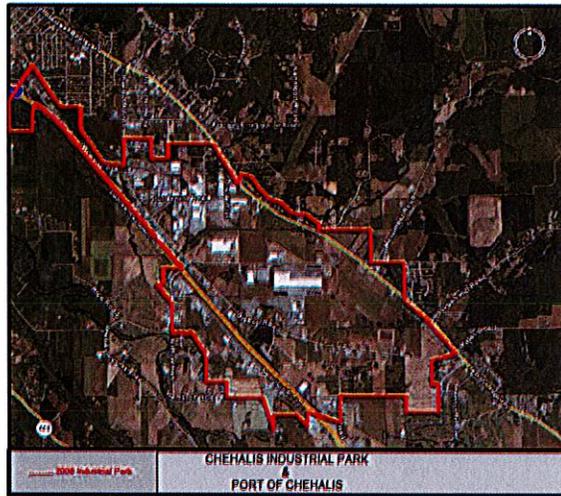


Figure-11

Source: Lewis County GIS

ESSENTIAL PUBLIC FACILITIES

The intent of the EPF zone is to provide an area for development of public or semi-public facilities determined by the community to be essential to the well-being and function of the community. Such facilities generally require strategic locations which may necessitate unique zoning controls. [Ord. 720B § 1, 2002.]

The Essential Public Facilities is subdivided into the following categories:

- EPF(A): airport;
- EPF(C): cemetery;
- EPF(F): fairgrounds;
- EPF(G): government
- EPF(H): hospital
- EPF(I): institution
- EPF(P): park/playground;
- EPF(S): school
- EPF(U): utility
- EPF(W): wetland

OPEN SPACES AND NATURAL LANDS

This category generally includes private outdoor recreation areas, wooded areas, pastures and fields, and land upon which development cannot occur due to physical constraints such as steep slopes, wetlands, and floodways. Open spaces with an accompanying Open Space Map are discussed in the Natural Environment Element of this plan.

CONSTRAINTS TO DEVELOPMENT

Future opportunities to develop land within the city are constrained by certain elements or conditions, both natural and man-made. Natural constraints include floodways, shoreline areas, steep slopes, critical aquifer recharge areas (CARAS) and wetlands. Man-made constraints are more difficult to quantify. They include elements such as a rail line running through a residential area, non-conforming uses that reduce the value of neighboring properties, or soils contaminated by prior uses. For the purposes of this plan, it is assumed that man-made constraints may be remedied by utilizing appropriate design, buffering, or other techniques. Thus, only natural constraints are considered here.

Natural constraints to development are 'critical areas'. Of the city's 4,052.4 acres of land, fully 2,884 acres, or more than two-thirds of the city's total land area, is encumbered by some form of natural constraint. The largest constraint is the floodplain that overlaps the floodway and most of the NWI wetlands. Steep slopes constitute only 24 acres (excluding roads) in the Critical area calculation of 2,884 acres.

EXISTING DEVELOPMENT PATTERNS AND OPPORTUNITIES

Chehalis developed in response to natural and man-made development opportunities. The river, the railroad and, later, the highway, all served as means of promoting growth and development. At the same time, the constraints noted in the preceding section discouraged development in specific areas.

As is typical of most communities, the highest density of development occurred first in or near the city's central core. Later, industrial development followed rail lines and commercial development spread in a pattern of strip development along I-5 and several arterial streets. The lowest density of development is single family homes on larger lots on the outskirts of the community.

Today the city is largely built out, with relatively few large parcels of vacant land left for development. Remaining development opportunities consist mainly of infill development on smaller parcels, development of larger parcels with significant natural or man-made constraints, conversion of existing residential lots into commercial uses or re-development of vacant or underused buildings.

URBAN GROWTH AREAS

Urban Growth Areas (UGAs) are generally defined by the GMA as "areas within which urban growth shall be encouraged . . ." Cities, by definition, are included in UGAs. In addition to lands located within cities, counties are mandated to determine sufficient additional land to include within UGAs "to permit the urban growth that is projected to occur within the county during the succeeding twenty-year period." According to GMA, "urban growth should be located first in areas already characterized by urban growth that have existing public facility and service capacities to serve such development." In addition, "urban growth should be located second in areas already characterized by urban growth that will be served by a combination of both existing public facilities and services and any additional needed public facilities and services that are provided by either public or private sources."

On May 4, 1998, the Lewis County Board of County Commissioners adopted Ordinance 11-59, approving the Interim Urban Growth Area (IUGA) for the city of Chehalis. Minor modifications have since been made to the approved IUGA, following negotiations with the city of Napavine. Resolutions approving the modifications have been enacted by both cities. In addition, subsequent minor modifications have been made at the request of Lewis County, pursuant to negotiations with

property owners involved in an appeal of the IUGA. The IUGA, as modified by agreement, is shown in Figure IU-6. In determining the size and composition of the IUGA, the city and the county reviewed the following:

- The twenty-year population projections provided by the state's Office of Financial Management
- The limited amount of vacant land that exists within the city;
- The amount of land within the city that includes critical areas and other significant constraints to development;
- The amount of land immediately outside the city that is already characterized by urban growth; • existing development patterns within the IUGA;
- The extent to which the Port of Chehalis Industrial Development Districts (IDDs) are needed to accommodate regional employment goals;
- The extent to which urban services such as public water and sanitary sewer lines are already provided in areas outside the city; and
- The constraints to urban expansion that exist to the north, east and west of the city.

In 2007 the city formally adopted the UGA.

There are five separate areas that make up the UGA. The largest area, located to the south of the city, includes all of the land designated for industrial use, a significant amount of land for commercial use, and a small amount of residential land. The remaining areas include residential land to the east of the city, and two nodes of commercial land located north of the airport, and south of the I-5 interchange at Parkland Drive and a park off Riverside Road that is zoned as an essential public facility EPF.

EXISTING LAND USES

AGRICULTURAL

It is estimated that agricultural land uses in the area to the south of the city include nearly 700 acres of land. It is important to note, however, that none of the land in this area is designated by Lewis County as having long-term commercial significance for agricultural use. Furthermore, none of this land is zoned by the city of Chehalis or by Lewis County as agricultural land. The existing agricultural uses are regarded as preexisting, non-conforming uses. These properties have a right to remain and continue to be used for agricultural purposes, but any future re-development of these properties will be required to conform to the higher intensities of land uses that will be determined by Lewis County to be permissible within the UGA.

INDUSTRIAL

The Port of Chehalis has designated two Industrial Development Districts (IDDs), collectively containing 1113.76 acres of land, within the UGA to the south of the city. The districts are bounded generally by Berwick Creek to the south, Jackson Highway to the east, and Bishop Road to the south and west.

COMMERCIAL

Approximately 677 acres located near Bishop Road or along Jackson Highway are currently zoned for commercial uses in the UGA.

RESIDENTIAL

Currently, there are 1193 acres of residential zoned land in the UGA.

INSTITUTIONAL

Greenwood Cemetery is located within the UGA, in an Essential Public Facility Zone EPF(C); Fern Hill Cemetery, also in the UGA, is in a commercial area. It should be noted for many planning purposes that cemeteries may also be considered as open space.

CRITICAL AREAS

The UGA includes some areas of wetlands, flood ways, and steep slopes. The existence of these areas will present constraints to future development. These critical areas also have significance with regard to the size of the UGA. Because these areas present limitations to development, the analysis of land available within the UGA must consider developable land, rather than all land see the critical areas.

FUTURE LAND USE NEEDS ANALYSIS

The two primary elements that will determine the amount of additional land needed to accommodate the city's growth during the next twenty years are population and employment. Population growth will directly impact the amount of land needed for housing, and will have a less direct impact on land needed for non-residential uses such as commercial and industrial. This less direct impact upon non-residential uses reflects the regional economy of Lewis County and the State of Washington, where employers and commercial establishments attract workers and buyers from a wider area, and where local residents often travel outside the area for work or commerce. The calculations for land needed for future employment growth needs will thus require an analysis of local population growth that also takes into account these regional travel patterns.

POPULATION TARGET

As of 2016, the City of Chehalis' population was 7,460 according to the Office of Financial Management. To meet the City's adopted target of 11,230 by 2040, 3770 more people will need to live here. At 2.46 persons per household, that means about 1533 more residential units will be needed during the 2017-2037 period. In order to meet this objective, the City of Chehalis will need to take an aggressive approach that encourages compact development with a variety of land uses and annex more land.

EMPLOYMENT GROWTH

A countywide forecast of employment growth through 2025 was completed in 2005 by E.D. Hovee and Company, at the request of the Lewis County Economic Development Council (EDC). That study, the Lewis County Industrial Needs Analysis, indicates that the total number of (non-agricultural) wage and salary jobs in the county will increase to 32,900 by 2025, and that 10,005 of those jobs, or 30% of the total, will be in the industrial sector. That forecast makes the following assumptions:

- Total 2040 Lewis County population will reach anywhere between 72,965 and 111, 684
- The county will achieve a labor force participation rate of 44.3%;
- The county's unemployment rate will drop to 7.9%
- The county's employment base will continue to shift to a more diverse, urbanized economy.

Based upon the economic development policies adopted by the EDC and the county itself, these assumptions, while aggressive, appear to be within reason. Together, Centralia and Chehalis constitute the bulk of Lewis County's employment base. Thus, it is expected that the two cities will accept the majority of the county's employment growth during that period. For the purposes of this analysis, employment growth will be broken down into industrial and commercial employment.

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Industrial employment includes jobs in manufacturing, assembly, warehousing, trucking, construction, utilities, and wholesale trade. Commercial employment includes retail trade, professional offices, services, finance, education and government. Because agricultural employment is declining (1.5% in the county from 2000-2005) agricultural employment is not included in either category. Based on recent trends and the availability of land, it appears that the majority of industrial employment growth has occurred in Chehalis and its UGA, while the bulk of commercial employment growth has occurred within the greater Centralia area.

FUTURE LAND USE NEEDS

The city of Chehalis is virtually built out. Most of the undeveloped land within the city contains significant constraints to development due to the presence of wetlands, steep slopes, or floodways. Lesser constraints, such as location within a flood plain, require more costly design than properties without such constraints. In addition, properties located in proximity to the airport may face additional restrictions to ensure that future development does not conflict with current airport uses or activities. Simply put, almost all of the most easily developable land has already been developed. While the higher densities and intensities of land uses promoted by GMA will result in more compact development patterns, the need to expand beyond the existing corporate boundaries of the city, especially to accommodate needed economic expansion, will become clear. In other words, Chehalis will need to continue to annex additional areas in order to meet projected growth.

RESIDENTIAL

When average household sizes are taken into account, the Housing element calculates a 2040 need of 1134 single family and 510 multi-family dwelling units. Based upon calculations made by the city's Department of Community Services, there are not more than 100 vacant lots platted within the city. Of these platted lots, there are none available for new housing construction. The remaining lots are considered unbuildable due to development constraints or ownership patterns that would preclude their use. The city also estimates that approximately 179 net acres of undeveloped land are available and zoned for residential development. Because the available land is generally in closer proximity to services such as public transit, it is assumed that the majority of this land (80%) will be dedicated to multi-family development. Currently, there is a trend of single-family dwelling units supporting 69% of the housing in the City of Chehalis and 31% of housing is comprised of multi-family dwelling units.

The average development density of all residential lots within the city is 3.6 du/ac. This combined density considers all existing single family and multi-family development. In order to conform to the mandates of GMA, planned densities for single family homes will range from 4-10 du/ac, and from 11-24 du/ac for multifamily development. While higher densities may result, a conservative planning estimate of 4 du/ac for single family and 12 du/ac for multi-family will be used to calculate the need for additional land. The methodology for calculating the need for land for new single family development is as follows:

1. Average density = **4 du/ac**
2. Additional lots for dwelling units needed by **2025 = 1,134**
3. Minus platted lots **available (1,134-0) = 1,134**
4. Gross amount of land needed **(1134/4) = 283.5 acres**
5. Add market factor **(283.5 x 1.25) = 354.38 gross acres of residential land needed**
6. Land available **(69% of 179 acres) = 123.51 acres**
- Residential land deficit (123.51 - 354.38) = -230.87 net acres**

The same methodology, when applied to the need for land for multi-family development, yields this result:

1. Average density = **12 du/ac**
2. Additional dwelling units needed by 2025 = **510**
3. Gross amount of land needed $(510/12) =$ **42.5 acres**
4. Add market factor $(42.5 \times 1.25) =$ **53.125 gross acres needed**
5. Land available (**31% of 179 acres**) = **55.5 acres**
6. Multi-family residential land surplus $(55.5 - 53.125) =$ **2.375 net acres of land**

Based upon the analysis shown above, the city can accommodate the need for multi-family development during the planning period within the existing city limits, provided that multi-family development occurs at a density only slightly higher than 12 du/ac. However there does not appear to be adequate land within the city available to accommodate the projected need for single family housing, a small portion of the UGA has been designated for residential development in recognition of existing land use patterns and the need to maintain compatibility with those existing uses. The residential land within the UGA is located immediately adjacent to the city, and thus will not conflict with the goal of promoting a compact pattern of development. The city has estimated that there are 497 vacant /undeveloped gross acres of land available for residential development within the UGA established by the county. Of that land, only the land needed or used in rights-of-way, and land unavailable due to critical area considerations cannot be developed. Over the 20 year planning period special attention should be awarded this residential land in the UGA as it is critical to overcoming the residential single family dwelling unit deficit within existing city limits.

INDUSTRIAL AND COMMERCIAL

As noted earlier, Centralia and Chehalis form the hub of Lewis County's economic activity. According to the Hovee Final Report of the Lewis County Industrial Lands Analysis Update, seventy-seven percent of Lewis County's private sector job growth between 1995 and 2004 occurred in Centralia (+1,316 jobs) and Chehalis (+2,352 jobs).

The Hovee study suggests that an average of 4.5 jobs per acre will be created by industrial growth. Existing businesses surveyed indicate that approximately 20 jobs per acre are created by commercial business growth. Using these averages with the job distribution projections shown in Figure LU-18, the following methodologies emerge for the city.

For Industrial Land

1. Average jobs created per acre = **4.5**
2. New jobs projected = **4,002**
3. Land needed $(4,002/4.5) =$ **889.3 acres**
4. Add market factor $(889.3 \times 1.25) =$ **1111.7 gross acres of industrial land needed**
5. Vacant city zoned industrial/commercial land (excluding critical areas) = **270,211 acres**
6. Subtract available land from land needed $(270.11 - 1111.7) =$ **-841.59 net acres of industrial land needed**

For Commercial Land

1. Jobs created per acre = **20**
2. New jobs projected = **4,870.5**

3. Land needed $(4,870.5/20) = 243.52$ acres
4. Add market factor $(243.52 \times 1.25) = 304.41$ gross acres of commercial land needed
5. Vacant city zoned commercial land/industrial (excluding critical areas) = -841.59 acres
6. Subtract available land from land needed $(-841.59-304.41) = -1146$ net acres of commercial land needed

UGA ANALYSIS

The gross amount of land available in the UGA must be modified by considering the amount of land already developed as well as the need for compatibility with existing development and also the constraints to development presented by critical areas. The amount of land needed in the UGA to accommodate the projected growth will possibly need to be increased from the current UGA boundaries. This will conform to GMA requirements. Because more land is needed than is provided in the aggregate, the city and the county will be able to promote compact patterns of development within the UGA. While the amount of the deficit for industrial and commercial land is significant, the availability of additional land will require further analysis before any consideration of expansion of the UGA occurs. Because industrial and commercial properties tend to develop more slowly than residential properties, the city and the county should have sufficient time to examine this issue during future updates to this plan.

SUMMARY OF UGA ANALYSIS

Of the total amount of land included in the UGA, more than half is designated for industrial development. Another third of the total is set aside for commercial use. A smaller amount is intended for residential use. While the volume of land contained in the UGA may be justified by the calculations described above, other factors are also important.

In determining the sufficiency of land available for industrial use, the amount of land available is but one of many elements to be considered. Other elements include easy access to highways, access to rail, access to utilities such as water, sewer and electricity, and the availability of large, undeveloped parcels of relatively level land. Access to rail is of particular interest, because some industries can only locate on sites served by rail, and because such land is relatively scarce. The identification of industrial land within the UGA confirms the analysis performed by the Port of Chehalis in designating the two IDD's.

The analysis of commercial land needs also requires an examination of issues beyond the amount of land. Viable commercial land requires a high degree of visibility and a population base of sufficient size and appropriate demographic makeup to constitute a sustainable market. The designation of commercial land that is accessible to and visible from I-5 will serve to maximize the potential for success of new or expanding commercial businesses.

While the analysis of land needed for residential use may seem more straightforward, such analysis must include site-specific reviews that look at natural and man-made buffers between residential and non-residential uses, and also the availability and proximity to schools, police, fire, and recreational facilities.

Finally, it must be recognized that differing land uses are inter-dependent. New homes need easy access to employment and shopping areas; commercial areas need to be near consumers; and industrial areas need ready access to a labor force.

The City of Chehalis has entered into interlocal agreements and plans that have encouraged

positive working relationships with neighboring jurisdictions in regards to land use. The City is committed to working consistently with Lewis County with county-wide planning policies. These agreements, plans and regulations act as tools for growth management. Some of these plans include:

- **The Lewis County Comprehensive Plan.** The Lewis County Comprehensive Plan was adopted in April, 2002. Amended in 2007, 2009
- **The Chehalis Basin Watershed Plan.** The Plan was adopted in May 2004
- **Lewis County and City of Chehalis UGA Interlocal Agreement.** The agreement expired in 2016 and a new agreement is currently being negotiated with a planned adoption date in 2017.
- **The Lewis County Shoreline Management Plan.** This plan has been updated and is currently under review by Washington State Department of Ecology
- **Airport Master Plan/Chehalis-Centralia.** The Airport Master Plan was approved in 2001 by the FAA and is effect until 2027.
- **Parks, Recreation and Open Space Plan.** The Parks, Recreation and Open Space Plan was adopted by resolution in 2012

GOALS AND POLICIES

GROWTH MANAGEMENT ACT GOALS

The GMA requires that every Comprehensive Plan must include a Land Use Element. The importance of the Land Use Element is emphasized, and is addressed by eight of the thirteen major goals of the Act. The pertinent GMA goals related to land use, not listed in any order of priority, are:

- (1) *Urban growth.* Encourage development in urban areas where adequate public facilities and services exist or can be provided in an efficient manner.
- (2) *Reduce sprawl.* Reduce the inappropriate conversion of undeveloped land into sprawling, low-density development.
- (3) *Transportation.* Encourage efficient multimodal transportation systems that are based on regional priorities and coordinated with county and city comprehensive plans
- (4) *Housing.* Encourage the availability of affordable housing to all economic segments of the population of this state, promote a variety of residential densities and housing types, and encourage preservation of existing housing stock.
- (5) *Economic development.* Encourage economic development throughout the state that is consistent with adopted comprehensive plans, promote economic opportunity for all citizens of this state, especially for the unemployed and for disadvantaged persons, promote the extension and expansion of existing businesses and recruitment of new businesses, recognize regional differences impacting

economic development opportunities, and encourage growth in areas experiencing insufficient economic growth, all within the capacities of the state's natural resources, public services, and public facilities.

(6) *Property rights.* Private property shall not be taken for public use without just compensation having been made. The property rights of landowners shall be protected from arbitrary and discriminatory actions.

(7) *Permits.* Applications for both state and local government permits should be processed in a timely and fair manner to ensure predictability.

(8) *Natural resource industries.* Maintain and enhance natural resource-based industries, including productive timber, agricultural, and fisheries industries. Encourage the conservation of productive forest lands and productive agricultural lands, and discourage incompatible uses.

(9) *Open space and recreation.* Retain open space, enhance recreational opportunities, conserve fish and wildlife habitat, increase access to natural resource lands and water, and develop parks and recreation facilities.

(10) *Environment.* Protect the environment and enhance the state's high quality of life, including air and water quality, and the availability of water.

(11) *Citizen participation and coordination.* Encourage the involvement of citizens in the planning process and ensure coordination between communities and jurisdictions to reconcile conflicts.

(12) *Public facilities and services.* Ensure that those public facilities and services necessary to support development shall be adequate to serve the development at the time the development is available for occupancy and use without decreasing current service levels below locally established minimum standards.

(13) *Historic Preservation.* Identify and encourage the preservation of lands, sites, and structures that have historical or archeological significance. [2002 c 154 § 1; 1990 1st ex.s. c 17 § 2.]

COUNTYWIDE PLANNING POLICIES

Lewis County has adopted policies to guide local communities through the planning process, pursuant to their mandate under GMA. These policies are statements establishing a regional framework from which comprehensive plan elements for the county and its cities are developed. In general, these policies flow from the goals set forth in the preceding section. This plan is consistent with these policies. Policies that relate to this Land Use element are as follows:

COUNTYWIDE PLANNING POLICIES FOR LEWIS COUNTY

1. *Urban Growth.* Encourage development in urban areas where adequate public facilities and services exist or can be provided in an efficient manner.

1.0 Urban growth shall be encouraged within cities and their designated urban growth boundaries or other areas in the County characterized by urban growth and areas approved as new fully contained communities pursuant to RCW 36.70A.350.

1.1 Cities and towns and all urban growth areas shall include areas and residential densities sufficient to accommodate the majority of the County's adopted 20-year population projection. A portion of the county's 20-year population projection shall be allocated to new fully contained communities pursuant to RCW 36.70A.350(2). Annual adjustments may be made when supported by appropriate data.

1.2 Land use planning for the urban growth areas should provide for urban densities of mixed uses where logical and existing and/or planned urban services are available. Affordable housing policies and urban density policies should have equal value in evaluating and/or planning new or expanded housing areas.

1.3 Prior to annexation of an urban growth area or a portion thereof to the respective City, development within adopted urban growth boundaries shall conform to the respective city's urban development standards as established through inter-local agreements.

1.4 All jurisdictions whose UGA boundaries adjoin Interstate 5 or other U.S. Highways shall work towards establishing consistent development standards to protect and enhance a locally significant desired community image along the Interstate 5 or U.S. Highway corridors.

1.5 The County and those cities whose UGA boundaries adjoin the Interstate 5 and U.S. Highway corridors shall work with the Washington State Department of Transportation (WSDOT) to develop minimum landscape standards for interchanges along the Interstate 5 and U.S. Highways.

1.6 Rural areas should have low-density development, which can be sustained by minimal infrastructure improvements. Exceptions may be made for rural areas appropriate for more intense development, including small towns, crossroad commercial areas, resort and tourist facilities, existing development areas, and rural industrial centers consistent with state law. In addition, as further outlined in the Economic Development policies, exceptions may be made for major industrial developments, and master planned locations for major industrial activity outside urban growth areas consistent with state law.

1.7 The County and cities shall inform the appropriate jurisdictions concerning proposed development activities that would impact urban resources and/or urban growth areas.

1.8 The County and Cities shall collaborate to provide a mechanism for siting and maintaining both existing and new essential public facilities using a 50-year planning horizon for essential public facilities, including

- (a) Sewage treatment and municipal water facilities
- (b) Solid Waste Facilities
- (c) Port District/PDA industrial facilities
- (d) Airport locations
- (e) Other essential public facilities as identified under GMA

1.9 The County, in collaboration with the cities, shall establish a level of service inside unincorporated UGAs.

1.10.0 The process and factors to amend the UGAs and other comprehensive plan sections is adopted as Appendix A and B and are made part of these policies.

1.10.1 Based on growth management population projections made for the county by the Office of Financial Management, the county and each city within the county shall include areas and densities sufficient to permit the urban growth that is projected to occur in the county or city for the succeeding twenty-year period. Each urban area shall permit urban densities and shall include greenbelt and open space areas. An urban growth area determination may include reasonable land market supply factor and shall permit a range of urban densities and uses. In determining this market factor, cities and counties may consider local circumstances. Cities and counties have discretion in their comprehensive planning process to make many choices about accommodating growth.

1.10.2 The provision of an adequate supply of land available for urban intensities of development shall be available to accommodate the population and economic growth of Lewis County.

1.10.3 The expansion of urban growth areas shall be given priority when need is demonstrated by the local jurisdictions and the lands that are to be incorporated into a UGA exhibit conditions consistent with WAC 365-190-050, 365-190-060, 365-190-070, and 365-195-335. De-designation of resource lands should be limited to where there is no practical alternative.

1.10.4 Amendments to the Comprehensive Plan may be initiated by:

- A. Motion of the Board or Planning Commission.
- B. Property owner or county resident filing an application with the Planning Commission.

1.10.5 Amendments to the Comprehensive Plan will be:

- A. Submitted from September to December for review the following year. The Planning Commission will review applications beginning the February following the submittal period, with Board of County Commissioners target adoption date of July of the same year.
- B. Processed once a year and coordinated with all proposed amendments concurrently to insure individual and cumulative impacts are weighed.

1.10.6 Requests for Amendments to Urban Growth Areas in the Comprehensive Plan will be reviewed according to the following criteria, as set forth in RCW36.70A.130(3):

A. DETERMINATION OF NEEDED LAND

- I. Is the UGA large enough e.g. is the land existing in inventory of lands within the existing UGA adequate in quantity to accommodate the County's population allocation at urban densities?
- II. Is the inventory available for development including vacant land, underdeveloped lands and land where development is likely?
- III. Is there land within the UGA that can accommodate the urban services needed for urban densities?
- IV. Are there lands outside the City that currently exhibit an urban density and urban character?

B. CONSISTENCY WITH GMA OBJECTIVES

Chapter 3 page 36

- I. Is the amendment made necessary by an emergency that can be eliminated by the extension of urban level of service?
- II. What impact would the amendment have on the existing level of services within the UGA?
- III. What is the ability to provide services within the UGA?
- IV. Will the contemplated amendment result in any environmental degradation?
- V. Does the amendment being considered comply with the objectives of the GMA; does it promote sprawl or does it hinder development within the UGA at an urban density?
- VI. Is the amendment consistent with the County Comprehensive Plan and other plans of affected jurisdictions?

1.10.7 The review, evaluation and adoption of amendments will follow the general flow of events as outlined in Appendix A & B of this document and may be further defined by Lewis County Code.

2. Reduce Sprawl. Reduce the inappropriate conversion of undeveloped or rural land into sprawling, low-density development.

2.0 Provisions for urban levels of services to development within urban growth boundaries and within fully contained communities shall be required.

2.1 Development within adopted urban growth areas shall be coordinated and reviewed within the context of the development standards of the respective city, as established through inter-local agreements between the County and cities.

2.2 Large-scale commercial and industrial development shall be located in designated UGAs, or areas authorized by state law, where adequate utility services and transportation networks are available or planned.

2.3 Water and sewer infrastructure expansion should not occur in areas outside the UGAs and adopted water and sewer district boundaries at urban levels except to address specific health and safety problems.

2.4 Lewis County recognizes that sewer is an urban service. Public sewer extension outside Urban Growth Areas shall be provided at a Level of Service (LOS) consistent with state law, and the County's development standards and comprehensive plan for densities and uses associated with size, scale, and intensity for growth in rural parts of the County. Public sewer connections may be permitted only if hookup sites comply with one of the following situations:

- A. The Lewis County Health Officer has determined that extension of sewer service is necessary to protect public health and safety.
- B. The public sewer provides service to existing local and major essential public facilities.
- C. The public sewer provides levels of sewage collection and treatment necessary to facilitate and support infill development or redevelopment of limited areas of more intensive rural development (LAMIRDS).

2.5 Lewis County recognizes that water is an urban and rural service. Extension of water service beyond UGAs may be permitted within state adopted Water Service Areas and where required, by the Lewis County Board of Commissioners as described by the following conditions:

- A. The Lewis County Health Officer has determined that extension of domestic water is necessary to protect public health and safety, or
- B. Extension of water service outside of UGAs may be allowed provided any connections in the rural lands are consistent with County rural development regulations and do not support urban levels of water service; or where there is a determined need for fire flow and protection.
- C. State approved Water Service Areas may be expanded inside limited areas of more intensive rural development (LAMIRDs) if they are consistent with the County Comprehensive Plan and development regulations.

2.6 Developments authorized under RCW 36.70A.350, .360, .362, .365, and .367 may be served by urban sewer and water systems consistent with state law. However, no additional connections may be allowed at urban levels of service in the land between adopted UGAs.

4. Housing. Encourage the availability of affordable housing to all economic segments of the population, promote a variety of residential densities and housing types, and encourage preservation of existing housing stock.

4.0 Public/private partnerships should be encouraged to build affordable housing to meet the housing needs of people with low and moderate incomes and special needs populations.

4.1 The Comprehensive Plan and development regulations should include innovative land use management and construction techniques to promote affordable housing.

4.2 The existing affordable housing stock should be maintained where economically viable and efforts to rehabilitate older and substandard housing, which are otherwise consistent with Comprehensive Plan policies, should be encouraged.

5. Economic Development. Encourage economic development throughout Lewis County that is consistent with adopted comprehensive plans, promote economic opportunity for all citizens, especially for unemployed and for disadvantaged persons, and encourage growth in areas experiencing insufficient economic growth, all within the capacities of the Lewis County's natural resources, public services and public facilities.

5.0 The development of industries should be encouraged within the cities, urban growth areas, designated Limited Areas of More Intense Rural Development (LAMIRDs), and within those unincorporated areas of Lewis County that satisfy the requirements set forth in RCW 36.70A.365 and .367.

5.1 Agriculture, forestry and mineral extraction shall be encouraged in rural areas. The development of resource related commercial and industrial activities shall be encouraged in appropriate areas such as designated commercial resource lands, LAMIRDs, UGAs, or next to resource related uses.

5.2 A diversified economic base should be encouraged to minimize the vulnerability of the local economy to economic fluctuations.

5.3 The County and cities should designate adequate land within the UGAs to provide for future industrial and commercial needs.

5.4 Tourism and recreation should be promoted as a strategy that protects the character of rural and urban areas, and supports economic development.

5.5 Comprehensive plans and development regulations should designate adequate land within the UGAs to provide for future industrial and commercial needs.

5.6 Value added industries shall be encouraged.

5.7 Recreational or tourist activities directly related to or dependent upon water bodies should be encouraged. Tourism and recreation should be promoted as a strategy that protects the character of rural and urban areas.

5.8 Lewis County shall encourage the development of new fully contained communities and master-planned resorts to broaden the County's economic base, consistent with state law.

5.9 Lewis County should encourage commercial/industrial development along major transportation corridors and where the potential for expansion of water and sewer development exists consistent with the County Comprehensive Plan and state regulations.

6. Property Rights. Private property shall not be taken for public use without just compensation having been made. The property rights of landowners shall be protected from arbitrary and discriminatory actions.

6.0 The rights of property owners shall be considered in the creation or revision of development regulations.

6.1 Non-regulatory incentives such as conservation easements, land exchanges, land banking, assessment relief and similar incentive programs shall be included, where appropriate, in development regulations.

7. Permits. Applications for local government permits should be processed in a timely and fair manner to ensure predictability.

7.0 To better serve the public, inter-agency agreements with other permitting agencies should be pursued to facilitate projects that require multi-agency permits.

7.1 The County and cities should work together to develop consistent permitting systems.

7.2 All jurisdictions shall formally document administrative interpretations of development regulations and make them available to the public.

7.3 Permitting for development within adopted urban growth areas shall be coordinated and reviewed within the context of the development standards of the respective city as established through inter-local agreements between the County and cities.

9. Open Space and Recreation. Encourage the retention of open space and development of recreational opportunities, conserve fish and wildlife habitat, increase access to natural resource lands and water, and develop parks.

9.0 The use of Open Space and Forestry Taxation Laws shall be encouraged as a useful method of resource preservation.

9.1 Parks, recreation, scenic areas and scenic byways, and viewing points should be encouraged.

9.2 The Lewis County river systems and tributaries are a resource that should be protected, enhanced, and utilized for active and passive recreation.

9.3 Encourage cluster housing and innovative techniques for planned developments in the County to provide open space systems and recreational opportunities.

9.4 Land use planning for the adopted urban growth areas shall encourage greenbelt or open space uses and encourage the protection of wildlife habitat areas.

10. Environment. Protect the environment and enhance Lewis County's high quality of life including air and water quality, and the availability of water.

10.0 All jurisdictions should encourage the enhancement of the functions and values for critical areas when developing sub-area plans and development regulations.

10.1 Floodplains, wetlands, watersheds and aquifers are essential components of the hydrologic system and shall be managed through interagency agreements to protect surface and groundwater quality.

10.2 All jurisdictions shall recognize the river systems within the County as pivotal freshwater resources and public water supply and shall manage development within the greater watershed in a manner consistent with planning practices that do not seriously degrade the integrity of the resource.

10.3 Septic systems, disposal of dredge spoils, and land excavation, filling and clearing activities shall conform to critical area development regulations and not have a significant adverse affect on Lewis County water bodies with respect to public health, fisheries, aquifers, water quality, wetlands, and fish and wildlife habitat.

10.4 All jurisdictions shall consider threatened, endangered, or sensitive fish and wildlife species when evaluating and conditioning commercial, industrial or residential development.

10.5 Lewis County, in cooperation with appropriate local, state and federal agencies should continue to develop and update the comprehensive flood control management program.

10.6 Floodplains, lakes, rivers, streams, and other water resources should be managed for multiple beneficial uses including, but not limited to flood and erosion control, fish and wildlife habitat, agriculture, aquaculture, open space and water supply. Use of water resources should to the fullest extent possible preserve and promote opportunities for other uses.

10.7 All jurisdictions should work towards developing policies and regulations outlining best management practices (BMP) within aquifer recharge areas to protect the quality of groundwater.

10.8 Recycling programs should be encouraged.

11. Citizen Participation and Coordination. Encourage the involvement of citizens in the planning process and ensure coordination between communities and jurisdictions to reconcile conflicts.

11.0 All jurisdictions shall maintain procedures to provide for the broad dissemination of proposals and alternatives for public inspection; opportunities for written comments; public hearings after effective notice; open discussions; communication programs and information services; consideration of and response to public comments; and the notification of the public for the adoption, implementation, and evaluation of the Comprehensive Plan.

11.1 All jurisdictions shall continue to encourage public awareness of the Comprehensive Plan by providing for public participation opportunities and public education programs designed to promote a widespread understanding of the Plan's purpose and intent.

11.2 All jurisdictions shall provide regular and ongoing opportunities for public review and comment throughout the Comprehensive Plan development process.

11.3 All jurisdictions shall provide policies and processes to address public notification costs associated with land use applications.

11.4 All jurisdictions shall encourage citizen participation throughout the planning process as provided by state statute and codes for environmental, land use, and development permits.

11.5 All jurisdictions shall encourage broad based citizen involvement in the development of the Comprehensive Plan elements, sub-area plans, and functional plans, and development regulations.

11.6 Amendment to the county wide planning policies shall be consistent with an adopted approval process.

12. Public Facilities and Services. Ensure that those public facilities and services necessary to support development shall be adequate to serve the development at the time the development is available for occupancy and use without decreasing current service levels below locally established minimum standards.

12.0 Public facilities and services shall be integrated and consistent with locally adopted comprehensive plans and implementing regulations.

12.1 If communities within a defined region are required to accept regional public facilities, then the federal, state and County and other regional public facilities located within the corporate boundaries of cities shall be required to provide fees related to the impacts of the public facilities. All jurisdictions shall provide a process for siting essential public facilities and a local comprehensive plan may not preclude the siting of essential public facilities.

12.2 Lands shall be identified for public purposes, such as: utility corridors, transportation corridors, landfills, sewage treatment facilities, recreation, schools and other public uses. All jurisdictions shall work together to identify areas of shared need for public facilities.

12.3 The financing for system improvements to public facilities to serve new development may provide for a balance between impacts fees and other sources of public funds.

12.4 New development shall pay for or provide for its share of new infrastructure through fees or as mitigation measures.

12.5 Citizens shall have the opportunity to participate in and comment on proposed capital facilities financing.

12.6 Special district comprehensive plans shall be consistent with the comprehensive plans and development regulations of the general-purpose local governments.

13. Historic Preservation. Identify and encourage the preservation of lands, sites, and structures that have historical or archaeological significance to Lewis County.

13.0 All jurisdictions are encouraged to work cooperatively towards identifying, evaluating, and protecting historic resources and encouraging land use patterns that protect and enhance such historic resources.

13.1 All jurisdictions should cooperate with local historic preservation groups to ensure coordination of plans and policies by the Washington State Office of Archaeology and Historic Preservation.

13.2 All jurisdictions should cooperate with local historic preservation groups to acknowledge and recognize historic sites, structures, and areas in their comprehensive plans, which have local importance, but may not formally be listed in the state and federal registers.

City Goals and Policies

General

LU.01 To minimize inter-jurisdictional conflict in the adoption of comprehensive plan goals and policies.

LU.01.01 Work in cooperation with the state of Washington, Lewis County and other jurisdictions by sharing information in the development of local comprehensive plans.

LU.01.02 Ensure that the goals and policies contained in this plan do not conflict with Lewis County's County-wide Planning Policies.

- LU.02 To encourage the efficient use of land.
 - LU.02.01 Discourage low-density development within the city, and prohibit low-density development in high-density zones.
 - LU.02.02 Discourage urban sprawl within undeveloped areas in the IUGA.
 - LU.02.03 Encourage the development of smaller lot sizes in residential areas.
 - LU.02.04 Develop a neighborhood planning and design process to encourage compatible infill development and redevelopment in established areas.
 - LU.02.05 Designate sufficient land, in excess of projected needs, for each type of land use needed for the community to maximize the potential for the operation of a free-market real estate process in land development.
- LU.03.01 Provide Lewis County with accurate, reliable information that documents the existence and location of urban infrastructure such as water and sewer lines outside the city limits.
- LU.03.02 Document the constraints to development that exist within the city.
- LU.03.04 Develop a policy for the phased annexation of land within the IUGA to ensure that needed services are available when annexation occurs.
- LU.04 To accommodate the 20 year projection for household and employment growth.
 - LU.04.01 Encourage residential, commercial and industrial development at appropriate densities to meet population and employment demands.
 - LU.04.02 Encourage development in areas where adequate public facilities and services already exist, or can be provided in an efficient manner.
 - LU.04.03 Coordinate with Lewis County to promote within the IUGA an appropriate minimum intensity of development.
 - LU.04.04 Plan for service levels in transportation, schools, utilities, and police and fire protection that will keep pace with population and employment increases.
- LU.05 To protect the property rights of land owners.
 - LU.05.01 Allow for variances from the city's zoning and land use regulations to mitigate undue hardship when the literal application of those regulations would prohibit all reasonable development on a parcel of land.
 - LU.05.02 Consider the use of reasonable use exemptions or transfers of development rights when a regulation would deprive an owner of all economically viable use of their property,

or have a severe impact on the landowner's economic interest, or deny a fundamental attribute of ownership.

LU.05.03 Seek ways to increase efficiency and reduce process time for land use approvals and construction permits.

LU.05.04 Attempt to ensure that any proposed permit exemption does not adversely impact the health, safety or welfare of local residents.

Urban Environment

LU.06 To create and maintain a balanced community that mixes residential and non-residential uses in a way that promotes environmental quality and community aesthetics.

LU.06.01 Promote the use of landscaping and design standards in new development or re-development.

LU.06.02 Require the use of buffers between incompatible land uses; require new development to bear the burden of transition when it is proposed adjacent to incompatible development.

LU.06.03 Encourage the retention of open space in new development, especially when such action will protect or enhance a wetland or wildlife habitat area.

property maintenance standards, especially within historic districts.

LU.08.03 Designate historic landmark sites and structures, and review any proposed changes, to maximize the potential that such sites and structures continue to remain a part of the community.

LU.09 To protect existing land uses as new development occurs.

LU.09.01 Encourage private and public preservation of undeveloped open space.

LU.09.02 Require adequate buffers between proposed new development and existing land uses.

LU.09.03 Permit existing agricultural practices to continue in designated open space areas. Support 'Right to Farm' legislation.

Environmental Protection (See Natural Environment Section)

Residential Land Uses

LU.12 To create livable residential areas.

LU.12.01 Reserve adequate residential areas for housing, and develop such areas at urban densities.

LU.12.02 Promote the development of a variety of housing types, at differing densities, in appropriate areas.

LU.12.03 Work to ensure that new residential development provides the public facilities (pedestrian paths, landscaped areas, and other neighborhood improvements) necessary to integrate them into the vision of the community.

LU.12.04 Encourage innovative housing assistance programs for low and moderate income families within the community.

LU.12.05 Encourage the development of higher-density housing in or near the downtown area, or near commercial or employment centers that have appropriate services and facilities such as public transit, schools, parks, and playgrounds.

LU.12.06 Maintain the community's predominant low-density residential character in appropriate areas.

LU.12.07 Permit home occupations in residential areas with appropriate restrictions on business activities, signs, parking, traffic and employees; provide flexibility in home occupation regulations to recognize and accommodate the impact of new technologies.

LU.12.08 Permit retirement homes as a conditional use in residential areas.

LU.13 To preserve and strengthen the vitality of existing neighborhoods.

LU.13.01 Create incentives that promote the construction of infill housing on existing scattered lots in residential areas.

LU.13.02 Protect residential neighborhoods from incompatible uses on adjoining lots through the use of screening and buffering requirements.

LU.13.03 Promote the maintenance of infrastructure and amenities within existing neighborhoods.

LU.13.04 Permit the location of neighborhood convenience businesses with limited hours of operation within walking distance of residential areas.

LU.13.05 Minimize the removal of existing vegetation when improving streets to preserve the natural character of neighborhoods.

Economic Development

LU.14 To promote the continued expansion of a healthy commercial sector.

LU.14.01 Discourage strip development in inappropriate areas, especially when such development would adversely impact residential areas.

LU.14.02 Encourage the transition of existing dwellings to low-intensity offices and businesses on Market Boulevard.

LU.14.03 Promote quality design of commercial development through the use of landscaping standards, especially in parking lots and along site perimeters.

LU.14.04 Minimize the traffic impacts of new commercial development by restricting site access from roadways.

LU.14.05 Restrict the location of drive-through and drive-in facilities to areas where traffic impacts will be minimal.

LU.14.06 Act as a pass-through agency or otherwise facilitate the use of federal or state financing and tax credits for business development, when appropriate.

LU.14.07 Recognize the positive economic impacts associated with visitors to the community by funding and participating in convention and tourism marketing efforts.

LU.15 To retain the Central Business District (CBD) as the historical center and county seat for financial, social and civic activities.

LU.15.01 Encourage the maintenance and improvement of the downtown area. Provide public improvements to support private investment, including landscaping, signage, and infrastructure.

LU.15.02 Investigate opportunities to create visual and physical links between the downtown area and the Lewis County courthouse facilities.

LU.15.03 Encourage an update of the existing Central Business District General Development Plan.

LU.15.04 Encourage public and private investment in seasonal color planting and decoration in appropriate areas, including within rights-of-way.

LU.16 To promote industrial and economic development.

LU.16.15 Ensure that city government is accessible and responsive to the business community. Solicit the ideas and concerns of the business community before enacting new ordinances and regulations. Work collectively with community business representatives and individual businesses to solve mutual problems.

LU.16.16 Locate industrial areas in a manner which takes advantage of air, freeway and rail transportation systems.

LU.17 To ensure that the municipal airport can meet existing and projected recreational and business requirements for general aviation.

LU.17.01 Adopt land use regulations for lands within the Airport Service Overlay District that will discourage the siting of land uses incompatible with airport operations.

LU.17.02 Work with the Airport Board to determine the appropriate time to establish a 65 ldn noise contour for future land use planning, particularly as the noise contour may impact residential areas.

LU.17.03 Work with the Airport Board in future updates to the Airport Master Plan, to ensure compatible development of surrounding land.

LU.17.04 Recognize that residential, commercial and industrial growth will likely increase the demand for recreational and business aviation services at the airport.

LU.17.05 Cooperate in the implementation of federal regulations relating to approach aviation safety zones and other features through appropriate land use regulations.

LU.17.06 Assist in promoting commercial and industrial uses on leased land under airport ownership.

ORDINANCE NO. 1010-B

**AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON,
AMENDING THE CHEHALIS COMPREHENSIVE PLAN DATED
2017, AND ESTABLISHING AN EFFECTIVE DATE HEREOF.**

WHEREAS, the City of Chehalis is required to develop a Comprehensive Plan and implementing regulations that are consistent with the state Growth Management Act, RCW 36.70A; and

WHEREAS, Chehalis adopted a compliant Comprehensive Plan and Development Regulations in July 1999; and

WHEREAS, the Chehalis Comprehensive Plan and Development Regulations have been reviewed annually since adoption, and revised as required to be consistent with the Act; and

WHEREAS, Chehalis adopted an update to the Comprehensive Plan and Development Regulations in June 2003 and April 2011; and

WHEREAS, the 2019 amendments to the adopted Comprehensive Plan have been developed and presented to the Chehalis Planning Commission with open public meetings thereof, to update the Plan as required by RCW 36.70A.130; and

WHEREAS, the proposed amendments to the Plan were reviewed pursuant to requirements of the State Environmental Policy Act (SEPA); and

WHEREAS, the Chehalis Planning Commission held a public hearing on the draft amendments to the Plan on August 11, 2020, and subsequently recommended adoption of the proposed amendments; and

WHEREAS, no public comments relating to the draft Plan have been received; and

WHEREAS, the proposed amendments to the Plan provide that the City of Chehalis remains consistent with the requirements of the Growth Management Act; now therefore

**THE CITY COUNCIL OF THE CITY OF CHEHALIS, WASHINGTON, DO ORDAIN AS
FOLLOWS:**

Section 1. The Chehalis Comprehensive Plan dated July 1999, shall be, and the same hereby is amended to reflect the elements contained in the document titled, "Chehalis Comprehensive Plan Update - 2019," which is posted on the City of Chehalis website, and incorporated by reference as if fully set forth herein.

Section 2. The effective day of this Ordinance shall be immediately upon its passage and after five days following the date of publication.

PASSED by the City Council of the City of Chehalis, Washington and **APPROVED** by its Mayor, at a regularly scheduled open public meeting thereof this _____ day of _____, 2020.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Lodging Tax Advisory Committee
Mayor Pro Tem Chad Taylor, Chair
Alicia Bull, Centralia-Chehalis Chamber of Commerce
Rick Burchett, Chehalis-Centralia Railroad & Museum
Todd Chaput, Holiday Inn Express & Suites
Gloria Choi, OYO Hotel
Chip Duncan, Veterans Memorial Museum
Trent Henning, Riverside Golf Club

BY: Jill Anderson, City Manager
Kiley Franz, Administrative Assistant

MEETING OF: September 28, 2020

SUBJECT: Lodging Tax Advisory Committee Recommendations for 2021 Tourism Funds
and Reappointment of Committee Members

ISSUE

The Lodging Tax Advisory Committee (LTAC) met on Tuesday, September 22, 2020 to review nine requests from seven organizations for 2021 tourism funds to make recommendations to the City Council regarding the 2021 funding allocations.

DISCUSSION

The LTAC reviews and makes funding recommendations to the City Council to fund various non-profit organizations or government entities for marketing, activities, operations, and expenditures designed to increase tourism.

SUMMARY OF REQUESTS SUBMITTED

With a projected beginning fund balance of \$53,148, plus projected revenues of \$246,600, the estimated revenues for 2021 totaled \$299,748. A \$50,000 reserve was set aside for projects/activities that may come up during the year. The dedicated debt service fund for the Recreation Park bond payment schedule totaled \$63,396 for 2021. A total of \$186,352 estimated revenue was appropriated for lodging tax recipients.

The committee unanimously agreed to make the following recommendations to the City Council:

<u>Organization</u>	<u>Request</u>	<u>Recommendation</u>
1. ARTrails	\$ 5,000	\$ 2,500
2. Centralia-Chehalis Chamber	\$ 50,000	\$ 50,000
3. Chehalis-Centralia Railroad & Museum – Marketing	\$ 35,000	\$ 35,000

4. Chehalis-Centralia Railroad & Museum – Personnel	\$ 15,000	\$ 15,000
5. Chehalis Community Renaissance	\$ 32,900	\$ 24,852
6. City of Chehalis – RV Park Restrooms	\$ 20,000	\$ 0
7. City of Chehalis – Youth Athletic Tournaments	\$ 20,000	\$ 20,000
8. Lewis County Historical Museum (See below)	\$ 45,000	\$ 11,000
9. Veterans Memorial Museum	\$ 30,000	\$ 28,000
Total	\$252,900	\$186,352

The LTAC held discussions regarding the lack of funding for 2021 requests. When submitting an application, agencies have the option to list a secondary funding amount if the full request is unavailable. ARTrails, the Chehalis Community Renaissance Team, and the Veterans Memorial Museum were granted their secondary funding requests.

City of Chehalis – Recreation Park Debt Service

The Recreation Park Improvement Project debt service, not to exceed \$75,000/year, was approved by the City Council at the October 14, 2019 meeting. The allocated amount for 2021 is \$63,396.

Lewis County Historical Museum – Carry Over of Funds

While presenting their request, the Lewis County Historical Museum explained that due to the COVID-19 pandemic, approximately \$20,000 of 2020 awarded funding would not be utilized. They asked that this funding be carried over to 2021. The LTAC voted to recommend this request to the City Council and awarded the additional \$11,000 for utilization in 2021. The Lewis County Historical Museum will have a total of \$31,000 for promotion and tourism activities in 2021.

City of Chehalis – Reallocation of Funds from 2020

The City of Chehalis explained that funding approved for the Youth and Athletic Tournaments in 2020 would not be able to be utilized due to the COVID-19 pandemic. They requested a reallocation of \$8,000 of the awarded \$15,000 to be used for a ductless heat pump to be installed at the concessions stand at Recreation Park. They explained in 2021 the park will be hosting tournaments from February until October (as allowed by COVID restrictions) and a heat and air conditioning unit was needed for the second floor, where meetings are often held. The LTAC voted to recommend this request to the City Council for approval.

AWARD PROCESS

A municipality may award amounts different from the LTAC, but only after satisfying procedural requirements of the state statute. A municipality must submit its proposed change(s) to the advisory committee for review and comment at least 45 days before final action on the proposal.

The attachments to this report include the minutes from the September 22, 2020 LTAC meeting; a request letter from the Lewis County Historical Museum to carry over funding; and 2021 tourism fund projections and requests. Funding request applications are available for review upon request.

Upon City Council approval, all recipients must enter into an agreement with the city for use of the funds. They are required to report for reimbursement of funds on a quarterly basis. All expenses are reviewed for accuracy before reimbursements are disseminated.

LTAC MEMBERSHIP

According to the resolution establishing the LTAC, the City Council is to review membership on an annual basis and make changes as appropriate. In accordance with state law, the committee must have at least five members, appointed by the City Council. Membership must include at least two representatives of businesses required to collect hotel-motel tax, two people involved in activities that are authorized to be funded by the tax, and one elected official who serves as chairperson. The number of persons representing businesses that collect the tax and the number of persons involved in activities authorized to be funded by the tax must be equal. There is no established term of membership.

Committee members include Todd Chaput, Holiday Inn Express & Suites; Gloria Choi, OYO Hotel, and Trent Henning, Riverside Golf Club, representing businesses required to collect the tax. Members representing activities funded by the tax are Alicia Bull, Centralia-Chehalis Chamber of Commerce; Rick Burchett, Chehalis-Centralia Railroad & Museum; and Chip Duncan, Veterans Memorial Museum. Mayor Pro Tem Chad Taylor is the City Council representative and acts as committee chair.

RECOMMENDATION

The LTAC recommends that the City Council approve its recommendations individually and collectively for use of lodging tax funds for 2021, including the carry over of funds for the Lewis County Historical Museum to 2021 and the reallocation of funding for the City of Chehalis Youth and Athletic Tournaments. It is also recommended that the City Council reappoint Todd Chaput, Gloria Choi, Trent Henning, Alicia Bull, Rick Burchett, and Chip Duncan to the City's Lodging Tax Advisory Committee.

SUGGESTED MOTION

I move that the City Council approve:

- The candidates and funding amounts, both individually and collectively, of the Lodging Tax Advisory Committee for use of lodging tax funds for 2021; and
- The annual debt service payment for the Recreation Park Improvement Project in the amount of \$63,396; and
- To allow the Lewis County Historical Museum to carry over \$20,000 of the funding awarded in 2020 to be utilized in 2021; and
- To reallocate \$8,000 of the awarded \$15,000 funding for the City of Chehalis designated to the Youth and Athletic Tournaments to be utilized for an HVAC system in the Recreation Park concessions stand; and
- The reappointments of Todd Chaput, Gloria Choi, Trent Henning, Alicia Bull, Rick Burchett, and Chip Duncan to the Lodging Tax Advisory Committee.

**Chehalis Lodging Tax Advisory Committee
Meeting Minutes
September 22, 2020**

The Lodging Tax Advisory Committee (LTAC) met on Tuesday, September 22, 2020 via Zoom to review applications for 2021 tourism funding. Members present were: Mayor Pro Tem Chad Taylor, Chair; Alicia Bull, Centralia-Chehalis Chamber of Commerce; Rick Burchett, Chehalis-Centralia Railroad and Museum; Todd Chaput, Holiday Inn; Gloria Choi, OYO; Chip Duncan, Veterans Memorial Museum; and Trent Henning, Riverside Golf Course. Chehalis administration included Kiley Franz, City Manager's Administrative Assistant.

Call to Order

The meeting was called to order at 8:47 A.M. by Mayor Pro Tem Taylor.

Mayor Pro Tem Taylor welcomed everyone to the meeting. He began by asking if there were any questions before funding interviews proceeded; there were none.

Request to Reallocate Youth and Athletic Tournament Funds

Lilly Wall, Recreation Manager for the City of Chehalis, explained that due to the COVID-19 pandemic, funds allocated for the 2020 youth and athletic tournaments in the amount of \$15,000 were unable to be utilized. She explained that a heat pump to provide heat and air conditioning was needed in the new concessions stand at the Recreation Park sports complex. With the new ballfields, tournaments will be held from February through October and the building has a second floor, which is used for meetings, score keeping, etc. Ms. Wall explained that three bids had been received from local companies, the lowest of which was about \$8,000.

2020 Funding Request Presentations

The comments below are in addition to the information provided in each organization's application.

City of Chehalis – Youth and Athletics Tournaments – \$20,000 (Lilly Wall)

Ms. Wall explained that the request was to support Youth and Athletic Tournaments for 2021. She informed the committee that the facility had been booked from May until the end of August until the COVID-19 pandemic, when tournaments were no longer allowed. Tournaments for 2021 are tentatively planned from February until October, dependent upon state regulations for COVID-19.

Questions/Comments:

- Mayor Pro Tem Taylor asked how many additional tournaments were planned due to the renovation of Recreation Park. Ms. Wall explained that the fields had previously been available only from late May until the end of July. Tournaments could now be held from February until October, which provided many more opportunities for teams to play.

City of Chehalis – RV Park Restrooms/Shower Building Renovations – \$20,000 (Lilly Wall)

Ms. Wall informed the committee that the renovation of the RV Park restrooms and shower building at Stan Hedwall Park would be considered a capital facilities project for the City of Chehalis. She explained that the building was in need of repairs and upgrades, and anticipated the full project would cost approximately \$50,000. By refurbishing the facility, it would attract visitors to stay at the park.

Questions/Comments:

- Mayor Pro Tem Taylor asked if the RV Park would qualify for funding from the CARES Act due to its ability to serve as a quarantine area. Ms. Wall stated that funding had not been sought through the CARES Act, but she will look into the feasibility.

Veterans Memorial Museum – \$30,000 (Chip Duncan)

Mr. Duncan explained that the museum had completed many projects, worked on displays, and worked in conjunction with the Chehalis-Centralia Railroad and Museum during the COVID-19 shutdowns. He explained that the museum had hosted a drive-through 4th of July parade, which was very well attended, and had another planned for Veterans Day. He informed the committee that due to COVID-19, admission revenues were down from \$15,000 last year to about \$3,500 this year. Advertising will be one of the main focuses in 2021, with Facebook being utilized most frequently.

Questions/Comments:

- Mayor Pro Tem Taylor expressed his gratitude for the 4th of July parade and the work done within the community by the Veterans Museum.

Centralia-Chehalis Chamber of Commerce - \$50,000 (Alicia Bull)

Ms. Bull explained that the Chamber of Commerce had been unable to benefit from the stimulus package, but had opened the Business Recovery Center to help with the COVID-19 health crisis. Reserve funds, which had been set aside for a new building, were used in order to procure and distribute PPE to first responders, and later businesses, in the area. She explained that the Visitor's Center, as requested in previous years by the City of Chehalis and the City of Centralia, remained open and dedicated 30% of the facility to tourism related information. She explained that both cities had agreed to pay approximately \$40,000/year to ensure the Visitor's Center was open; but the City of Centralia had been unable to provide adequate funding in recent years.

Questions/Comments:

- Mr. Burchett inquired how the lack of funding from the City of Centralia affected the service they received. Ms. Bull explained that the service remained unaffected, but they were encouraged to become equal partners. She further stated that the consistency from the City of Chehalis was greatly appreciated.

Lewis County Historical Museum – \$45,000 (Jason Mattson)

Mr. Mattson informed the committee that the Lewis County Historical Museum had to postpone most events and exhibits planned for 2020 due to the COVID-19 health crisis. He explained that the women's suffrage exhibit would be opened in 2021, and a traditional Native American canoe would be on display soon. Mr. Mattson explained that the museum anticipated about \$20,000 to go unused in this year's allocation and asked that it be carried over into 2021. The committee asked that a written request be submitted for documentation. Events planned for 2021 include the Pioneer Pie Social, the Flying Saucer Festival, and a paranormal forum, all dependent upon COVID-19 restrictions.

Questions/Comments:

- Ms. Choi asked why an additional \$5,000 had been requested for 2021 and what carried over funds would be used for. Mr. Mattson explained that the carried over funding would be used to increase participation in the Flying Saucer Festival, and the extra \$5,000 had been requested in case the carry-over of funds was denied.
- Ms. Bull asked if the museum had received COVID-19 related grants and if so, how much had been awarded. Mr. Mattson informed the committee that the museum had received a PPP grant in the amount of \$9,900.

Chehalis Community Renaissance Team (CCRT) - \$32,900 (Annalee Tobey)

The request is to fund year-round, general promotion and marketing of Chehalis, using both social media and print. Ms. Tobey explained that the Chehalis Community Renaissance Team planned to use these funds to produce the Experience Chehalis brochure, to maintain the Experience Chehalis social media sites, website, and e-newsletter, to continue to produce the 'Things to Do' cards for local hotels, radio advertisements, and to assist in the rebranding of the CCRT. She informed the committee that the CCRT had completed a 5-year strategic plan which, among many projects, had identified the rebranding of the CCRT as a top priority. Due to COVID-19, the 2020 marketing plan had shifted to promote local businesses and pandemic related information. Ms. Tobey explained that while this was not directly tourism related, it did show that Chehalis is a community that cares about each other and that they are working together to overcome a crisis. She informed the committee that due to COVID-19, ChehalisFest had been cancelled for 2020. With current uncertainty regarding the virus, the CCRT is unsure if ChehalisFest will be able to continue in 2021, but it is still tentatively planned.

Questions/Comments:

- Mr. Burchett asked what the targeted distance from Chehalis was for the radio advertisements. Ms. Tobey explained that the target of the radio ads had not yet been decided.
- Ms. Choi expressed her support for the rebranding of the CCRT. The word 'renaissance' is often mistaken for Medieval Fairs and Ms. Choi believed that the distinction was needed.
- Mayor Pro Tem Taylor asked if the mission of the CCRT had changed with the strategic plan; he expressed his belief that the CCRT seemed to be duplicating services provided by other agencies. Ms. Tobey stressed that the mission had not changed, and any duplication of services was unintended. The CCRT was only taking steps to assist the community during a crisis.

Chehalis-Centralia Railroad and Museum (CCRM): Marketing – \$35,000 (Mary Kay Nelson)

Funding is used for marketing and promotion of the steam train. Ms. Nelson explained that the monies awarded from the lodging tax funds were used to support the website and social media marketing campaigns, as well as posters, rack cards, and other such marketing tactics. Ms. Nelson explained that the CCRM had pivoted where possible to comply with COVID-19 regulations. She informed the committee that the CCRM had been unable to operate until June 13th and the season had operated through September 20th. Specialty trains will run at half capacity for the remainder of the year.

Questions/Comments:

- Ms. Bull informed the committee that the Chamber of Commerce received many inquiries regarding the steam train.

Chehalis-Centralia Railroad and Museum (CCRM): Personnel – \$15,000 (Mary Kay Nelson)

The request would be used to fund the part-time ticketing agent position to ensure that the museum has consistent, regular business hours. This position attends phonelines, provides tours, and assists during all train rides.

ARTrails – \$12,000 (Bonnie Blake and Joann Watson)

ARTrails promotes the arts and art tourism throughout Lewis County. Ms. Blake explained that the annual ARTrails studio tour helped promote tourism by being a weekend event over the course of two consecutive weekends, which encourages attendees to stay in the area. With the onset of the pandemic, ARTrails was able to shift their annual studio tour to a virtual format with the intent of providing year-round access to local artists. Guides for the event will be distributed as far as British Columbia and Northern California.

- Mr. Burchett expressed his confusion on the estimated overnight accommodations if the event had been virtual. Ms. Blake explained that the numbers were estimated from 2019 participation.

Determine Allocation Recommendations to City Council

Included in the agenda packet were 2021 projected revenues. With a projected beginning fund balance of \$53,148, plus projected revenues of \$246,600, estimated revenues total \$299,748. A \$50,000 reserve was set aside for projects/activities/short falls that may come up during 2021. The committee also allocated \$63,396 to the yearly Recreation Park debt service fund as approved by the City Council at their meeting on October 14, 2019. A total of \$186,352 estimated revenue was appropriated for lodging tax recipients.

A motion to approve the subsequent amounts as recommendations to the city council (with the following notes) was made by Rick Burchett and was seconded by Alicia Bull. All in favor; none opposed.

- Lewis County Historical Museum – Discussion regarding the museum’s request to carry over funds from 2020 to 2021 led the committee to award less with the intention of granting the carry over request. With the approval of both requests, the Lewis County Historical Museum will have \$31,000 to utilize in 2021.
- ARTrails, Chehalis Community Renaissance Team, and the Veterans Memorial Museum – Applicants are asked to provide a secondary funding amount request on the application, these agencies were awarded their secondary funding request due to the lack of projected lodging tax funds in 2021.

<u>Organization</u>	<u>Request</u>	<u>Recommendation</u>
1. ARTrails	\$ 5,000	\$ 2,500
2. Centralia-Chehalis Chamber	\$ 50,000	\$ 50,000
3. Chehalis-Centralia Railroad & Museum – Marketing	\$ 35,000	\$ 35,000
4. Chehalis-Centralia Railroad & Museum – Personnel	\$ 15,000	\$ 15,000
5. Chehalis Community Renaissance	\$ 32,900	\$ 24,852
6. City of Chehalis – RV Park Restrooms	\$ 20,000	\$ 0
7. City of Chehalis – Youth Athletic Tournaments	\$ 20,000	\$ 20,000
8. Lewis County Historical Museum	\$ 45,000	\$ 11,000
9. Veterans Memorial Museum	\$ 30,000	\$ 28,000
Total	\$252,900	\$186,352

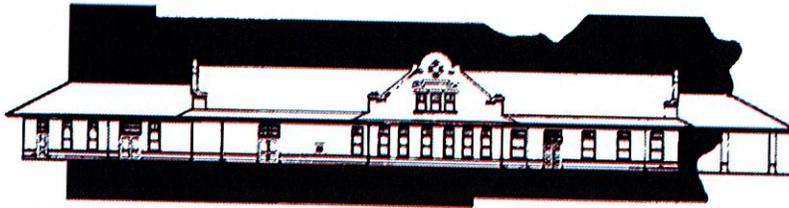
A motion to approve and recommend to the City Council the reallocation of \$8,000 of the \$15,000 awarded funds for 2020 for the Youth and Athletic Tournaments to be utilized towards an HVAC system for the concessions stand was made by Rick Burchett and was seconded by Alicia Bull. All in favor; none opposed.

A motion to approve and recommend to the City Council the request, once a written request is received, of the Lewis County Historical Museum to carry over \$20,000 of the \$40,000 awarded in 2020 for utilization in 2021 was made by Alicia Bull and was seconded by Chip Duncan. All in favor; none opposed.

The recommendations will be reviewed by the city council at their regularly scheduled meeting on September 28, 2020.

The meeting concluded at 1:30 P.M.

Minutes respectfully submitted by Kiley Franz, City Manager’s Administrative Assistant.



The Lewis County Historical Museum

599 NW Front Way Chehalis, WA 98532
(360)748-0831 www.lewiscountymuseum.org

9/23/2020

To: the Chehalis Lodging Tax Advisory Committee,

The Lewis County Historical Museum would like to request that \$20,000 of the money awarded to the Lewis County Historical Museum for use in 2020 be rolled over to 2021 for use in promotions and overhead in the coming year.

Sincerely,

Jason Mattson
Executive Director

2021 Chehalis Tourism Fund Projections and Requests

Projected Beginning Fund Balance	\$ 53,148.00
Estimated Revenue	\$ 246,600.00
Total Estimated Funds	\$ 299,748.00
Recommended Ending Fund Balance	\$ 50,000.00
Dedicated Debt Service for Recreation Park	\$ 63,396.00
Total Estimated Available Revenue	\$ 186,352.00

	2020 Awarded	2021 Requests	Secondary Funding Request	2021 Recommendations	2021 Council Action
Facilities					
Chehalis-Centralia Railroad and Museum - Personnel	\$ 15,000.00	\$ 15,000.00	\$ 10,000.00	\$ 15,000.00	
Lewis County Historical Museum	\$ 40,000.00	\$ 45,000.00	\$ 40,000.00	\$ 11,000.00	
Veterans Memorial Museum	\$ 30,000.00	\$ 30,000.00	\$ 25,000.00	\$ 28,000.00	
Chamber Building/City Utilities	\$ 50,000.00	\$ -	N/A	N/A	N/A
Events					
Southwest Washington Fair	\$ 10,000.00	\$ -	N/A	N/A	N/A
ARTrails	\$ 5,000.00	\$ 5,000.00	\$ 2,500.00	\$ 2,500.00	
Marketing/Tourism					
Chehalis-Centralia Railroad and Museum - Marketing	\$ 35,000.00	\$ 35,000.00	\$ 30,000.00	\$ 35,000.00	
Chehalis Community Renaissance Team	\$ 27,000.00	\$ 32,900.00	\$ 24,900.00	\$ 24,852.00	
Centralia-Chehalis Chamber of Commerce	\$ 40,000.00	\$ 50,000.00	\$ 40,000.00	\$ 50,000.00	
Discover Lewis County	\$ -	\$ -	N/A	N/A	N/A
City					
Chehalis Wedding Show	\$ 12,435.00	\$ -	N/A	N/A	N/A
Recreation - Youth and Athletic Tournaments	\$ 15,000.00	\$ 20,000.00	\$ 15,000.00	\$ 20,000.00	
Parks - RV Park Restrooms/Shower Building Renovaton	\$ -	\$ 20,000.00	\$ -	\$ -	
Other					
Chehalis-Centralia Railroad and Museum - Locomotive Repairs	\$ 37,652.09	\$ -	N/A	N/A	N/A
Totals	\$ 317,087.09	\$ 252,900.00	\$ 187,400.00	\$ 186,352.00	\$ -

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Tammy Baraconi, Planning and Building Manager

MEETING OF: September 28, 2020

SUBJECT: Policy Regarding Collection of Credit Card Fees Associated with Permit/Event Management Program

ISSUE

The City Council recently approved a permitting software upgrade which included the addition of Point and Pay as the credit card vendor. At issue is who pays the fees, the City or the customer. It is proposed that the convenience fees associated with the related credit card transactions be paid by the customer.

BACKGROUND

The City is upgrading its permitting software to accept online applications and payments to provide more options for customers in their permitting. Event management system software is also being added to allow citizens to apply and pay online for various park and recreations services.

The city's current credit card vendor is Official Payments; however, Official Payments is not a preferred vendor with the new software upgrade. As a result, the City is moving to Point and Pay in order to simplify the process for our customers as well as staff, as discussed when the purchase of the software was approved on August 24, 2020. It should be noted that Official Payments will be still be used by departments that do not yet have an have an online platform for providing services.

Point and Pay is a user-friendly system, which will be particularly helpful at the pool. Whether at the office or at the pool, a customer will have the ability to swipe a card and process the payment without having to enter card user information, which is not an option at the current time. In addition to the convenience of an online transaction, when person to person interactions do occur, they will be safer and more efficient. The software provides a safer transaction by reducing the potential for mistakes when the information is being typed in and minimizing the interaction time, which could reduce exposure to or from COVID-19. With Point and Pay it is simply a swipe of the credit card and entering an email address if the customer wants a receipt emailed to them.

CONVENIENCE FEES

Fees for Point and Pay breakdown as follows:

All cards, including American Express:

- 3% for all credit card usage with a \$2 minimum on purchases up to \$50.
- \$2 flat fee for all E-checks

Official Payments charges \$5.95 per transaction. That provides a significant savings to the customer when making small purchases such as swimming pool admission of \$5 per person. Use of a credit card for the entrance fee would only be 15 cents. Larger purchases of \$150 will only be assessed a fee of \$4.50, still below the current \$5.95 fee.

Point and Pay is also compatible with the city's Eden financial software, which will allow for better bookkeeping for the City. The option of using a credit card will likely be welcomed by those customers who want the flexibility of paying online or anytime they want to use a credit card even with a small convenience fee. Cash and in person checks will still be accepted without additional fees for those who prefer not to use a credit card.

FISCAL IMPACT

The initial set up costs for Point and Pay are \$500 with a \$50 annual subscription, which was approved on August 24, 2020. It is recommended that all point of sales fees associated with the contract be paid by the customer.

RECOMMENDATION

It is recommended that the convenience fees associated with Point and Pay online payment services, including credit card convenience fees, be paid by the customers using the service.

SUGGESTED MOTION

I move that the City Council authorize that the convenience fees associated with Point and Pay online payment services, including credit card convenience fees, be paid by the customers using the service.