

December 14, 2020

The Chehalis city council met in regular session on Monday, December 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, Tony Ketchum, Daryl Lund, Dr. Isaac Pope, and Bob Spahr. Councilor Chad Taylor arrived at 5:01 pm. Staff present included: Jill Anderson, City Manager; Tammy Baraconi, Planning & Building Manager; Caryn Foley, City Clerk; Kiley Franz, City Manager's Administrative Assistant; Tedd Hendershot, Fire Chief; Andrew Hunziker, Parks & Facilities Manager; Trent Loughheed, Public Works Director; Barbara Lovelady, Fire Department Administrative Assistant; Brandon Rakes, Airport Operations Coordinator; Chun Saul, Finance Director (Zoom); and Mark Scheibmeir, City Attorney. 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.

1. **Recognition of Barbara Lovelady, Fire Department Administrative Assistant.** Mayor Dawes recognized Barbara Lovelady with a certificate and an inscribed vase with flowers upon her retirement after 40 years of service.

2. **Chehalis Community Renaissance Team (CCRT) Update.** Executive Director Annalee Tobey provided a year-end update on CCRT activities that included completion of a strategic plan, partnerships, building the CCRT board of directors; and making economic recovery and small business support a priority. Ms. Tobey spoke about the CCRT's response to COVID-19 to support businesses impacted by the pandemic, the continued success of Chehalis Coworks, new art in the downtown, and the façade program. 2021 projects will include continued economic recovery support; a branding campaign; the continuation of building partnerships; merchandising Chehalis-themed items; and volunteer recruitment. Ms. Tobey thanked the city for its continued support.

The subject of parking was discussed, specifically complaints that customer parking was limited due to business people parking on the street and no longer having a parking enforcement officer. Ms. Tobey stated they could remind businesses to be mindful of parking and to leave the parking spaces for customers, noting it was an ongoing issue.

3. **Flood Authority Update.** Commissioner Edna Fund provided an update on two Flood Authority projects – the Port of Chehalis project and the Boistfort project. Both projects passed through the Flood Authority and the Office of the Chehalis Basin, and will now head to the Legislature. Commissioner Fund announced this was her last month as a county commissioner, but she would be continuing as the county's delegate on the Flood Authority, as well as the Office of the Chehalis Basin.

Mayor Dawes thanked Commissioner Fund for her service as a county commissioner for eight years.

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

- a. Minutes of the regular city council meeting of November 23, 2020;
 - b. November 30, 2020 Claim Vouchers No. 130562 – 130668 and Electronic Funds Transfer Check Nos. 1033 – 1052, 1020206 and 1020207 in the amount of \$1,209,739.17;
 - c. November 30, 2020, Payroll Vouchers No. 41492-41518, Direct Deposit Payroll Vouchers No. 12800-12904, Electronic Federal Tax and DRS Pension/Deferred Comp Payments No. 319-322 in the amount of \$763,663.29;
 - d. Acceptance and closeout of the Shaw Aquatics Center Pool Resurfacing Project;
 - e. Resolution No. 13-2020, first and final reading – declaring city property to be surplus;
 - f. Resolution No. 14-2020, first and final reading – initiating the process for expansion of the city's Urban Growth Area;
- and
- g. Consider cancelation of the December 28 City Council meeting.

The motion was seconded by Councilor Lord.

Mayor Dawes wanted to make sure that the pool resurfacing project was completed correctly and that if staff finds anything wrong that they immediately contact the contractor to ensure that any problems fall under the warranty.

December 14, 2020

Andrew Hunziker indicated that staff had been watching the project closely and stated staff will contact the contractor immediately if any issues arise. He stated staff continues to monitor the project daily and was documenting everything.

The motion carried unanimously.

5. Ordinance No. 1014-B, Second and Final Reading – Amending the 2020 Budget. City Manager Anderson stated a full report was presented at the last council meeting and there were no changes since first reading of the ordinance.

Councilor Spahr moved to pass Ordinance No. 1014-B on second and final reading. The motion was seconded by Councilor Pope and carried unanimously.

6. Consideration of Offer to Lease Tract 15 at 1715 NW Louisiana Avenue to Washington State Employees Credit Union. Mayor Dawes stated this item would be pulled from the agenda and discussed under executive session.

7. Ordinance No. 1015-B, First Reading – Amending CMC 17.78 Uses/Occupancy. City Manager Anderson stated the ordinance clarified minimum dwelling requirements and removed the option for congregate housing. It would establish a minimum dwelling requirement of 310 square feet and require that each facility have a kitchen, a bathroom, and a closet, which would prevent the potential proliferation of congregate housing that may or may not be managed well.

There was discussion that at least one building in the downtown could allow for 15+ units, but the proposed ordinance did not address parking issues. The city's "parking and loading" ordinance provided that the downtown was exempted from parking requirements whenever there was a change of use. It was noted that parking was considered by the Hearing Examiner when congregate housing went through the last time even though it didn't have to be considered.

Ms. Baraconi stated the code could be changed, indicating she didn't understand that parking was the driving issue. She stated parking would probably be a more complicated conversation for the downtown and a much longer process to change the code, but it could be changed.

Clarification was requested on what the proposed ordinance would change. It was explained that the ordinance would change the minimum dwelling size to 310 square feet and would require a kitchen and bathroom facility for each unit.

Clarification was requested on how the size of 310 square feet was established. It was explained that the current minimum square footage established in the building code was 190 square feet. Other jurisdictions up and down I-5 were looked at to see what their minimum housing sizes were and 310 square feet seemed to be the average. It was noted the new micro-homes on Bishop Road were 700 square feet.

It was asked if during the permitting process, could the city require the developer to rent a parking space for each apartment. It was explained that it could be recommended as part of a conditional use permit, but again, the current code stated parking was not allowed to be considered with a change in use. Staff asked for clarification if this was something the council wanted looked at for all commercial and residential situations. Some council members indicated they were interested in the historic downtown area only. It was thought that the area in question was designated as the Central Business District and included a little more area than just the two historic blocks.

It was thought that the city had an agreement with the St. Helens Inn that they had to provide parking for their clients. It was believed that parking permits were half-price for the residents, but due to no parking enforcement, folks were probably not purchasing parking permits.

City Manager Anderson believed it was important to eliminate congregate housing, to have a minimum dwelling size, and to have requirements for kitchen, bathroom, and closet facilities. She recommended approval of the proposed ordinance and then to have a separate discussion about parking. She was concerned about unintended consequences, stating there was some reason why the municipal code was set forth many years ago to not include parking considerations in the downtown when there was a change of use.

Tammy Baraconi explained the process for reviewing the parking and loading section of the code. It would have to go to the Planning Commission, opened up for public comment, and discussed with downtown business owners. The council would have the final decision.

December 14, 2020

Councilor Spahr moved to pass Ordinance No. 1015-B on first reading. The motion was seconded by Councilor Pope.

Councilor Taylor moved to amend the main motion to change the minimum dwelling unit size from 310 square feet to 1,000 square feet. The motion was seconded by Councilor Lund. Councilor Taylor noted the change applied to the historic downtown core. There was discussion that micro-homes were about 700 square feet and a lot of the apartments going in were one- and two-bedroom units around 700 to 800 square feet. Councilor Taylor withdrew his motion to amend the main motion. Councilor Lund withdrew his second to the amendment.

Councilor Taylor moved to amend the main motion to change the minimum dwelling unit size from 310 square feet to 700 square feet. The motion was seconded by Councilor Lund. It was noted that for some reason the Planning Commission came up with 310 square feet. It was suggested that council hold off on the amendment to provide staff time to analyze it and come back to the council with the logic of why they came up with 310 and what the ramifications would be at 700. Councilor Taylor withdrew his motion to amend the main motion. Councilor Lund withdrew his second to the amendment.

Tammy Baraconi stated the Planning Commission did discuss the minimum size for each dwelling unit, specifically related to studio apartments.

There was further discussion about the need for consideration of parking in the downtown area. The Hearing Examiner might require offsite parking, but currently, the city can't consider parking an issue.

Councilor Taylor moved to amend the main motion to include that the people that review and approve applications can take parking into consideration for applications within the historic downtown area. The motion was seconded by Councilor Lord.

City Attorney Mark Scheibmeir stated there was no ordinance before the council to amend the parking code. What council was seeking was greater consideration of parking as a conditional use. The council's desire to reflect parking for such uses within a particular area, recognizing that this was identified as a conditional use, could be approached from a couple ways. The parking ordinance could be looked at to allow uses of required parking for specific uses and decide whether that was an area in which to address the issue, or it could go into the provisions for conditional uses and take a look at requirements for conditional uses, which was what this was and make provision within the conditional use specifications for consideration of parking. Maybe council was seeking a concurrent consideration of either an adjustment to the conditional use provisions or an adjustment to the parking provisions such that both were reviewed at the same time so as to consider allowing for a particular use and then separately looking at adjusting the parking provisions by one mechanism or another so that both were dealt with concurrently.

City Manager Anderson recommended that because these were two separate sections of the code, that the council pass the ordinance on first reading, and then concurrent to that, bring a proposal for council's consideration to see if that meets the council's needs. Staff could then reach out to the business community, if needed, to address that. That way it addresses both the concerns expressed about congregate housing and parking related to any change of use.

City Attorney Scheibmeir provided his perspective as a Hearing Examiner, stating he reviewed these matters regularly. The proposed added language would not give a Hearing Examiner good direction. They would need better direction within the conditional use provisions of the city's regulations, or a table of parking requirements. A vague reference to consider parking as an impact wouldn't tell them what they were really to do with that. It could be done, but not within the ordinance before council.

Councilor Taylor withdrew his motion to amend the main motion. Councilor Lord withdrew his second to the amendment.

The motion to pass Ordinance No. 1015-B on first reading as presented in the agenda packet carried 4 to 3. Councilors Lord, Lund, and Pope voted against the motion.

8. Resolution No. 15-2020, First and Final Reading – Waiving Competitive Bidding Due to the Existence of Special Market Conditions Related to the Purchase of a Mobile Structure and Funding Authorization to Proceed with Purchase.

City Manager Anderson explained that over the last six months, staff had been in the process of establishing an interim fire station on property recently purchased at Chamber Way and State Avenue for a new permanent fire station. The interim station would be positioned on the property that would allow for the permanent fire station to be constructed without interference. The plan was to purchase a mobile home to serve as administrative and living quarters on a long-term basis, anticipating that it would take five to seven years to design, fund, and construct a new fire station. Alternatives for purchasing a new manufactured home using various bidding processes were explored. The estimated cost for a new pre-manufactured home ranged from \$120,000 to over \$200,000.

December 14, 2020

The bond that was approved by the council for the purchase of the permanent site and some of those improvements was estimated at \$150,000.

City Manager Anderson stated there was now an opportunity to purchase the pre-manufactured structure that was used by the previous owner as their office building. The 1600 square foot facility would provide bedrooms, administrative space, a kitchen, and laundry and could be purchased at a cost-effective price. In the agreement for the purchase of the property, the city was going to rent the facility for six months. The previous owner is now willing to sell the facility to the city for \$39,500. The city's special legal counsel evaluated the situation and determined that it would be appropriate for the city council to declare a special market condition. Council was asked to consider the purchase of the facility and provide the City Manager with the authority to execute a purchase and sale agreement for \$39,500, with the potential for rent credits, and then a certain amount of money for relocation and installation of the facility. Additionally, the council was asked to adopt a resolution declaring that a special market condition existed related to the purchase of the structure. The total anticipated cost was \$63,650, including a contingency.

Councilor Spahr moved to suspend the rules requiring two readings of a resolution. The motion was seconded by Councilor Pope and carried unanimously. Councilor Spahr moved to adopt Resolution No. 15-2020 on first and final reading. The motion was seconded by Councilor Taylor and carried unanimously. Councilor Spahr moved to authorize the City Manager to purchase the existing pre-manufactured structure from the previous property owner in the amount not to exceed \$39,500 plus applicable taxes, fees, and licenses, including City permits; authorize the expenditure of up to \$15,000 for the relocation of the building to serve as the interim station; authorize up to \$6,000 for the cost of using permanent footings in the installation process; authorize an additional contingency of \$3,150, which is 15% of the cost of the relocation, installation and footings; and authorize the City Manager to execute the documents related to the purchase, relocation and installation of the mobile structure, including change orders. The motion was seconded by Councilor Taylor and carried unanimously.

9. Administration Reports.

a. **City Manager Update.** City Manager Anderson thanked the council, staff, and the community for the work that had been done this year. Even with COVID, the city made significant progress toward many of its goals.

10. Councilor Reports/Committee Updates.

a. **Councilor Taylor.** Councilor Taylor stated that Twin Transit began construction of a pull-out on Market Street between 3rd and 4th Streets that will get busses off the road while picking up and dropping off passengers. Two more pull-outs are scheduled to be installed, with one near Safeway.

b. **Councilor Lund.** Councilor Lund wished everyone happy holidays. The steam train group has a contractor to repair the boiler on the engine, which will begin in the first of the year. He stated he spoke with Greg Lund about housing issues. With new industries coming to the community, Greg Lund suggested the council form a committee to discuss and work on public-private partnerships to plan for future growth. He stated he would be willing to serve on such a committee.

The general thoughts of the council were that it was a good idea and perhaps something the council's GMA Committee could undertake.

c. **Councilor Spahr.** Councilor Spahr stated he enjoyed the lively discussions tonight and wished everyone a Merry Christmas and was looking forward to a better new year.

d. **Mayor Dawes.** Mayor Dawes attended the recent mayor's meeting, which was the legislative round table.

11. **Executive Session.** Mayor Dawes announced the council would take a short recess and then be in executive session pursuant to RCW 42.30.110(1)(c) – Sale/Lease of Real Estate and RCW 42.30.110(1)(i) – Litigation/Potential Litigation, not to exceed 7:30 pm and there may be action following conclusion of the executive session. Mayor Dawes closed the regular meeting at 6:45 pm. The executive session began at 6:47 pm. Following conclusion of the executive session, the regular meeting was reopened at 7:30. Mayor Dawes announced that no action would be taken and immediately adjourned the meeting at 7:30 pm.

December 14, 2020

Dennis L. Dawes, Mayor

Caryn Foley, City Clerk

Approved: 1/11/2021

Initials: cf