

CHEHALIS CITY COUNCIL AGENDA
 CITY HALL
 350 N MARKET BLVD | CHEHALIS, WA 98532

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| Jerry Lord, District 1 Daryl J. Lund, District 2 Dr. Isaac S. Pope, District 4 | Anthony E. Ketchum, Sr., District 3 Mayor | Kate McDougall, Position at Large No. 1 Kevin Carns, Position at Large No. 2 Robert J. Spahr, Mayor Pro Tem, Position at Large No. 3 |
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Regular Meeting of Monday, November 14, 2022

5:00 pm

To access this meeting via Zoom:

Meeting ID: 834 4212 6653

Pass Code: 674890

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| <ol style="list-style-type: none"> 1. <u>Call to Order</u> (Mayor Ketchum) 2. <u>Pledge of Allegiance</u> (Mayor Ketchum) 3. <u>Approval of Agenda</u> (Mayor Ketchum) |
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| CONSENT CALENDAR | ADMINISTRATION RECOMMENDATION | PAGE |
|--|-------------------------------|------|
| 4. <u>Minutes of the Regular Meeting October 24, 2022</u> (City Clerk) | APPROVE | 1 |
| 5. <u>Vouchers and Transfers-Accounts Payable in the Amount of \$1,105,426.87</u> (Finance Director) | APPROVE | 7 |
| 6. <u>Vouchers and Transfers-Payroll in the Amount of \$818,485.28</u> (Finance Director) | APPROVE | 9 |
| 7. <u>Grant Agreement with Lewis County for .09 Funds for the Bishop Road Water Loop Project</u> (Streets Superintendent) | APPROVE | 13 |

| PUBLIC HEARINGS | ADMINISTRATION RECOMMENDATION | PAGE |
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| 8. <u>2023 Preliminary City Revenue Sources- Property Tax and Levies</u> (City Manager, Finance Director) | CONDUCT PUBLIC HEARING | 21 |
| 9. <u>2023 Preliminary Budget</u> (City Manager, Finance Director) | CONDUCT PUBLIC HEARING | 27 |
| <p><i>Citizens may participate in person or submit comments for the public hearings by:</i></p> <ol style="list-style-type: none"> 1. Submitting through the City website – https://www.ci.chehalis.wa.us/contact. 2. Contacting City Clerk Kassi Mackie at 360-345-1042 or kmackie@ci.chehalis.wa.us to provide verbal comments or to sign up to log-in via Zoom to comment directly to the City Council. | | |

CITIZENS BUSINESS (PUBLIC COMMENT)

Individuals 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 Kassi Mackie at 360-345-1042 or at kmackie@ci.chehalis.wa.us. Public comments will be limited to five (5) minutes.

| UNFINISHED BUSINESS | ADMINISTRATION RECOMMENDATION | PAGE |
|--|----------------------------------|------|
| 10. Second Reading of Ordinance No. 1035-B , <u>Updating Comprehensive Plan Land Use and Housing Elements and Creating a Historic Preservation Element</u> (Building and Planning Manager) | APPROVE | 47 |
| 11. Second Reading of Ordinance No. 1036-B , <u>Update to Future Land Use Map</u> and Ordinance No. 1047-B , <u>Update to Zoning Map</u> (Building and Planning Manager) | APPROVE | 121 |
| 12. Second Reading of Ordinance No. 1038-B , <u>Updating the Zoning Map</u> and Ordinance No. 1049-B , <u>Updating the Future Land Use Map and Rezoning Parcel #004236001000 and 004236002000 from EPF, Essential Public Facility to Mixed Residential Commercial</u> (Building and Planning Manager) | APPROVE | 131 |
| 13. Second Reading of Ordinance No. 1039-B , <u>Updating the Land Use Map</u> and Ordinance No. 1050-B , <u>Updating the Zoning Map and Rezoning Parcel #005490001000, 005490000000, 005492002000, and 005604192001 from R-1, Single Family to Mixed Residential Commercial</u> (Building and Planning Manager) | APPROVE | 141 |
| 14. Second Reading of Ordinance No. 1040-B , <u>Updating the Zoning Map</u> and Ordinance No. 1051-B , <u>Updating the Future Land Use Map and Rezoning a Portion of Parcel #005605069022 from CG, General Commercial to Mixed Residential Commercial</u> (Building and Planning Manager) | APPROVE | 149 |
| 15. Second Reading of Ordinance No. 1041-B , <u>Updating the Zoning Map</u> and Ordinance No. 1052-B , <u>Updating the Future Land Use Map and Rezoning Parcel #005604183244 from R-1, Single Family Residential to R-4, Multi-family High Density Residential</u> (Building and Planning Manager) | APPROVE | 157 |
| 16. Second Reading of Ordinance No. 1042-B , <u>Updating the Zoning Map</u> and Ordinance No. 1053-B , <u>Updating the Future Land Use Map and Rezoning Parcel #010785001000 from General Commercial to R-1, Single-Family Residential</u> (Building and Planning Manager) | APPROVE | 165 |
| 17. Second Reading of Ordinance No. 1043-B , <u>Updating the Zoning Map</u> and Ordinance No. 1054-B , <u>Updating the Future Land Use Map and Rezoning Parcels #017737001000 and 017736001000 from CG, General Commercial to R-1, Single Family Residential</u> (Building and Planning Manager) | APPROVE | 173 |
| 18. Second Reading of Ordinance No. 1044-B , <u>Updating the Zoning Map</u> and Ordinance No. 1055-B , <u>Updating the Future Land Use Map and Rezoning Parcels #017808001006, 017808001044, 017855001001, and 017855001002 from RUGA, Residential Urban Growth Area to R-4, Multi-family High Density Residential</u> (Building and Planning Manager) | APPROVE | 181 |

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|--|---------|-----|
| 19. Second Reading of Ordinance No. 1045-B , Updating the Zoning Map <i>and</i> Ordinance No. 1056-B , Updating the Future Land Use Map and Rezoning Parcel #017856001000 from R-1, Single-family Residential to MRC, Mixed Residential Commercial (Building and Planning Manager) | APPROVE | 189 |
| 20. Second Reading of Ordinance No. 1046-B , Updating the Zoning Map <i>and</i> Ordinance No. 1057-B , Updating the Future Land Use Map and Rezoning Parcel #017857003006 from CG, General Commercial to R-1, Single Family Residential (Building and Planning Manager) | APPROVE | 197 |

| NEW BUSINESS | | ADMINISTRATION RECOMMENDATION | PAGE |
|---|---------|-------------------------------|------|
| 21. Proposed 2023-2025 IAFF Local 2510 Collective Bargaining Agreement (Human Resource Manager) | APPROVE | 205 | |
| 22. First Reading of Ordinance No. 1058-B , Setting the Property Tax Levy Amount <i>and</i> Ordinance No. 1059-B , Changes from 2022 Property Tax Levy (City Manager, Finance Director) | APPROVE | 229 | |
| 23. First Reading of Ordinance No. 1060-B , Adopting the 2023 Proposed Budget (City Manager, Finance Director) | APPROVE | 235 | |

| ADMINISTRATION AND CITY COUNCIL REPORTS | | ADMINISTRATION RECOMMENDATION | PAGE |
|---|------------------|-------------------------------|------|
| 24. Administration Reports | | | |
| a. City Manager Update (City Manager) | INFORMATION ONLY | --- | |
| 25. Councilor Reports/Committee Updates (City Council) | INFORMATION ONLY | --- | |

| EXECUTIVE SESSION/CLOSED SESSION | |
|---|--|
| Pursuant to RCW: | |
| a) 42.30.110(1)(i) – Litigation/Potential Litigation | |
| b) 42.30.110(1)(c) – Sale/Lease of Real Estate | |
| c) 42.30.110(1)(g) – Review Performance of a Public Employee | |
| d) 42.30.140(4)(b) – Collective Bargaining | |

THE CITY COUNCIL MAY ADD AND TAKE ACTION ON OTHER ITEMS NOT LISTED ON THIS AGENDA.

NEXT REGULAR CITY COUNCIL MEETINGS

MONDAY, NOVEMBER 28, 2022- 5:00 P.M.

MONDAY, DECEMBER 12, 2022- 5:00 P.M.

Chehalis City Council
Regular Meeting Minutes
October 24, 2022
5:00 p.m.

Council Present: Mayor Ketchum, Councilmember McDougall, Councilmember Lord, Councilmember Spahr, Councilmember Carns, Councilmember Pope (virtual attendance), Councilmember Lund (virtual attendance)

Council Absent:

Staff Present: Jill Anderson, City Manager; Kassi Mackie, City Clerk; Erin Hillier, City Attorney; Chun Saul, Finance Director; Lance Bunker, Public Works Director; Josh Drummond, Building Inspector/Code Compliance; Tammy Baraconi, Building and Planning Manager; Adam Miller, Firefighter; Pat Glover, Firefighter; Cassie Frazier, Administrative Assistant

Public Present:

1. **Call to Order:**
Mayor Ketchum called the meeting to order at 5:00 p.m.
2. **Pledge of Allegiance**
Councilmember McDougall led the flag salute.
3. **Approval of Agenda**
Mayor Ketchum noted two changes to the agenda, the removal of item #10. This will allow for second reading of Ordinances 1035-1057 to be scheduled for the November 14th meeting.

A motion was made by Councilmember Spahr, seconded by Councilmember Lord, to approve the agenda as amended. Motion carried unanimously.

PROCLAMATIONS/PRESENTATIONS

4. Mayor Ketchum presented the proclamation honoring first responders to Lance Bunker, Public Works Director, Matt McKnight, Deputy Police Chief, and Firefighters Glover and Miller.

CONSENT CALENDAR

5. **Minutes of the Regular City Council Meeting of October 10, 2022**
6. **Vouchers and Transfers- Accounts Payable in the Amount of \$461,059.56 dated October 15, 2022**
7. **Resolution 15-2022, Surplus Property**
8. **Appointment of Kathy Smith to Historic Preservation Commission**

A motion was duly made and passed approving the items on the Consent Calendar as though acted on individually.

CITIZENS BUSINESS

NEW BUSINESS

9. **Consider Amendment to LeMay Franchise Agreement**

Councilmember Lord and Mayor Ketchum expressed concerns about the increases proposed. Council was in favor of finding a local CPI to use to calculate the costs. LeMay will return at the November 14th meeting.

10. **Ordinance No. 1035-B, Comprehensive Plan Chapter Updates (Building and Planning Manager)**

A motion was made by Councilmember Spahr, seconded by Councilmember Lord, to approve Ordinance No. 1035-B on first reading. Motion carried unanimously.

11. **Ordinance No. 1036-B, General Update to Land Use Map-Land Use (Building and Planning Manager)**

Building and Planning Manager Tammy Baraconi provided a brief overview of the proposed ordinances.

A motion was made by Councilmember Spahr, seconded by Councilmember Lord, to approve Ordinance No. 1036-B on first reading. Motion carried unanimously.

12. **Ordinance No. 1047-B, General Update to Land Use Map-Zoning (Building and Planning Manager)**

A motion was made by Councilmember Spahr, seconded by Councilmember Lord, to approve Ordinance No. 1047-B on first reading. Motion carried unanimously.

13. **Ordinance No. 1037-B, RZ-21-001 Hosanna Lane Parcel No. 017875055031 (Building and Planning Manager)**

Tammy Baraconi corrected the name from Hosanna Lane to Hannah Lane.

A motion was made by Councilmember Spahr, seconded by Councilmember Lord, to deny Ordinance No. 1037-B on first reading. Motion carried unanimously.

14. **Ordinance No. 1048-B, RZ-21-001 Hosanna Lane Parcel No. 017875055031 Rezone (Building and Planning Manager)**

Tammy Baraconi corrected the name from Hosanna Lane to Hannah Lane.

A motion was made by Councilmember Spahr, seconded by Councilmember Lord, to deny Ordinance No. 1048-B on first reading. Motion carried unanimously.

15. **Ordinance No. 1038-B, RZ-22-003 233 S. Market Blvd Parcel Nos. 004236001000 and 004236002000 Rezone (Building and Planning Manager)**

Building and Planning Manager Tammy Baraconi noted that the updated map has not been received from Lewis County yet, but that it would be updated as soon as it is received.

A motion was made by Councilmember Spahr, seconded by Councilmember Lord, to approve Ordinance No. 1038-B along with any additional parcel(s) as reflected by the current County assessment on first reading. Motion carried unanimously.

16. **Ordinance No. 1049-B, RZ-22-003 233 S. Market Blvd Parcel Nos. 004236001000 and 004236002000 Rezone** (Building and Planning Manager)

Building and Planning Manager Tammy Baraconi noted that the updated map has not been received from Lewis County yet, but that it would be updated as soon as it is received.

A motion was made by Councilmember Spahr, seconded by Councilmember Lord, to approve Ordinance No. 1049-B along with any additional parcel(s) as reflected by the current County assessment on first reading. Motion carried unanimously.

17. **Ordinance No. 1039-B, RZ-22-004 0 SE Washington and 0 SE 12th St Parcel Nos. 005490001000, 005490000000, 005492002000, and 005604192001 Rezone** (Building and Planning Manager)

A motion was made by Councilmember Spahr, seconded by Councilmember Lord, to approve Ordinance No. 1039-B on first reading with an amendment to Section 1 in the changing "Single Family" to "Mixed Residential" and adding the 005604192001 to the Ordinance. Motion carried unanimously.

18. **Ordinance No. 1050-B, RZ-22-004 0 SE Washington and 0 SE 12th St Parcel Nos. 005490001000, 005490000000, 005492002000, and 005604192001 Rezone** (Building and Planning Manager)

A motion was made by Councilmember Spahr, seconded by Councilmember Lord, to approve Ordinance No. 1050-B on first reading with an amendment to Section 1 in the ordinance changing "Single Family" changed to "Mixed Residential" and adding the 005604192001 to the Ordinance. Motion carried unanimously.

19. **Ordinance No. 1040-B, RZ-22-010 2118 Jackson Hwy Parcel No's. 005605069022 and 005605069024 Requesting CG to MRC** (Building and Planning Manager)

Chris Aldrich with RB Engineering requested that Parcel 005605069024 be included in this rezone request as well.

A motion was made by Councilmember Spahr, seconded by Councilmember Lord, to approve Ordinance No. 1040-B on first reading with the following amendment to Section 1. "Single Family Low Density" to "Mixed Residential/Commercial". Motion carried unanimously.

The motion was amended to include Parcel No. 005605069024. The amendment carried unanimously.

20. **Ordinance No. 1051-B, RZ-22-010 2118 Jackson Hwy Parcel No's. 005605069022 and 005605069024 requesting from CG to MRC (Building and Planning Manager)**

Chris Aldrich with RB Engineering requested that Parcel 005605069024 be included in this rezone request as well.

A motion was made by Councilmember Spahr, seconded by Councilmember Lord, to approve Ordinance No. 1051-B on first reading with the following amendment to Section 1. "Single Family Low Density" to "Mixed Residential/Commercial. Motion carried unanimously.

The motion was amended to include Parcel No. 005605069024. The amendment carried unanimously.

21. **Ordinance No. 1041-B, RZ-22-005 0 SW 21st St Parcel No. 005604183244 Rezone (Building and Planning Manager)**

A motion was made by Councilmember Spahr, seconded by Councilmember Lord, to approve Ordinance No. 1041-B on first reading.

22. **Ordinance No. 1052-B, RZ-22-005 0 SW 21st St Parcel No. 005604183244 Requesting R-1 to R-4 (Building and Planning Manager)**

A motion was made by Councilmember Spahr, seconded by Councilmember Lord, to approve Ordinance No. 1052-B on first reading.

23. **Ordinance No. 1042-B, RZ-22-008 2215 Jackson Hwy Parcel No. 010785001000 Requesting CG to R-1 Single Family Low Density. (Building and Planning Manager)**

A motion was made by Councilmember Spahr, seconded by Councilmember Lord, to approve Ordinance No. 1042-B on first reading with amendments to Section 1 for accuracy and for staff to reach out to the homeowner to discuss a change to Mixed Commercial Residential. Motion carried unanimously.

24. **Ordinance No. 1053-B, RZ-22-008 2215 Jackson Hwy Parcel No. 010785001000 Requesting CG to R-1 Single Family Low Density. (Building and Planning Manager)**

A motion was made by Councilmember Spahr, seconded by Councilmember Lord, to approve Ordinance No. 1053-B on first reading with amendments to Section 1 for accuracy and for staff to reach out to the homeowner to discuss a change to Mixed Commercial Residential. Motion carried unanimously.

25. **Ordinance No. 1043-B, RZ-22-002 2643 Jackson Hwy Parcel Nos. 017737001000 and 017736001000 Rezone (Building and Planning Manager)**

City Attorney Erin Hillier mentioned the need to double-check the ordinances for CG instead of GC. The City's Zoning Map refers to General Commercial as CG, not GC, so CG and GC are used interchangeably in discussions.

A motion was made by Councilmember Spahr, seconded by Councilmember Lord, to approve Ordinance No. 1043-B on first reading. Motion carried unanimously.

26. Ordinance No. 1054-B, RZ-22-002 2643 Jackson Hwy Parcel Nos. 017737001000 and 017736001000 Requesting CG to R-1(Building and Planning Manager)

A motion was made by Councilmember Spahr, seconded by Councilmember Lord, to approve Ordinance No. 1054-B on first reading. Motion carried unanimously.

27. Ordinance No. 1044-B, RZ-22-007 2951 Jackson Hwy Parcel Nos. 017808001006, 017808001044, 017855001001, and 017855001002 requesting RUGA to R-4 (Building and Planning Manager)

A motion was made by Councilmember Spahr, seconded by Councilmember Lord, to approve Ordinance No. 1044-B on first reading with the amendment from "Single Family Low Residential (R1) TO Mixed Residential" to "RUGA to R4 High Density Residential" and Section 1 should be amended to include the parcel numbers and the Title should be updated to reflect the correct information. Motion carried unanimously.

28. Ordinance No. 1055-B, RZ-22-007 2951 Jackson Hwy Parcel Nos. 017808001006, 017808001044, 017855001001, and 017855001002 Requesting RUGA to R-4 (Building and Planning Manager)

A motion was made by Councilmember Spahr, seconded by Councilmember Lord, to approve Ordinance No. 1055-B on first reading. Motion carried unanimously.

29. Ordinance No. 1045-B, RZ-22-009 2988 Jackson Hwy Parcel No. 017856001000 requesting R-1 to MRC (Mixed Residential Commercial) (Building and Planning Manager)

A motion was made by Councilmember Spahr, seconded by Councilmember Lord, to approve Ordinance No. 1045-B on first reading. Motion carried unanimously.

30. Ordinance No. 1056-B, RZ-22-009 2988 Jackson Hwy Parcel No. 017856001000 Requesting R-1 to MRC (Mixed Residential Commercial) (Building and Planning Manager)

A motion was made by Councilmember Spahr, seconded by Councilmember Lord, to approve Ordinance No. 1056-B on first reading. Motion carried unanimously.

31. Ordinance No. 1046-B, RZ-22-006 0 Bishop Rd Parcel No. 017857003006 requesting CG to R-1 (Building and Planning Manager)

A motion was made by Councilmember Spahr, seconded by Councilmember Lord, to approve Ordinance No. 1046-B on first reading. Motion carried unanimously.

32. Ordinance No. 1057-B, RZ-22-006 0 Bishop Rd Parcel No. 017857003006 Requesting CG to R-1 Single Family Residential (Building and Planning Manager)

A motion was made by Councilmember Spahr, seconded by Councilmember Lord, to approve Ordinance No. 1057-B on first reading. Motion carried unanimously.

ADMINISTRATION AND CITY COUNCIL REPORTS

33. **City Manager Update**

City Manager Jill Anderson reminded the public of the numbers to call to report streetlight outages.

City Finance Director Chun Saul presented on the 3rd Quarter Financials for 2022.

34. **Councilor Reports/Committee Updates**

Councilmember Spahr provided a verbal report.

Councilmember McDougall provided a verbal report.

Mayor Ketchum provided a verbal report.

ADMINISTRATION AND CITY COUNCIL REPORTS

35. **Pursuant to RCW:**

a) 42.30.110(1)(i) -Litigation/Potential Litigation

b) 42.30.110(1)(c) – Sale/Lease of Real Estate

Mayor Ketchum adjourned the regular session at 6:55 p.m. and convened the executive session for 40 minutes or 7:40 p.m.

Mayor Ketchum adjourned the executive session at 7:40 p.m.

ADJOURNMENT

Mayor Ketchum adjourned the meeting 7:41 p.m.

Anthony Ketchum, Sr., Mayor

Attest: Kassi Mackie, City Clerk

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Chun Saul, Finance Director
Clare Roberts, Accounting Tech II

MEETING OF: November 14, 2022

SUBJECT: 2022 Vouchers and Transfers – Accounts Payable in the Amount of
\$1,105,426.87

ISSUE

City Council approval is requested for 2022 Vouchers and Transfers dated October 31, 2022.

DISCUSSION

The October 31, 2022, 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 including Electronic Funds Transfer Checks No. 2394 – 2426, and Voucher Checks No. 135359 - 135459 in the amount of \$1,106,427.92 dated October 31, 2022, and Voided Checks No. 135184, 135330, 133776 and 133883 for the net total of \$1,105,426.87 as follows:

- \$ 161,073.44 from the General Fund
 - \$ 14,893.41 from the Street Fund
 - \$ 732,443.35 from the Transportation Benefit District Fund
 - \$ 7,562.04 from the Tourism Fund
 - \$ 2,631.40 from the LEOFF 1 OPEB Reserve Fund
 - \$ 20,198.18 from the Wastewater Fund
 - \$ 25,912.74 from the Water Fund
 - \$ 1,395.31 from the Storm & Surface Water Utility Fund
 - \$ 11,865.00 from the Airport fund
 - \$ 115,292.98 from the Water Capital Fund
 - \$ 10,539.87 from the Stormwater Capital Fund
 - \$ 2,320.80 from the Airport Capital Fund
 - \$ 191.40 from the Firemen’s Pension Fund
 - \$ 108.00 from the Custodial Other Agency fund
- \$ 1,106,427.92 Total for Vouchers for October 31, 2022

\$ < 1,001.05 > Voided checks for October 19 and 21, 2022
\$ 1,105,426.87 Net Total Transfers

RECOMMENDATION

It is recommended that the City Council approve the Claim Vouchers including Electronic Funds Transfer Checks No. 2394 – 2426, and Voucher Checks No. 135359 - 135459 in the amount of \$1,106,427.92 dated October 31, 2022, and Voided Checks No. 135184, 135330, 133776 and 133883 for the net total of \$1,105,426.87.

SUGGESTED MOTION

I move that the City Council approve the Claim Vouchers including Electronic Funds Transfer Checks No. 2394 – 2426, and Voucher Checks No. 135359 - 135459 in the amount of \$1,106,427.92 dated October 31, 2022, and Voided Checks No. 135184, 135330, 133776 and 133883 for the net total of \$1,105,426.87.

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Chun Saul, Finance Director
Deri-Lyn Stack, Payroll Accounting

MEETING OF: November 14, 2022

SUBJECT: Vouchers and Transfers – Payroll in the Amount of \$818,485.28

ISSUE

City Council approval is requested for Payroll Vouchers and Transfers dated October 31, 2022.

DISCUSSION

The administration requests City Council approval for Payroll Vouchers No. 42105-42122, Direct Deposit Payroll Vouchers No. 15508-15624, Electronic Federal Tax and DRS Pension/Deferred Comp Payments No. 441-448 dated October 31, 2022, in the amount of \$818,485.28, which include the transfer of:

- \$498,749.94 from the General Fund
- \$32,549.74 from the Street Fund
- \$5,197.50 from the LEOFF1 OPEB Reserve Fund
- \$22,427.44 from the Federal Advance Grant Control
- \$117,762.86 from the Wastewater Fund
- \$94,535.89 from the Water Fund
- \$19,957.39 from the Storm & Surface Water Utility Fund
- \$27,304.52 from the Airport Fund

RECOMMENDATION

It is recommended that the City Council approve the October 31, 2022, Payroll Vouchers No. 42105-42122, Direct Deposit Payroll Vouchers No. 15508-15624, Electronic Federal Tax and DRS Pension/Deferred Comp Payments No. 441-448 in the amount of \$818,485.28.

SUGGESTED MOTION

I move that the City Council approve the October 31, 2022, Payroll Vouchers No. 42105-42122, Direct Deposit Payroll Vouchers No. 15508-15624, Electronic Federal Tax and DRS Pension/Deferred Comp Payments No. 441-448 in the amount of \$818,485.28.

I, THE UNDERSIGNED, OF THE CITY OF CHEHALIS WASHINGTON DO HEREBY CERTIFY UNDER PENALTY OF PERJURY THAT THE PAYROLL-RELATED SERVICES HAVE BEEN RENDERED OR THE LABOR PERFORMED AS DESCRIBED HEREIN AND THAT THE CLAIM IS A JUST, DUE AND UNPAID OBLIGATION AGAINST THE CITY OF CHEHALIS, AND THAT I AM AUTHORIZED TO AUTHENTICATE AND CERTIFY TO SAID CLAIM.

PAYROLL OFFICER

FINANCE DIRECTOR

CHECK NOS. 42105 THROUGH 42122, DIRECT DEPOSIT CHECK NOS. 15508 THROUGH 15624, ELECTRONIC FEDERAL TAX AND DRS PENSION/DEFERRED COMP PAYMENTS NOS. 441-448 ARE HEREBY APPROVED FOR PAYMENT IN THE TOTAL AMOUNT OF \$818,485.28 THIS _____ DAY OF _____, 2022.

MAYOR

| | | |
|-----|---------------------------|------------------|
| 001 | GENERAL FUND | \$498,749.94 |
| 003 | STREET FUND | 32,549.74 |
| 115 | LEOFF1 OPEB | 5,197.50 |
| 199 | FREDRAL ADVANCE GRANT | 22,427.44 |
| 404 | WASTEWATER FUND | 117,762.86 |
| 405 | WATER FUND | 94,535.89 |
| 406 | STORM & SURFACE UTIL FUND | 19,957.39 |
| 407 | AIRPORT FUND | <u>27,304.52</u> |
| | TOTAL | \$818,485.28 |

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Jud Riddle, Street/Storm Superintendent

MEETING OF: November 14, 2022

SUBJECT: Grant agreement with Lewis County for .09 funds to Design and Construct the Bishop Road Water Loop Project

ISSUE

The City has an opportunity to obtain a .09 Grant from Lewis County for up to \$1,091,000 to construct a Water Main Loop Project on Bishop Road that is needed to accommodate future development in the City's Urban Growth Area (UGA).

BACKGROUND

On April 11th of this year a proposal was brought to City Council to partner with Lewis County for the construction of a water main. This water main project is needed to address one aspect of the infrastructure limitations that impact the Chehalis Urban Growth Area (UGA). It would create a "loop" bringing two existing water mains together on Bishop Road to create additional capacity and redundancy in the water system. Redundancy is important to minimize water service interruptions.

The original proposed financing concept was for Lewis County to contribute \$750,000 using American Rescue Plan Act (ARPA) funds and the City would contribute \$250,000 from the Water Capital fund totaling roughly \$1,000,000. Since that time, the County has recommended that the City apply for available funding through .09 Funds which are available to "Distressed Counties" for the purposes of economic development, rather than ARPA funds. An application was submitted to the .09 Committee, which is recommending that the Lewis County Board of Commissioners approve the .09 grant to the City of Chehalis to design and construct the project, which is now estimated to cost \$1,091,000.

In order to proceed, the City Council will need to approve the grant agreement with the County, which provides that the City would be reimbursed for the cost to design and construct the project up to \$1,091,000. If the City approves the conditions of the grant, the matter will go before the Board of County Commissioners before the end of the year for final action.

GRANT TERMS

The County has submitted a Proposed Grant Agreement, which is attached, to the City for consideration and action. The City's responsibilities in this agreement are summarized below.

- Project must be in progress within 6 months of the agreement date.
- City must provide semi-annual progress reports to the Lewis County Board of County Commissioners.

- City must comply with the intent that this project will create capacity and redundancy in the water system.
- City to provide documented evidence of expenditures at the semi-annual update.
- Submit billing and invoices to be remitted to the County for payment not more than one time each month.
- City shall comply with and give notices required by all federal, state, and local laws, ordinances, rules, regulations and lawful order of public authorities applicable to performance of the project.

FISCAL IMPACT

If the City Council approves the agreement with the County, the City will be eligible to receive up to \$1,091,000 on a reimbursement basis to construct a water system improvement project to increase capacity and create system redundancy. This would potentially require a small budget amendment in 2022 to initiate the project, with the balance being incorporated in the 2023 Budget through a future amendment. The purpose of the budget amendment(s) would be to account for the expenditure of the funds and the corresponding revenue associated from the grant.

NEXT STEPS

The City Attorney did not have an opportunity to review the grant agreement prior to the preparation of the City Council Agenda Packet; therefore, it is requested that the City Council authorize the City Manager to proceed with the grant if the terms, particularly the indemnification provisions, are satisfactory to the City Attorney. If that can be accomplished, it is possible that the Lewis County Board of Commissioners could consider the grant award as soon as November 22, 2022.

RECOMMENDATION

It is recommended that the City Council authorize the City Manager to sign the .09 Grant Agreement with Lewis County to design and construct the Bishop Road Water Loop Project after review by the City Attorney.

SUGGESTED MOTION

I move that the City Council authorize the City Manager to sign the .09 Grant Agreement with Lewis County to design and construct the Bishop Road Water Loop Project after review by the City Attorney.

GRANT AGREEMENT BETWEEN LEWIS COUNTY AND THE CITY OF CHEHALIS

This Grant Agreement is made and entered into by Lewis County and the City of Chehalis as to the conditions for acceptance of monies by the City of Chehalis from the "Distressed Counties Fund" pursuant to RCW 82.14.370.

I. PURPOSE

RCW 82.14.370 authorizes the availability of a sales and use tax to be used to finance public facilities serving economic development purposes in rural counties. The name of this project shall be "Bishop Road Water Loop" and shall be funded in the amount of a grant for \$1,091,000.

II. ELIGIBILITY

The public facility must be listed as an item in the officially adopted Lewis County Comprehensive Economic Development Strategy (CEDS) and must meet other requirements as set forth by County resolution, adopted policy, and growth management planning. Monies collected shall only be used to finance public facilities serving economic development purposes in rural counties.

III. APPLICANT'S RESPONSIBILITIES

Upon approval of application by the Lewis County Commissioners, applicant agrees that:

- I. The project must be **in** progress within 6 months of the date of this agreement or grant funds shall revert back to the Lewis County "Distressed Counties Fund." For purposes of being "in progress," the project must have proceeded beyond the initial planning stage and into the implementation stages of the project. The City of Chehalis shall promptly notify Lewis County in writing of any actual or anticipated event that is delaying or could delay achievement of any milestone or performance of any critical path activity of the project. A copy of this report shall also be placed in the file of the Economic Development Public Facilities Advisory Committee.
2. The Applicant must provide semi-annual progress report to the Lewis County Board of County Commissioners in order to ensure satisfactory completion of the project and proper expenditure of grant monies. The scope of project work is contained in the .09 application dated July 20, 2022, and is hereby incorporated by reference into this agreement. Failure to provide progress reports or sufficient information may result in reversion to the "Distressed Counties Fund" of all or part of the funding balance. At such times as the Lewis County Board of County Commissioners deems necessary for reasonable cause, the applicant shall permit the County to inspect and audit all pertinent books and records of the applicant or

other persons or entities that have performed work in connection with or related to this funding. The audit may take place up to three (3) years after completion of the project. The books and records are to be made available at reasonable times at such reasonable location as County selects. At Lewis County's request, the applicant shall supply County with, or shall permit County to make a copy of, any books and records and any portion thereof.

3. Applicant has requested these County funds in order to connect two existing water mains on Bishop Road. Completion of this loop in the water infrastructure will create additional capacity in the Port and surrounding UGA. Redundancy in water system will protect consumers in the event of a catastrophe or maintenance needs. Failure to comply with the intent of this section may result in reversion to the "Distressed Counties Fund" of all or part of the funding balance. Funding to complete the full project as presented in the application must be confirmed and available prior to release of these grant funds. Failure to comply with this section may result in reversion to the "Distressed Counties Fund" of all or part of the funding balance.
4. Applicant shall provide documented evidence of expenditures of all funds for this project at the semi-annual updates denoted in item #2 (or within 60 [sixty] days of project completion) to both the Rural Economic Development Public Facilities Advisory Committee and the County. Funds spent under this program must be for the purpose of financing public facilities or supporting related economic development projects, as defined under RCW 82.14.370 and AGO 2002, No.I. Failure to comply with this section may result in reversion to the "Distressed Counties Fund" of all or part of the funding balance.
5. Billings and invoices together with audit-sufficient supporting documentation shall be remitted to the County for payment not more than one time each month. Within 30 (thirty) days of receiving a reimbursement claims voucher that meets the requirements of this Agreement and applicable law, the Clerk of the Board, on behalf of the County, shall remit to the organization a warrant for the approved reimbursement amount. The applicant will be responsible to the County for the timely sharing and/or exchange of any or all documentation related to the project as well as accounting and record retention responsibilities for the project.
6. The applicant shall comply with and give notices required by all federal, state, and local laws, ordinances, rules, regulations and lawful order of public authorities applicable to performance of the project. Lewis County reserves the right to terminate this Agreement and demand reversion of "Distressed Counties Fund" monies at any time during the undertaking of said project if it is discovered that said project is in violation of any local, state or federal laws.

IV. ENTIRE AGREEMENT

This Agreement represents the entire Agreement between the parties and supersedes any prior oral statements, discussions or understandings.

V. FUTURE SUBSIDY

Lewis County makes no commitment to future support and assumes no obligation for future support of the activity contracted for herein, except as expressly set forth in this Contract. The maximum amount of funding available is as stated in the Lewis County Economic Development Public Facilities Project Proposal attached herein. This item is hereby incorporated into this Agreement by reference.

VI. GOVERNING LAW

This Agreement is governed by, and shall be construed in accordance with, the laws of the State of Washington except for Washington's choice of law rules. Except as otherwise required by applicable law, any legal action under this Agreement shall be brought in the Superior Court of the State of Washington in and for Lewis County.

VII. WAIVER OF BREACH

No waiver of any breach of any covenant or agreement contained herein shall operate as a waiver of any subsequent breach of the same covenant or agreement or as a waiver of any breach of any other covenant or agreement, and in case of a breach by either party of any covenant, agreement or undertaking, the non-defaulting party may nevertheless accept from the other any payment or payments or performance hereunder without in any way waiving its right to exercise any of its rights and remedies provided for herein or otherwise with respect to any such default or defaults that were in existence at the time such payment or payments or performance were accepted by it.

VIII. INDEMNIFICATION

To the fullest extent permitted by law, the City of Chehalis shall protect, defend, indemnify and hold harmless Lewis County, the Lewis County Board of County Commissioners, its officers, agents and employees, or any of them from and against any and all claims, actions, suits, liability, loss, costs, expenses and damages of any nature whatsoever, which are caused by or result from the performance of this Agreement by either party, except those resulting exclusively from the County's sole negligence. In the event of the concurrent negligence of the City of Chehalis, its subcontractors, agents or employees, and the County, its officers, agents, or employees, this indemnification obligation shall be valid and enforceable only to the extent of the negligence City of Chehalis, its subcontractors, agents, and employees. This indemnification obligation of the Contractor shall not be limited in any

way by the Washington State Industrial Insurance Act, RCW Title 51, or by application of any other workmen's compensation act, disability benefit act or other employee benefit act, and City of Chehalis hereby expressly waives any immunity afforded by such acts. The foregoing indemnification obligations of City of Chehalis are a material inducement to County to enter into this Agreement, are reflected in the grant funding, and have been mutually negotiated. City of Chehalis shall require any subcontractors performing on the project herein to indemnify the County to an equal or greater extent than provided herein. The County reserves the right, but not the obligation, to participate in the defense of any claim, damages, losses or expenses and such participation shall not constitute a waiver of any indemnity protections under this Agreement. City of Chehalis's obligations under this provision shall survive the completion, termination, or expiration of this contract.

IX. DISPUTE RESOLUTION

(a) If a dispute arises between the parties with regard to the performance of any provision of this agreement or the interpretation thereof, the parties agree to follow the procedure set forth below. It is the goal of the parties to resolve their differences as early and amicably as possible.

(b) The parties shall first meet to attempt to see if the matter can be informally resolved. This informal resolution attempt may involve more than one meeting but is not required to involve more than one meeting.

(c) If the parties are unable to resolve their differences, the parties will endeavor to settle the dispute by mediation under such mediation rules as shall be mutually agreeable to the parties. Such mediation shall be non-binding but shall be a condition precedent to having said dispute decided in court by a judge or jury. Mediation shall commence, unless otherwise agreed, within 30 (thirty) days of a party's written request for mediation of a dispute. Any resolution at this stage shall be reduced to writing and, if it involves an interpretation of the agreement, it shall be considered an addendum to this agreement without the need for formal adoption by the governing bodies of the jurisdictions that are parties to this agreement. Any costs related to mediation shall be shared equally by the parties.

Dated this ___ day of _____

APPROVED AS TO FORM
Prosecuting Attorney Jonathan Meyer

BOARD OF COUNTY COMMISSIONERS
LEWIS COUNTY, WASHINGTON

By: Deputy Pros. Attorney

Lindsey R. Pollock, DVM, Chair

ATTEST

Sean D. Swope, Vice Chair

Rieva Lester, Clerk of the Board

F. Lee Grose, Commissioner

Grantee: City of Chehalis

By: _____

Title: _____

For: _____

Da

PROPOSED

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council
FROM: Jill Anderson, City Manager
BY: Chun Saul, Finance Director
MEETING OF: November 14, 2022
SUBJECT: Public Hearing on the 2023 Preliminary City Revenue Sources - Property Tax Levies

ISSUE

Per RCW 84.55.120 , the City is required to hold a public hearing on revenue sources for the City's following year's current expense budget that is primarily funded by taxes and charges and reflects the provision of ongoing services. The hearing must include consideration of possible increase in property tax revenues.

DISCUSSION

The 2023 Preliminary Budget, which includes a summary of anticipated revenues and expenditures, is available for public review at City Hall, the Finance Department, and on the City's website at www.ci.chehalis.wa.us.

2023 GENERAL FUND BUDGET OVERVIEW

The General Fund is the primary operating fund used for basic municipal services. It accounts for all financial resources except those required or designated to be accounted for in another fund. The funding sources for the General Fund come from property tax, sales tax, utility tax, leasehold excise tax, fees for services, intergovernmental revenues and grant, and other miscellaneous revenues.

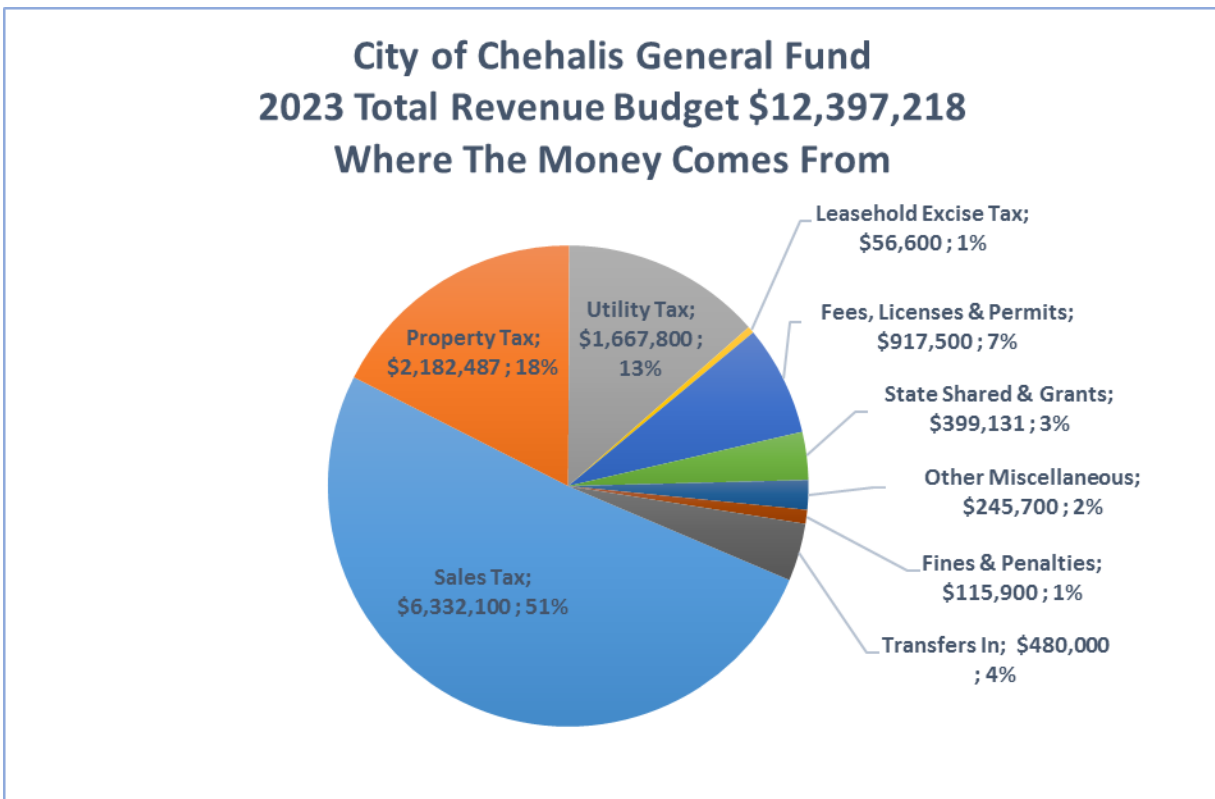
The 2023 Preliminary budget for the General Fund is balanced with use of \$29,745 of General Fund reserves (beginning fund balance). The 2023 projected General Fund revenue totals \$12,397,218 which includes \$480,000 transfers in from other city funds.

| General Fund Budget Summary | 2023 Preliminary Budget |
|--|------------------------------------|
| Estimated Beginning Cash Balance | \$ 1,650,858 |
| Revenues & Transfers In | \$ 12,397,218 |
| Expenditures & Transfers Out | \$ 12,426,963 |
| Net Revenues Over (under) Expenditures | \$ (29,745) |
| Estimated Ending Cash Balance | \$ 1,621,113 |
| <i>Ending Fund Balance % of Revenue Budget</i> | <i>13.1%</i> |

Total revenues by major revenues sources are summarized in the table below:

| General Fund Revenue Summary | 2022 Amended Budget | 2023 Proposed Budget | Increase (Decrease) 2022-2023 | Percent Change | Percent of Total Budget |
|------------------------------|----------------------|----------------------|-------------------------------|----------------|-------------------------|
| | | | | | |
| Sales Tax | \$ 6,028,900 | \$ 6,332,100 | \$ 303,200 | 5.0% | 51.1% |
| Property Tax | \$ 2,137,200 | \$ 2,182,487 | \$ 45,287 | 2.1% | 17.6% |
| Utility Tax | \$ 1,663,700 | \$ 1,667,800 | \$ 4,100 | 0.2% | 13.5% |
| Leasehold Excise Tax | \$ 61,800 | \$ 56,600 | \$ (5,200) | -8.4% | 0.5% |
| <i>Total Taxes</i> | <i>\$ 9,891,600</i> | <i>\$ 10,238,987</i> | <i>\$ 347,387</i> | <i>3.5%</i> | <i>82.6%</i> |
| Fees, Licenses & Permits | \$ 958,900 | \$ 917,500 | \$ (41,400) | -4.3% | 7.4% |
| State Shared & Grants | \$ 634,120 | \$ 399,131 | \$ (234,989) | -37.1% | 3.2% |
| Other Miscellaneous | \$ 341,816 | \$ 245,700 | \$ (96,116) | -28.1% | 2.0% |
| Fines & Penalties | \$ 120,100 | \$ 115,900 | \$ (4,200) | -3.5% | 0.9% |
| Transfers In | \$ 457,340 | \$ 480,000 | \$ 22,660 | 5.0% | 3.9% |
| Total | \$ 12,403,876 | \$ 12,397,218 | \$ (6,658) | -0.1% | 100.0% |

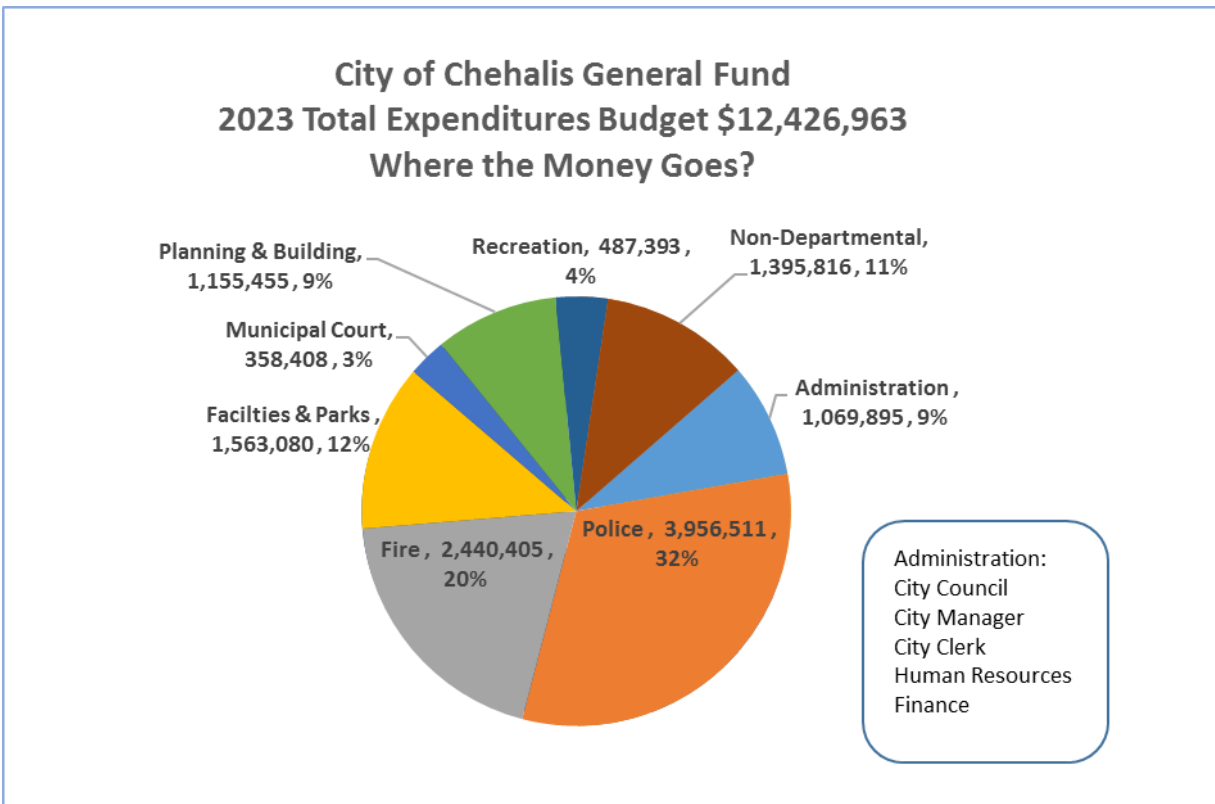
Total tax revenue projection is \$10,238,987 and makes up 82.6% of the General Fund revenues which support the governmental services provided by the General Fund. The total tax revenue projected in the 2023 Preliminary Budget is 3.5% or \$347,387 increase from the amended 2022 budget.



Property tax is the second largest revenue source for the City's General Fund and makes up about 17.6% of the 2023 General Fund revenues. Property tax levies are typically used for local governments for operating and maintenance costs. They are not commonly used for capital improvements.

The 2023 Preliminary Expenditures for the General Fund is \$12,426,963 which includes operating transfers out to the Street Fund \$844,128 and LEOFF I OPEB Reserve Fund \$236,098 for the total of \$1,080,226. The 2023 Preliminary Expenditure Budget is an approximate 7.8% or \$1,045,257 decrease from the 2022 amended budget. About 87% or \$906,993 of the total decrease is related to the one-time transfers out to the general fund sub-funds in 2022.

The combined budgets for the Police and Fire Departments represent 52.0% of the 2023 General Fund expenditures, which reflects the high priority of keeping residents and visitors in Chehalis safe. The Facilities and Parks maintenance receives the next single highest level of funding at about 12% of the 2023 General Fund expenditures. About 6.6% of the 2023 General Fund budget is allocated for city street maintenance which is included in the non-departmental budget as transfers out to the Street Fund.



PROPERTY TAX – ANNUAL LEVY ACTION – PROPOSED AMOUNT

The City Council must set the levy every year to support the cost of general government, and the property tax levy for upcoming year must be certified to the County Assessor no later than November 30. The cost of providing services to Chehalis residents and businesses continues to increase, and it has become necessary to consider the 1% statutorily allowed increase in the property tax levy so that the current level of municipal services, including police and fire, can be maintained.

Total property tax revenue projected in the 2023 Preliminary Budget includes the maximum 1% increase over the 2022 highest lawful levy limit (HLL) and an estimated increase from new construction. The 2023 preliminary valuation report and the new construction tax amount were provided by the County Assessor

on November 4, 2022, and the following proposed property tax levy amounts reflect the updated new construction tax which can be updated for the Final budget.

The proposed amount of property tax levies to be collected in 2023 are as follows:

❖ **2023 Regular Levy \$1,712,769.38**

- 2022 actual levy \$1,680,716.78 plus
- 1% increase over 2022 highest lawful levy (HLL) \$19,196.76 plus
- Increase for new construction \$12,855.84*

❖ **2023 EMS Levy \$472,263.81**

- 2022 actual levy \$463,990.54 plus
- 1% increase over 2022 highest lawful levy (HLL) \$4,724.20 plus
- Increase for new construction \$3,549.07*

The following table illustrates the dollar amounts and percentage changes in property tax levies for 2023 over 2022:

Ordinance No. 1059-B
Dollar Amounts and Percentage of Changes in Property Tax Levies for 2023 over 2022

| Tax Levy | 2022 Highest Lawful Levy (HLL) | 2022 Actual Levy | 1% Increase over 2022 Highest Lawful Levy (HLL) | Use of Banked Capacity | Total Amount Increase in 2023 from 2022 Levy* | Percent Increase from 2022 |
|--------------|--------------------------------|------------------|---|------------------------|---|----------------------------|
| Regular Levy | \$ 1,919,675.84 | \$ 1,680,716.78 | \$ 19,196.76 | \$ - | \$ 19,196.76 | 1.142177% |
| EMS Levy | \$ 472,419.84 | \$ 463,990.54 | \$ 4,724.20 | \$ - | \$ 4,724.20 | 1.018167% |

**This increase is exclusive of additional revenue resulting from new construction, property improvements, any increase in the value of state assessed property, any annexations that have occurred, or property tax administrative refunds.*

The table below illustrates the changes for the 2023 proposed levies (including new construction) compared with the 2022 actual levies:

City of Chehalis Property Tax Levy Comparison

| | 2022 Tax Year | 2023 Tax Year* | Changes 2022-2023 | % Change |
|---------------------------------|-------------------|---------------------|--------------------|----------|
| Assessed Value | \$ 944,839,689.00 | \$ 1,087,055,791.00 | \$ 142,216,102.00 | 15.05% |
| Regular Levy Amount | \$ 1,680,716.78 | \$ 1,712,769.38 | \$ 32,052.60 | 1.91% |
| Regular Levy Rate per \$1000 AV | \$ 1.77883803948 | \$ 1.57560393329 | \$ (0.20323410619) | -11.43% |
| EMS Levy Amount | \$ 463,990.54 | \$ 472,263.81 | \$ 8,273.27 | 1.78% |
| EMS Levy Rate per \$1000 AV | \$ 0.49107858762 | \$ 0.43444302851 | \$ (0.05663555911) | -11.53% |
| Total Regular & EMS Levy Amount | \$ 2,144,707.32 | \$ 2,185,033.19 | \$ 40,325.87 | 1.88% |
| Total Levy Rate per \$1000 AV | \$ 2.26991662709 | \$ 2.01004696179 | \$ (0.25986966530) | -11.45% |

** Preliminary Assessed Valuation Provided by Lewis County Assessor 11/4/2022*

RECOMMENDATION

It is recommended that the City Council open the public hearing, accept public comments, close the public hearing, and consider this information when taking action on these items, which are scheduled on this meeting agenda under “New Business” with agenda reports that provide additional information on the Budget and the related ordinances.

SUGGESTED MOTION

There is no motion needed after the public hearing.

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Chun Saul, Finance Director

DATE: November 14, 2022

SUBJECT: Public Hearing on the 2023 Preliminary Budget

ISSUE

Ordinance 1060-B has been prepared for the purpose of adopting the 2023 Preliminary Budget. The two property levy ordinances reflected in this budget are being presented to the City Council concurrently as the subject of a separate agenda item.

SUMMARY OF PROPOSED BUDGET – ALL FUNDS

The 2023 Preliminary Budget for all funds, as presented in Ordinance 1060-B is summarized as follows:

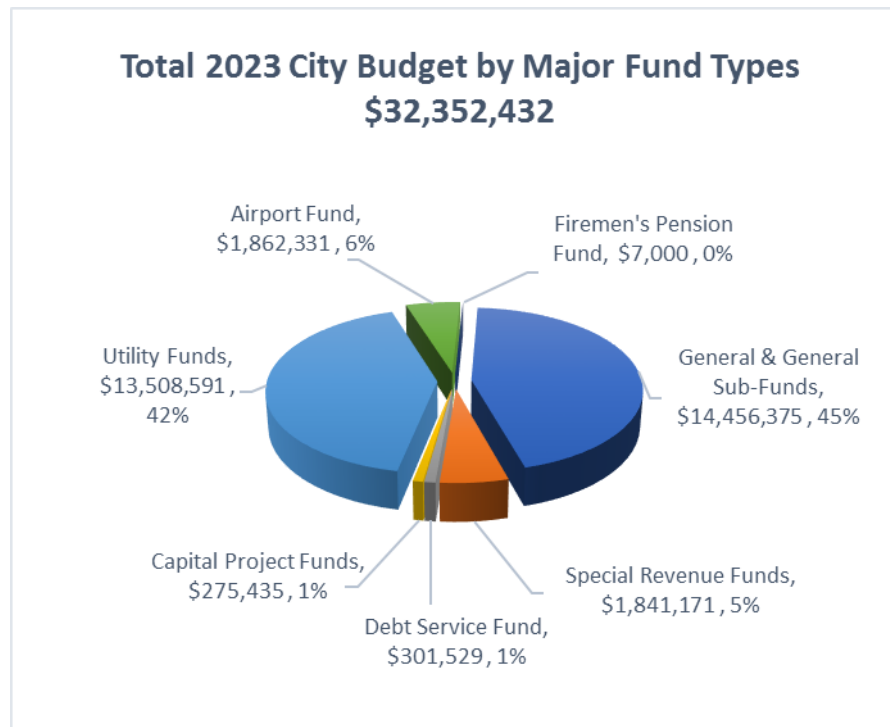
| Budget Summary - All Funds | 2023 Preliminary Budget |
|---|------------------------------------|
| Total Estimated Beginning Fund Balances | \$ 27,324,863 |
| Total Revenues | \$ 26,371,482 |
| Total Transfers In | \$ 3,668,622 |
| Total Expenditures | \$ 28,583,810 |
| Total Transfers Out | \$ 3,668,622 |
| Total Ending Fund Balances | \$ 25,112,535 |

The total expenditure budget for all funds, as presented in the 2023 Preliminary Budget is \$32,252,432 and is summarized by major purposes as follows:

| Expenditure Budget Summary - All Funds | 2023 Preliminary Budget | % of Total |
|---|------------------------------------|-----------------------|
| Operating Purposes | \$ 21,434,630 | 66.5% |
| Debt Service Purposes | \$ 2,537,870 | 7.9% |
| Capital Purposes | \$ 4,611,310 | 14.3% |
| Transfers Out | \$ 3,668,622 | 11.4% |
| Total | \$ 32,252,432 | 100.0% |

The 2022 proposed budget includes combined expenditure appropriations (including operating transfers) of \$32,252,432. This is a decrease of \$12,025,680 or 28.5% in overall expenditures from the amended 2022 budget of \$44,278,112. The decrease is substantially all related to the one-time intra-fund transfers within each of the city’s enterprise funds, including utilities and Airport funds in 2022.

The many funds that comprise the city-wide budget are used to separate the primary functions and activities. Funds can be grouped by type: **Governmental** which includes the General Fund, Special Revenue Funds, Debt Service Fund, and Capital Project Funds; **Proprietary** which includes Enterprise Funds (utilities and Airport), and **Fiduciary**. Each fund has specific functions to perform and in each, the revenues and expenditures must be self-balancing. Overall, the City has twenty-seven funds in which it records its revenues and expenditures associated with providing services to its citizens.



GENERAL FUND

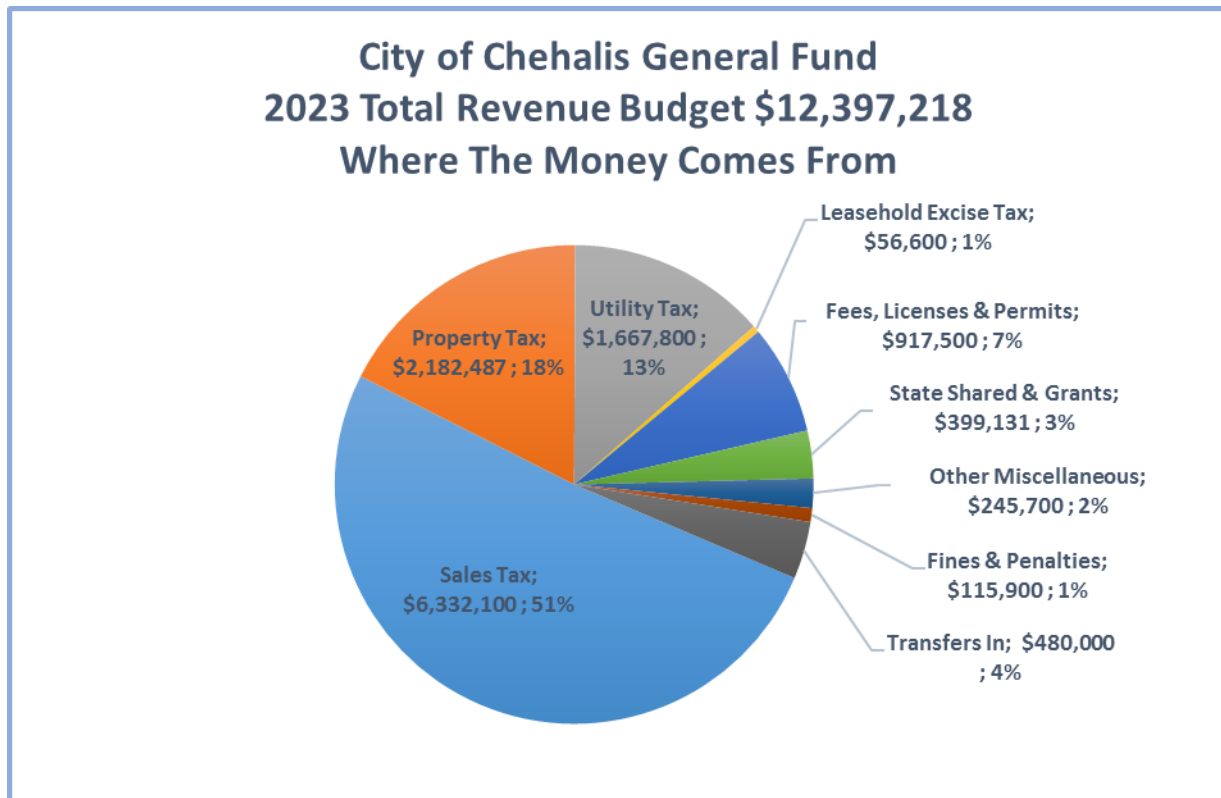
The General Fund is the primary operating fund used for basic municipal services. It accounts for all financial resources except those required or designated to be accounted for in another fund. The funding sources for the General Fund come from property tax, sales tax, utility tax, leasehold excise tax, fees for services, intergovernmental revenues and grant, and other miscellaneous revenues.

2023 General Fund Revenue Budget

The 2023 Preliminary Budget for the General Fund is balanced with use of \$29,745 of the General Fund reserves (beginning fund balance). The 2023 projected revenue totals \$12,397,218 which includes \$480,000 transfers in from other city funds.

| General Fund Budget Summary | 2023 Preliminary Budget |
|--|--------------------------------|
| Estimated Beginning Cash Balance | \$ 1,650,858 |
| Revenues & Transfers In | \$ 12,397,218 |
| Expenditures & Transfers Out | \$ 12,426,963 |
| Net Revenues Over (under) Expenditures | \$ (29,745) |
| Estimated Ending Cash Balance | \$ 1,621,113 |
| <i>Ending Fund Balance % of Revenue Budget</i> | <i>13.1%</i> |

Total tax revenues projected is \$10,238,987, which is a \$347,387 or 3.5% increase from the 2022 amended budget. Total tax revenue makes up about 83% of the General Fund revenues which support the governmental services. The sales tax is the largest revenue source for the City and makes up about 51% of the 2023 General Fund revenue budget. Sales tax has continued in an upward trend over the last three years. The average growth rate for the city’s sales tax from September to September from 2020 to 2022 is about 5.4%. The 2023 Preliminary Budget sales revenue is projected based on an assumption of an approximate 5% increase from the 2022 amended budget. Typically, sales tax revenues from construction activities are considered one-time in nature and are recommended to be excluded from future revenue projections unless other economic or financial data can support the continued growth. However, the 2023 Preliminary Budget sales tax projections includes the average construction sales tax during the past ten-year period, which is about 6% of the sales and use tax.



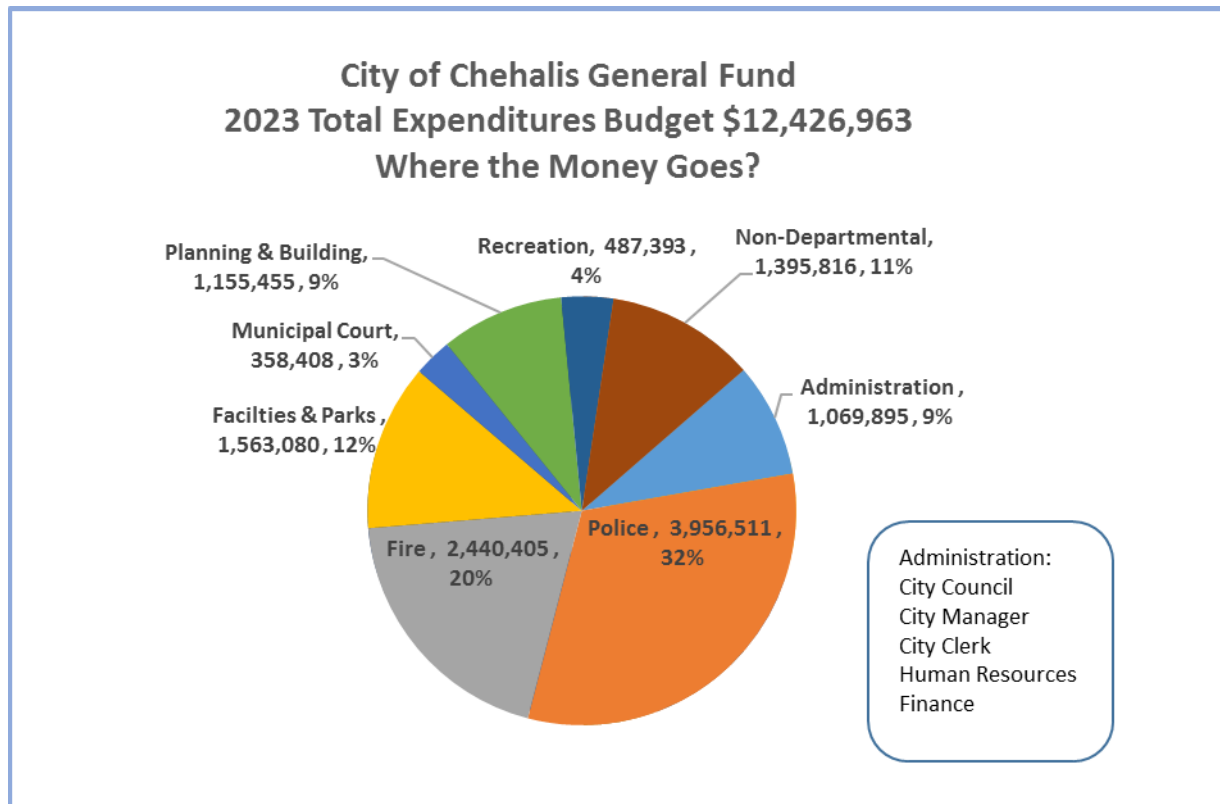
2023 General Fund Expenditure Budget

The 2023 Preliminary Budget expenditures for the General Fund as submitted is \$12,426,963, which is a decrease of \$1,045,257 or 7.8% from the 2022 amended budget. About 87% or \$906,993 of the decrease is related to the one-time transfers out to the general fund sub-funds.

A significant burden that the city continues to struggle with is the rising cost of employee salaries and benefits, which is significantly higher than the revenue growth. Municipal services are primarily through people, which is the largest ongoing cost to the General Fund. Salaries and benefits make up almost 63% of the total General Fund expenditures. Additional salaries and benefits of \$436,915 (or 3.5% of the total General Fund expenditures) is budgeted in the Street Fund which is primarily funded through general fund revenues.

The 2023 Preliminary Budget includes five General Fund positions that were approved in 2022 that have been vacant for most of the year due to the difficulty of finding qualified candidates and one additional police officer position for a half-year, anticipating the hire will occur in the second half of the 2023.

The Combined budgets of the Police and Fire Department represent 52.0% of General Fund expenditures in 2022, which reflects the high priority of keeping residents and visitors in Chehalis safe. The facilities and parks maintenance received the next single highest level of funding. About 6.5% of General Fund budget is allocated for city street maintenance which is included in the non-departmental budget as transfers out to the Street Fund.



Estimated Ending Fund Balance

The estimated ending fund balance, also referred to as operating reserve, at the end of 2023 as submitted is \$1,621,113, which is about 13% of the 2023 General Fund projected revenues. However, unanticipated revenues as well as savings for vacant positions in 2022 and 2023 may increase the ending fund balance.

Maintaining operating reserves at 10% of the revenue budget is the policy goal of the City Council, and the projected ending fund balance at the end of 2023 meets the suggested reserve goals. While the 13% operating reserve may seem high, it still comes far short of actual needs when considering the total costs of all of the infrastructure needs, deferred capital improvements for general and park facilities, and vehicle and equipment replacements. In addition to the General Fund, the City maintains the following sub-funds of the General Fund for specific purposes: Street Fund, Building Abatement Fund, Compensated Absences Reserve Fund, LEOFF 1 OPEB Reserve Fund, and Automotive/Equipment Reserve Fund. However, the fund balances in these funds are less than adequate when considering the ongoing need.

Background on development of the 2023 Preliminary budget

The process of preparing the budget documents begins in late July. At that time, each department prepared their respective draft budgets for 2023 to maintain the level of service provided in 2022. After the compilation of the requests, the Finance Director, Chun Saul, and I met with each department to review their 2023 proposed budget. Modifications to the initial draft budget requests were made and information was updated as more details became available. Reductions in discretionary expenses were made when possible; however, the cost of insurance; supplies; fuel; and services are increasing significantly as the nation deals with the highest inflation in decades. In addition, the 2023 Preliminary Budget has been prepared while collective bargaining with the City's four employee unions continues.

For the General Fund, the initial 2023 Preliminary Draft Budget was balanced with a use of \$564,770 General Fund beginning fund balance. The Preliminary Draft Budget was then presented to the Council Budget Committee on October 3, 2022. After careful review of the budgets with each department, the Budget Committee provided some recommendations to close the gap which included the use of automotive/equipment reserve funds, grant funds, and REET funds. The Committee's recommendations were then incorporated into the 2023 Preliminary Budget. The 2023 Preliminary Budget for the General Fund as submitted is balanced using \$29,745 of the General Fund beginning fund balance.

The 2023 Preliminary Budget includes the allocation of much needed resources to maintain services and staffing levels, as well as continued investment in the maintenance of the City's facilities. There is also a significant investment in planning for the future, including funds to initiate a major update to the City's Comprehensive Plan, move toward Annexations, and the purchase of water rights. This investment in planning will take place with a healthy mix of seasoned and new staff providing a balance to the process and ultimate recommendations.

The 2023 Preliminary Budget, which if adopted in November 2022, will need to be amended after the conclusion of the collective bargaining process and that will require the use of the ending fund balance, which is using "one-time" money to fund ongoing expenses. This reflects the Committees understanding that staff and money need to be available in order to accomplish the City's goals, including maintaining its facilities.

While careful monitoring will be needed, the Committee is not recommending reductions until there is more information on the actual impacts of the collective bargaining agreements and evidence of a recession on the revenues that impact the City's ability to provide services through its staff, including police and fire which make up 50+ percent of the City's General Fund budget.

The 2023 Preliminary Budget continues the use of ARPA funds to offset costs for eligible positions. The Budget Committee is recommending that ARPA funds continue to be used to fund two firefighters and one police officer in 2023 and 2024; the one-time expense to purchase police body cameras and the associated software in 2023; as well as one-third of the one-time expense to purchase a Vactor truck that will be used by the City's Street, Stormwater and Water operations. The Committee is also recommending that the City Council defer the use of banked capacity in 2023, as the City will likely have a greater need for it in future years.

Proposed adoption of budget

The 2023 Preliminary Budget document can be found on the City's website at www.ci.chehalis.wa.us. For the convenience of the reader, the Budget Message that accompanies the 2023 Preliminary Budget, dated November 2, 2022, is attached to this agenda report. The Budget Message provides introductory comments regarding the City's current fiscal condition and a brief summary of each fund. Staff will also be available at the City Council meeting to address any questions from the Council and the public hearing regarding the 2023 Preliminary Budget. Additional changes may be made to the ordinance prior to its second reading to reflect new information and/or direction from the City Council.

RECOMMENDATION

It is recommended that the City Council open the public hearing, accept public comment, close the public hearing, and consider this information when taking an action on these items, which are scheduled on this meeting agenda under "New Business" with agenda reports that provide additional information on the Budget and the related ordinances.

SUGGESTED MOTION

There is no motion needed after the close of the public hearing.

CITY OF CHEHALIS PRELIMINARY BUDGET MESSAGE FOR 2023



November 1, 2022

Dear Honorable Mayor Ketchum and Members of the City Council,

The 2023 Preliminary Budget reflects the ongoing commitment to the City's mission:

While honoring the past and preparing for the future, the City of Chehalis provides municipal services for the benefit of residents, businesses, and visitors in our community.

In the pages that follow, you will see the presentation of the City's proposed goals for 2023 and the financial resources needed to achieve those goals. The goals for each department are part of a work plan to provide municipal services to the community in 2023; along with an investment of resources to plan for the future. Each department summary also includes an overview of the City's accomplishments in 2022. The work that was done in 2022 could not have been achieved without your individual commitments to serve on the City Council, the dedicated staff, and a community that continues to be generous in every way.

As I present the 2023 Preliminary Budget to you for consideration, I am thankful for the opportunity to serve as your City Manager. It is an honor to lead the City's staff to provide important municipal services to Chehalis residents, businesses, and visitors consistent with City Council policy direction.

Budget Process

The process of preparing the budget documents begins in late July. At that time, each department prepared their respective draft budgets for 2023 to maintain the level of service provided in 2022. After the compilation of the requests, the Finance Director, Chun Saul, and I met with each department to review their 2023 proposed budget. Modifications to the initial draft budget requests were made and information was updated as more details became available. Reductions in discretionary expenses were made when possible; however, the cost of insurance; supplies; fuel; and services are increasing significantly as the nation deals with the highest inflation in decades. In addition, the 2023 Preliminary Budget has been prepared while collective bargaining with the City's four employee unions continues.

The Preliminary Draft Budget was then prepared and distributed to the City Council Budget Committee, which invested nearly 30 hours of time in meetings to carefully review the budgets with each department, including enterprise funds that are restricted and can only be used consistent within the applicable laws and auditing standards.

The Budget Committee's recommendations were then incorporated into the 2023 Preliminary Budget. Generally speaking, the Committee recommended staying the course, while carefully monitoring economic conditions as the impact the City's budget situation throughout the year.

Cautious Optimism in Changing Economic Conditions

The impacts of COVID-19 restrictions on day-to-day operations in 2022 were negligible, which created a greater sense of “normalcy;” however, labor shortages and supply chain issues have made it difficult to fill some positions, impacted project schedules, and limited equipment and vehicle acquisition. Inflation has had a much greater impact on the preparation of the 2023 Preliminary Budget than in years past and that will likely become even more pronounced when the results of collective bargaining are available in early 2023.

There is also a lot of talk about a potential recession hitting the United States in 2023. In addition, the very “hot” housing market that has characterized the last few years seems to be “cooling” as interest rates hit highs not seen in decades. Yet, there continues to be development interest in Lewis County in general, including strong commercial and residential development interest in the City of Chehalis and its Urban Growth Area. It is too early to tell how, if, or when these issues will impact the City’s General Fund revenues, which continue to meet or beat estimates.

The Preliminary 2023 Budget reflects a realistic assessment of the cost to maintain municipal services in an inflationary environment and maintain staff positions that are needed to provide municipal services for the community that is asking for more services, not less. The Preliminary 2023 Budget projects the use of a very small amount of beginning fund balance, which can easily be attributed to one-time expenses; however, the full impact of Collective Bargaining agreements has not been included and will almost certainly require a budget amendment in early 2023 as those agreements are finalized for City Council consideration. It is important to note that the 2023 Budget includes five General Fund positions that were approved in 2022 that have been vacant for most of the year due to the difficulty of finding qualified candidates and one additional police officer position for a half-year, anticipating the hire would occur in the second half of 2023.

Factors that could offset the City’s increasing costs to provide services, include the projection that Honda will open for business in the second half of 2023, and the owners of the existing Chevy dealership have submitted plans for a new facility with I-5 visibility, near their existing Toyota dealership, creating the beginnings of a Chehalis Auto Row. If local consumer spending remains relatively constant, City revenues also benefit from stores like Walmart and Home Depot, as well as the ongoing commitment of our community to support local shops and restaurants.

These factors influenced revenue projections which reflect cautious optimism. The 2023 Preliminary Budget sales and use tax revenue is based on an assumption of an approximate 5% increase from 2022 amended budget projection. This is a significant influencing factor on the 2023 Preliminary Budget, which has been prepared using the fund balance estimated to be available at the close of 2022 with an estimated fund balance of \$1,621,113 at the end of 2023, which is approximately 13% of the General Fund Budget. However, unanticipated revenues, as well as savings for vacant positions in 2022 and 2023, will likely increase the final number when the books are closed on 2022 in late January.

A complete financial summary of the budget has been prepared by the Finance Director, Chun Saul. It includes an overview of the major funds, including the General Fund and can be found immediately following this budget message.

Budget Committee Recommendations

Mayor Pro-Tem Spahr, Councilor Lord, and Councilor McDougall served as the City Council's Budget Committee. As mentioned above, the Committee generally recommends staying the course even in the midst of negative predictions about the economy and the threat of recession. They did not want to over-react to the negativity when revenues continue to meet or exceed estimates and there is an ongoing need to invest in the people, facilities, and equipment required to provide services to the public.

After careful review of each budget and considering the proposals, the City Council Budget Committee concluded that the City's strong starting and ending fund balance estimates justified maintaining all positions and budgeting for the addition of one more police officer beginning in July of 2023. These conclusions were made in recognition that the Preliminary 2023 Budget, which if adopted in November 2022, will need to be amended after the conclusion of the collective bargaining process and that will require the use of the ending fund balance, which is using "one-time" money to fund ongoing expenses. This reflects the Committees understanding that staff and money need to be available in order to accomplish the City's goals, including maintaining its facilities.

While careful monitoring will be needed, the Committee is not recommending reductions until there is more information on the actual impacts of the collective bargaining agreements and evidence of a recession on the revenues that impact the City's ability to provide services through its staff, including police and fire which make up 50+ percent of the City's General Fund budget.

The 2023 Preliminary Budget continues the use of ARPA funds to offset costs for eligible positions. The Budget Committee is recommending that ARPA funds continue to be used to fund two firefighters and one police officer in 2023 and 2024; the one-time expense to purchase police body cameras and the associated software in 2023; as well as one-third of the one-time expense to purchase a vactor truck that will be used by the City's Street, Stormwater and Water operations. The Committee is also recommending that the City Council defer the use of banked capacity in 2023, as the City will likely have a greater need for it in future years.

Ongoing Budget Considerations

While the City is addressing its current fiscal issues with cautious and careful optimism, the economic indicators for the U.S. economy appear to be more negative than positive. There are also some issues that will have significant budget impacts in the coming years, including but not limited to the following:

- **Collective Bargaining:** The City's four labor groups have collective bargaining agreements that expire on December 31, 2022. Negotiations with the separate groups are well underway. This is a particularly challenging time to be negotiating employee salaries, with inflation hitting 10% earlier this year. This creates significant pressure to increase salaries and wages to keep pace with the cost of living and to remain competitive with other agencies that also need a skilled workforce. In addition, the State's Revised Code of Washington (RCW) provides legal parameters on what agencies are comparable to Chehalis. The State also has binding arbitration for the settlement of Police and Fire collective bargaining contracts, which means that a state arbitrator can mandate what the City pays its police and/or firefighters if the decision cannot be made locally and is ultimately arbitrated.

- **Facility Maintenance:** There is a need to make a long-term commitment to properly maintain the \$4+ million investment made at Recreation Park, including the Sports Complex and Penny Playground. Like the Gail and Carolyn Shaw Aquatics Center and the Vernetta Smith Library, the City is very fortunate to have a community willing to invest in providing new community facilities. It costs more to keep new, larger, and more advanced facilities maintained on a day to day and year to year basis than old ones. This is a privilege and a responsibility that requires regular attention and investment.

In addition, the City needs to maintain its other parks and facilities, as well as the street scape and associated landscapes. In addition, ongoing maintenance and repair or replacement of the City's aging buildings and facilities, particularly the building of a new permanent fire station, will continue to require investment of very limited General Fund and other potentially applicable resources. In October of 2020, the City purchased a property for a new permanent fire station with funding through a Limited Tax General Obligation Bond. It is anticipated that a voter approved levy will be needed to construct the new permanent station. The City has completed the interim fire station using manufactured buildings on one parcel that is a part of the new fire station site. Planning for the new station will be aided by the work on the interim Fire Station; however, this will be a multi-year planning process for design and preliminary engineering to identify cost; development of a funding plan; preparation of construction ready planning documents; and ultimately construction.

- **Vehicle Replacement:** While Police patrol cars are on a regular replacement schedule, when available, an annual appropriation is still needed and could be compromised if expenses continue to increase faster than revenues. Many of the vehicles used by General Fund activities, particularly Parks and Facilities are more than a decade old, some are nearly 30 years old, and in need of replacement. The Fire Department Aid Car is in the amended 2022 budget but will likely to carryover to 2023, with plans to apply for a grant to offset a portion of the costs. The City's Fire Ladder Truck will also need to be replaced as soon as financially feasible, with an estimated price tag of \$1 million. The City's Street Sweeper is 27+years old and is requiring regular repairs to keep operational. It has an estimated replacement cost of \$500,000. The Ladder Truck and Street Sweeper are not in the Preliminary 2023 Budget due to limited resources.
- **Retirements and a Changing Work Force:** Over the last three years, the City has replaced approximately half of its full -time workforce, including seven long-time management employees who retired from the City after as many as 34 years of service. Fortunately, the City had set aside funds to address this several years ago in anticipation of transition, which has helped reduce the one-time burden of the payments of vacation and sick leave accruals cash outs due to long-time employees, which was particularly high in 2021. This fund remains in place and has sufficient funds to pay cash outs for several more long-time employees in 2023. There are intangible and tangible costs associated with the departure of so many employees retiring in a short period of time. The City is dealing with and will continue to work through the challenges associated with the loss of institutional knowledge and establishing a positive and productive organizational culture with so many new employees that we trust will serve the City well in the years to come.
- **911 Dispatch:** The work to develop a new governance structure for Lewis County 9-1-1 will continue in 2023. Regardless of the path chosen, the costs associated with 911 will increase in the years to come, due to the staffing, technology and infrastructure demands

associated with making any changes, including the much-needed replacement of the antiquated equipment currently being used. Fortunately, there have been strides made to secure funding for upgrading the system with federal funds. This will help set the stage for the future of 9-1-1 in Lewis County.

- **Annexations:** The City Council would like to proceed with annexation of portions of the Urban Growth Area. The in-depth planning and analysis needed to update the City's Comprehensive Plan to support the City's annexation application started in 2021 and was essentially completed in 2022. There are several steps needed to proceed, including discussions with the impacted agencies, most notably Lewis County Fire District #6. It is a potentially complicated process that will need specialized legal and other professional expertise. The 2023 Preliminary Budget includes \$50k for this project.
- **Water Rights Acquisition:** The acquisition of water rights to ensure that there is water for new development over the next 50 years has been an important goal of the City. Acquisition opportunities became available in 2021 and those continue to be acted on.
 - **Marwood Water Rights:** The City has executed a purchase and sale agreement to purchase 160+ acre feet of water, known as the Marwood Farm Water Rights. This agreement was approved in 2022 and moving through the process which involves the Department of Ecology. The 2023 Budget includes Water Funds to complete this purchase.
 - **TransAlta Water Rights:** In September of 2021, the City Council approved an agreement with Centralia to share in the costs of obtaining water rights from TransAlta. The agreement includes commitments to invest an estimated \$5 million dollars in the acquisition of the water rights, as well as the legal and administrative costs related to the application. Work with Trans Alta, the City of Centralia, and the Department of Ecology has continued; however, questions about the future of the Skookumchuck Dam were raised in early 2022 that have added a complication to the discussions. While the 2023 Preliminary Budget does not include the funds for the purchase, it includes funds for the legal and financial consultants needed to provide options and recommendations related to the purchase, which will likely need to be funded with a bond purchase during 2023.

Recognition of Key Budget Contributors

As you know, the City's budget represents the work done by many members of the staff throughout the organization over the course of several months, as well as the careful review done by the City Council Budget Committee.

Mayor Pro-Tem Bob Spahr, Councilor Jerry Lord, and Councilor Kate McDougall invested significant time and effort to provide guidance and insights through the preliminary draft budget review process. Their willingness to stay the course during very uncertain economic times reflects the balancing act between projections and needs. It is recognized that there is a risk in cutting too soon because it will reduce services as well as cutting too late, making more reductions needed. The commitment is to monitor revenues and expenses carefully, with optimism that budget estimates will be met and that the City has the time and ability to identify changing economic conditions to adjust accordingly if they do not.

Chun Saul, the City's Finance Director, deserves special recognition for the large amounts of time and energy that she devoted to the preparation of a complete budget document and the accompanying financial analysis. This year, she had the opportunity to mentor several members

of the team that were working on the budget for the first time. As always, she provided support to the department directors, managers, and program administrators and their staff, who also did a commendable job of preparing their budgets. I am very appreciative of Chun's financial acumen, ongoing commitment, and high standard of professionalism during budget season and throughout the year. As Chun plans for her well-earned retirement at the end of 2023, the City will have the very difficult task of finding a new Finance Director.

Looking to 2023 and Beyond

The 2023 Preliminary Budget includes the allocation of much needed resources to maintain services and staffing levels, as well as continued investment in the maintenance of the City's facilities. There is also a significant investment in planning for the future, including funds to initiate a major update to the City's Comprehensive Plan, move toward Annexations, and the purchase of water rights. This investment in planning will take place with a healthy mix of seasoned and new staff providing a balance to the process and ultimate recommendations.

There is excitement with the opportunities 2023 holds along with the recognition that the City is very reliant on sales tax revenues that are vulnerable if a recession occurs. Therefore, I will remain vigilant, along with the Finance Director in monitoring expenditures and revenue trends, including recession indicators. The City Council Budget Committee plans to continue to meet throughout the year to provide careful oversight of the City's budget circumstances and provide recommendations to the City Council for any adjustments that might be needed during the year. As always, financial reports will be provided throughout the year to keep the entire City Council informed and to obtain policy direction as needed.

Thank you for your ongoing support as we all work together to fulfill the City's mission to provide municipal services for residents, businesses, and visitors. It is truly an honor to serve you, the staff, and the community as City Manager as we work toward the City's vision to become a thriving community for current and future generations.

Sincerely,

Jill Anderson

Jill Anderson
City Manager

2023 BUDGET SUMMARY OVERVIEW



CITYWIDE – ALL FUNDS

The total 2023 Preliminary Budget for all funds (including operating transfers) includes anticipated revenues of \$30,040,104 and expenditures of \$32,252,432, which is a decrease of \$12,025,680 or 28.5% in overall expenditures from the 2022 amended budget of \$44,278,112. The decrease is substantially all related to the one-time intra-fund transfers within each of the city’s enterprise funds, including utilities and the Airport funds in 2022.

The many funds that comprise the city-wide budget are used to separate the primary functions and activities. Funds can be grouped by type: **Governmental** which includes the General Fund, Special Revenue Funds, Debt Service Fund, and Capital Project Funds; **Proprietary** which includes Enterprise Funds (utilities and Airport), and **Fiduciary**. Each fund has specific functions to perform and in each, the revenues and expenditures must be self-balancing.

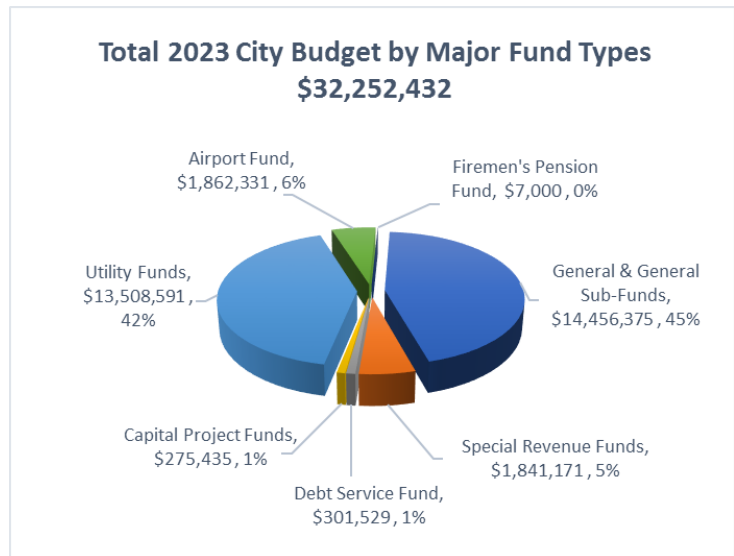
The General Fund provides the primary general governmental functions. In addition to the General Fund, the City maintains five sub-funds of the General fund for specific purposes: the Street Fund, Building Abatement Fund, Compensated Absences Reserve Fund, LEOFF 1 OPEB Reserve Fund, and Automotive/Equipment Reserve Funds. Together, they provide the general governmental services.

Special Revenue Funds include: the Arterial Street Fund, Transportation Benefit District Fund, Tourism Fund, Community Development Block Grant Fund, HUD Grant Fund, and Federal Grant Control Fund.

Capital Project Funds include: the Public Facilities Reserve Fund, Park Improvement Fund, and the First Quarter Percent and the Second Quarter Percent REET funds.

There are seven separate funds that account for the city’s utilities and two separate funds for the Airport Fund.

The Fiduciary Fund with budget appropriation is the City’s Firemen’s Pension Fund.



Overall, the City has twenty-seven funds in which it records its revenues and expenditures associated with providing services to its citizens.

GENERAL FUND (FUND 001)

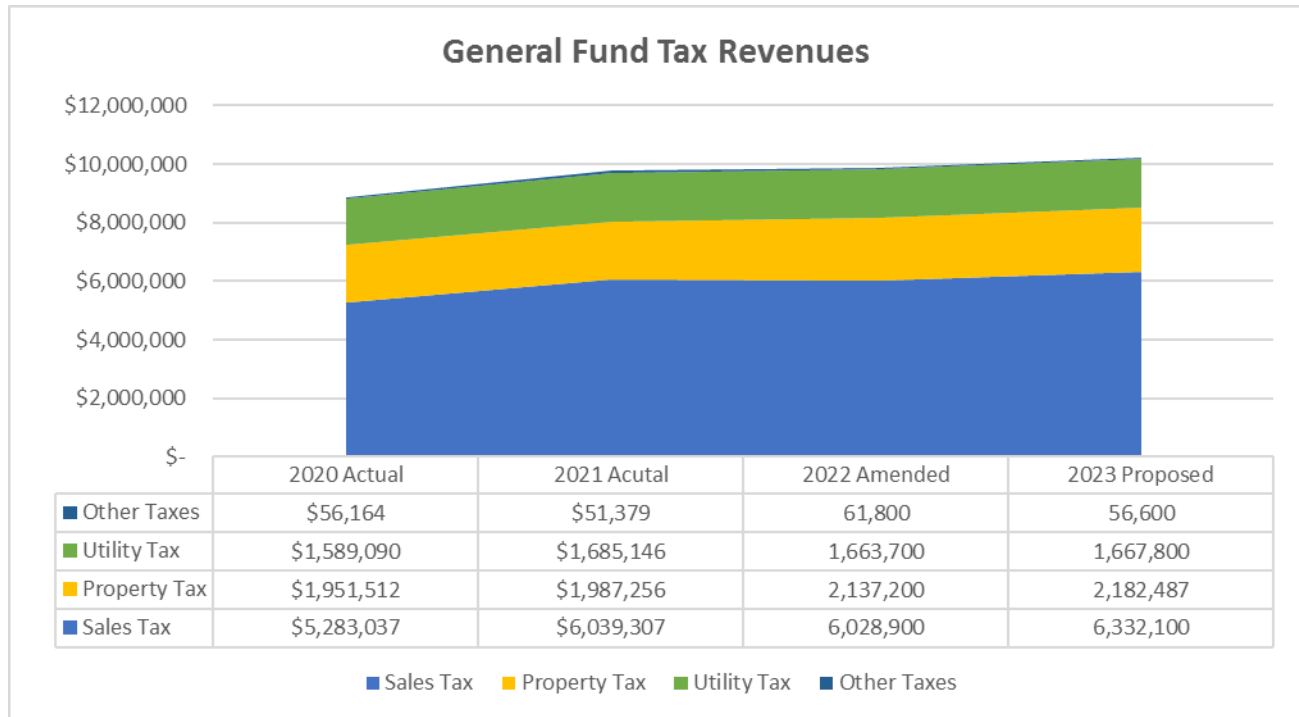
The 2023 Preliminary Budget for the General Fund projects a beginning fund balance of \$1,650,858, revenues at \$12,397,218, and expenditures at \$12,426,963 (including operating transfers out).

A use of \$29,745 of the General Fund reserves (beginning cash) was needed to balance the 2023 Preliminary Budget as submitted, leaving an estimated ending fund balance of \$1,621,113 at the end of 2023. However, unanticipated revenue, as well as savings for vacant positions in 2022 and 2023, will likely change the outcome.

General Fund Revenues

The 2023 Preliminary General Fund revenues are projected at \$12,397,218 which includes \$480,000 transfers in from other city funds. Compared to the 2022 amended budget, this is a decrease of 0.1% or \$6,658.

Total tax revenue projected is \$10,238,987 and makes up 82.6% of the General Fund revenues which support the governmental services provided by the General Fund. The total tax revenue projected in the 2023 budget is 3.5% or \$347,387 increase from the amended 2022 budget.



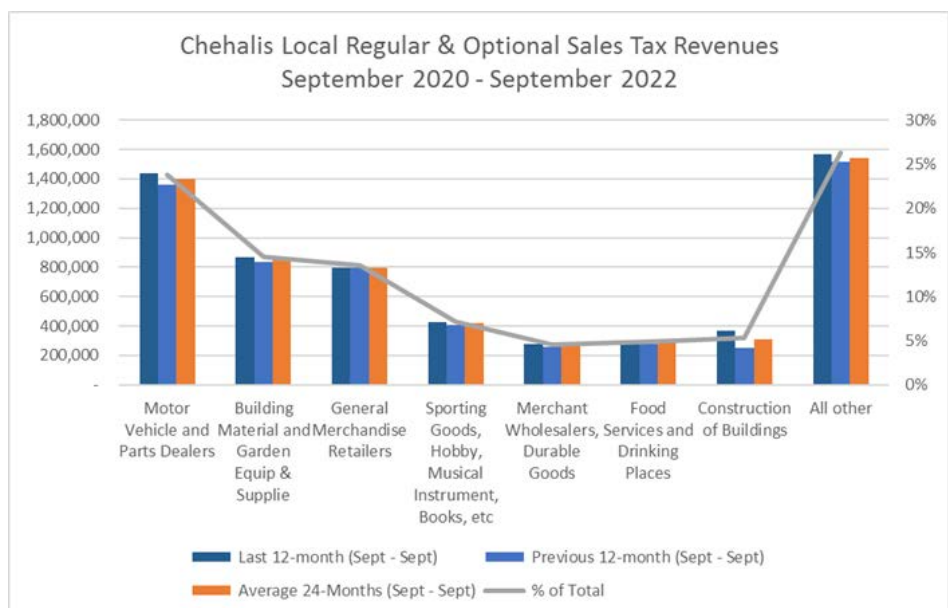
Sales and use tax is the largest revenue source for the City and makes up about 51.1% of the 2023 General Fund revenue budget. Sales and use tax have continued in an upward trend over the last two years. The average growth rate for sales tax from September to September since 2020 to 2022 is about 5.4%. However, the level of uncertainty remains high with the looming concerns for inflation and recession and the economic forecasts are inconsistent regarding whether or not collections over the next year will show the same strength.

The 2023 sales and use tax is projected to increase about 5.0% over the amended 2022 budget which is approximately the same as the 2021 actual sales tax revenues.

Typically, sales tax revenues from construction activities are considered one-time in nature and are recommended to be excluded from future revenue projections unless other economic or financial data can support the continued growth.

However, the 2023 projected sales tax revenue includes the typical average construction sales tax, which is about 6% of total local sales tax during the past ten-year period.

The major categories of sales taxes are motor vehicle and part dealers, general merchandise stores, building and garden materials and equipment, and other retailers and wholesalers, and food services; together these comprise about 77% of all sales tax revenues.



Property tax is the second largest revenue source for the City and makes up about 17.6% of the 2023 General Fund revenues. Property tax revenue is projected at \$2,182,487 in the 2023 budget, up by \$45,287 or 2.1% from the 2022 amended budget. The 2023 Preliminary Budget as submitted includes the total 2022 regular and EMS levy amounts of \$2,144,707 plus 1% statutory maximum allowed increase without a vote of \$21,447 plus an estimated tax increase from new construction for \$20,799. The new construction tax will be provided by the County Assessor and may be updated for the Final budget.

Utility tax is the third largest revenue source used to fund municipal services. Utility tax revenue is projected at \$1,667,800 based on the last three-year average collections and makes up about 13.5% of the 2023 General Fund revenues. Revenue projected is a \$4,100 or 0.2% increase from the 2022 amended budget. The telephone utility tax revenue continues to decline whereas all other utility taxes remain steady with only slight increases over the last few years. Overall, the average growth rate for total utility tax is about 1.0% over the last four-year period.

Licenses and Permits. The revenue is projected at \$436,400 in the 2023 budget. Compared to the 2022 amended budget, this is a decrease of 6.5% or \$30,500. The City has significant increase in building permit activities in 2021 and 2022 over year 2020. It is anticipated that building permit activities will remain strong in 2023; however, it is uncertain whether the revenue would be as strong as in 2022. The 2023 budget projection is based on two-year average for 2021 and 2022.

Intergovernmental grants. The 2023 Preliminary Budget includes a \$242,900 reduction in intergovernmental grant revenues from 2022. The 2022 budget included one-time awards from state Recreation and Conservation Office (RCO) for flood storage basin master plan study in the amount of \$233,425.

Fees for Services. The revenue is projected at \$481,100 in the 2023 budget. Compared to the 2022 amended budget, this is a decrease of \$10,900 or 2.2%. This budget decrease is to reflect the actual revenues collected in 2022 from the Shaw Aquatic Center activities.

Transfers In. The 2023 Preliminary Budget includes a \$480,000 interfund transfers which includes a \$420,000 of the American Rescue Plan Act (ARPA) funds from the Federal Grant Control Fund, \$15,000 from the Tourism Fund, and \$45,000 from the Second Quarter Percent REET Fund. ARPA funds are designated to fund the purchase of police body cameras and staffing of one police officer and two firefighter positions. The lodging tax funds is designated for LTAC approved parks and recreation program. The REET fund is designated for funding the planned improvements at the Recreation Park.

Other revenues are expected to remain relatively stable.

General Fund Expenditures

The 2023 Preliminary Expenditures for the General Fund as submitted is \$12,426,963 which includes operating transfers out to other funds of \$1,080,226. The 2023 Preliminary Budget is an approximate 7.8% or \$1,045,257 decrease from 2022 amended budget of \$13,472,220. About 87% or \$906,993 of the decrease is related to the operating transfers out to the general fund sub-funds.

Municipal services are delivered primarily through people, which is the largest ongoing cost to the General Fund. Salaries and benefits make up almost 63% of the total General Fund expenditures. Additional salaries and benefits of \$436,915 (or 3.5% of the total General Fund expenditures) is budgeted in the Street Fund which is primarily funded through general fund revenues.

The City currently has three labor unions. The current collective bargaining agreements for all three labor unions expire on 12/31/2022. In 2023, there will be four labor unions. The collective bargaining negotiations are currently in progress with all four labor unions which pay increase is one of the main components.

The 2023 Preliminary Budget as submitted includes employer-paid health insurance premiums and welfare increases and an estimated four percent wage increase for all employees, including represented and non-represented employees. It is anticipated that the actual outcome of the collective bargaining negotiations will likely differ from the preliminary projections.

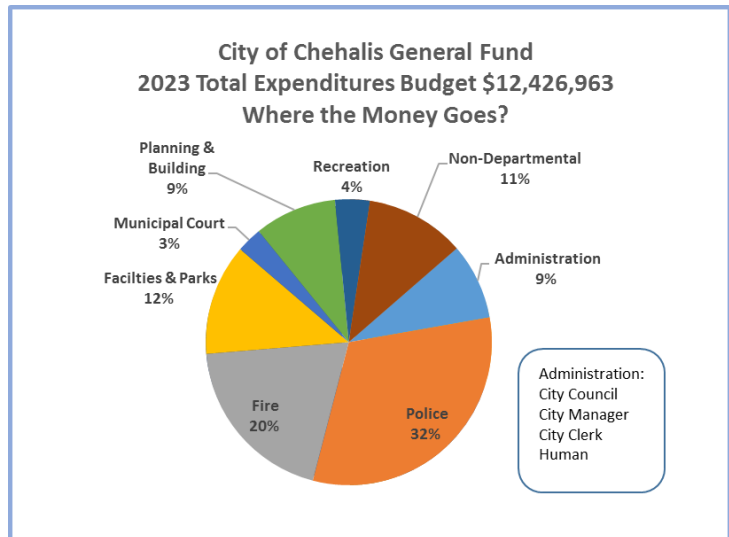
The 2023 Preliminary Budget includes filling five General Fund positions that are currently vacant and an additional police officer for a half-year, anticipating the hire will occur in the second half of the year 2023.

A significant burden that the city continues to struggle is the rising cost of employee salaries and benefits, which is significantly higher than revenue growth.

The combined budgets of the Police and Fire Departments represent 52.0% of the 2023 General Fund expenditures, which reflects the high priority of keeping residents and visitors in Chehalis safe. The facilities and parks maintenance receives the next single highest level of funding. About 6.6% of General Fund budget is allocated for city street maintenance which is included in the non-departmental budget as transfers out to the Street Fund.

Ending General Fund Balance

The estimated ending fund balance at the end of 2023 as submitted in the 2023 Preliminary Budget is \$1,621,113, which is about 13% of the 2023 General Fund projected revenues.



However, unanticipated revenues, as well as savings for vacant positions in 2022 and 2023, will likely change the outcome.

Maintaining operating reserves at 10% of the revenue budget is the policy goal of the City Council, and the projected ending fund balance at the end of 2023 meets the suggested reserve goals. While the 13% operating reserve may seem large, it still comes far short of actual needs when considering the total cost of all of the infrastructure needs, deferred capital improvements for general and park facilities, and vehicle and equipment replacements. In addition to the General Fund, the City maintains the following sub-funds of the General fund for specific purposes: Street Fund, Building Abatement Fund, Compensated Absences Reserve Fund, LEOFF 1 OPEB Reserve Fund, and Automotive/Equipment Reserve Fund. However, the fund balances in these funds are less than adequate when considering the ongoing need.

SUMMARIES OF RESTRICTED FUNDS

Street Fund (Fund 003), Formerly Dedicated Street Fund – 4% Sales Tax

In 2014, the City Council adopted a policy to allocate 4% of the City’s sales tax revenue be transferred to this fund to be used and accumulated for needed city street repairs and improvements. Beginning in 2022, the General Fund Street Department and Arterial Street Funds are combined to the formerly Dedicated Street Fund – 4% Sales Tax and renamed as the Street Fund. The funding sources for the Street Fund come from transfers from the General Fund, state shared Motor Vehicle Fuel Tax, state and Federal grants, and other revenues that are restricted to be used for street purposes.

The 2023 projected total revenue is \$1,186,109 which includes a total of \$1,023,495 transfers in from other city funds. The expenditures budget is \$1,395,412. The estimated 2023 ending fund balance is \$74,802. Maintaining certain level of fund balance in this fund can be used to leverage grants and loans in the future.

Building Abatement Fund (Fund 004)

The Building Abatement Fund was established by the City Council in 2017 for the purpose of removing hazards to public health and safety and potentially address aesthetic concerns related to abandoned buildings in our community. The 2023 budget includes a \$50 interest earnings and no expenditures. The estimated fund balance at the end of 2023 is \$51,759.

Arterial Street Fund (Fund 102)

The Arterial Street Fund is a special revenue fund that accounts for the state distributed motor vehicle fuel tax (MVFT) that is restricted to use for city street purposes. The MVFT distribution is based on population. The MVFT is the only revenue source for this fund. The City uses this fund primarily for the “oiling and chip sealing” program for our city streets. This fund was combined with the Street Fund in 2022. The 2023 budget includes a \$6,027 transfer out of the remaining fund balance to the Street Fund, which results in the ending fund balance of zero in 2023.

Transportation Benefit District Fund (Fund 103)

On February 14, 2017, the voters of Chehalis approved a 0.2% increase to the sales tax to fund the Transportation Benefit District for a term of ten years. The increase went into effect in July 2017. The use of these funds is restricted by law and must be used for specific transportation projects contained in the City’s transportation improvement plan. Improvements can range from roads and transit service to sidewalks and transportation demand management. Projects may also include the operation, preservation, and maintenance of these facilities or programs.

2023 revenue is estimated at \$1,448,900 which includes an estimated transportation benefit district sales tax of \$1,434,900 and an estimated investment interest of \$14,000. Total expenditures budgeted in 2023 is \$906,410. The estimated fund balance at the end of 2023 is \$4,315,286.

Tourism Fund (Fund 107)

The Lodging Tax Advisory Committee (LTAC) requested funding for organizations that advertise and promote tourism in the city and “put heads in beds”. The sole revenue source (except for interest earnings on the fund balance) for this fund is the local Hotel/Motel sales tax and special local Hotel/Motel tax.

2023 revenue is projected at \$291,400, which is a \$56,330 or 24.0% increase from the 2022 amended budget. The proposed expenditure budget is \$332,394, and an estimated fund balance at the end of 2023 is \$76,194. The operating reserve level currently set by the LTAC is \$50,000.

Compensated Absences Reserve Fund (Fund 110)

The Compensated Absences Reserve Fund was established in 1985 for the purpose of setting aside funds to be used for compensation of employees for cash outs for unused accrued leaves; approved disability leaves; approved unemployment benefits; and authorized severance pay. No additional funding (other than investment interest) is in the 2023 budget. Total expenditures budget is \$111,700 which is for cash outs of three General Fund employees planned on retiring in 2023.

LEOFF1 OPEB Reserve Fund (Fund 115)

The LEOFF1 OPEB Reserve Fund was created with the 2020 Budget adoption to provide funding for LEOFF 1 retiree medical benefits. A portion of the regular property tax levy up to \$22.5 cents per \$1,000 assessed valuation is the sole funding source other than interest earnings on the fund balance. The 2023 Preliminary Budget includes \$236,098 transfer in from the General Fund for a portion of the regular property tax levy, with expenditures budget of \$157,000. The estimated fund balance at the end of 2023 is \$196,375.

Community and Housing Development Block Grant Funds (Funds 195 and 197)

The CDBG and HUD Block Grant Funds were created to provide home rehabilitation loans which were funded by the Community Development Block Grant and the Department of Housing & Urban Development Grant. The balance of the loans will be received by the City as ownership of these properties are transferred to anyone other than the original loan holder. As of October 1, 2022, the outstanding loan principal on CDBG and HUD loans were \$81,963.91 and \$38,148.94, respectively.

No loan repayment revenue is projected in the 2023 budget. The estimated fund balance for the CDBG and HUD Grant funds at the end of 2023 are \$23,038 and \$86,286, respectively. If loan repayment in a year is less than \$35,000, the income is considered miscellaneous income and can be used for any community development activity including a CDBG eligible activity or a project benefiting low-and moderate-income persons. There are no plans to

spend the remaining fund balances in 2023; however, the Council Budget Committee would like to explore how the City might best use these funds in the future consistent with any legal restriction on their use.

Federal Grant Control Fund (Fund 199)

This fund was established in 2012 to track and manage various federal and state grant funds and has not had any activity since 2015. With receipt of the Coronavirus Local Fiscal Recovery Funds under the American Rescue Plan Act (ARPA) of 2021, this fund was re-activated to track and manage the ARPA funds. The ARPA funds are restricted funds and must be used for the eligible costs defined in the U.S. Treasury Interim Final Rules. The total of ARPA funds received in 2021 and 2022 is \$2,137,642. No additional funding is expected in 2023. The 2023 expenditure budget is \$593,340. The estimated fund balance at the end of 2023 is \$1,140,229. The ARPA funds must be used by 12/31/2024.

G.O. Bond - Debt Service Fund (Fund 200)

The Debt Service Fund was created to record the payments on the 2011 General Obligation Bonds. Additionally, the City issued a Limited Tax General Obligation (LTGO) Bond in 2019 for the Recreation Park improvement project and Limited Tax General Obligation (LTGO) Bond in 2020 for future fire station land acquisition and the temporary fire station project. The 2023 debt service expenditure budget is \$301,529. The two REET funds provide funds to cover the 2011 LTGO and 2020 LTGO debt services payment and the Tourism fund provides funds for the 2019 LTGO debt service payment.

Public Facilities Reserve Fund (Fund 301)

The Public Facilities Reserve Fund was established many years ago to set aside monies over time to prepare for significant maintenance, repairs, and renovation of the City's buildings, which are used to provide public services to our community. The funding sources for this fund come from the General Fund reserves, bonds and loans, state and federal grants, REET funds, and other dedicated funding such as community donations for park facility improvement projects. In 2022, the Parks Improvements Reserve Fund (Fund 303) was established and transferred the reserved fund balance for the Recreation Park improvement.

The 2023 Preliminary Budget has no expenditures. The estimated fund balance at the end of 2023 is \$364,316, which is committed for future fire station project and other general city buildings and facilities improvements.

Automotive/Equipment Reserve Fund (Fund 302)

This fund was established for the purpose of setting aside money on a regular basis to be able to replace the City's vehicles and equipment as needed. The fundings source is transfer in from the General Fund.

2023 Preliminary Budget has no additional revenues but has expenditures budget of \$365,300. The estimated fund balance at the end of 2023 is \$377,653.

Park Improvement Fund (Fund 303)

The Park Improvement Fund is being established in 2022 to accumulate and provide funds for capital improvements to the city's park facilities. The 2023 budget includes \$56,600 transfers in from the Tourism Fund for future Recreation Park ball fields capital improvements. The estimated fund balance at the end of 2023 is \$160,500.

First and Second Quarter Percent REET Funds (Funds 305 and 306)

The First and Second Quarter Percent Real Estate Excise Tax (REET) Funds were established in accordance with state requirements to account for real estate excise taxes which have specific criteria for usage.

The 2023 Preliminary Budget includes transfers out to the G.O. Debt Service Fund to provide funding for the 2011 LTGO Bonds and 2020 LTGO Bond debt service payments.

The 2023 projected revenues and expenditures for the First Quarter Percent REET fund are \$167,000 and \$130,760, respectively, with an estimated ending fund balance of \$320,918.

The 2023 projected revenues and expenditures for the Second Quarter Percent REET fund are \$171,800 and \$144,675, respectively, with an estimated ending fund balance of \$447,499.

Garbage Fund (Fund 402)

This fund is used to account for the revenues and expenditures associated with the city's organic waste disposal site at Stan Hedwall Park. For 2023, the projected revenue is \$6,240 and expenditures is \$6,240, with an estimated ending fund balance of \$7,559.

Wastewater Fund (Fund 404) and Wastewater Capital Fund (Fund 414)

The Wastewater Capital Fund (414) was established with the adoption of the 2022 Budget to provide dedicated revenues and reserve dollars for capital improvements and replacements of new and existing wastewater collection and treatment facilities and systems.

The 2023 Preliminary Budget for the combined total Wastewater funds is \$6,025,000 of revenues (including interfund transfer of \$454,500) and expenditures of \$7,138,629. The total estimated fund balance at the end of 2023 is \$3,831,428 which comprise of \$1,053,047 for three and one-half months of operating reserve, \$1,882,891 for annual debt service reserve, and \$889,510 for capital reserve.

Water Fund (Fund 405) and Water Capital Fund (Fund 415)

The Water Capital Fund (415) was established with the adoption of the 2022 Budget to provide dedicated revenues and reserve dollars for capital improvements and replacements of new and existing water production and distribution facilities and systems.

The 2023 Preliminary Budget for the combined total Water funds is \$4,240,310 of revenues (including interfund transfer of \$868,300) and expenditures of \$5,278,203. The total estimated fund balance at the end of 2023 is \$6,483,225 which comprise of \$801,530 for three and one-half months of operating reserve, \$233,770 for annual debt service reserve, and \$5,456,870 for capital reserve.

Storm & Surface Water Fund (Fund 406) and Storm & Surface Water Capital Fund (Fund 416)

The Storm & Surface Water Utility Fund provides planning, construction, operation, and maintenance of the City's storm drainage system. The Storm & Surface Water Capital Fund (416) was established with the adoption of the 2022 Budget to provide dedicated revenues and reserve dollars for capital improvements and replacements of new and existing stormwater collection and treatment facilities and systems.

The 2023 Preliminary Budget for the combined total Storm and Surface Water funds is \$913,570 of revenues (including interfund transfer of \$164,300) and expenditures of \$1,085,519. The total estimated fund balance at the end of 2023 is \$1,425,583 which comprise of \$189,813 for three and one-half months of operating reserve and \$1,235,770 for capital reserve.

Airport Fund (Fund 407) and Airport Capital Fund (417)

The Airport Fund is dedicated and restricted to the operation of the Chehalis-Centralia Airport. The Airport Capital Fund (417) was established with the adoption of the 2022 Budget to provide dedicated revenues and reserve dollars for capital improvements and replacements of new and existing Airport facilities and capital assets.

The 2023 Preliminary Budget for the combined total Airport funds is \$2,518,080 of revenues (including interfund transfer of \$83,800) and expenditures of \$1,862,331. The total estimated fund balance at the end of 2023 is \$2,969,552 which comprise of \$471,851 for three and one-half months of operating reserve, \$73,255 for annual debt service reserve, and \$2,331,616 for capital reserve.

Firemen's Pension Fund (Fund 611)

This fund is restricted to payments for supplemental or "excess pension benefits" to retirees who had pre-LEOFF service credits. LEOFF is the acronym for Law Enforcement Officers and Firefighters Retirement System. Funding

was provided with a property tax of \$22.5 cents per \$1,000 assessed valuation from the City's regular property tax levy and the annual Fire Insurance Premium Tax distribution from the state.

The pension levy is no longer received in this fund starting 2020, as the 2019 actuarial study determined that this fund is sufficiently funded to pay all future pension benefits. However, the annual fire insurance premium tax will continue to be received in this fund.

The 2023 Proposed Budget includes \$13,500 in estimated fire insurance premium tax, \$20,000 in investment interest, and \$7,000 in expenditures for pension benefits. The estimated fund balance at the end of 2023 is \$1,061,360.

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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: November 14, 2022

SUBJECT: **Second reading of Ordinance #1035-B, Updating Comprehensive Plan Land Use and Housing Elements and Creating an Historic Preservation Element**

ISSUE

RCW 36.70A, the Growth Management Act, allows for periodic updates to the Comprehensive Plan. Due to recent housing trends, a review of population projections and housing needs was needed. This also provided an opportunity to create an Historic Preservation Element.

DISCUSSION

Background: The Council held the first reading of Ordinance #1035-B at the October 24, 2022 meeting.

For the Land Use Element: Buildable land within the corporate City limits is very scarce. For the City to grow it needs to annex additional land. The first step for annexation is to evaluate, using population and housing projections, the need for additional land. To place the City in the strongest position possible for success, staff has updated the population projections in the Land Use Element and housing projections in the Housing Element, including an analysis of the Urban Growth Area.

Current population trends within the City limits have historically been around 1.25% increase. This is due in part to the lack of buildable land within City limits. This number is calculated for us by the Washington State Office of Financial Management (OFM) and is based upon historic data that goes back to our first population counts. Population projections for the Urban Growth Area proved to be more difficult to create.

Because OFM does not calculate these numbers for us, staff had to go back and do an approximate head count within homes located in the Urban Growth Area. We began by using population numbers for census blocks to help calculate populations for most of the area. Then we looked at the portions of other census blocks, counted homes and multiplied that number by 2.25, the average household size for Lewis County. This gives us a current population in the UGA of 2,044.

City and UGA Population Projections – 2040

| | Current Population | Rate of Growth | 2040 Population |
|------------------|--------------------|----------------|-----------------|
| City of Chehalis | 7,350 | 1.25% | 9,307 |
| Chehalis UGA | 2044 | 6.57% | 7,298 |

This information then allowed us to review densities and determine the land needed to meet population projections. We did not create new categories for review just updated numbers to better analyze need. These calculations are derived from both within City limits and within the UGA.

The average development density of all residential lots within the city is 3.7 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 2040 = 1,088
 3. Gross amount of land needed (1088/4) = 272 acres
 4. Add market factor (283.5 x 1.25) = 340 gross acres of residential land needed
 6. Land available (69% of 179 acres) =124 acres
- Residential land deficit (124 - 340) = -216 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 2040 = 489
3. Gross amount of land needed (489/12) = 41 acres
4. Add market factor (42.5 x 1.25) = 51 gross acres needed
5. Land available (31% of 179 acres) = 56 acres
6. Multi-family residential land surplus (56 – 51) = +5 net acres of land

Changes were also made to the Zoning Designations. We have eliminated the Essential Public Facilities and added Mixed Residential Commercial and Open Space/Public Facility. Essential public facilities are defined at the State level as a use that is difficult to site within a community. As per the RCW 36.70A.200, essential public facilities such as parks, prisons, schools, solid waste handling facilities, and such receive special consideration for placement within the community. The RCW does not address how they must fit in, only that we must accommodate them. By using them as a zoning classification we are unable to determine things such as setbacks that are appropriate for the individual use.

The creation of a Open Space/Public Facility would allow for more flexibility and identify essential public facilities that are currently in use.

The Mixed Residential Commercial is also a new zoning classification. This would allow for areas such as the south end of Market Blvd and into Jackson Hwy, where there is a blend of local businesses and residential uses to become conforming. By using just one zoning classification of either residential or commercial, it creates many nonconforming structures and uses that present development and sales challenges to the property owners. By creating MRC, an area where both uses can occur at the same time would be established and the nonconformity issues would be removed.

For the Housing Element: The Housing Element began by identifying recent changes in housing prices, both for purchase and rental as well as the median income in Chehalis.

| Category | 2011 | 2019 |
|--------------------------------------|-----------|-----------|
| Median Value of Owner-Occupied Homes | \$165,800 | \$182,000 |
| Median Rent | \$758.00 | \$867 |
| Median Household Income | \$34,379 | \$42,209 |

Based on the analysis contained in the Land Use Element, average household size, the rate at which housing is developed as either single- or multi-family, and an assumed development density of 4 units per acre, by 2040 the City will need to develop 1,577 single-family and 489 multi-family dwelling units by 2040 to meet the current population allocation established by the Lewis County Planned Growth Committee. Based on the 4 units per acre assumption, the City will have a single-family residential land deficit of 216 acres, and a multi-family surplus of 5 acres.

As noted in the Land Use Element, land within the City limits is quite limited. Of the 3,695 acres that comprise the City, it is estimated that critical areas encumber approximately 2,884 acres, which leaves only 881 acres with no critical area to impede development.

For the Historic Preservation Element: The information pertaining to historic preservation within the City has traditionally fallen in the Land Use Element of the Comprehensive Plan. With this update it would be removed from the Land Use Element and become a separate new element strictly for Historic Preservation from a mechanical perspective.

Most annual Comprehensive Plan updates typically only change small sections of the language, such as we have done this year. The more text is moved around and altered, the higher the chance of mistakes. By removing Historic Preservation from the Land Use Element, it slims down the Land Use Element making it easier to work with and allows for consistency within the Historic Preservation Element.

After multiple public workshops, the Planning Commission held a public hearing on May 10, 2022, to take public testimony in advance of taking formal action on the proposed changes. The Planning Commission voted unanimously to recommend approval to the City Council the updates to the Land Use Element, Housing Element, and Historic Preservation Element.

The City Council held a workshop regarding the proposed changes on August 15, 2022, to review the proposed changes. In addition, the information has been on the City's website since August to provide an opportunity for those interested to read the material.

FISCAL IMPACT

There is no fiscal impact to this proposal.

RECOMMENDATION

It is recommended that the City Council adopt on second reading Ordinance #1035-B, updating the Comprehensive Plan Land Use and Housing Elements and creating an Historic Preservation Element.

SUGGESTED MOTION

Move to adopt on second reading Ordinance #1035-B, updating the Comprehensive Plan Land Use and Housing Elements and creating an Historic Preservation Element.

ORDINANCE NO. 1035-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, AMENDING THE LAND USE AND HOUSING ELEMENTS, AND ADDING A NEW HISTORIC PRESERVATION ELEMENT TO THE CITY OF CHEHALIS COMPREHENSIVE PLAN.

WHEREAS the City of Chehalis is required to plan under Chapter 36.70A RCW, the Growth Management Act (GMA), which contains fourteen goals that are intended to guide development and adoption of the Comprehensive Plan, and which relate to urban growth, rural development, reduced sprawl, transportation, housing, economic development, property rights, permits, natural resource industries, open space and recreation, environment, public participation and coordination, public facilities and services, historic preservation, and shoreline management; and

WHEREAS the GMA, Chapter 37.70 RCW, requires the City to periodically review and update its Comprehensive Plan in accordance with RCW 36.70A.130(1); and

WHEREAS the City of Chehalis Comprehensive Plan Housing and Land Use elements were outdated with respect to the most recent population counts, growth projections, housing costs, and a variety of other demographic indicators; and

WHEREAS the City of Chehalis Comprehensive Plan did not have a stand alone Historic Preservation element; and

WHEREAS the City utilized a variety of approaches to ensure public involvement, including open meetings of the Planning Committee, Public Workshop held on September 15, 2022, and a Public Hearing held on March 12, 2020; and

WHEREAS the Planning Commission has incorporated the input of Chehalis's residents to produce a Comprehensive Plan that will address the City's priorities and needs in order to plan for future growth while meeting the mandates of GMA; and

WHEREAS the City developed the Housing, Land Use, and Historic Preservation Elements through a detailed review of current demographic and socioeconomic information, analysis of land use, housing, growth projections, and an inventory of historic properties; and

WHEREAS the amended Comprehensive Plan elements were reviewed under the State Environmental Policy Act (SEPA) and was issued a Determination of Nonsignificance (DNS) on May 17, 2022; and

WHEREAS the amended Comprehensive Plan elements were sent to the Washington State Department of Commerce for review for consistency with the Washington State Growth Management Act on May 17, 2022; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CHEHALIS, WASHINGTON, DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Plan Adoption. The referenced elements of the Comprehensive Plan are hereby adopted as the and shall remain in full force and effect until amended or superseded by subsequent action of the Chehalis City Council.

Section 2. Prior Plan Elements Superseded. The City of Chehalis Comprehensive Plan Housing, Land Use and Historic Preservation elements shall supersede and replace any previously adopted Housing, Land Use and Historic Preservation elements.

PASSED by the City Council of the City of Chehalis, Washington, at a regular City Council meeting on this _____, 2022.

Section 3. The effective date of this Ordinance shall be the _____ day of _____, 2022.

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 _____, 2022

Mayor

Attest:

City Clerk

Approve as to form:

City Attorney

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. 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's 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 are also subject 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 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 reflects the opportunities and constraints presented by natural features of the land, and also the economic opportunities presented by rail and highway transportation corridors. 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 in the UGA. 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. A lack of available land within the City for residential development has pushed development into the City's UGAs. As a result, population growth is occurring primarily in the UGAs. Data published by the State Office of Financial Management show that between 2010-2021, the City's population increased by only 3.8%, whereas the UGA increased by 6.57%. This growth trend indicates a likelihood that the City will ultimately need to extend services and expand its boundaries through annexing the UGAs to absorb this urban level of growth. As UGAs are annexed, the City will also need to evaluate whether new UGAs should be established to accommodate future growth.

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 as well as portions of the UGA to the south. 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 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. According to the Washington State Department of Ecology, transportation contributes to 22% of total air pollution and 45% of greenhouse gas.

“Every place looks the same” and “there is no there 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 have become more 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 – the Growth Management Act - 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.

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.~~

Commented [GC1]: This section seems to need to go somewhere else

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.

NEXT PAGE

Walking Tour

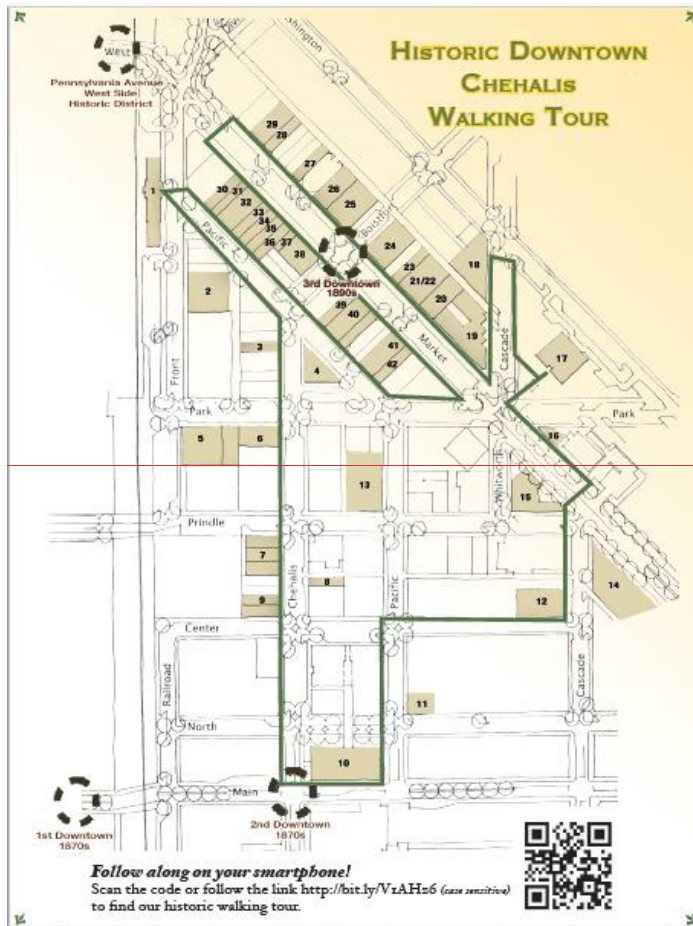


Figure-2

Source: Historic Downtown Chehalis Walking Tour Guide updated December 2016

POPULATION PROJECTIONS & TRENDS

Each jurisdiction has a target population 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 tracking these targets. The current population of Chehalis and its UGAs combined is generally tracking with projected growth for 2040, however the UGAs are experiencing a much greater rate of growth.

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 evaluate what measures are necessary to adapt to the most recent growth patterns and projections.

As previously referenced, current growth trends show that the City’s UGA is growing at over 5 times the rate of the City itself. The City’s population in 2010 was 7,259. As of 2021, OFM estimates the City’s population to be 7,350. This represents a growth rate of 1.25%. ~~Also~~ Also, according to OFM, the City’s UGA population in 2010 was 1,918. As of 2020 it was estimated to be 2,044, which represents a growth rate of 6.57%.

Population Trends

| | | | |
|----------------------|----------------------|---------------------|---------------------|
| City Population 2010 | City Population 2021 | UGA Population 2010 | UGA Population 2021 |
| 7,259 | 7,350 | 1,928 | 2,044 |

Based on population estimates provided by OFM, the Lewis County Planned Growth Committee has projected growth for each city and the County out to the year 2040. In making these projections, the Committee had the option of considering either a low, medium, or high rate of growth based on the following projections provided by OFM:

OFM Population Projections

| | Census | Projections | | | | | |
|--------|--------|-------------|--------|--------|---------|---------|---------|
| | 2010 | 2015 | 2020 | 2025 | 2030 | 2035 | 2040 |
| Low | 75,455 | 72,964 | 72,964 | 72,964 | 72,964 | 72,964 | 72,964 |
| Medium | 75,455 | 77,621 | 80,385 | 82,924 | 85,165 | 87,092 | 88,967 |
| High | 75,455 | 86,431 | 92,016 | 97,358 | 102,378 | 107,059 | 111,684 |

After receiving the OFM projections, the Planned Growth Committee, which consists of representatives from all the jurisdictions in the County, developed “growth allocations.” Essentially, this consists of using the OFM projections to establish population projections for each of the jurisdictions in Lewis County.

Based on the highest growth rate, Lewis County’s population should be slightly over 92,000. With a 2021 population of 82,983, the County is actually growing at a rate that is much closer to OFM’s medium growth estimate, which projected 80,385 for 2020. The same holds true for the City of Chehalis and its UGA. Based on the City’s current population and the growth rates discussed above, the City and UGA projected populations in 2040 will be 9,307 and 7,298, respectively:

City and UGA Population Projections – 2040

| | Current Population | Rate of Growth | 2040 Population |
|------------------|--------------------|----------------|-----------------|
| City of Chehalis | 7,350 | 1.25% | 9,307 |
| Chehalis UGA | 2044 | 6.57% | 7,298 |

The projected populations for both the City and its UGA fall short of the 2040 projections developed by the Planned Growth Committee using OFM’s highest growth rate projections. The 2040 projection for the City of Chehalis of 9,307 is closer to the high projection than the medium, however, based on the Planned Growth Committee’s 2016 projection of 10,630 by 2040. A population of 9,307 would represent 87% of the projected 10,630.

WHAT DO THE POPULATION TRENDS MEAN?

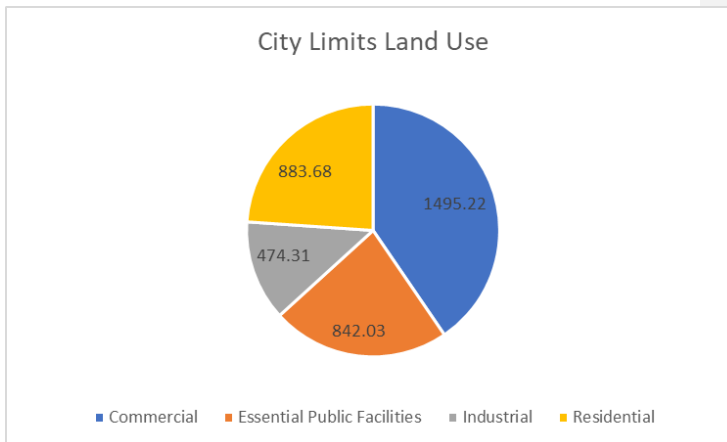
Documented growth within the City limits and the UGAs helps establish a direction for future actions the City might take to meet the planning objectives of the Growth Management Act:

- Infrastructure planning - having information about where growth is occurring – and at what rate – will help the City determine where urban services are most needed to accommodate that growth. This could be anything from sewer and water, to roadway improvements, to parks and trails.
- Annexation - having up-to-date population numbers, and data on the recent rate of population growth, will help the City determine whether annexation of parts of the UGA is appropriate.
- UGA expansion - as the population grows and annexations occur, it may be desirable to create new UGAs to account for the UGAs lost through annexation.
- Rezoning – accurate population and growth data also provide guidance on whether the City’s current mix of zoning districts are sufficient to accommodate growth, not, only with respect the growth itself, but also to ensure it is occurring in the correct location.
- New zoning densities and uses – data show that residential development within the City limits is occurring at a very modest rate. This is due to the lack of available undeveloped land. It may be necessary to review the allowed densities within the City limits to determine whether it is appropriate to allow greater density. Also, looking for opportunities for “in fill” on existing development, such as standards for Accessory Dwelling Units on existing residential lots, may be appropriate.

NEXT PAGE

City of Chehalis Land Allocation by Zoning

| City Limits | |
|-------------|--------|
| Zone | Acres |
| CBD | 54.0 |
| CF | 141.4 |
| CG | 1296.9 |
| CO | 10.6 |
| EPF (A) | 200.7 |
| EPF (C) | 0.0 |
| EPF (F) | 33.0 |
| EPF (G) | 53.3 |
| EPF (I) | 99.9 |
| EPF (P) | 271.7 |
| EPF (S) | 98.1 |
| EPF (U) | 67.3 |
| EPF (W) | 66.1 |
| IH / CG | 120.5 |
| IL | 111.0 |
| IL / CG | 242.7 |
| R1 | 479.6 |
| R2 | 333.3 |
| R3 | 11.6 |
| R4 | 59.2 |
| RUGA | 0.0 |
| Total | 3751.0 |



- CBD Commercial Business District
- CF Commercial Freeway
- CG Commercial General
- CO Commercial Office
- EPF Essential Public Facilities
- IH/CG Heavy Industrial/Commercial General
- IL Light Industrial
- IL/CG Light Industrial/Commercial General
- R1,2,3,4 Residential

NEXT PAGE

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 |
| Residential, High Density | 3. R-3: multifamily residential – medium density; 6-18 du/ac |
| | 4. R-4: multifamily residential – high density; 10-24 du/ac |
| Residential Commercial | MRC: Mixed Residential Commercial; density 6 – 18 units/ac |
| R-UGA: urban growth area residential; | 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 |

| | |
|---|---|
| | <p>6. EPF: essential public facilities; provided, the EPF zone shall be further subdivided into the following categories: MCR: mixed neighborhood commercial and medium density residential</p> <p>a. EPF(A): airport;</p> <p>b. EPF(C): cemetery;</p> <p>e. EPF(F): fairgrounds;</p> <p>d. EPF(G): government;</p> <p>e. EPF(H): hospital;</p> <p>f. EPF(I): institution;</p> <p>g. EPF(P): park/playground;</p> <p>h. EPF(S): school;</p> <p>i. EPF(U): utility;</p> <p>j. EPF(W): wetland;</p> |
| EPF: essential public facilities; MCR: mixed commercial residential | |
| Commercial | 7. C-O: commercial office/mixed use; |
| | 9. C-G: general commercial; |
| | 10. C-F: freeway-oriented commercial; |
| | 11. CBD: central business district; |
| Open Space/Public Facility | OSP: Open Space Public Facility |
| | 13. I-L: light industrial; |
| Industrial | 14. I-H: heavy industrial. |

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. 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 22% 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 813 acres. 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 also 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 may be conditionally permitted. All four residential zones combined amount to 884 acres, or 24% of the total land area within the City limits.

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-3 and R-4 zones, is approximately 71 acres. This amount represents approximately 2% of the total land area in the city. The small percentage of land currently available for multi-family housing indicates a need to identify more areas to zone as multi-family. This is not just to accommodate growth, but also to achieve affordable housing goals. Given the existing constraints on residential growth within the City limits, this may require allowing for denser (multi-family) growth in the UGA, with the intent to annex these areas at a future date.

- 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).

MIXED COMMERCIAL RESIDENTIAL

Communities ebb and flow, creating pockets of neighborhood commercial surrounded by residential. These small commercial areas provide an essential service to their neighbors by allowing residents access to commercial services without having to drive. But zoning these areas either residential or commercial creates nonconforming uses that prove problematic for financing and redevelopment. It is the intent of the mixed commercial residential zone (MCR) to allow for compatible uses to co-exist without diminishing property values.

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 1495 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 1289 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 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.

- 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 54 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.

AIRPORT SERVICE DISTRICT

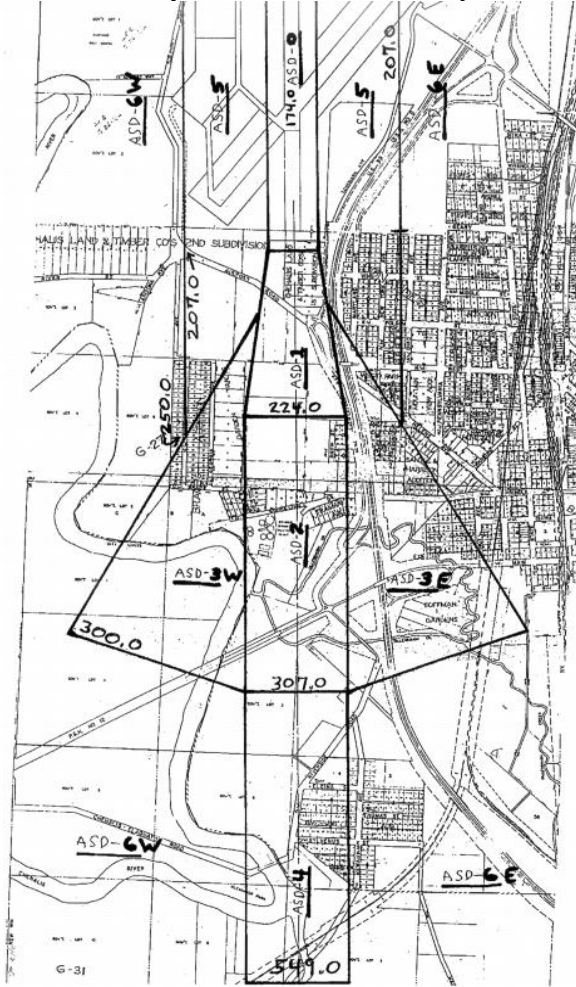
Airports are a special form of land use. They can provide unique economic and recreational opportunities to a community, but they can also be seen as a nuisance by abutting property owners if land development surrounding the airport cannot tolerate the noise generated by airport operations. The ASD is 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.

Operations and future development options for the airport are guided by the Chehalis-Centralia Airport Master Plan, which was completed in 2001. In some respects, the Master Plan functions much like this Comprehensive Plan, with zoning and land use characterizations, populating forecasts, etc. However, the Master Plan is obviously directed toward aviation, including the physical characteristics of the Airport, projections of aviation trends, and future growth and development alternatives for the airport. There are plans to update the Master Plan in the near future.

Airport Service District Overlay



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. Chapter 17.33 of the Chehalis Municipal Code establishes the allowed uses and

~~development standards within the Historic Districts, based on the following Legislative Findings contained in 17.33.001 CMC:~~

~~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 Chehalis. Chapter 17.40 of the Chehalis Municipal Code establishes special development standards for the Industrial Development District and also adopts the Port of Chehalis Comprehensive Plan by reference. 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

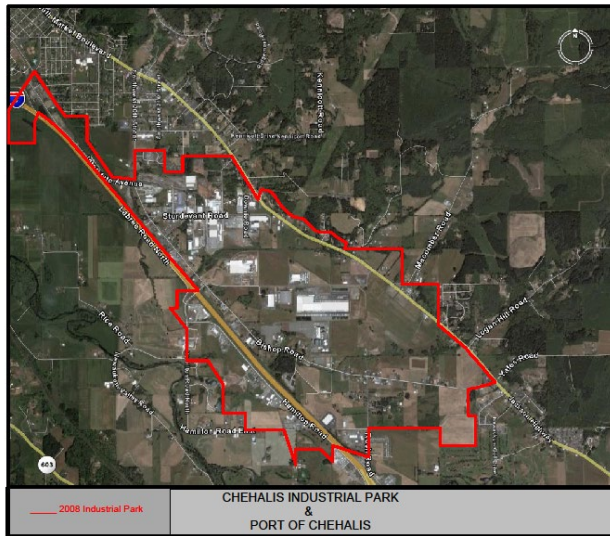


Figure-11

Source: Lewis County GIS

ESSENTIAL PUBLIC FACILITIES

Essential Public Facilities (EPFs) are defined under the Washington State Growth Management Act as those facilities that are “typically difficult to site,” and list facilities such as prisons, airports, mental health facilities, etc.. Such facilities generally require strategic locations which may necessitate unique zoning controls. [Ord. 720B § 1, 2002.]

The City of Chehalis currently provides for the location of EPFs through zoning districts specifically designated for the following facilities:

- 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~~

The City is in the process of evaluating significant changes to the way in which it authorizes EPFs for several reasons:

~~First, providing for EPFs through specific zoning districts is not the conventional approach. Rather, EPFs are typically evaluated through detailed siting criteria for the proposed facility and its compatibility with surrounding land uses, etc. For this reason, the City is evaluating whether to eliminate EPF districts through a rezoning process, while also developing EPF siting criteria for other zoning districts in the City.~~

~~Second: Some of the City's existing EPF zoning districts don't clearly fall within the definition of an EPF. For example, the City has an EPF Wetland zoning district. Wetlands are not facilities.~~

~~Finally, EPF zoning districts represent 842 acres—or 23%—of the City. Rezoning the EPFs may provide an opportunity to meet other City objectives, such as increased commercial, mixed-use, or affordable housing.~~

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 3,695 acres of land, fully 2,884 acres, 78% 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. After subtracting the undevelopable critical areas, there are 811 developable acres, most of which have already been developed.

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 LU-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 666 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.

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 2021, the City of Chehalis' population was 7,350 according to the Office of Financial Management. This represents a 1.25% growth rate since 2010. To meet the Planned Growth Committee's adopted target of 11,230 by 2040, 3880 more people will need to live here. At 2.46 persons per household, that means about 1577 more residential units will be needed during between 2021-2040. As previously discussed, growth within the City limits is restricted due to the presence of critical areas and a low inventory of undeveloped land. So, in order to meet this objective, the City of Chehalis will need to take an aggressive approach that will likely require rezoning in the UGAs to provide for greater densities, followed by annexation.

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.

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

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. Based on a 2.46 average household size, 1,577 new dwelling units will be needed by 2040 to meet the Planned Growth Committee's population allocation of 11,230. Assuming the current trends hold, the City

will need 1,088 new single family dwellings and 489 multi-family dwellings to meet its housing needs in 2040. ~~The City estimates that approximately 179 net acres of undeveloped land are available and zoned for residential development.~~

Commented [GC2]: I don't really understand this.

The average development density of all residential lots within the city is 3.7 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 2040 = 1,088
 3. Gross amount of land needed $(10884/4) = 272$ acres
 4. Add market factor $(283.5 \times 1.25) = 340$ gross acres of residential land needed
 6. Land available (69% of 179 acres) = 124 acres
- Residential land deficit $(124 - 340) = -216$ 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 2040 = 489
3. Gross amount of land needed $(489/12) = 41$ acres
4. Add market factor $(42.5 \times 1.25) = 51$ gross acres needed
5. Land available (31% of 179 acres) = 56 acres
6. Multi-family residential land surplus $(56 - 51) = +5$ 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, 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

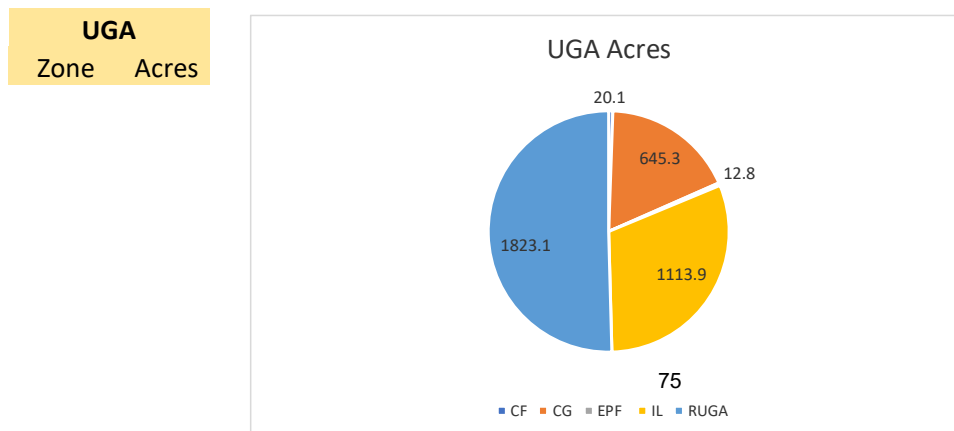
1. Jobs created per acre = 20
2. New jobs projected = 4,870.5
3. Land needed $(4,870.5/20) = 243.52$ acres
4. Add market factor $(243.52 \times 1.25) = 304.41$ gross acres of commercial land needed
5. Vacant city zoned commercial land/industrial (excluding critical areas) = -841.59 acres
6. Subtract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

UGA FUTURE LAND USE

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.

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.

City of Chehalis UGA Land Allocation by Zoning



| | |
|-----------|--------|
| CF | 20.1 |
| CG | 645.3 |
| EPF | 12.8 |
| IL | 1113.9 |
| RUGA | 1823.1 |
| Total UGA | 3615.3 |

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

OBJECTIVES TO MEET LAND USE NEEDS FOR THE CITY AND UGA

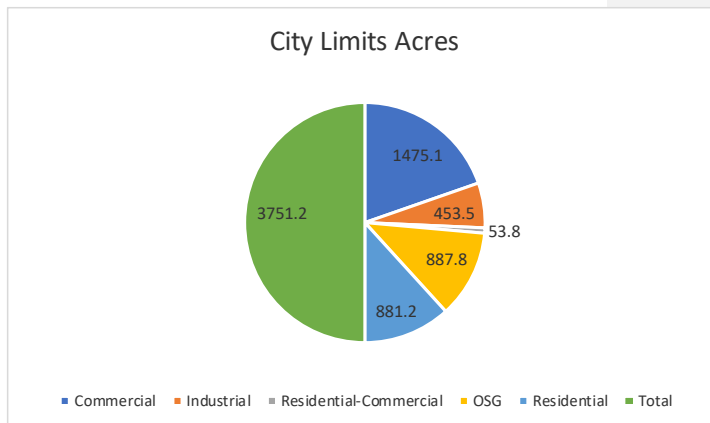
Based on the population and employment projections and housing needs analyzed above, the City is engaged in several efforts to meet its future needs.

CURRENT REZONE EFFORTS

City staff have been evaluating the current zoning districts within the City and UGA, the range of uses they allow, and whether certain zones need to be expanded or reduced. As a result of this evaluation, an extensive re-zoning effort is in the proposal stages. The City’s Essential Public Facilities zones will be replaced with more traditional zoning districts that will still allow Essential Public Facilities, but will also allow for other uses. In addition to this, a completely new Mixed Use Residential – Commercial (MRC) zone is being proposed. These proposed zoning changes are depicted in the Future Land Use Map, below.

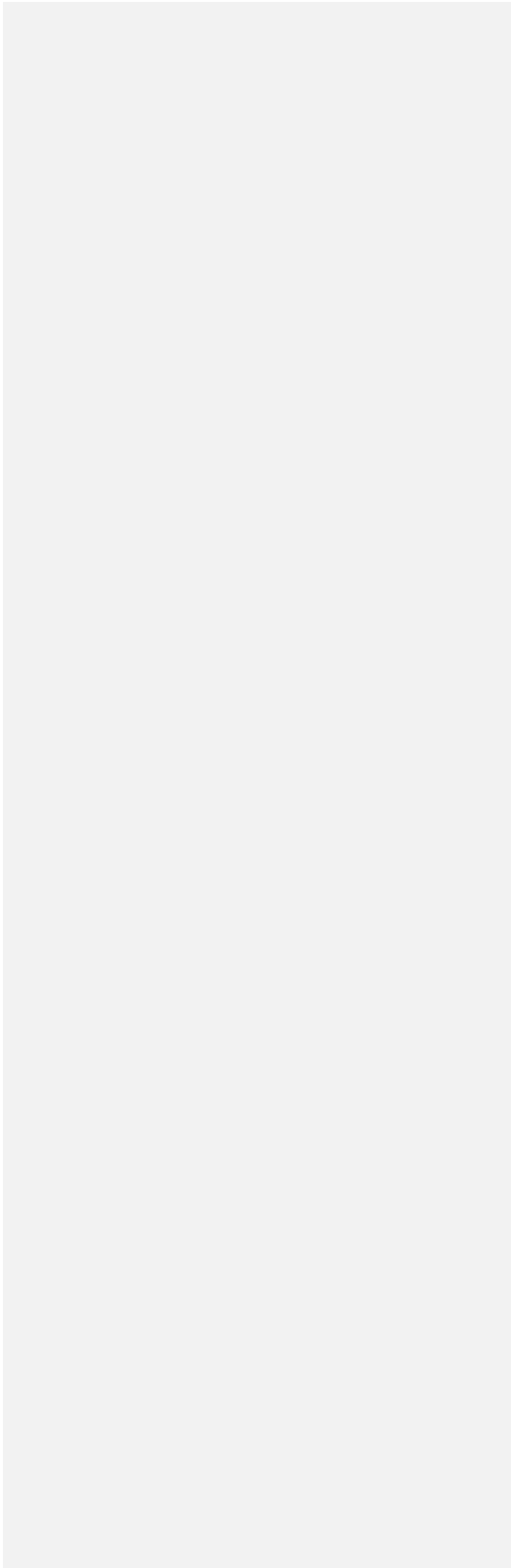
Proposed Future Zoning Changes

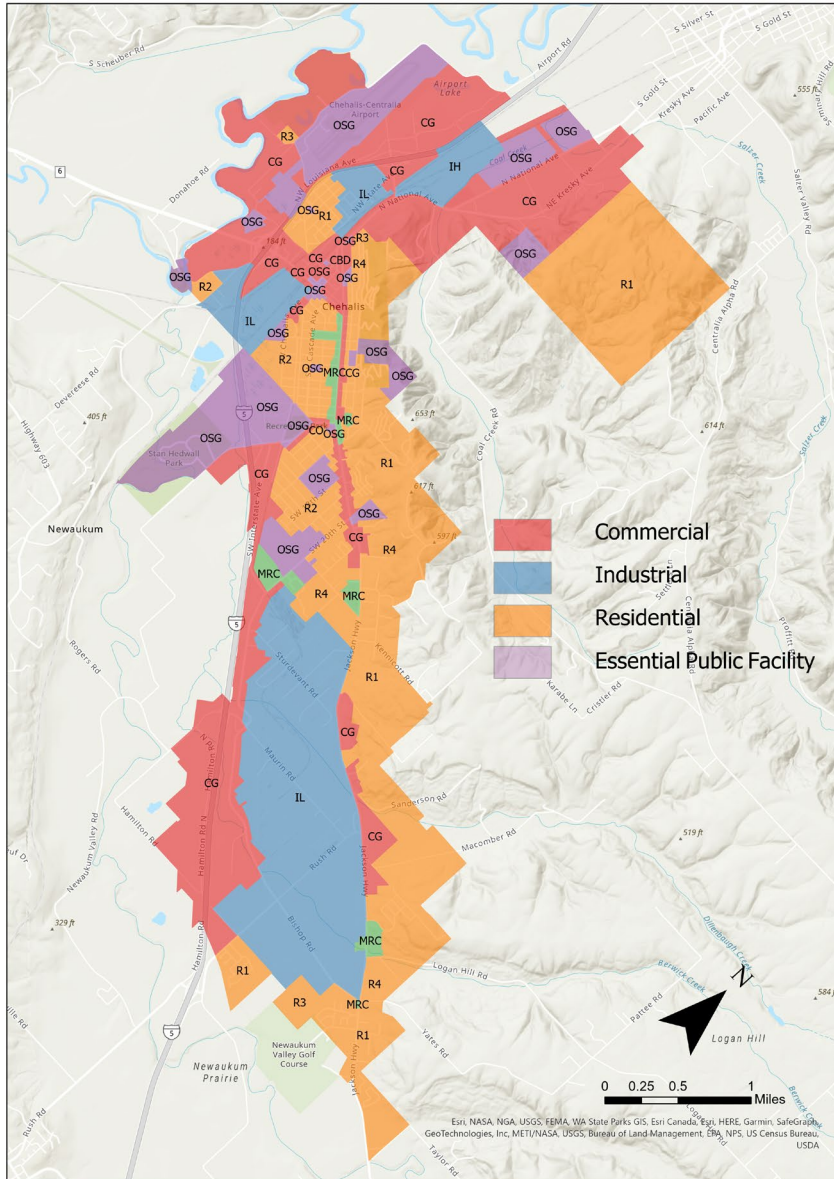
| City Limits | |
|------------------------|--------|
| Zone | Acres |
| Commercial | 1475.1 |
| Industrial | 453.5 |
| Residential-Commercial | 53.8 |
| OSG | 887.8 |
| Residential | 881.2 |
| Total | 3751.2 |



|

|





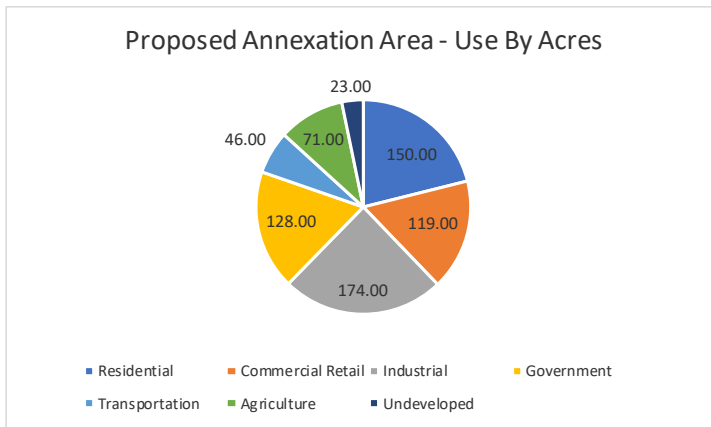
CITY OF CHEHALIS PROPOSED LAND USE CATEGORIES

DATE: 3/28/2022

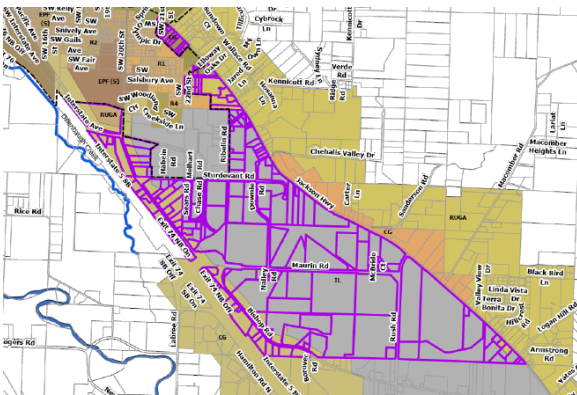
[INSERT FUTURE LAND USE MAP HERE]

POTENTIAL ANNEXATION

The City is embarking on an effort to annex a large portion of its Urban Growth Area. This proposed annexation has been the subject of evaluation and discussion for a number of years. The area borders the City to the south and is comprised of 875 acres, which represents 29% of the UGA. Although this area represents a significant portion of the City's UGA, at 150 acres, only a small percentage is currently in residential use. This is due in large part to the presence of the Port of Chehalis in this part of the UGA:



Potential Annexation Area



POTENTIAL UGA EXPANSION

The City is also currently evaluating options to expand its UGA. This effort would need to be coordinated with Lewis County, as it requires approval of both jurisdictions. Just south of its current UGA are two areas that can offer the potential for commercial development and mixed

use/affordable housing. One area is being referred to as the Newaukum expansion, and the other is referred to as the Hamilton Road expansion. Given the rate of growth within the UGA between 2010 and 2020, providing more growth and development opportunities in the near future – particularly for affordable housing – will be important. Those areas outside the Port of Chehalis properties may represent the best options for meeting growth objectives. The areas that the City is currently evaluating total approximately 350 acres. Assuming the proposed annexation discussed above is completed, this potential UGA expansion would replace less than half of the UGA acres that would be incorporated into the City through annexation.

Newaukum UGA Expansion



Hamilton Road UGA Expansion



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 or 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

- 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 effect 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 FUGA.

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 FUGA 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 FUGA 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.

Chapter 4

Housing



INTRODUCTION

The Housing element provides a framework that the citizens of the city of Chehalis can use to provide adequate and appropriate housing for existing and future residents within the City and UGA. This element will also promote discussion and provide policy guidance as to the types and densities of housing that are most appropriate to accommodate the city's future needs.

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The Housing element is integrally related to other comprehensive plan elements. The Land-Use element, relying upon an analysis of the carrying capacity of the land to determine densities and compatibility, and also upon growth estimates, will indicate how much land should be made available within the city and its UGA to accommodate the identified housing needs. The capital facilities, transportation, and utilities elements will serve to guide where, and how, public services will be provided to support projected housing needs.

GMA HOUSING PLANNING GOAL (RCW 36.70A.020)

The Washington State Growth Management Act (GMA) includes 14 goals, which were adopted to guide the development and adoption of comprehensive plans and development regulations. Housing is a required element under the GMA, which contains the following housing goal:

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“Plan for and accommodate housing affordable 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.” [As amended in June 2021 by ES2HB 1220]

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GMA REQUIREMENT FOR HOUSING PLANNING (RCW 36.70A.070)

The GMA requires that each city prepare an inventory and analysis of existing and projected housing and that provisions are made for all economic segments of the community. The comprehensive plan must identify sufficient land for housing including, but not limited to, government assisted housing, housing for low-income families, manufactured housing, multi-family housing, group homes, and foster care facilities.

ES2HB 1220

In June 2021 the Washington Legislature amended sections of the Growth Management Act, establishing several requirements for the Department of Commerce, cities, and counties to plan for several categories of housing. Among the new requirements of the legislation, cities and counties planning under the GMA are now required to amend the Housing Element of their comprehensive plans using information provided by the Department of Commerce. Beginning in early 2022 and extending to mid-2023, Commerce is on task to provide information and guidance in the following areas:

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1. Projected housing needs for all economic segments of the population (moderate, low, very low and extremely low income). Projections will be provided at the county level and must be incorporated into local planning efforts. This includes projected need for emergency housing, emergency shelters and permanent supportive housing.
2. Guidance on provisions for moderate density housing options within an Urban Growth Area (UGA), including but not limited to duplexes, triplexes and townhomes.
3. Guidance on reviewing for adequate housing for existing and projected needs for all economic segments of the community, including sufficient land capacity for all projected housing. This includes guidance on how to assess zoning and regulations to allow, encourage and incentivize housing to meet the projected housing needs in each income band.
4. Guidance on examining racially disparate impacts, displacement and exclusion in housing policies and regulations, and recommended policies to address them

In addition to specific information and objectives that will be required in the Housing Element of the Comprehensive Plan, ES 1220 also requires cities and counties to amend their zoning regulations to provide for transitional housing, permanent supportive housing, emergency housing, and emergency shelters in certain zoning districts. These housing and shelter alternatives are defined in the statute. The City of Chehalis is currently in the process of examining the allowed uses within the City's current zoning and will be bringing zoning amendments forward to address these new requirements in 2022.

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COUNTYWIDE PLANNING POLICIES

In 1991, the Growth Management Act was amended requiring each county to adopt countywide planning policies in cooperation with the cities in the county. This provided for consistency amongst the different comprehensive plans. These policies are required to address issues that affect the county as a whole including the siting of public facilities, transportation facilities, affordable housing, economic development and employment, and land use development. The City of Chehalis considered the countywide planning policies as well as other factors to determine the best future course for the City of Chehalis. The Countywide Planning Policies are reviewed by the Planned Growth Committee periodically and revised to account for changing local circumstances on changes in legislation.

The Lewis County Planned Growth Committee adopted the updated planning policies relating to land use in June 2017. The Countywide Planning Policies (CWPPs) include housing as one of the thirteen (13) policy topics which states:

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Goal 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.

Policy 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.

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

Policy 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.

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Based upon the changes to the Housing Element mandated by ES 1220, it is likely that the City of Chehalis and other members of the Planned Growth Committee will amend and expand the Housing section of the Countywide Planning Policies in the near future.

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PUBLIC PARTICIPATION AND VISIONING PROCESS

The Chehalis 2000 Strategic Planning Task Force, formed in the early 1990s, involved a visioning process that laid the groundwork for the GMA. The Chehalis 2000 document includes comments and input from members of the community regarding land use, and how citizens envision their city to look and function within the next twenty years (May 10, 1993 Issue Group Reports). The issue group's main concern was 'how to determine ways to increase availability and affordability of decent, safe, and sanitary housing for all segments of the community.' The citizens identified other critical issues including:

Commented [GC1]: The information in this section is based on efforts that are now 20-30 years old and possibly outdated and irrelevant. Have there been other more recent studies or visioning efforts that we might be able to substitute here? If not, do we want to remove or keep this section?

- A critical shortage of multi-family housing for lower income households;
- A necessity to increase higher income housing in the community;
- The lack of available suitable land for new housing;
- The lack of suitable financing for low income families;
- The high cost of utility hook-up fees; and
- The lack of complete information, regarding development criteria, available in one location.

Lewis County Housing Task Force

The Lewis County Housing Task Force requested that a housing study be undertaken for the county. The resulting report, the Lewis County Housing Needs Assessment, completed December 13, 1994, was based primarily on 1980 and 1990 census information. Because the city has experienced substantial change since 1990, the information in the Task Force study has been supplemented wherever possible with verification from Chehalis city government offices, and also with information from OFM, including census and housing information as recent as 2020-2021.

DEMOGRAPHICS

Historical data regarding population is included in the Introduction. More detailed information beginning with the 2020 census is included here.

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The demographics of the city's population will determine the need for types of households. The following information and table shows population trends in Chehalis since 1980. Since 1991 the proportion of the county's total population living in Chehalis has been declining:

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.

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HOUSING CHARACTERISTICS

INVENTORY

According to OFM data, the total number of housing units in Chehalis increased from 2839 in 2000 to 3181, as of 2020. This is an increase of 292 units. The age and overall condition of the city's housing stock presents a question as to the city's ability to adequately house its citizens. According to 2014 U.S. Census data, 30.7 percent of the city's existing housing units were built before 1960, 29.7 percent have been improved or built since 1970 and approx.. 39.6 percent of the housing pre-dates 1940. In addition, it is estimated that nearly half of the existing housing stock is either marginal or sub-standard, according to the same data.

POPULATION PER HOUSEHOLD

According to the U.S. Census, the average household size between 2015-2019, was 2.31 persons across all household types within the city limits of Chehalis. This is a slight decrease from past years and reflects the overall national trend of smaller households.

MIX OF HOUSING TYPES

In 2020 there were 2019, one unit detached houses, in Chehalis. There were 1083 multi-family units (two or more unit structures including multi-unit apartment buildings) Thus, the trend has been toward a decreasing proportion of single-family dwelling units and an increase of multi-units. See *Figure-1*.

Mix of Housing Units

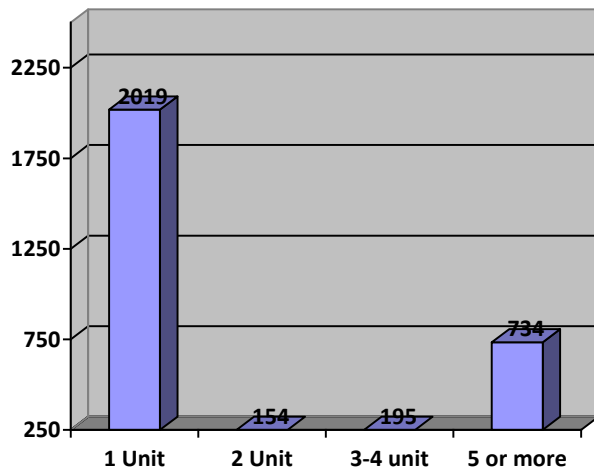


Figure-1

SOURCE: US Census Bureau updated February 2020

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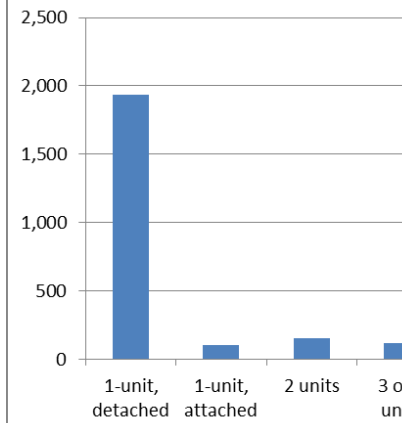
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HG-4

AFFORDABILITY AND AVAILABILITY OF HOUSING

A key element of the housing issue for any community is whether there is an adequate stock of quality housing that is affordable to all segments of the population. Information regarding the numbers and types of housing units must be compared to data that includes the costs of various housing types.

VALUES/RENTS

The following data provides an indication of the costs of rental and for-sale housing. The U.S. Census Bureau provides [a comparison](#) for the years between 2011-2019:

| <u>Category</u> | <u>2011</u> | <u>2019</u> |
|---|------------------|------------------|
| <u>Median Value of Owner-Occupied Homes</u> | <u>\$165,800</u> | <u>\$182,000</u> |
| <u>Median Rent</u> | <u>\$758.00</u> | <u>\$867</u> |
| <u>Median Household Income</u> | <u>\$34,379</u> | <u>\$42,209</u> |

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AFFORDABILITY

Housing affordability is a function of household income as compared to housing cost. Not surprisingly, lower income families pay a significantly higher proportionate share of their household income for housing than middle and upper income households. Also, renters tend to pay a higher proportion of household income for housing than do owners. According to the U.S. Census, 52.6 percent of renters paid more than 30 percent of their income for housing. See *Figure-2*

Deleted: • Median value of owner-occupied homes in the City of Chehalis was \$165,800 ¶
 • Nearly 80 percent of owner-occupied housing units were valued between \$50,000-299,000 ¶
 • Of renter-occupied housing units, 58.3 percent had rents between \$500-999 per month ¶
 • Renters were paying a median of \$758.00 per month for rent ¶
 • The median household income for a resident of Chehalis was \$34,379 ¶
 ¶

Renter Households Percent of Income for Housing

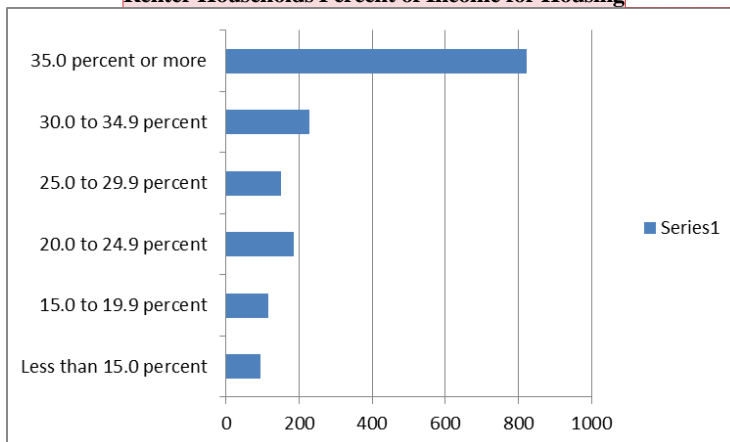


Figure-2

SOURCE: U.S. Census updated February 2017

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The affordability of rents is especially important in Chehalis, where a disproportionately high number of housing units are renter-occupied, as opposed to owner-occupied. According to the U.S. Census for the years between 2011-2015, 42.4 percent of housing units were owner occupied and 57.6 percent were renter occupied. [Data for the years 2015-2019 show a slight increase in home](#)

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ownership rates, with the owner-occupied rate increasing to 47.2% and the renter-occupied rate decreasing to 52.80.

CONDITION OF HOUSING STOCK

The physical condition of the housing stock affects the availability of housing. Units that are allowed to deteriorate can remain vacant for long periods of time before they may be condemned or demolished contributing to overall quality of housing stock. From 2003 to 2016 one hundred twenty four (124) demolition permits were issued. Not all of these were for housing units, some of these were for accessory structures such as garages, carports, etc. (per Community Development records)

Between 2003 and 2016 two hundred and twenty five permits were issued for remodeling. A fairly large portion of these were for the remodeling of commercial units for new incoming businesses. Although many permits were issued for remodeling, it is unclear whether these permits were for the units most in need of rehabilitation. The most deteriorated dwellings are usually occupied by lower income households who may lack the resources to rehabilitate their homes.

POPULATION PROJECTIONS AND FUTURE HOUSING NEEDS

Referring back to the Land Use Element, it is estimated that the City’s population is projected to grow at a rate of 1.25% within the City limits and 6.57% in the UGA:

City and UGA Population Projections – 2040

| | <u>Current Population</u> | <u>Rate of Growth</u> | <u>2040 Population</u> |
|-------------------------|---------------------------|-----------------------|------------------------|
| <u>City of Chehalis</u> | <u>7,350</u> | <u>1.25%</u> | <u>9,307</u> |
| <u>Chehalis UGA</u> | <u>2044</u> | <u>6.57%</u> | <u>7,298</u> |

Based on the analysis contained in the Land Use Element, based on average household size, the rate at which housing is developed as either single- or multi-family, and an assumed development density of 4 units per acre, by 2040 the City will need to develop 1,577 single-family and 489 multi-family dwelling units by 2040 to meet the current population allocation established by the Lewis County Planned Growth Committee. Based on the 4 units per acre assumption, the City will have a single-family residential land deficit of 216 acres, and a multi-family surplus of 5 acres.

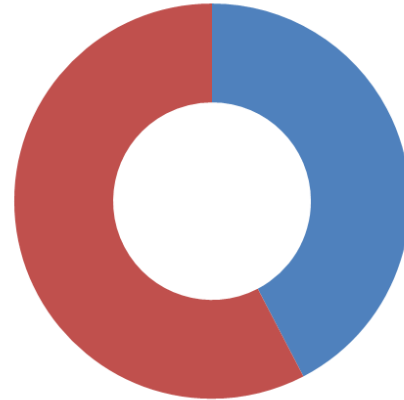
CONSTRAINTS

Within the City limits, the residential land deficit is attributable to that fact that there are few large parcels of developable vacant land available. In general, as available land becomes scarce, land that remains goes up in price. As was noted in the Land Use Chapter, available land within the City limits is quite limited. Of the 3,695 acres that comprise the City limits, it is estimated that critical areas encumber approximately 2,884 acres, which leaves only 881 acres of developable land. Of this 811 acres, the City estimates that only about 180 acres remain available for new development. The opportunity for new multi-family housing in Chehalis is more favorable primarily because there is more vacant land available which is zoned and conducive to multi-family development. However, although zoned for multi-family development, not all the available vacant land is buildable due to lack of adequate infrastructure, such as roads and utilities. Also, much of this land has development constraints such as being located in critical areas such as the flood plain, or on steep slopes.

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Owner-occupied compared to Renter-occupied



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SOURCE: U.S. Census Updated February 2017

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Deleted: In addition, the remaining land is usually the land that has more development constraints, and is therefore more expensive to develop. The opportunity for new multi-family

Future housing development opportunities in the city will need to overcome the limited availability of land, particularly in parcels of sufficient size to permit economies of scale in development. Housing strategies for the city will need to consider infill development on the scattered lots that are available, as well as appropriate mixes of housing types and densities. The greatest advantage to future housing development in the city is the availability of infrastructure, such as roads, water and sewer lines, and public facilities such as police, fire and schools.

OPPORTUNITIES IN THE URBAN GROWTH AREA

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The greatest short-term opportunity to meet future housing needs will include a variety of actions, including annexation of portions of the City's UGA. Again, as noted in the Land Use Element, over the last 10 years population in the UGA has grown at over 5 times the rate as growth within the City limits. Obviously, this is due largely to land constraints within the City. For several years the City has been planning to annex a large portion of its UGA to the south. Completing this annexation would provide the City the necessary land base to accommodate growth and housing.

In addition, the City is seeking to expand its southern UGA border in two separate areas, which are depicted in the Land Use Element. Both of these proposed UGA expansions will not only increase buildable lands for the future, but are also intended to be zoned as a mixed use to provide commercial, single- and multi-family housing.

SPECIAL NEEDS POPULATIONS

The special needs population includes people requiring some assistance in their day-to-day lives. This includes persons with mental illnesses, runaways, parenting youth, disabled veterans, victims of domestic violence, people with developmental and/or physical disabilities, alcohol and substance abusers, persons with AIDS, persons incarcerated in the county jail, and the frail elderly.

In the 2000 US Census, 407 institutionalized and 70 non-institutionalized persons were identified as living in group living quarters, as defined by the state. The persons identified in the census as being institutionalized are quartered in six separate facilities, including Green Hill School and the county jail facilities. Although the Green Hill School is expanding, only the existing capacity is included here. Future expansion capabilities at this facility will be accommodated under the provisions of 'Essential Public Facilities,' as provided in the Land Use element. The six facilities are located within the existing corporate city limits.

The total number of persons in group living quarters represents approximately 6.6 percent of the city's total 2009 population of 7,185 persons. The percentage figure above reflects only those persons that are living in group homes as defined by the state. It does not reflect other frail elderly populations which are cared for in private homes or other facilities included in the state's group quarters definition, nor other special needs populations in the community. Currently, three private, non-profit agencies track special needs populations: the Human Response Network (the homeless, victims of domestic violence and sexual assault, persons with AIDS); Providence Information Assistance Case Management and Respite Services (referrals for low-income seniors and disabled young); and Cascade Mental Health. There appear to be adequate facilities in the community to accommodate the special needs population.

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PROJECTIONS

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POPULATION GROWTH FORECASTS

A population projection for the city was formulated based on population rates of change from 2010 through 2016 made by Lewis County pursuant to OFM projections. These projections cover the county's desired planning period (2017-2040). These projections are shown on *Figure-4*. Population projections were based on land-use and population figures and assumptions contained in the OFM projections for 2040. The Planned Growth Committee of elected officials in Lewis County has adopted population allocations that have a range between 72,965 and 111,684. The Lewis County adopted 2025 population for the City of Chehalis is 11,230.

| Lewis County Population | | | | | |
|-------------------------|--------|--------|--------|--------|--------|
| | 1990 | 1995 | 2000 | 2007 | 2016 |
| Lewis | 59,358 | 65,500 | 68,600 | 74,100 | 76,890 |
| Unincorporated | 35,829 | 40,177 | 40,821 | 45,073 | 45,560 |
| Incorporated | 23,529 | 25,323 | 27,779 | 29,027 | 31,330 |
| Centralia | 12,101 | 12,730 | 14,742 | 15,520 | 16,820 |
| Chehalis | 6,527 | 6,910 | 7,057 | 7,045 | 7,460 |
| Morton | 1,130 | 1,258 | 1,045 | 1,140 | 1,120 |
| Mossyrock | 452 | 535 | 486 | 485 | 745 |
| Napavine | 745 | 960 | 1,383 | 1,492 | 1,870 |
| Pe Ell | 547 | 590 | 657 | 670 | 640 |
| Toledo | 586 | 690 | 653 | 685 | 720 |
| Vader | 414 | 488 | 590 | 620 | 615 |
| Winlock | 1,027 | 1,162 | 1,166 | 1,370 | 1,340 |

Figure-4

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GOALS AND POLICIES

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BACKGROUND

Actual population and housing increases for Chehalis will be determined by a combination of market forces and local growth management policies. As such, they will be unlikely to occur in a linear pattern, but will more likely follow the phases of economic cycles. The demand for housing in the Chehalis area will be proportional to the supply of new jobs available, and the prevailing wage and salary rates. Affordability is a major factor in the market and an important determinant in the demand for specific types of housing. If household sizes become smaller, following the patterns established in other communities, then it is likely that the ratio of multifamily housing units may increase.

According to these goals, Chehalis is interested in preserving, protecting and strengthening the vitality of the existing residential neighborhoods. However, it also recognizes that neighborhoods are not static and over time they must evolve to meet changing needs and lifestyles. Options for mixed-use development in the zoning code can allow for these changes, while at the same time buffering neighborhoods from incompatible uses.

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No regional or local strategies have been developed at this point that would identify the responsibilities of individual jurisdictions, and how the issue of housing affordability will be managed. Many jurisdictions provide new affordable housing through inclusionary zoning requirements. Other techniques include modifications to existing zoning standards (i.e., allowing accessory units, reduction of parking requirements, allowing residential uses in commercial zones, etc.) that, when implemented, allow additional units or higher densities to be constructed on an individual building site. The recent trend towards “tiny houses” should also be considered and investigated to determine if this is a feasible option.

Special housing needs are for those community residents who cannot live on their own due to disability, health, age, or other circumstances. In unincorporated Lewis County there is a high proportion of senior citizens who need, or will soon need, supportive housing facilities. The cities within the county are most likely to experience the demand for senior housing. This is due to seniors need to be close to available human, medical and recreation services. No survey or other analysis has been accomplished that documents the demand for other special county housing needs. However, there are several local, private and non-profit agencies that monitor the housing needs of special populations and who would welcome closer coordination efforts on the part of the city.

Growth Management Act Goals

GMA includes four goals that relate to the issue of housing

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

Reduce sprawl Reduce the inappropriate conversion of undeveloped land into sprawling, low-density development.

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.

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

County-wide Planning Policies

In December 2006, Lewis County, in a cooperative effort with the cities, developed seven policies specifically dealing with housing, as well as policies related to the GMA goals identified above.

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

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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 or 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 UGA(s).

1.10.0 The process and factors to amend the UGA(s) 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 with conditions consistent with WAC 365-190-050, 365-190-060, 365-190-070, and 365195-335. 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

- 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 UGA(s), 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 UGA(s) 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 [LAMIRD(s)].

2.5 Lewis county recognizes that water is an urban and rural service. Extension of water service beyond UGA(s) 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:

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.

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.

City Goals and Policies

H.01 To encourage a diversity of housing types and opportunities to meet the needs of all economic segments and special needs of the community.

H.01.01 Support regulations that ensure equal access to housing for all people, without regard to special need, race, color, national origin, religion, sex, family status or disability.

H.01.02 Support private individuals or developers to develop suitable housing to meet the housing needs of low and moderate income persons.

H.01.03 Allow for a range of densities to ensure maximum choice in housing options.

H.01.04 Allow for the creation of new lots for single family development through minor reductions in lot sizes, where surplus land exists on underdeveloped parcels. Adopt standards to address compatibility issues such as building size, lot coverage and retention of existing vegetation.

H.01.05 Establish development regulations that provide for a range of housing types that include single family, duplex, multi-family, mobile homes, manufactured housing, and accessory dwellings.

H.01.06 Consider housing design standards that will permit the placement of manufactured housing in areas where it will be compatible with the existing housing stock.

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H.01.07 Provide that zoning does not unduly restrict group homes or other housing options for persons with special needs.

H.01.08 Cooperate with and support efforts of private or non-profit organizations, housing authorities, other social, health and government agencies to address local housing needs.

H.01.09 Require that housing for special needs populations should be dispersed throughout the community and not concentrated, and that such housing be compatible with surrounding properties.

H.01.10 Consider incentives that would result in a percentage of affordable or low income housing units being built.

H.02 To assist in the maintenance of a housing supply that will continue to be adequate for the needs of all segments of the population.

H.02.01 Encourage residents and housing providers in their efforts to maintain and revitalize existing housing by seeking grants and loans from interested agencies, and by providing technical assistance when needed.

H.02.02 Promote self-help and volunteer programs that provide housing rehabilitation services and development assistance.

H.03 To provide for greater residential capacity and home ownership opportunities through creative land use strategies.

H.03.01 Encourage new housing development through the Planned Unit Development procedure, provided that proposed development includes amenities and otherwise assures a high quality of environment for potential residents and adjacent areas.

H.03.02 Allow for the conversion of older, larger homes to small-scale multi-family dwellings, provided that the requirements of utility ordinances are met.

H.03.03 Designate ample area through zoning to permit development of duplexes and other low density multifamily units.

H.03.04 Allow, within the central business district, residential development where combining such uses would promote the vitality and economic viability of the area.

H.03.05 Maintain the current mix of housing types.

H.04 To preserve, maintain and improve the city's existing housing stock.

H.04.01 Enforce existing housing codes and maintain code enforcement efforts through adequate funding of the Community Development Division of the Community Services Department.

H.05 To cooperate at a regional level to address local housing needs.

H.05.01 Produce an annual report on housing production and demolition for local and regional distribution.

H.05.02 Coordinate with other county and community agencies to address housing needs for special needs populations.

H.05.03 Work with Lewis County and other area jurisdictions to establish and accommodate regional fair share housing obligations.

H.05.04 Support the creation of a regional housing authority.

H.06 To maintain and enhance community character through quality housing development.

H.06.01 Ensure new housing is compatible in terms of quality, design and density with existing neighborhoods, surrounding land uses, traffic patterns and public facilities.

H.06.02 Discourage residential development in areas where health and safety concerns are present, such as in the area of the airport, floodways, and critical areas.

H.06.03 Encourage the retention of existing vegetation and open space in new housing development.

Chapter 9

HISTORIC PRESERVATION

Introduction

Chehalis residents value the strong sense of community and history in the City of Chehalis. Visitors to the area can see the care that residents and local government put into the town, restoring historic buildings, supporting local businesses, and maintaining the charm of rural Western Washington. The locale of the city has historically been a center of commerce, from farms and fishing to railway stops. Thanks to its geographic features and cultural past, the city has long been a place of growth. This chapter of the City of Chehalis Comprehensive Plan will be used to guide city leaders and staff in the development of the city that honors the history and culture of the area. The goals and policies in this chapter define the expectations and vision for the future of Chehalis and offer guidance in decisions of regulations and their implementation. The goals and policies here are intended to maintain and encourage development of the charm and local character using methods of urban design and historic preservation.

The City of Chehalis as we know it today began in 1851 when the Saunders family settled in the region, with the eventual name of the city being inspired by the local Indigenous community's word for "shifting and shining sands." Initially, the waterways and abundant lands around them were what drew the settlers, and later, the introduction of the Northern Pacific Railroad encouraged more settlers and their institutions. Formed around the railroads, the Chehalis downtown began on Main Street, but was forced to shift and change as fires swept through the area, destroying much of the original buildings. When building the historic structures we see in the city today, a variety of architectural styles, such as Italianate and Queen Anne in the central business district, and neo-colonial, bungalow, and craftsman in the residential areas, the historic citizens of Chehalis were developing a rich and varied structural landscape, reflecting the equally diverse industry of the area. The city developed a robust economy, with agricultural and retail industries, as well as county government, using its central location between the growing communities of Portland and Seattle. Today the city continues to be a central hub, for railway, air travel, and roads, with the addition of the Chehalis-Centralia Airport and Interstate 5 continuing to encourage the flow of people and goods through the area. This prime location continues to attract businesses as unique and resilient as the city itself.

Values

The values that commissioners identified include:

1. Maintain the quaint and quiet hometown feel of the city that makes the city distinct and feel safe.
2. Continue to assist in the preservation of historic buildings, encouraging building owners to maintain their distinct historic nature.
3. Ensure that landscaping and new buildings in historic areas are attractive and complement their surroundings, to show the care that the city and citizens put into development of Chehalis.
4. Continue to foster a strong sense of community and history through the character of neighborhoods and districts.

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. 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. Starting 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 1.

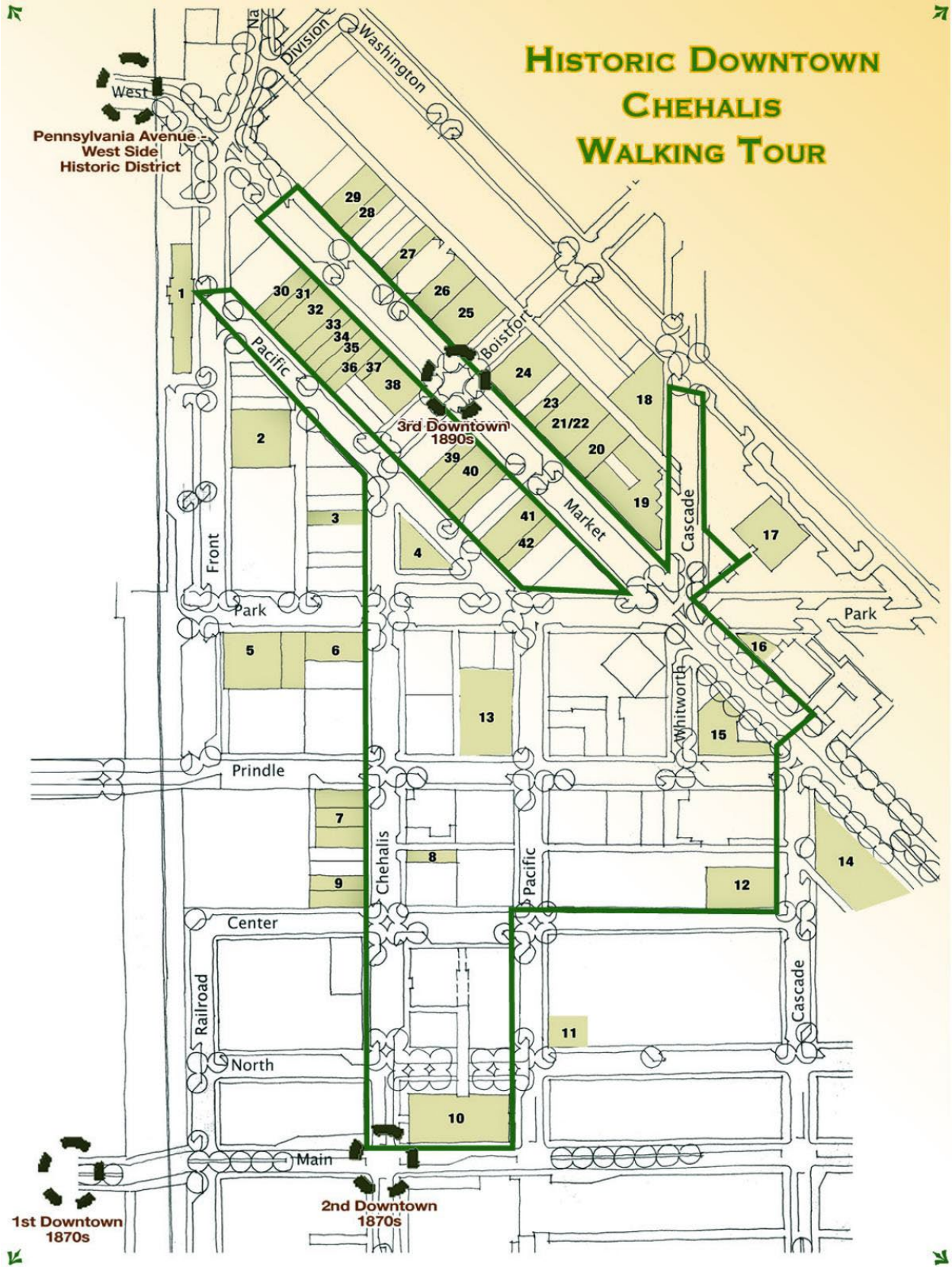


Figure 1: "Historic Downtown Chehalis Walking Tour" Map

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 2,588 buildings and structures listed on the Washington State Historic Property Inventory list, three districts and seven buildings that are listed on the National Register of Historic Places and Washington Heritage Register. 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.

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

1. Burlington Northern Pacific Depot, 599 NW Front Street. 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. This building is not within one of the three Historic Districts of Chehalis.
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.
7. Scout Lodge, 278 SE Adams Avenue. This meeting hall was completed in 1938 as part of the New Deal Works Progress Administration projects and was used as a meeting hall for a variety of organizations.

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 and included in the maps of the districts are historic properties listed with the Washington State Department of Archaeology and Historic Preservation. 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.
- 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 the Noah B. Coffman House.
- 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.



CITY OF CHEHALIS WESTSIDE HISTORIC DISTRICT



Esri Community Maps Contributors, WA State Parks
GIS, © OpenStreetMap, Microsoft, Esri Canada, Esri,
HERE, Garmin, SafeGraph, INCREMENT P, METI/NASA,
USGS, Bureau of Land Management, EPA, NPS, US
Census Bureau, USDA

Figure 2: “City of Chehalis Westside Historic District” Map

Westside Historic District

Westside 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 streetlamps 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.



CITY OF CHEHALIS HILLSIDE HISTORIC DISTRICT



Esri Community Maps Contributors, WA State Parks GIS, © OpenStreetMap, Microsoft, Esri Canada, Esri, HERE, Garmin, SafeGraph, INCREMENT P, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, US Census Bureau, USDA

Figure 3: "City of Chehalis Hillside Historic District" Map

Hillside Historic District

The Hillside Historic District. This district was entered into the National Register of Historic Places in 1996, and contains many architecturally significant historical homes.



CITY OF CHEHALIS DOWNTOWN HISTORIC DISTRICT



Esri Community Maps Contributors, WA State Parks
GIS, © OpenStreetMap, Microsoft, Esri Canada, Esri,
HERE, Garmin, SafeGraph, INCREMENT P, METI/NASA,
USGS, Bureau of Land Management, EPA, NPS, US
Census Bureau, USDA

Figure 4: "City of Chehalis Downtown Historic District" Map

Downtown Historic District

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. The district includes 21 significant buildings and traces the development of the downtown through three city centers.

Goals and Policies

Growth Management Act Goals

The pertinent GMA goals related to historical preservation, not listed in any order of priority, are:

- 1) *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.]
- 2) *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 unemployed and for disadvantaged persons, promote the retention 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.

Countywide Planning Policies for Lewis County

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 Historic Preservation element are as follows:

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

Economic Development

Goal

HP.01 Encourage the return of businesses and former uses in historic areas.

Policies

HP.01.01 Recognize the positive economic impacts associated with visitors to the community by funding and participating in tourism marketing efforts with local historic societies.

HP.01.02 Provide financial incentives for the re-use and revitalization of dilapidated or vacant historic structures.

Natural Resource Industries

Goal

HP.02 Preserve and celebrate unique and culturally significant outdoor areas for recreation and tourism.

Policies

HP.02.01 Minimize the removal of existing vegetation when improving streets to preserve the natural character of historic districts or neighborhoods.

Open Space and Recreation

Goal

HP.03 Establish flexible zoning types to allow for more integrated and recreational community areas.

Policies

HP.03.01 Implement zoning and design standards to ensure appropriate and harmonious development around historic structures or areas.

HP.03.02 Allow for outdoor-space use by businesses in certain zones to encourage “patios” and other community-friendly uses that allow for more connection to the local environment.

Citizen Participation and Coordination

Goal

HP.04 Maintain city areas to encourage city pride and get citizens involved with community development.

Policies

HP.04.01 Increase community engagement with the historic districts and sites of Chehalis by developing stronger outreach through community events, public notices, and an online historic register that allows for community nominations.

HP.04.02 Encourage “sidewalk” events and markets in historic neighborhoods and districts by providing a simplified special event permit process.

Historic Preservation

Goal

HP.05 Recognize and maintain historic structures and sites and encourage new development to design in harmony with existing historic structures.

Policies

HP.05.01 Create and maintain a local register of historic places

HP.05.02 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.

HP.05.03 Work to ensure that new residential development provides the public facilities (pedestrian paths, landscaped areas, and other neighborhood improvements) necessary to integrate the new development in a way that maintains or improves the character, livability, and aesthetic quality of a historic district.

HP.05.04 Promote the maintenance and improvement of infrastructure and amenities within existing historic districts or neighborhoods through permitting incentives.

HP.05.05 Develop city procedures for identifying archaeological and historical sites of value.

**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: November 14, 2022

SUBJECT: **Second reading of Ordinance #1036-B Updating the Future Land Use Map and #1047-B, Updating the Zoning Map**

ISSUE

RCW 36.70A, the Growth Management Act, allows for periodic updates to the Comprehensive Plan. Due to recent housing trends and to address many of the non-conforming zoning issues, staff is proposing changes to both the Land Use Map and the Zoning Map. While the ultimate goal is to rezone the various properties, the Land Use Map is the underlying document and as such must be updated along with the Zoning Map.

DISCUSSION

Background: The City Council reviewed Ordinance #1036-B Land Use Map and Ordinance #1047-B Zoning Map and passed them on first reading on October 24, 2022. It is now before you for second reading.



In recent years the City has experienced a great deal of growth. While overall the growth has been great for the community there have been some areas that have encountered non-conforming issues that have hindered property sales and development. These areas are limited to south Market Blvd and Jackson Hwy.

On south Market Blvd and Jackson Hwy there is a wonderful mix of residential and commercial uses. They are harmonious in use and present little if any issues during their use. However, when a owner of a residential home is in a General Commercial zoning classification, and they try to sell they run into issues. Lenders today seek confirmation from the City that if the structure were to be destroyed would they be able to rebuild. CMC 17.03.080 and .090 state that if destroyed by more than 50%, it must be rebuilt in conformance with the zoning. That means a residential structure in a General Commercial would not be able to be rebuilt. And the opposite is also true. If a commercial structure is in a Residential zone and it is destroyed by more than 50% it would not be able to be rebuilt either.

To address this issue over such vital areas within the community, staff is proposing that these areas be rezoned to a new zoning classification, Mixed Residential Commercial. While the actual code has not been written, the intent is to allow for medium density residential development and local commercial development, such as small convenience stores. It is not meant to create new areas with large commercial developments such as another Walmart or to exceed more than 18 units per acre in density.

This mixture of residential and commercial development will not only allow for more compatible uses close to each other, but it will help to create more neighborhoods and enhance quality of life.

The EPF; Essential Public Facilities zoning classification is also proposed to be replaced by OSG; Open Space Government zoning. Essential public facilities is defined within RCW 36.70A.200 as facilities that are difficult to site. The intent of the RCW is to allow these facilities to be placed where they need to be placed irrespective of the zoning classification. By having a essential public facilities zoning classification we add the step of needing to rezone the property prior to the siting which is an unnecessary step in the process.

The Planning Commission held a public hearing on May 10, 2022, to take public testimony on the proposed changes and after careful deliberation, make a recommendation to the City Council. The Planning Commission voted unanimously to recommend approval of the Land Use Map and the Zoning Map as presented.

FISCAL IMPACT

There is no fiscal impact to this proposal.

RECOMMENDATION

It is recommended that the City Council:

- 1) Adopt on second reading Ordinance #1036-B, updating the Land Use Map
- 2) Adopt on second reading Ordinance #1047-B, updating the Zoning Map
- 3) Authorize staff to make changes to the Land Use Map and Zoning Map based on the City Council actions related to the individual rezoning requests.

SUGGESTED MOTION

I move to:

- 1) Adopt on second reading Ordinance #1036-B, updating the Land Use Map
- 2) Adopt on second reading Ordinance #1047-B, updating the Zoning Map
- 3) Authorize staff to make changes to the Land Use Map and Zoning Map based on the City Council actions related to the individual rezoning requests.

ORDINANCE NO. 1036-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, AMENDING THE CITY OF CHEHALIS FUTURE LAND USE MAP.

WHEREAS, development patterns over time in the City of Chehalis can result in the need to re-evaluate whether the zoning of particular property or an area allows for that property or area to be put to its highest and best use; and

WHEREAS, numerous rezone requests have been reviewed by City of Chehalis Building and Planning Department and determined to be consistent with the City's vision for future development; and

WHEREAS, the proposed rezones are consistent with all City of Chehalis and State of Washington zoning laws; and

WHEREAS, allowing for the requested rezones would be consistent with RCW 35A.70, the Growth Management Act; and

WHEREAS, all zoning changes need to be reflected in the City of Chehalis Future Land Use Map; and

WHEREAS, the proposed Land Use Map Amendments were heard at a duly noticed meeting of the Chehalis Planning Commission on May 17, 2022; and

WHEREAS, the required notice of the proposed changes were sent to the Washington State Department of Commerce on May 17, 2022 for a determination of consistency with the Washington Growth Management Act; and

WHEREAS, a Determination of Nonsignificance was issued pursuant to the Washington State Environmental Policy Act on May 16, 2022; and

WHEREAS, after full consideration, the Chehalis City Council has approved the proposed changes to Land Use Map amendment and rezone; now therefore,

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

Section 1. The City of Chehalis Future Land Use map **is amended** to reflect the land use changes as shown in Exhibit A.

Section 2. Upon adoption, any section of previously adopted ordinances that may be in conflict with this ordinance are hereby repealed.

Section 3. If any section, sentence, clause or phrase of this Ordinance shall be held to be unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

Section 4. The effective date of this Ordinance shall be the _____ day of _____, 2022.

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 _____, 2022

Mayor

Attest:

City Clerk

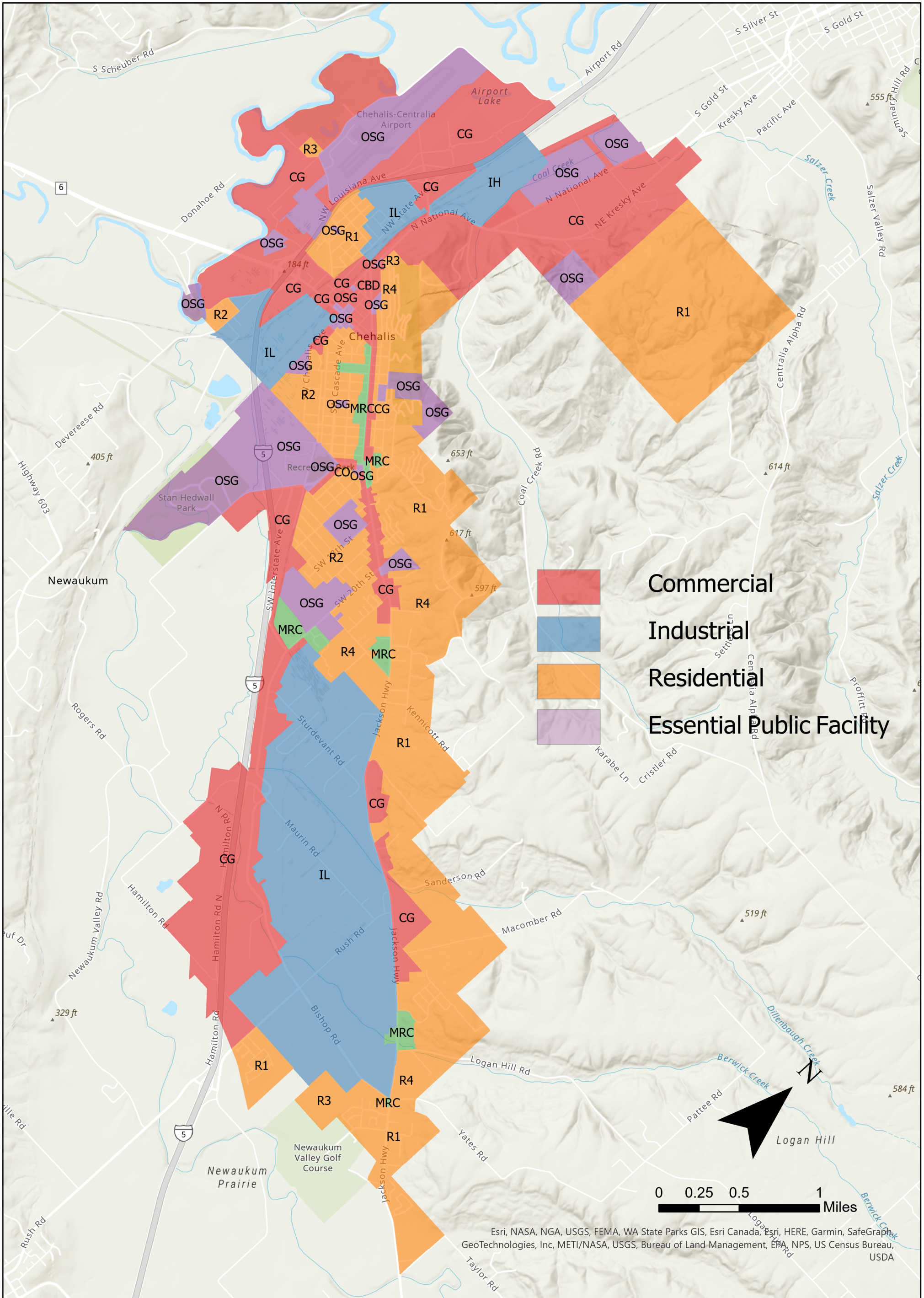
Approve as to form:

City Attorney

EXHIBIT A

Parcels, Addresses and Zoning Changes

1. ~~RZ-21-001: Hannah Lane parcel # 017875055031 from RUGA, residential urban growth area to CG, general commercial~~ **Denied by Council at October 24, 2022 meeting.**
2. RZ-22-003: 233 S. Market Blvd parcel #s004236001000 and 004236002000 from EPF(S) to MRC
3. RZ-22-004: 0 SE Washington and 0 SE 12th St parcel #s 005490001000, 005490000000, 005492002000, and 005604192001 from R-1 Single Family to MRC Mixed residential and commercial
4. RZ-22-010: 2118 Jackson Hwy parcel #s 005605069024 and 005605069022 from CG, General Commercial to MRC
5. RZ-22-005: 0 SW 21st St parcel #005604183244 from R-1 single family to R-4 High Density residential
6. RZ-22-008: 2215 Jackson Hwy parcel # 010785001000 from CG, General Commercial to R-1, Single Family Residential
7. RZ-22-002: 2643 Jackson Hwy parcel #s 017737001000 and 017736001000 from CG, General Commercial to R-1, Single Family
8. RZ-22-007: 2951 Jackson Hwy Parcel #s 017808001006, 017808001044, 017855001001, and 017855001002 from RUGA to R-4
9. RZ-22-009: 2988 Jackson Hwy parcel # 017856001000 from R-1, Single Family Home to MRC, Mixed residential commercial
10. RZ-22-006: 0 Bishop Rd parcel # 017857003006 from CG, General Commercial to R-1, Single Family



CITY OF CHEHALIS PROPOSED LAND USE CATEGORIES

ORDINANCE NO. 1047-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, AMENDING THE CITY OF CHEHALIS ZONING MAP.

WHEREAS, development patterns over time in the City of Chehalis can result in the need to re-evaluate whether the zoning of particular property or an area allows for that property or area to be put to its highest and best use; and

WHEREAS, numerous rezone requests have been reviewed by City of Chehalis Building and Planning Department and determined to be consistent with the City's vision for future development; and

WHEREAS, the proposed rezones are consistent with all City of Chehalis and State of Washington zoning laws; and

WHEREAS, allowing for the requested rezones would be consistent with RCW 35A.70, the Growth Management Act; and

WHEREAS, all zoning changes need to be reflected in the City of Chehalis Zoning Map; and

WHEREAS, the proposed Zoning Map Amendments were heard at a duly noticed meeting of the Chehalis Planning Commission on May 17, 2022; and

WHEREAS, the required notice of the proposed changes were sent to the Washington State Department of Commerce on May 17, 2022 for a determination of consistency with the Washington Growth Management Act; and

WHEREAS, a Determination of Nonsignificance was issued pursuant to the Washington State Environmental Policy Act on May 16, 2022; and

WHEREAS, after full consideration, the Chehalis City Council has approved the proposed changes to Zoning Map amendment and rezone; now therefore,

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

Section 1. The City of Chehalis Zoning map **is amended** to reflect the zoning changes as shown in Exhibit A.

Section 2. Upon adoption, any section of previously adopted ordinances that may be in conflict with this ordinance are hereby repealed.

Section 3. If any section, sentence, clause or phrase of this Ordinance shall be held to be unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

Section 4. The effective date of this Ordinance shall be the _____ day of _____, 2022.

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 _____, 2022

Mayor

Attest:

City Clerk

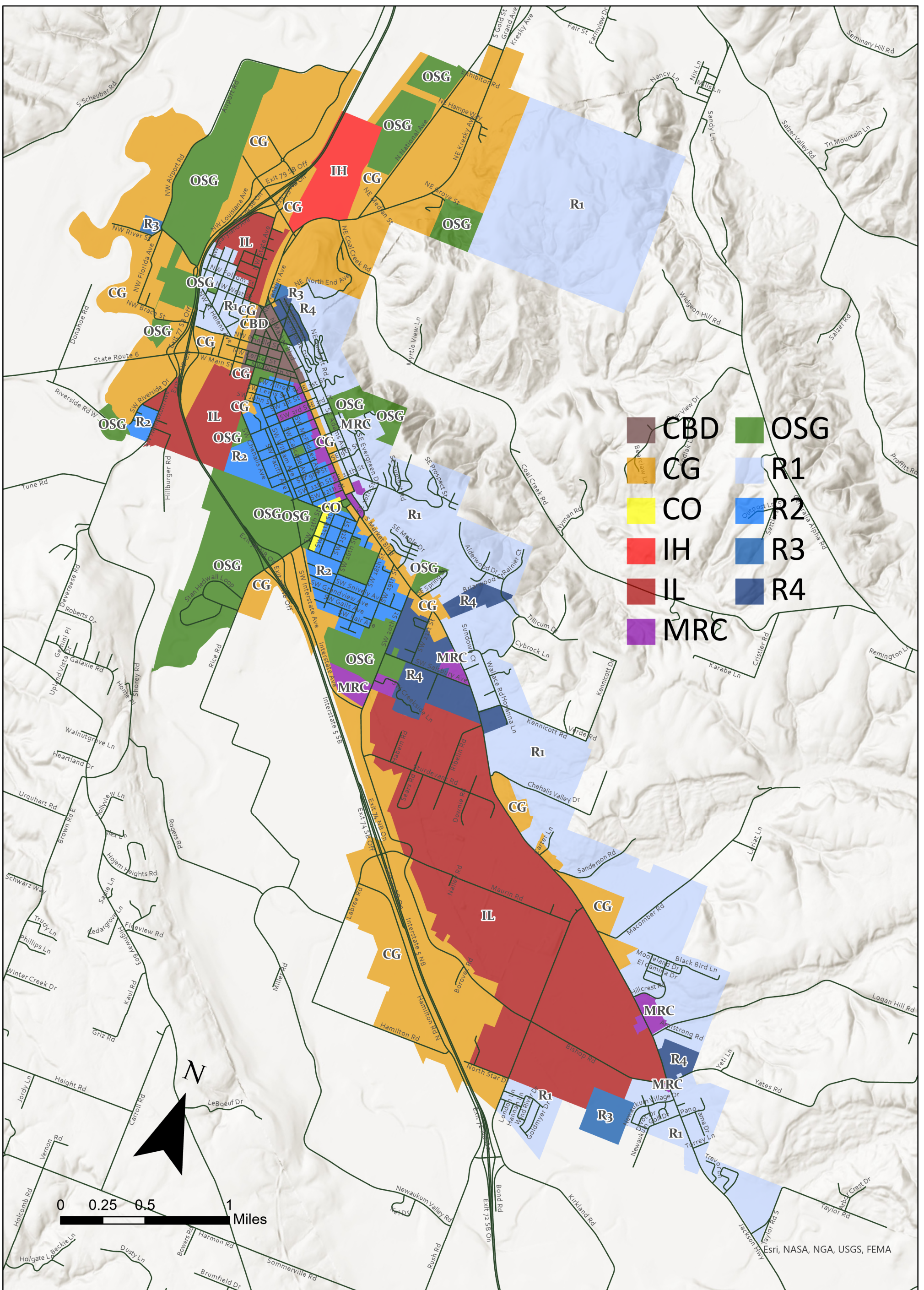
Approve as to form:

City Attorney

EXHIBIT A

Parcels, Addresses and Zoning Changes

1. ~~RZ-21-001: Hanna Lane parcel # 017875055031 from RUGA, residential urban growth area to CG, general commercial~~ **Denied by Council at October 24, 2022 meeting.**
2. RZ-22-003: 233 S. Market Blvd parcels #004236001000 and 004236002000 from EPF(s) to MRC
3. RZ-22-004: 0 SE Washington and 0 SE 12th St parcel #s 005490001000, 005490000000, 005492002000, and 005604192001 from R-1 Single Family to MRC Mixed residential and commercial
4. RZ-22-010: 2118 Jackson Hwy parcel #s 005605069024 and 005605069022 from CG, General Commercial to MRC
5. RZ-22-005: 0 SW 21st St parcel #005604183244 from R-1 single family to R-4 High Density residential
6. RZ-22-008: 2215 Jackson Hwy parcel # 010785001000 from CG, General Commercial to R-1, Single Family Residential
7. RZ-22-002: 2643 Jackson Hwy parcel #s 017737001000 and 017736001000 from CG, General Commercial to R-1, Single Family
8. RZ-22-007: 2951 Jackson Hwy Parcel #s 017808001006, 017808001044, 017855001001, and 017855001002 from RUGA to R-4
9. RZ-22-009: 2988 Jackson Hwy parcel # 017856001000 from R-1, Single Family Home to MRC, Mixed residential commercial
10. RZ-22-006: 0 Bishop Rd parcel # 017857003006 from CG, General Commercial to R-1, Single Family



CITY OF CHEHALIS PROPOSED ZONING CATEGORIES

**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: November 14, 2022

SUBJECT: **Second reading of Ordinance #1038-B Updating the Zoning Map and #1049-B, Updating the Future Land Use Map and Rezoning Parcel #004236001000 and 004236002000 from Essential Public Facilities (EPF) to Mixed Residential Commercial**

ISSUE

RCW 36.70A, the Growth Management Act, allows for periodic updates to the Comprehensive Plan. Michael McGowan, the property owner for parcel #004236001000 and 004236002000 located at 233 S. Market Blvd has requested his property be rezoned from Essential Public Facilities (EPF) to Mixed Residential Commercial.

DISCUSSION

Background: The City Council passed on first reading, Ordinances 1038-B and 1049-B at the October 24, 2022 meeting. This item is now back for the second reading.



In late 2021, during the open period for rezone requests, Michael McGowan submitted a letter requesting that the property commonly known as RE Bennett and Cascade Elementary School be rezoned from Essential Public Facilities to Mixed Residential Commercial.

On May 10, 2022, the Planning Commission held a public hearing to take testimony on this proposed rezone and make a recommendation. After several comments from the residents of the neighborhood, the Planning Commission voted unanimously to recommend approval of this request.

FISCAL IMPACT

There is no fiscal impact to this proposal.

RECOMMENDATION

Staff recommends that the Council approve on second reading Ordinance #1038-B updating the Zoning Map and #1049-B, updating the Future Land Use Map rezoning parcel #004236001000 and 004236002000 from Essential Public Facilities to Mixed Residential Commercial.

SUGGESTED MOTION

Move to approve on second reading Ordinance #1038-B updating the Zoning Map and #1049-B, updating the Future Land Use Map rezoning parcel #004236001000 and 004236002000 from Essential Public Facilities to Mixed Residential Commercial.

ORDINANCE NO. 1038-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, AMENDING THE CITY OF CHEHALIS ZONING MAP, AND REZONING PARCEL NUMBERS 00423600100 and 004236002000, LOCATED AT 233 SOUTH MARKET BOULEVARD, CHEHALIS, FROM ESSENTIAL PUBLIC FACILITIES (EPF) TO MIXED RESIDENTIAL COMMERCIAL (MRC)

WHEREAS, development patterns over time in the City of Chehalis can result in the need to re-evaluate whether the zoning of particular property or an area allows for that property or area to be put to its highest and best use; and

WHEREAS, a rezone request has been reviewed by City of Chehalis Building and Planning Department and determined to be consistent with the City's vision for future development; and

WHEREAS, the proposed rezone is consistent with all City of Chehalis and State of Washington zoning laws; and

WHEREAS, allowing for the requested rezone would be consistent with RCW 35A.70, the Growth Management Act; and

WHEREAS, all zoning changes need to be reflected in the City of Chehalis Zoning Map; and

WHEREAS, the proposed Zoning Map Amendment and rezone were heard at a duly noticed meeting of the Chehalis Planning Commission on May 17, 2022; and

WHEREAS, the required notice of the proposed changes were sent to the Washington State Department of Commerce on May 17, 2022 for a determination of consistency with the Washington Growth Management Act; and

WHEREAS, a Determination of Nonsignificance was issued pursuant to the Washington State Environmental Policy Act on May 16, 2022; and

WHEREAS, after full consideration, the Chehalis City Council has approved the proposed changes to Zoning Map amendment and rezone; now therefore,

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

Section 1. RZ-22-003, a requested zoning change from Essential Public Facilities (EPF) to Mixed Residential Commercial (MRC) **is approved** for parcel numbers 00423600100 and 004236002000, located at 233 South Market Boulevard, Chehalis, Washington.

Section 2. The City of Chehalis Zoning map **is amended** to reflect the zoning change to parcel numbers 00423600100 and 004236002000, located at 233 South Market Boulevard.

Section 3. Upon adoption, any section of previously adopted ordinances that may be in conflict with this ordinance are hereby repealed.

Section 4. If any section, sentence, clause or phrase of this Ordinance shall be held to be unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

Section 5. The effective date of this Ordinance shall be the _____ day of _____, 2022.

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 _____, 2022

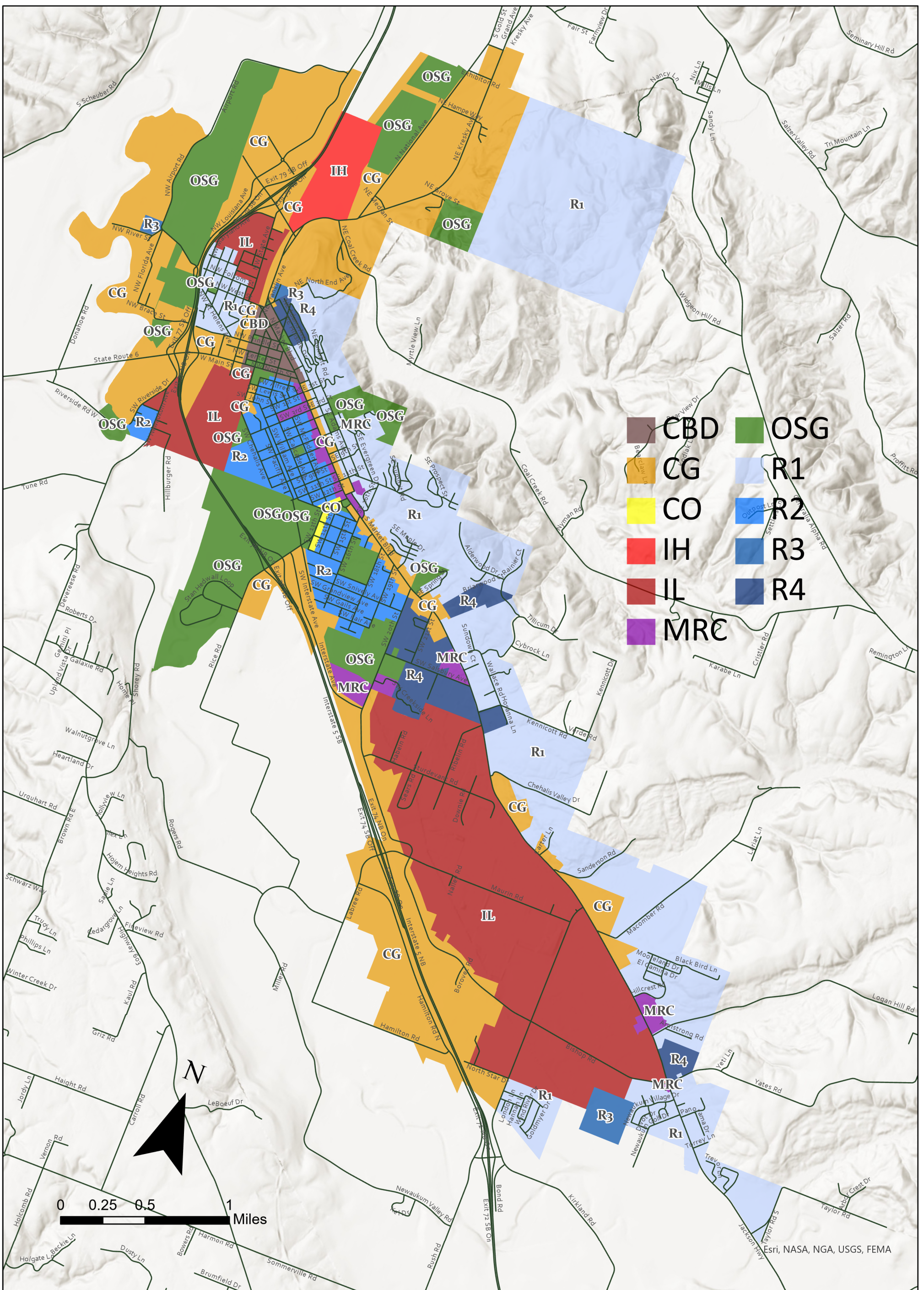
Mayor

Attest:

City Clerk

Approve as to form:

City Attorney



CITY OF CHEHALIS PROPOSED ZONING CATEGORIES

ORDINANCE NO. 1049-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, AMENDING THE CITY OF CHEHALIS FUTURE LAND USE MAP FOR PARCEL NUMBERS 00423600100 and 004236002000, LOCATED AT 233 SOUTH MARKET BOULEVARD, CHEHALIS, FROM ESSENTIAL PUBLIC FACILITIES (EPF) TO MIXED RESIDENTIAL COMMERCIAL (MRC)

WHEREAS, development patterns over time in the City of Chehalis can result in the need to re-evaluate whether the zoning of particular property or an area allows for that property or area to be put to its highest and best use; and

WHEREAS, a rezone request has been reviewed by City of Chehalis Building and Planning Department and determined to be consistent with the City's vision for future development; and

WHEREAS, the proposed rezone is consistent with all City of Chehalis and State of Washington zoning laws; and

WHEREAS, allowing for the requested rezone would be consistent with RCW 35A.70, the Growth Management Act; and

WHEREAS, all zoning changes need to be reflected in the City of Chehalis Future Land Use Map; and

WHEREAS, the proposed Land Use Map Amendment was heard at a duly noticed meeting of the Chehalis Planning Commission on May 17, 2022; and

WHEREAS, the required notice of the proposed changes were sent to the Washington State Department of Commerce on May 17, 2022 for a determination of consistency with the Washington Growth Management Act; and

WHEREAS, a Determination of Nonsignificance was issued pursuant to the Washington State Environmental Policy Act on May 16, 2022; and

WHEREAS, after full consideration, the Chehalis City Council has approved the proposed changes to Land Use Map amendment; now therefore,

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

Section 1. RZ-22-003, a requested zoning change from Essential Public Facilities (EPF) to Mixed Residential Commercial (MRC) **is approved** for parcel numbers 00423600100 and 004236002000, located at 233 South Market Boulevard, Chehalis, Washington.

Section 2. The City of Chehalis Future Land Use map **is amended** to reflect the zoning change to parcel numbers 00423600100 and 004236002000, located at 233 South Market Boulevard.

Section 3. Upon adoption, any section of previously adopted ordinances that may be in conflict with this ordinance are hereby repealed.

Section 4. If any section, sentence, clause or phrase of this Ordinance shall be held to be unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

Section 5. The effective date of this Ordinance shall be the _____ day of _____, 2022.

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 _____, 2022

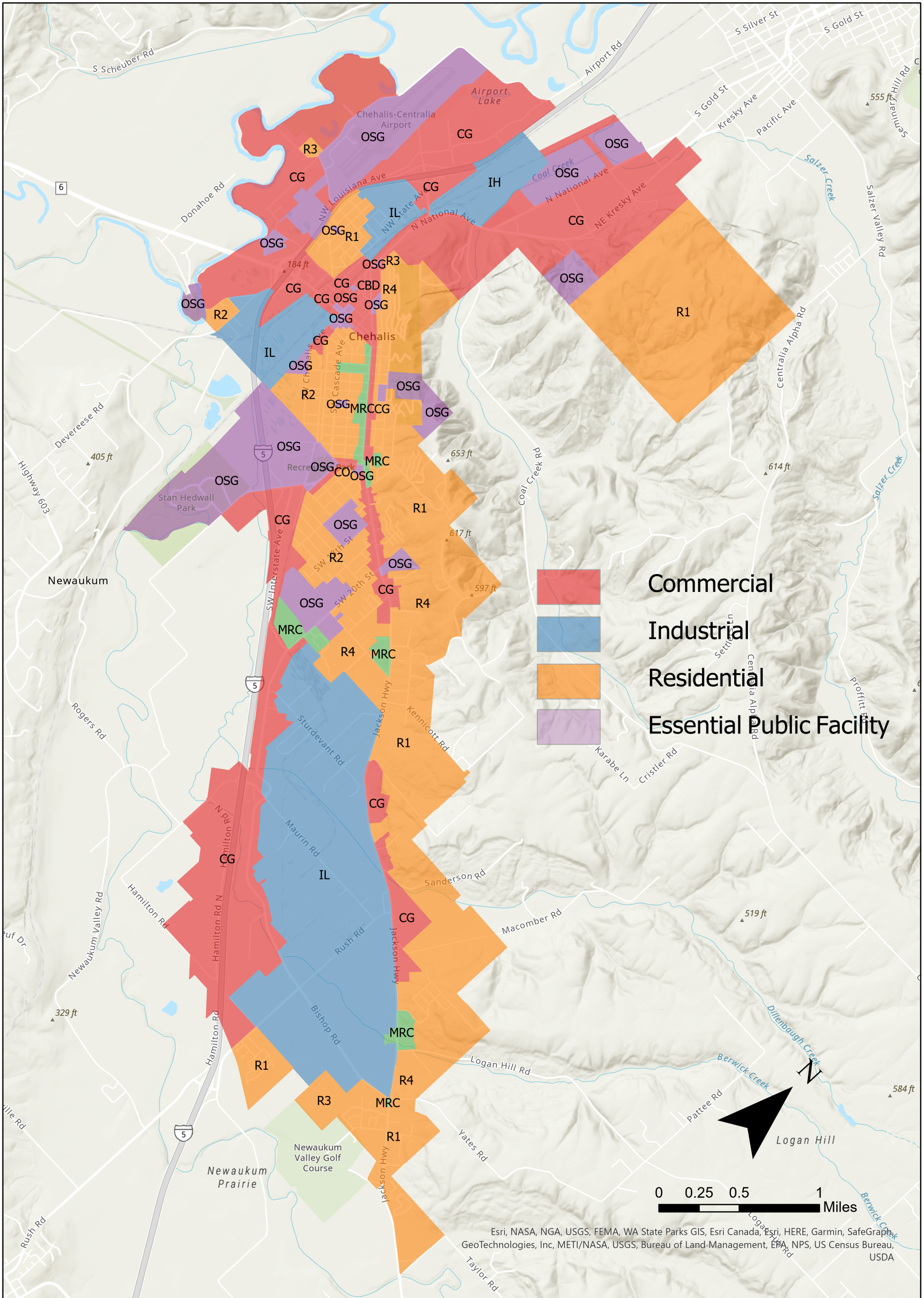
Mayor

Attest:

City Clerk

Approve as to form:

City Attorney



CITY OF CHEHALIS PROPOSED LAND USE CATEGORIES

**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: November 14, 2022

SUBJECT: **Second reading of Ordinance #1039-B Updating the Land Use Map and #1050-B, Updating the Zoning Map and Rezoning Parcel #005490001000, 005490000000, 005492002000, and 005604192001 from R-1, Single Family to Mixed Residential Commercial**

ISSUE

RCW 36.70A, the Growth Management Act, allows for periodic updates to the Comprehensive Plan. Cara Nichols, the property owner for parcels #005490001000, 005490000000, 005492002000, and 005604192001 located on SE Washington has requested their property be rezoned from R-1, Single Family Residential to Mixed Residential Commercial.

DISCUSSION

Background: The City Council passed Ordinance 1039-B and 1050-B on first reading at the October 24, 2022 meeting. These items are now back for a second reading.



In late 2021, during the open period for rezone requests, Cara Nichols submitted a letter requesting that the property on SE Washington and 12th Street be rezoned from R-1, Single Family Residential to Mixed Residential Commercial.

On May 10, 2022, the Planning Commission held a public hearing to take testimony on this proposed rezone and make a recommendation. After several comments from the residents of the neighborhood, the Planning Commission voted unanimously to recommend approval of this request.

FISCAL IMPACT

There is no fiscal impact to this proposal.

RECOMMENDATION

Staff recommends that the Council approve on second reading Ordinance #1039-B updating the Land Use Map and #1050-B, updating the Zoning Map rezoning parcels 005490001000, 005490000000, 005492002000, and 005604192001 from R-1, Single Family to Mixed Residential Commercial.

SUGGESTED MOTION

Move to approve on second reading Ordinance #1039-B updating the Land Use Map and #1050-B, updating the Zoning Map rezoning parcel 005490001000, 005490000000, 005492002000, and 005604192001 from R-1, Single Family Residential to Mixed Residential Commercial.

ORDINANCE NO. 1039-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, AMENDING THE CITY OF CHEHALIS ZONING MAP, AND REZONING PARCEL NUMBERS 005490001000, 005490000000, 005492002000, AND 005604192001, LOCATED AT 0 SOUTHEAST WASHINGTON STREET AND 0 SOUTHEAST 12TH STREET, CHEHALIS, FROM SINGLE FAMILY LOW DENSITY (R1) TO MIXED RESIDENTIAL AND COMMERCIAL (MRC)

WHEREAS, development patterns over time in the City of Chehalis can result in the need to re-evaluate whether the zoning of particular property or an area allows for that property or area to be put to its highest and best use; and

WHEREAS, a rezone request has been reviewed by City of Chehalis Building and Planning Department and determined to be consistent with the City's vision for future development; and

WHEREAS, the proposed rezone is consistent with all City of Chehalis and State of Washington zoning laws; and

WHEREAS, allowing for the requested rezone would be consistent with RCW 35A.70, the Growth Management Act; and

WHEREAS, all zoning changes need to be reflected in the City of Chehalis Zoning Map; and

WHEREAS, the proposed Zoning Map Amendment and rezone were heard at a duly noticed meeting of the Chehalis Planning Commission on May 17, 2022; and

WHEREAS, the required notice of the proposed changes were sent to the Washington State Department of Commerce on May 17, 2022 for a determination of consistency with the Washington Growth Management Act; and

WHEREAS, a Determination of Nonsignificance was issued pursuant to the Washington State Environmental Policy Act on May 16, 2022; and

WHEREAS, after full consideration, the Chehalis City Council has approved the proposed changes to Zoning Map amendment and rezone; now therefore,

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

Section 1. RZ-22-004, a requested zoning change from Single Family (R1) to Mixed Residential Commercial (MRC) **is approved** for parcel numbers 005490001000, 005490000000, 005492002000, and 005604192001 located at 0 Southeast Washington and 0 Southeast 12th Streets, Chehalis, Washington.

Section 2. The City of Chehalis Zoning map **is amended** to reflect the zoning change to parcel numbers 005490001000, 005490000000, 005492002000, and 005604192001, located at 0 Southeast Washington and 0 Southeast 12th Streets.

Section 3. Upon adoption, any section of previously adopted ordinances that may be in conflict with this ordinance are hereby repealed.

Section 4. If any section, sentence, clause or phrase of this Ordinance shall be held to be unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

Section 5. The effective date of this Ordinance shall be the _____ day of _____, 2022.

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 _____, 2022

Mayor

Attest:

City Clerk

Approve as to form:

City Attorney

ORDINANCE NO. 1050-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, AMENDING THE CITY OF CHEHALIS FUTURE LAND USE MAP FOR PARCEL NUMBERS 005490001000, 005490000000, 005492002000, AND 005604192001, LOCATED AT 0 SOUTHEAST WASHINGTON STREET AND 0 SOUTHEAST 12TH STREET, CHEHALIS, FROM SINGLE FAMILY LOW DENSITY (R1) TO MIXED RESIDENTIAL AND COMMERCIAL (MRC)

WHEREAS, development patterns over time in the City of Chehalis can result in the need to re-evaluate whether the zoning of particular property or an area allows for that property or area to be put to its highest and best use; and

WHEREAS, a rezone request has been reviewed by City of Chehalis Building and Planning Department and determined to be consistent with the City's vision for future development; and

WHEREAS, the proposed rezone is consistent with all City of Chehalis and State of Washington zoning laws; and

WHEREAS, allowing for the requested rezone would be consistent with RCW 35A.70, the Growth Management Act; and

WHEREAS, all zoning changes need to be reflected in the City of Chehalis Comprehensive Plan Future Land Use Map; and

WHEREAS, the proposed Land Use Map Amendment was heard at a duly noticed meeting of the Chehalis Planning Commission on May 17, 2022; and

WHEREAS, the required notice of the proposed changes were sent to the Washington State Department of Commerce on May 17, 2022 for a determination of consistency with the Washington Growth Management Act; and

WHEREAS, a Determination of Nonsignificance was issued pursuant to the Washington State Environmental Policy Act on May 16, 2022; and

WHEREAS, after full consideration, the Chehalis City Council has approved the proposed changes to Land Use Map amendment; now therefore,

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

Section 1. RZ-22-004, a requested zoning change from Single Family (R1) to Mixed Residential Commercial (MRC) **is approved** for parcel numbers 005490001000, 005490000000, 005492002000, and 005604192001, located at 0 Southeast Washington and 0 Southeast 12th Streets, Chehalis, Washington.

Section 2. The City of Chehalis Future Land Use map **is amended** to reflect the zoning change to parcel numbers 005490001000, 005490000000, 005492002000, and 005604192001 located at 0 Southeast Washington and 0 Southeast 12th Streets.

Section 3. Upon adoption, any section of previously adopted ordinances that may be in conflict with this ordinance are hereby repealed.

Section 4. If any section, sentence, clause or phrase of this Ordinance shall be held to be unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

Section 5. The effective date of this Ordinance shall be the _____ day of _____, 2022.

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 _____, 2022

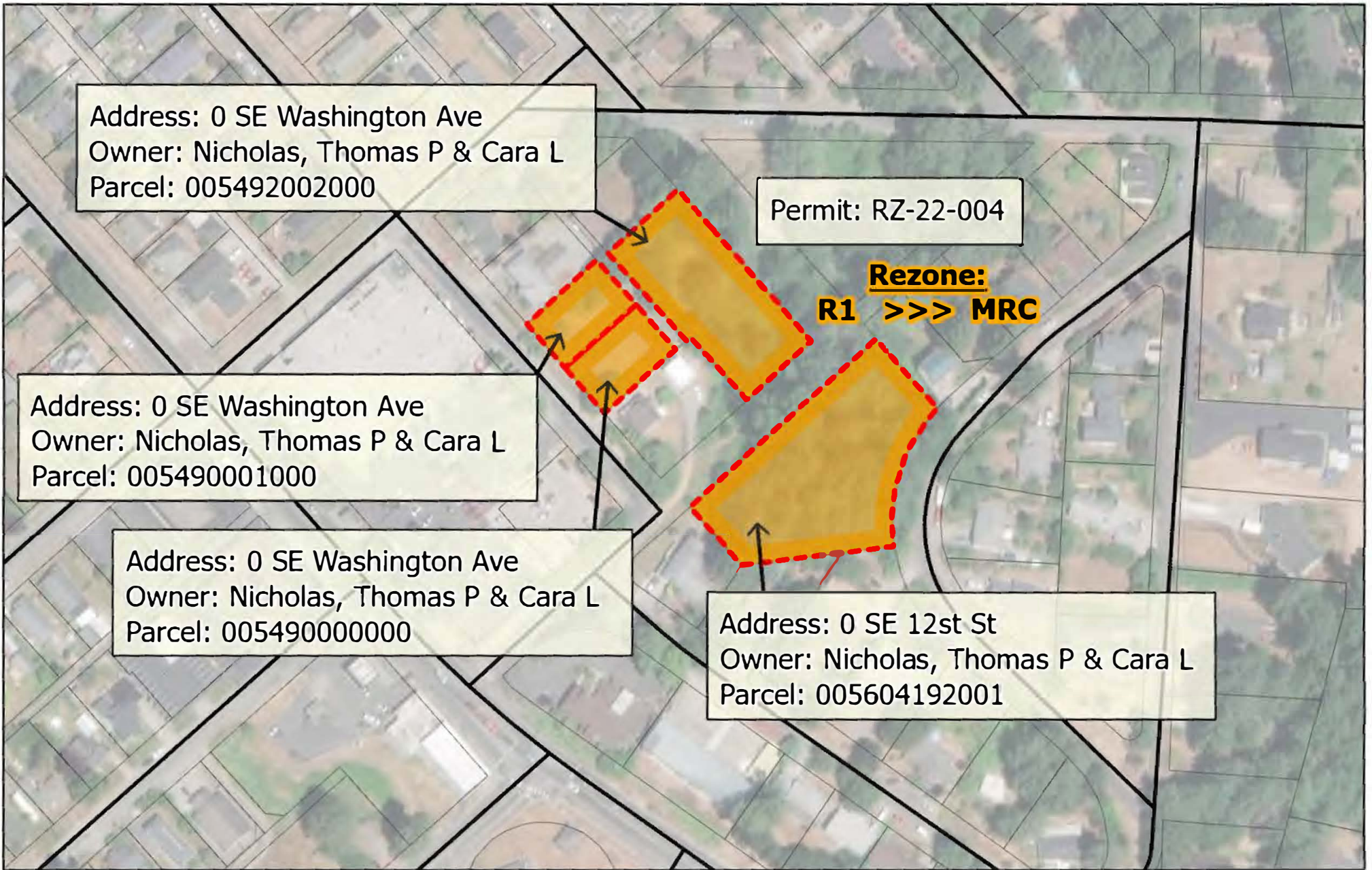
Mayor

Attest:

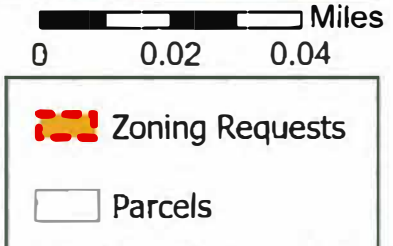
City Clerk

Approve as to form:

City Attorney



2021 Rezoning Requests



**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: November 14, 2022

SUBJECT: **Second reading of Ordinance #1040-B Updating the Zoning Map and #1051-B, Updating the Future Land Use Map and Rezoning Parcel #005605069024 and a Portion of Parcel #005605069022 from General Commercial to Mixed Residential Commercial**

ISSUE

RCW 36.70A, the Growth Management Act, allows for periodic updates to the Comprehensive Plan. Helene Pettibone, the property owner for parcels #00560569024 and #005605069022 located on 2118 Jackson Hwy has requested their property be rezoned from General Commercial to Mixed Residential Commercial.

DISCUSSION

Background: The City Council passed Ordinances 104-B and 1051-B on first reading at the October 24, 2022 meeting. They are now back for the second reading, with corrections.



In late 2021, during the open period for rezone requests, Helene Pettibone submitted a letter requesting that a portion of the property (Lot 2) and the corresponding strip of land at the back of the lot at 2118 Jackson Hwy be rezoned from General Commercial to R-4, Multi-family High Density Residential. Staff has taken this through the process as Mixed Residential Commercial with the applicant's approval. This will provide her with the residential density she is requesting as well as flexibility for commercial use as appropriate. The exact portion requested for rezone is represented in the proposed short plat as Lot 2 with a total acreage of nine (9) plus acres.

On May 10, 2022, the Planning Commission held a public hearing to take testimony on this proposed rezone and make a recommendation. No one from the public spoke in favor of or against this request. The Planning Commission voted unanimously to recommend the rezone to the City Council.

FISCAL IMPACT

There is no fiscal impact to this proposal.

RECOMMENDATION

Staff recommends that the Council approve on second reading Ordinance #1040-B updating the Zoning Map and #1051-B, updating the Future Land Use Map rezoning parcel #005605069024 and a portion of parcel #005605069022 from General Commercial to Mixed Residential Commercial.

SUGGESTED MOTION

Move to approve on second reading Ordinance #1040-B updating the Zoning Map and #1051-B, updating the Future Land Use Map rezoning parcel #005605069024 and a portion of parcel #005605069022 from General Commercial to Mixed Residential Commercial.

ORDINANCE NO. 1040-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, AMENDING THE CITY OF CHEHALIS ZONING MAP, AND REZONING PARCEL #005605069024 AND A PORTION OF PARCEL NUMBER 005605069022 LOCATED AT 2118 JACKSON HIGHWAY, CHEHALIS, FROM GENERAL COMMERCIAL (CG) TO MIXED RESIDENTIAL COMMERCIAL (MRC) AS DESCRIBED IN EXHIBIT A

WHEREAS, development patterns over time in the City of Chehalis can result in the need to re-evaluate whether the zoning of particular property or an area allows for that property or area to be put to its highest and best use; and

WHEREAS, a rezone request has been reviewed by City of Chehalis Building and Planning Department and determined to be consistent with the City's vision for future development; and

WHEREAS, the proposed rezone is consistent with all City of Chehalis and State of Washington zoning laws; and

WHEREAS, allowing for the requested rezone would be consistent with RCW 35A.70, the Growth Management Act; and

WHEREAS, all zoning changes need to be reflected in the City of Chehalis Zoning Map; and

WHEREAS, the proposed Zoning Map Amendment and rezone were heard at a duly noticed meeting of the Chehalis Planning Commission on May 17, 2022; and

WHEREAS, the required notice of the proposed changes were sent to the Washington State Department of Commerce on May 17, 2022 for a determination of consistency with the Washington Growth Management Act; and

WHEREAS, a Determination of Nonsignificance was issued pursuant to the Washington State Environmental Policy Act on May 16, 2022; and

WHEREAS, after full consideration, the Chehalis City Council has approved the proposed changes to Zoning Map amendment and rezone; now therefore,

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

Section 1. RZ-22-010, a requested zoning change from General Commercial (CG) to Mixed Residential Commercial (MRC) **is approved** for parcel number 005605069024 and a portion of parcel number 005605069022, located at 2118 Jackson Highway, Chehalis, Washington as described in Exhibit A.

Section 2. The City of Chehalis Zoning map **is amended** to reflect the zoning change to parcel numbers 005605069024 and 005605069022, located at 2118 Jackson Highway.

Section 3. Upon adoption, any section of previously adopted ordinances that may be in conflict with this ordinance are hereby repealed.

Section 4. If any section, sentence, clause or phrase of this Ordinance shall be held to be unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

Section 5. The effective date of this Ordinance shall be the _____ day of _____, 2022.

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 _____, 2022

Mayor

Attest:

City Clerk

Approve as to form:

City Attorney

ORDINANCE NO. 1051-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, AMENDING THE CITY OF CHEHALIS FUTURE LAND USE MAP FOR PARCEL NUMBER 005605069024 AND A PORTION OF PARCEL NUMBER 005605069022 LOCATED AT 2118 JACKSON HIGHWAY, CHEHALIS, FROM GENERAL COMMERCIAL (CG) TO MIXED RESIDENTIAL COMMERCIAL (MRC) AS DESCRIBED IN EXHIBIT A

WHEREAS, development patterns over time in the City of Chehalis can result in the need to re-evaluate whether the zoning of particular property or an area allows for that property or area to be put to its highest and best use; and

WHEREAS, a rezone request has been reviewed by City of Chehalis Building and Planning Department and determined to be consistent with the City's vision for future development; and

WHEREAS, the proposed rezone is consistent with all City of Chehalis and State of Washington zoning laws; and

WHEREAS, allowing for the requested rezone would be consistent with RCW 35A.70, the Growth Management Act; and

WHEREAS, all zoning changes need to be reflected in the City of Chehalis Land Use Map; and

WHEREAS, the proposed Land Use Map Amendment was heard at a duly noticed meeting of the Chehalis Planning Commission on May 17, 2022; and

WHEREAS, the required notice of the proposed changes were sent to the Washington State Department of Commerce on May 17, 2022 for a determination of consistency with the Washington Growth Management Act; and

WHEREAS, a Determination of Nonsignificance was issued pursuant to the Washington State Environmental Policy Act on May 16, 2022; and

WHEREAS, after full consideration, the Chehalis City Council has approved the proposed changes to Land Use Map amendment and rezone; now therefore,

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

Section 1. RZ-22-010, a requested zoning change from General Commercial (CG) to Mixed Residential Commercial (MRC) **is approved** for parcel number 005605069024 and a portion parcel number 005605069022, located at 2118 Jackson Highway, Chehalis, Washington as described in Exhibit A.

Section 2. The City of Chehalis Land Use map **is amended** to reflect the change to parcel numbers 005605069024 and 005605069022, located at 2118 Jackson Highway.

Section 3. Upon adoption, any section of previously adopted ordinances that may be in conflict with this ordinance are hereby repealed.

Section 4. If any section, sentence, clause or phrase of this Ordinance shall be held to be unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

Section 5. The effective date of this Ordinance shall be the _____ day of _____, 2022.

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 _____, 2022

Mayor

Attest:

City Clerk

Approve as to form:

City Attorney

Treasurer's Certification:
 All taxes levied against the properties included in this Short Plat have been paid to and including the year 2017.

 Lewis County Treasurer date

City Approval:
 Reviewed and approved for recording by the City of Chehalis.

 planner date

Will this short subdivision create and private road?
 (X) NO, All lots will front on an existing public right of way (Ord. 138-B)
 () Yes, Lot ID# on which private road is located _____

Name of Private Road _____

This lot/private road shall contain the following easement(s) thereon: A non-exclusive easement for ingress, egress and utilities lying over, under and across said lot.

The following restrictive covenants and/or agreements shall apply:
 Lot # Description

Describe the proposed/new easements on each new lot created
 Lot # Description

This property () is (X) is not located within the FEMA 100 year floodplain

City of Chehalis Short Plat Number: SP-17-_____

Portion of the Elkana Mills DLC in Section 33-T14N-R2W and Section 4-T13N-R2W, W.M. in the City of Chehalis, Lewis County, Washington

Original Parcel legal description & Tax Parcel No.

Tax Parcel No. 005605069022: That parcel as described in Statutory Warranty Deed recorded under Auditor's File Number 3224023, Records of Lewis County, Washington.

TOGETHER with and subject to easements, covenants, conditions, restrictions and reservations of record, if any, affecting title which may appear in the public record including those shown on the face of any recorded plat or survey.

NOTICE: Utility service is available at the time of this approval but is not guaranteed until all applicable utility fees are paid in full.

Owners Certification
 Veritas Company, as the subdivider hereby certifies that this map shows the entire contiguous land in which there is an interest by reason of ownership, contract for purchase, earnest money agreement or option by in person, firm or corporation in any manner connected with this subdivision and that the following are the signatures of all the persons with an interest of record therein. Also, I do hereby state that the information contained within this short subdivision and supporting documents is true and correct to the best of our knowledge.

 Veritas Company
 by: Chad O'Mealy
 its: _____

STATE OF WASHINGTON)
) SS
 COUNTY OF LEWIS)

On this ___ day of _____, 2017, before me, a Notary Public in and for the State of Washington, duly and commissioned and sworn, personally appeared before me Chad O'Mealy to be known to be the _____ of Veritas Company, the entity described in and which executed the within and forgoing instrument for the uses and purposes therein mentioned

Witness my hand and official seal the day and year above written.

 Notary Public in and for the State of Washington

Name Printed: Christopher M. Butler
 Residing at: Chehalis, WA
 My Commission Expires: 9-10-18



Auditor's Certificate

Filed for record this _____ day of _____, 20____ at _____ M. in Book _____ of Short Plats at Page _____ at the request of the City of Chehalis.

 Lewis County Auditor

SURVEYOR'S CERTIFICATE

This map correctly represents a survey made by me of under my direction on conformance with the survey recording act at the request of:

Veritas Company
 Owner

2118 Jackson Highway, Chehalis, WA 98532
 Address

12-9-17
 Date

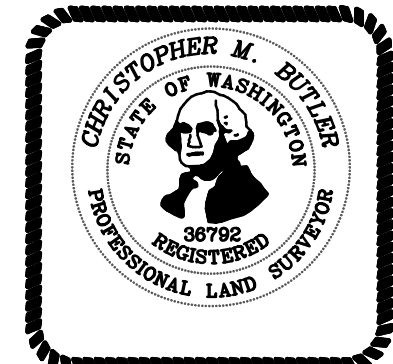
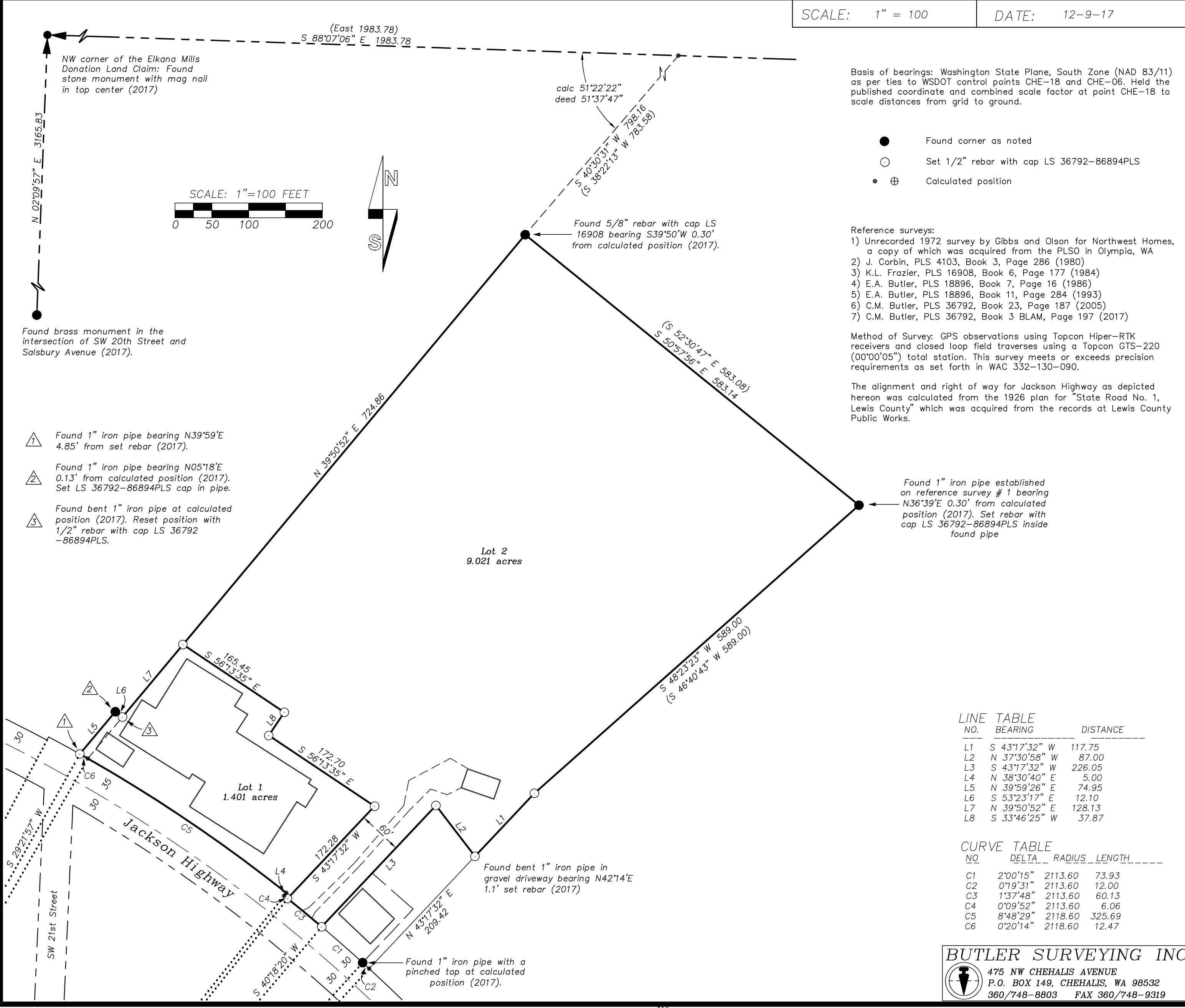


Exhibit A



BUTLER SURVEYING INC.
 475 NW CHEHALIS AVENUE
 P.O. BOX 149, CHEHALIS, WA 98532
 360/748-8803 FAX 360/748-9319

Exhibit A

That portion of the Elkanah Mills Donation Land Claim in Section 33, Township 14 North, Range 2 West, W.M., in Lewis County, Washington described as follows:

COMMENCING at the northwest corner of said Donation Land Claim; thence S88°07'06"E along the north line of said Donation Land Claim a distance of 1983.78 feet; thence S40°30'31"W a distance of 798.16 feet to the Point of Beginning; thence S50°57'56"E a distance of 583.14 feet; thence S48°23'23"W a distance of 589.00 feet; thence S43°17'32"W a distance of 117.75 feet; thence N37°30'58"W a distance of 87.00 feet; thence S43°17'32"W a distance of 226.05 feet to the northerly margin of Jackson (Pacific) Highway and the intercept of a curve whose radius point bears S40°18'20"W a distance of 2113.60 feet; thence Northwesterly along said curve and margin through a central angle of 01°47'40" or an arc distance of 66.19 feet; thence N38°30'40"E along said margin a distance of 5.00 feet to the intercept of a curve whose radius point bears S38°30'40"W a distance of 2118.60 feet; thence Northwesterly along said curve and margin through a central angle of 09°08'43" for an arc distance of 338.16 feet; thence N39°59'26"E a distance of 74.95 feet; thence S53°23'17"E a distance of 12.10 feet; thence N39°50'52"E a distance of 852.99 feet to the Point of Beginning.

Containing 10.422 acres, more or less

TOGETHER with and subject to easements, covenants, conditions, restrictions and reservations of record, if any, affecting title which may appear in the public record including those shown on the face of any recorded plat or survey.

(The above described parcel also appears of record as Parcel A and Parcel B as described in Statutory Warranty Deed recorded under Auditor's File Number 3224023, Records of Lewis County, Washington)

**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: November 14, 2022

SUBJECT: **Second reading of Ordinance #1041-B Updating the Zoning Map and #1052-B, Updating the Future Land Use Map and Rezoning Parcel #005604183244 from R-1, Single Family Residential to R-4, Multi-family High Density Residential**

ISSUE

RCW 36.70A, the Growth Management Act, allows for periodic updates to the Comprehensive Plan. Stephanie Werner, the property owner for parcel #005605069022 located on 21st Street has requested the property be rezoned from R-1, Single Family Residential to R-4, Multi-family High Density.

DISCUSSION

Background: The City Council passed on first reading Ordinances 1041-B and 1052-B at the meeting on October 24, 2022. These items are now back for second reading.



In late 2021, during the open period for rezone requests, Stephanie Werner submitted a letter requesting that the property on 21st Street be rezoned from R-1, Single Family Residential to R-4, Multi-family High Density Residential.

On May 10, 2022, the Planning Commission held a public hearing to take testimony on this proposed rezone and make a recommendation. Several members of the public spoke to the traffic issues on 21st Street however no spoke against the rezone request specifically. After careful deliberation, the Planning Commission voted unanimously to recommend approval of the rezone request to the City Council.

FISCAL IMPACT

There is no fiscal impact from this proposal.

RECOMMENDATION

Staff recommends that the Council approve on second reading Ordinance #1041-B updating the Zoning Map and #1052-B, updating the Future Land Use Map, rezoning parcel #005604183244 from R-1, Single Family Residential to R-4, Multi-family High Density Residential.

SUGGESTED MOTION

Move to approve on second reading Ordinance #1041-B updating the Zoning Map and #1052-B, updating the Land Use Map rezoning a portion of parcel #005604183244 from R-1, Single Family Residential to R-4, Multi-family High Density Residential.

ORDINANCE NO. 1041-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, AMENDING THE CITY OF CHEHALIS ZONING MAP, AND REZONING PARCEL NUMBER 005604183244 LOCATED AT 0 21ST STREET, CHEHALIS, FROM SINGLE FAMILY LOW DENSITY (R1) TO MULTI FAMILY HIGH DENSITY (R4).

WHEREAS, development patterns over time in the City of Chehalis can result in the need to re-evaluate whether the zoning of particular property or an area allows for that property or area to be put to its highest and best use; and

WHEREAS, a rezone request has been reviewed by City of Chehalis Building and Planning Department and determined to be consistent with the City's vision for future development; and

WHEREAS, the proposed rezone is consistent with all City of Chehalis and State of Washington zoning laws; and

WHEREAS, allowing for the requested rezone would be consistent with RCW 35A.70, the Growth Management Act; and

WHEREAS, all zoning changes need to be reflected in the City of Chehalis Zoning Map; and

WHEREAS, the proposed Zoning Map Amendment and rezone were heard at a duly noticed meeting of the Chehalis Planning Commission on May 17, 2022; and

WHEREAS, the required notice of the proposed changes were sent to the Washington State Department of Commerce on May 17, 2022 for a determination of consistency with the Washington Growth Management Act; and

WHEREAS, a Determination of Nonsignificance was issued pursuant to the Washington State Environmental Policy Act on May 16, 2022; and

WHEREAS, after full consideration, the Chehalis City Council has approved the proposed changes to Zoning Map amendment and rezone; now therefore,

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

Section 1. RZ-22-005, a requested zoning change from Single Family Low Density (R1) to Multi-family High density (R4) **is approved** for parcel number 005604183244, located at 0 21st. Street, Chehalis, Washington.

Section 2. The City of Chehalis Zoning map **is amended** to reflect the zoning change to parcel number 005604183244, located at 0 21st Street.

Section 3. Upon adoption, any section of previously adopted ordinances that may be in conflict with this ordinance are hereby repealed.

Section 4. If any section, sentence, clause or phrase of this Ordinance shall be held to be unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

Section 5. The effective date of this Ordinance shall be the _____ day of _____, 2022.

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 _____, 2022

Mayor

Attest:

City Clerk

Approve as to form:

City Attorney

ORDINANCE NO. 1052-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, AMENDING THE CITY OF CHEHALIS FUTURE LAND USE MAP FOR PARCEL NUMBER 005604183244 LOCATED AT 0 21ST STREET, CHEHALIS, FROM SINGLE FAMILY LOW DENSITY (R1) TO MULTI FAMILY HIGH DENSITY (R4).

WHEREAS, development patterns over time in the City of Chehalis can result in the need to re-evaluate whether the zoning of particular property or an area allows for that property or area to be put to its highest and best use; and

WHEREAS, a rezone request has been reviewed by City of Chehalis Building and Planning Department and determined to be consistent with the City's vision for future development; and

WHEREAS, the proposed rezone is consistent with all City of Chehalis and State of Washington zoning laws; and

WHEREAS, allowing for the requested rezone would be consistent with RCW 35A.70, the Growth Management Act; and

WHEREAS, all zoning changes need to be reflected in the City of Chehalis Comprehensive Plan Future Land Use Map; and

WHEREAS, the proposed Land Use Map Amendment were heard at a duly noticed meeting of the Chehalis Planning Commission on May 17, 2022; and

WHEREAS, the required notice of the proposed changes were sent to the Washington State Department of Commerce on May 17, 2022 for a determination of consistency with the Washington Growth Management Act; and

WHEREAS, a Determination of Nonsignificance was issued pursuant to the Washington State Environmental Policy Act on May 16, 2022; and

WHEREAS, after full consideration, the Chehalis City Council has approved the proposed changes to Land Use Map amendment; now therefore,

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

Section 1. RZ-22-005, a requested zoning change from Single Family Low Density (R1) to Multi-family High density (R4) **is approved** for parcel number 005604183244, located at 0 21st. Street, Chehalis, Washington.

Section 2. The City of Chehalis Future Land Use map **is amended** to reflect the zoning change to parcel number 005604183244, located at 0 21st Street.

Section 3. Upon adoption, any section of previously adopted ordinances that may be in conflict with this ordinance are hereby repealed.

Section 4. If any section, sentence, clause or phrase of this Ordinance shall be held to be unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

Section 5. The effective date of this Ordinance shall be the _____ day of _____, 2022.

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 _____, 2022

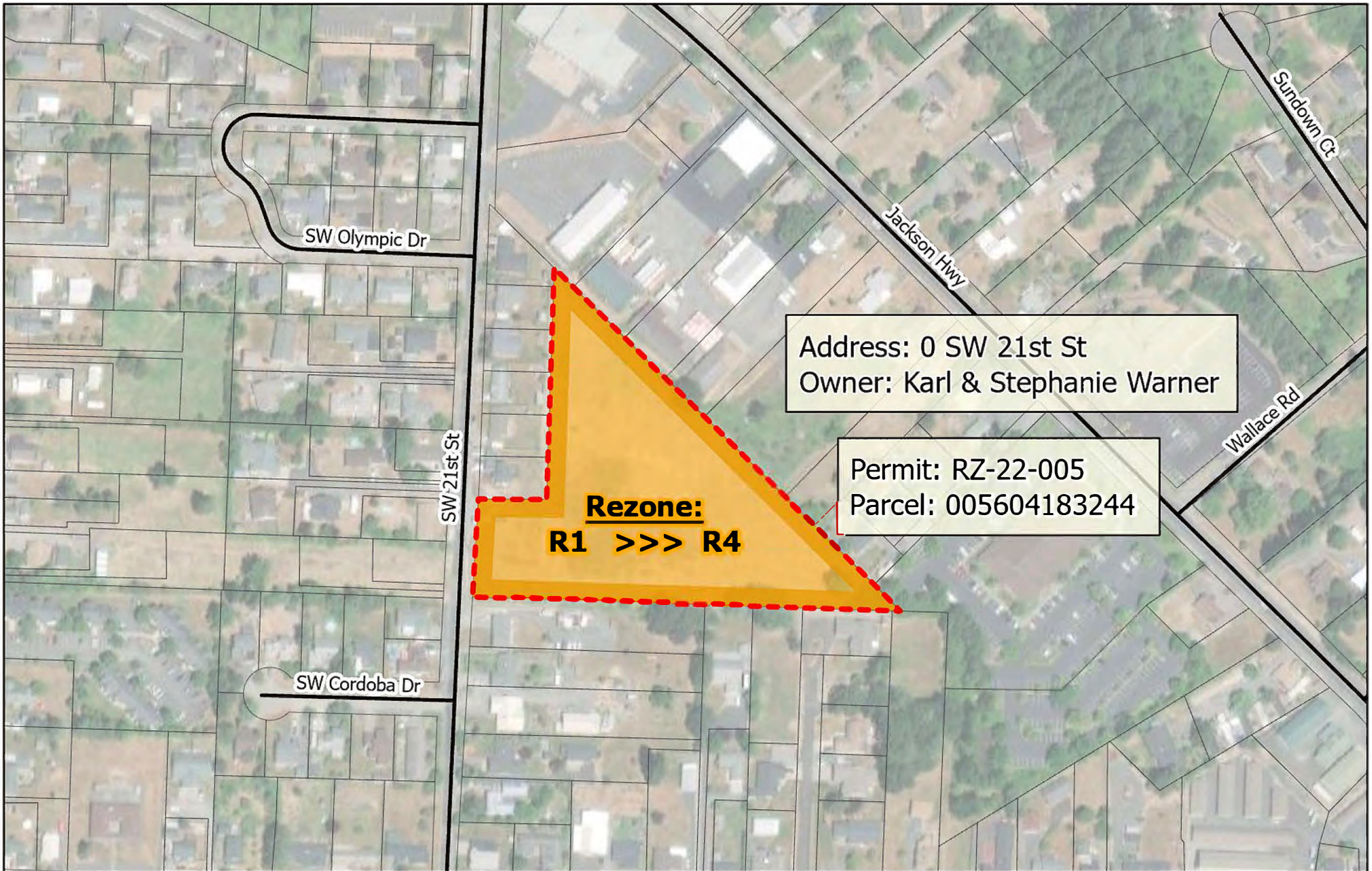
Mayor

Attest:

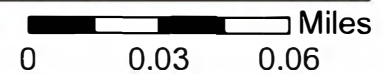
City Clerk

Approve as to form:

City Attorney



2021 Rezoning Requests



**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: November 14, 2022

SUBJECT: **Second reading of Ordinance #1042-B Updating the Zoning Map and #1053-B, Updating the Future Land Use Map and Rezoning Parcel #010785001000 from CG, General Commercial to R-1, Single-family Residential**

ISSUE

RCW 36.70A, the Growth Management Act, allows for periodic updates to the Comprehensive Plan. Christopher and Brenda Ramez, the property owner for parcel #010785001000 located 2215 Jackson Hwy has requested the property be rezoned from CG, General Commercial to R-1, Single-family Residential.

DISCUSSION

Background: The City Council passed Ordinances 1042-B and 1053-B on first reading at the October 24, 2022 meeting. They are now back for second reading.



In late 2021, during the open period for rezone requests, the Ramez' submitted a letter requesting that the property 2215 Jackson Hwy be rezoned from CG, General Commercial to R-1, Single-family residential.

On May 10, 2022, the Planning Commission held a public hearing to take testimony on this proposed rezone and make a recommendation. No one from the public spoke for or against this rezone request. After careful deliberation, the Planning Commission voted unanimously to recommend approval of the rezone request to the City Council.

FISCAL IMPACT

There is no fiscal impact to this proposal.

RECOMMENDATION

Staff recommends that the Council approve on second reading Ordinance #1042-B updating the Zoning Map and #1053-B, updating the Future Land Use Map rezoning parcel #010785001000 from CG, General Commercial to R-1, Single-family Residential.

SUGGESTED MOTION

Move to approve on second reading Ordinance #1042-B updating the Zoning Map and #1053-B, updating the Future Land Use Map rezoning parcel #010785001000 from CG, General Commercial to R-1, Single-family Residential.

ORDINANCE NO. 1042-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, AMENDING THE CITY OF CHEHALIS ZONING MAP, AND REZONING PARCEL NUMBER 010785001000, LOCATED AT 2215 JACKSON HIGHWAY, CHEHALIS, FROM GENERAL COMMERCIAL (CG) TO SINGLE FAMILY LOW DENSITY (R1)

WHEREAS, development patterns over time in the City of Chehalis can result in the need to re-evaluate whether the zoning of particular property or an area allows for that property or area to be put to its highest and best use; and

WHEREAS, a rezone request has been reviewed by City of Chehalis Building and Planning Department and determined to be consistent with the City's vision for future development; and

WHEREAS, the proposed rezone is consistent with all City of Chehalis and State of Washington zoning laws; and

WHEREAS, allowing for the requested rezone would be consistent with RCW 35A.70, the Growth Management Act; and

WHEREAS, all zoning changes need to be reflected in the City of Chehalis Zoning Map; and

WHEREAS, the proposed Zoning Map Amendment and rezone were heard at a duly noticed meeting of the Chehalis Planning Commission on May 17, 2022; and

WHEREAS, the required notice of the proposed changes were sent to the Washington State Department of Commerce on May 17, 2022 for a determination of consistency with the Washington Growth Management Act; and

WHEREAS, a Determination of Nonsignificance was issued pursuant to the Washington State Environmental Policy Act on May 16, 2022; and

WHEREAS, after full consideration, the Chehalis City Council has approved the proposed changes to Zoning Map amendment and rezone; now therefore,

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

Section 1. RZ-22-008, a requested zoning change from General Commercial (CG) to Single Family Residential (R1) **is approved** for parcel number 010785001000, located at 2215 Jackson Highway, Chehalis, Washington.

Section 2. The City of Chehalis Zoning map **is amended** to reflect the zoning change to parcel number 010785001000, located at 2215 Jackson Highway.

Section 3. Upon adoption, any section of previously adopted ordinances that may be in conflict with this ordinance are hereby repealed.

Section 4. If any section, sentence, clause or phrase of this Ordinance shall be held to be unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

Section 5. The effective date of this Ordinance shall be the _____ day of _____, 2022.

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 _____, 2022

Mayor

Attest:

City Clerk

Approve as to form:

City Attorney

ORDINANCE NO. 1053-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, AMENDING THE CITY OF CHEHALIS FUTURE LAND USE MAP FOR PARCEL NUMBER 010785001000, LOCATED AT 2215 JACKSON HIGHWAY, CHEHALIS, FROM GENERAL COMMERCIAL (CG) TO SINGLE FAMILY LOW DENSITY (R1)

WHEREAS, development patterns over time in the City of Chehalis can result in the need to re-evaluate whether the zoning of particular property or an area allows for that property or area to be put to its highest and best use; and

WHEREAS, a rezone request has been reviewed by City of Chehalis Building and Planning Department and determined to be consistent with the City's vision for future development; and

WHEREAS, the proposed rezone is consistent with all City of Chehalis and State of Washington zoning laws; and

WHEREAS, allowing for the requested rezone would be consistent with RCW 35A.70, the Growth Management Act; and

WHEREAS, all zoning changes need to be reflected in the City of Chehalis Comprehensive Plan Future Land Use Map; and

WHEREAS, the proposed Land Use Map Amendment were heard at a duly noticed meeting of the Chehalis Planning Commission on May 17, 2022; and

WHEREAS, the required notice of the proposed changes were sent to the Washington State Department of Commerce on May 17, 2022 for a determination of consistency with the Washington Growth Management Act; and

WHEREAS, a Determination of Nonsignificance was issued pursuant to the Washington State Environmental Policy Act on May 16, 2022; and

WHEREAS, after full consideration, the Chehalis City Council has approved the proposed changes to Land Use Map amendment; now therefore,

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

Section 1. RZ-22-008, a requested zoning change from General Commercial (CG) to Single Family Low Density (R1) **is approved** for parcel number 010785001000, located at 2215 Jackson Highway, Chehalis, Washington.

Section 2. The City of Chehalis Future Land Use map **is amended** to reflect the change to parcel number 010785001000, located at 2215 Jackson Highway.

Section 3. Upon adoption, any section of previously adopted ordinances that may be in conflict with this ordinance are hereby repealed.

Section 4. If any section, sentence, clause or phrase of this Ordinance shall be held to be unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

Section 5. The effective date of this Ordinance shall be the _____ day of _____, 2022.

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 _____, 2022

Mayor

Attest:

City Clerk

Approve as to form:

City Attorney



2021 Rezoning Requests

**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: November 14, 2022

SUBJECT: **Second reading of Ordinance #1043-B Updating the Zoning Map and #1054-B, Updating the Future Land Use Map and Rezoning Parcels #017737001000 and 017736001000 from CG, General Commercial to R-1, Single-family Residential**

ISSUE

RCW 36.70A, the Growth Management Act, allows for periodic updates to the Comprehensive Plan. Karla Delaney, the property owner for parcels #017737001000 and 017736001000 located 2643 Jackson Hwy has requested the property be rezoned from CG, General Commercial to R-1, Single-family Residential.

DISCUSSION

Background: The City Council passed Ordinances 1043-B and 1054-B on first reading at the October 24, 2022 meeting. They are now back for second reading.



In late 2021, during the open period for rezone requests, Ms. Delaney submitted a letter requesting that the property 2643 Jackson Hwy be rezoned from CG, General Commercial to R-1, Single-family residential.

On May 10, 2022, the Planning Commission held a public hearing to take testimony on this proposed rezone and make a recommendation. No one from the public spoke for or against this rezone request. After careful deliberation, the Planning Commission voted unanimously to recommend approval of the rezone request to the City Council.

FISCAL IMPACT

There is no fiscal impact to this proposal.

RECOMMENDATION

Staff recommends that the Council approve on second reading Ordinance #1043-B updating the Zoning Map and #1054-B, updating the Future Land Use Map, rezoning parcels #017737001000 and 017736001000 from CG, General Commercial to R-1, Single-family Residential.

SUGGESTED MOTION

Move to approve on second reading Ordinance #1043-B updating the Zoning Map and #1054-B, updating the Future Land Use Map rezoning parcels #017737001000 and 017736001000 from CG, General Commercial to R-1, Single-family Residential.

ORDINANCE NO. 1043-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, AMENDING THE CITY OF CHEHALIS ZONING MAP, AND REZONING PARCEL NUMBERS 017737001000 AND 017736001000, LOCATED AT 2643 JACKSON HIGHWAY, CHEHALIS, FROM GENERAL COMMERCIAL (CG) TO SINGLE FAMILY LOW DENSITY (R1)

WHEREAS, development patterns over time in the City of Chehalis can result in the need to re-evaluate whether the zoning of particular property or an area allows for that property or area to be put to its highest and best use; and

WHEREAS, a rezone request has been reviewed by City of Chehalis Building and Planning Department and determined to be consistent with the City's vision for future development; and

WHEREAS, the proposed rezone is consistent with all City of Chehalis and State of Washington zoning laws; and

WHEREAS, allowing for the requested rezone would be consistent with RCW 35A.70, the Growth Management Act; and

WHEREAS, all zoning changes need to be reflected in the City of Chehalis Zoning Map; and

WHEREAS, the proposed Zoning Map Amendment and rezone were heard at a duly noticed meeting of the Chehalis Planning Commission on May 17, 2022; and

WHEREAS, the required notice of the proposed changes were sent to the Washington State Department of Commerce on May 17, 2022 for a determination of consistency with the Washington Growth Management Act; and

WHEREAS, a Determination of Nonsignificance was issued pursuant to the Washington State Environmental Policy Act on May 16, 2022; and

WHEREAS, after full consideration, the Chehalis City Council has approved the proposed changes to Zoning Map amendment and rezone; now therefore,

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

Section 1. RZ-22-002, a requested zoning change from General Commercial (CG) to Single Family Low Density (R1) **is approved** for parcel numbers 017737001000 AND 017736001000, located at 2643 Jackson Highway, Chehalis, Washington.

Section 2. The City of Chehalis Future Zoning map **is amended** to reflect the zoning change to parcel numbers 017737001000 AND 017736001000, located at 2643 Jackson Highway.

Section 3. Upon adoption, any section of previously adopted ordinances that may be in conflict with this ordinance are hereby repealed.

Section 4. If any section, sentence, clause or phrase of this Ordinance shall be held to be unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

Section 5. The effective date of this Ordinance shall be the _____ day of _____, 2022.

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 _____, 2022

Mayor

Attest:

City Clerk

Approve as to form:

City Attorney

ORDINANCE NO. 1054-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, AMENDING THE CITY OF CHEHALIS FUTURE LAND USE MAP FOR PARCEL NUMBERS 017737001000 AND 017736001000, LOCATED AT 2643 JACKSON HIGHWAY, CHEHALIS, FROM GENERAL COMMERCIAL (CG) TO SINGLE FAMILY LOW DENSITY (R1)

WHEREAS, development patterns over time in the City of Chehalis can result in the need to re-evaluate whether the zoning of particular property or an area allows for that property or area to be put to its highest and best use; and

WHEREAS, a rezone request has been reviewed by City of Chehalis Building and Planning Department and determined to be consistent with the City's vision for future development; and

WHEREAS, the proposed rezone is consistent with all City of Chehalis and State of Washington zoning laws; and

WHEREAS, allowing for the requested rezone would be consistent with RCW 35A.70, the Growth Management Act; and

WHEREAS, all zoning changes need to be reflected in the City of Chehalis Comprehensive Plan Future Land Use Map; and

WHEREAS, the proposed Land Use Map Amendment and rezone were heard at a duly noticed meeting of the Chehalis Planning Commission on May 17, 2022; and

WHEREAS, the required notice of the proposed changes were sent to the Washington State Department of Commerce on May 17, 2022 for a determination of consistency with the Washington Growth Management Act; and

WHEREAS, a Determination of Nonsignificance was issued pursuant to the Washington State Environmental Policy Act on May 16, 2022; and

WHEREAS, after full consideration, the Chehalis City Council has approved the proposed changes to Land Use Map amendment; now therefore,

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

Section 1. RZ-22-002, a requested zoning change from General Commercial (CG) to Single Family Low Density (R1) **is approved** for parcel numbers 017737001000 AND 017736001000, located at 2643 Jackson Highway, Chehalis, Washington.

Section 2. The City of Chehalis Future Land Use map **is amended** to reflect the zoning change to parcel numbers 017737001000 AND 017736001000, located at 2643 Jackson Highway.

Section 3. Upon adoption, any section of previously adopted ordinances that may be in conflict with this ordinance are hereby repealed.

Section 4. If any section, sentence, clause or phrase of this Ordinance shall be held to be unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

Section 5. The effective date of this Ordinance shall be the _____ day of _____, 2022.

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 _____, 2022

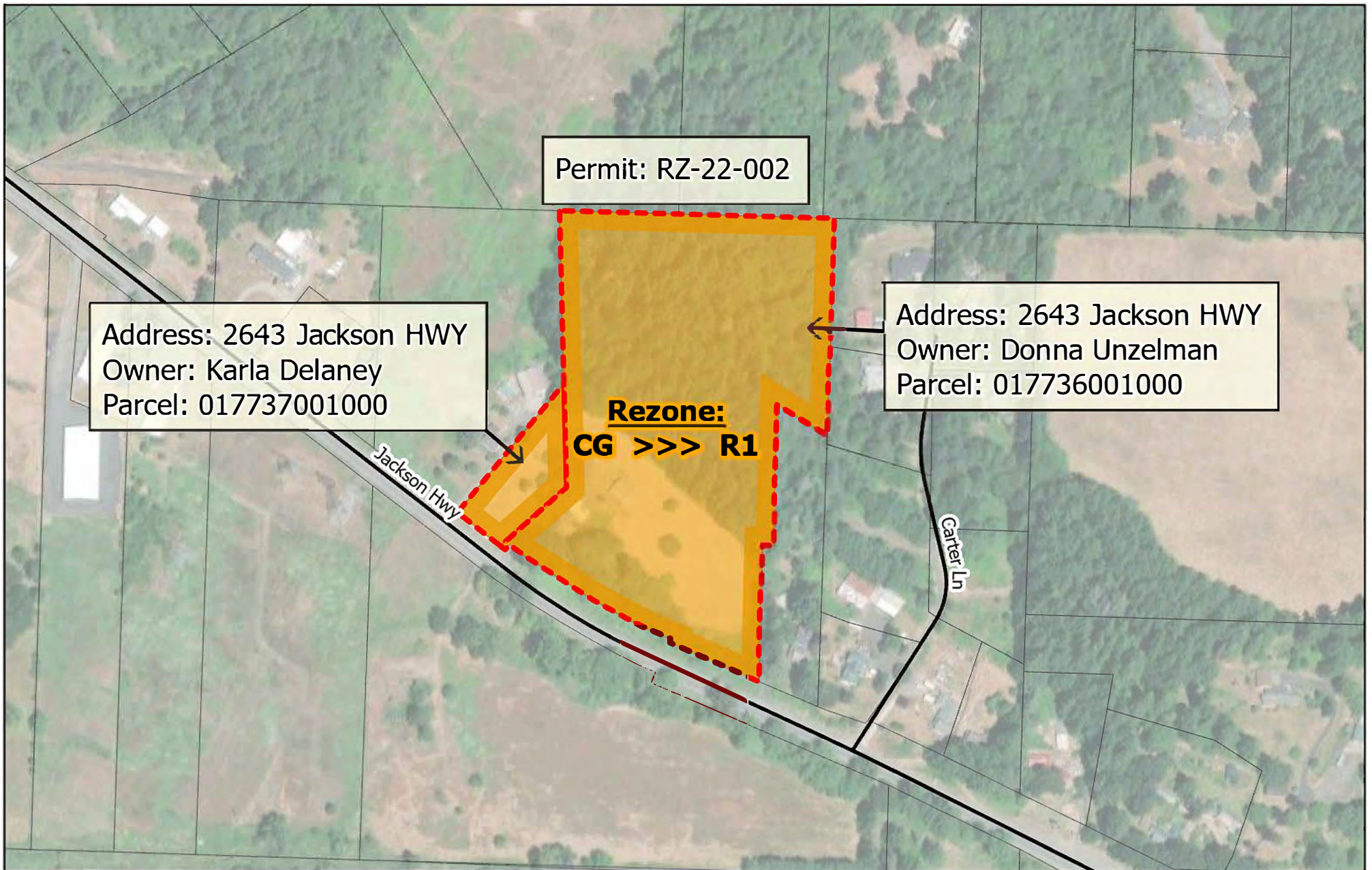
Mayor

Attest:

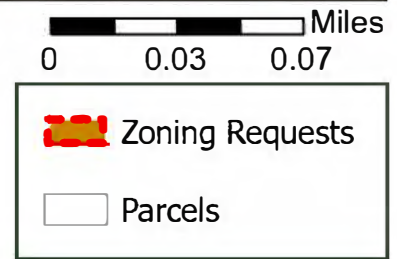
City Clerk

Approve as to form:

City Attorney



2021 Rezoning Requests



**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: November 14, 2022

SUBJECT: **Second reading of Ordinance #1044-B Updating the Zoning Map and #1055-B, Updating the Future Land Use Map and Rezoning Parcels #017808001006, 017808001044, 017855001001, and 017855001002 from RUGA, Residential Urban Growth Area to R-4, Multi-family High Density Residential**

ISSUE

RCW 36.70A, the Growth Management Act, allows for periodic updates to the Comprehensive Plan. Dave Cosser, the property owner for parcels #017808001006, 017808001044, 017855001001, and 017855001002 located 2951 Jackson Hwy has requested the property be rezoned from RUGA, Residential Urban Growth Area to R-4, Multi-family High Density Residential.

DISCUSSION

Background: The City Council passed Ordinances #1044-B and 1055-B on first reading. They are now being presented for second reading.



In late 2021, during the open period for rezone requests, Mr. Cosser submitted a letter requesting that the four (4) parcels at 2951 Jackson Hwy be rezoned from RUGA, Residential Urban Growth Area to R-4, Multi-family High Density Residential.

On May 10, 2022, the Planning Commission held a public hearing to take testimony on this proposed rezone and make a recommendation. No one from the public spoke for or against this rezone request. After careful deliberation, the Planning Commission voted unanimously to recommend approval of the rezone request to the City Council. 2

FISCAL IMPACT

There is no fiscal impact to this proposal.

RECOMMENDATION

Staff recommends that the Council approve on second reading Ordinance #1044-B updating the Zoning Map and #1055-B, updating the Future Land Use Map rezoning parcels #017808001006, 017808001044, 017855001001, and 017855001002 RUGA, Residential Urban Growth Area to R-4, Multi-family High Density Residential.

SUGGESTED MOTION

Move to approve on second reading Ordinance #1044-B updating the Land Use Map and #1055-B, updating the Zoning Map rezoning parcels #017808001006, 017808001044, 017855001001, and 017855001002 RUGA, Residential Urban Growth Area to R-4, Multi-family High Density Residential.

ORDINANCE NO. 1044-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, AMENDING THE CITY OF CHEHALIS ZONING MAP, AND REZONING PARCEL NUMBERS 017808001006, 017808001044, 017855001001, AND 017855001002 LOCATED AT 2988 JACKSON HIGHWAY, CHEHALIS, FROM RESIDENTIAL URBAN GROWTH AREA (RUGA) TO HIGH DENSITY RESIDENTIAL (R4)

WHEREAS, development patterns over time in the City of Chehalis can result in the need to re-evaluate whether the zoning of particular property or an area allows for that property or area to be put to its highest and best use; and

WHEREAS, a rezone request has been reviewed by City of Chehalis Building and Planning Department and determined to be consistent with the City's vision for future development; and

WHEREAS, the proposed rezone is consistent with all City of Chehalis and State of Washington zoning laws; and

WHEREAS, allowing for the requested rezone would be consistent with RCW 35A.70, the Growth Management Act; and

WHEREAS, all zoning changes need to be reflected in the City of Chehalis Zoning Map; and

WHEREAS, the proposed Zoning Map Amendment and rezone were heard at a duly noticed meeting of the Chehalis Planning Commission on May 17, 2022; and

WHEREAS, the required notice of the proposed changes were sent to the Washington State Department of Commerce on May 17, 2022 for a determination of consistency with the Washington Growth Management Act; and

WHEREAS, a Determination of Nonsignificance was issued pursuant to the Washington State Environmental Policy Act on May 16, 2022; and

WHEREAS, after full consideration, the Chehalis City Council has approved the proposed changes to Zoning Map amendment and rezone; now therefore,

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

Section 1. RZ-22-007, a requested zoning change from Residential Urban Growth Area (RUGA) to High Density Residential (R4) **is approved** for parcel numbers 017808001006, 017808001044, 017855001001, and 017855001002, located at 2988 Jackson Highway, Chehalis, Washington.

Section 2. The City of Chehalis Zoning map **is amended** to reflect the zoning change to parcel numbers 017808001006, 017808001044, 017855001001, and 017855001002 located at 2988 Jackson Highway.

Section 3. Upon adoption, any section of previously adopted ordinances that may be in conflict with this ordinance are hereby repealed.

Section 4. If any section, sentence, clause or phrase of this Ordinance shall be held to be unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

Section 5. The effective date of this Ordinance shall be the _____ day of _____, 2022.

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 _____, 2022

Mayor

Attest:

City Clerk

Approve as to form:

City Attorney

ORDINANCE NO. 1055-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, AMENDING THE CITY OF CHEHALIS FUTURE LAND USE MAP FOR PARCEL NUMBERS 017808001006, 017808001044, 017855001001, AND 017855001002, LOCATED AT 2951 JACKSON HIGHWAY, CHEHALIS, FROM URBAN GROWTH AREA RESIDENTIAL (RUGA) TO MULTI-FAMILY HIGH DENSITY (R4).

WHEREAS, development patterns over time in the City of Chehalis can result in the need to re-evaluate whether the zoning of particular property or an area allows for that property or area to be put to its highest and best use; and

WHEREAS, a rezone request has been reviewed by City of Chehalis Building and Planning Department and determined to be consistent with the City's vision for future development; and

WHEREAS, the proposed rezone is consistent with all City of Chehalis and State of Washington zoning laws; and

WHEREAS, allowing for the requested rezone would be consistent with RCW 35A.70, the Growth Management Act; and

WHEREAS, all zoning changes need to be reflected in the City of Chehalis Comprehensive Plan Future Land Use Map; and

WHEREAS, the proposed Land Use Map Amendment and rezone were heard at a duly noticed meeting of the Chehalis Planning Commission on May 17, 2022; and

WHEREAS, the required notice of the proposed changes were sent to the Washington State Department of Commerce on May 17, 2022 for a determination of consistency with the Washington Growth Management Act; and

WHEREAS, a Determination of Nonsignificance was issued pursuant to the Washington State Environmental Policy Act on May 16, 2022; and

WHEREAS, after full consideration, the Chehalis City Council has approved the proposed changes to Land Use Map amendment; now therefore,

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

Section 1. RZ-22-007, a requested zoning change from Urban Growth Area Residential (RUGA) to Multi-family High density (R4) **is approved** for parcel numbers 017808001006, 017808001044, 017855001001, AND 017855001002, 2951 Jackson Highway, Chehalis, Washington.

Section 2. The City of Chehalis Future Land Use map **is amended** to reflect the change to parcel number 017808001006, 017808001044, 017855001001, AND 017855001002, 2951 Jackson Highway.

Section 3. Upon adoption, any section of previously adopted ordinances that may be in conflict with this ordinance are hereby repealed.

Section 4. If any section, sentence, clause or phrase of this Ordinance shall be held to be unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

Section 5. The effective date of this Ordinance shall be the _____ day of _____, 2022.

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 _____, 2022

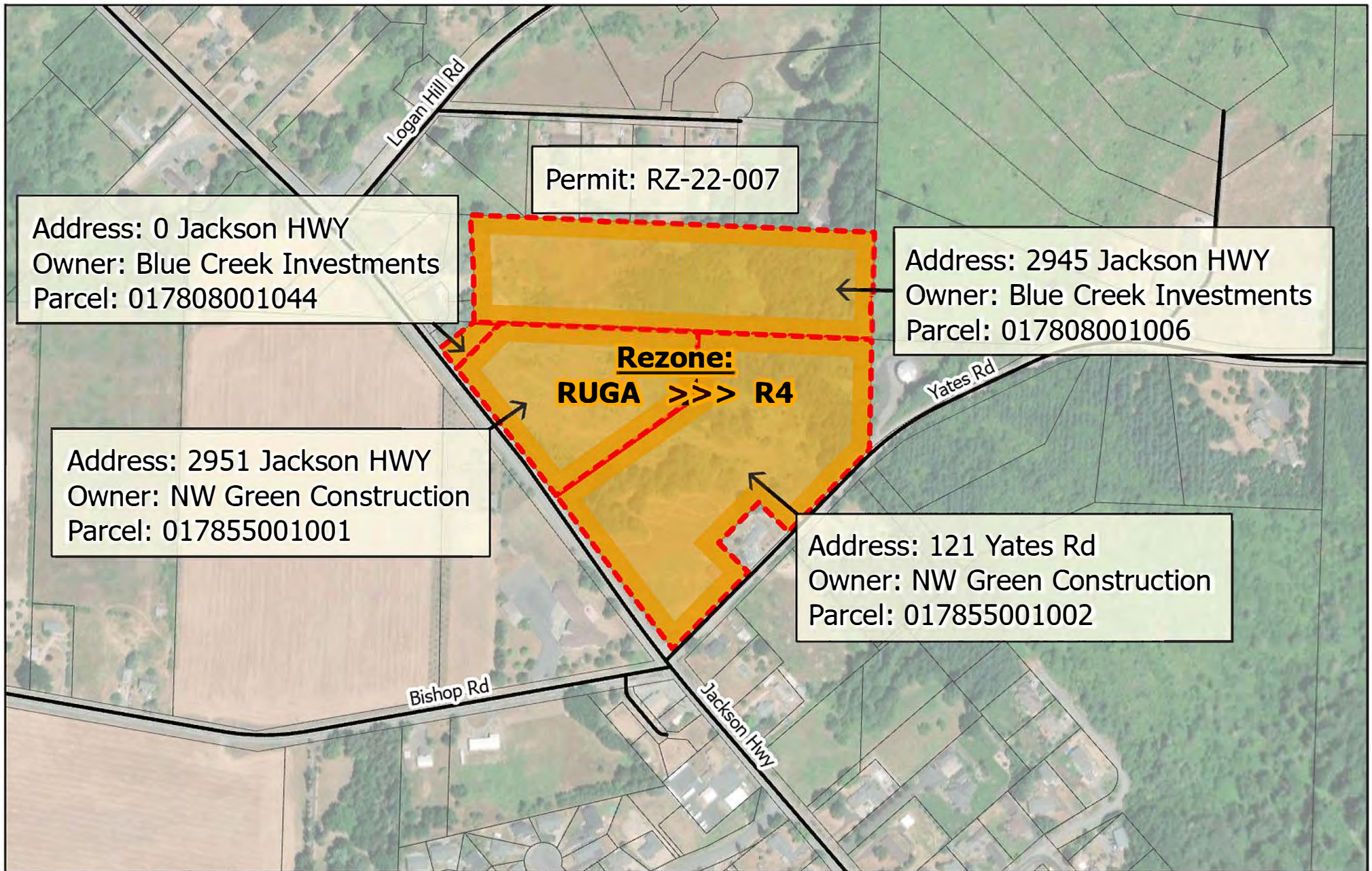
Mayor

Attest:

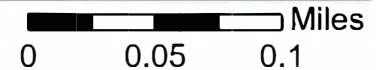
City Clerk

Approve as to form:

City Attorney



2021 Rezoning Requests



**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: November 14, 2022

SUBJECT: **Second reading of Ordinance #1045-B Updating the Zoning Map and #1056-B, Updating the Future Land Use Map and Rezoning Parcel #017856001000 from R-1, Single-family Residential to MRC, Mixed Residential Commercial**

ISSUE

RCW 36.70A, the Growth Management Act, allows for periodic updates to the Comprehensive Plan. The owners of the Newaukum Valley Country Store submitted a request for the rezone of parcel #017856001000 located 2988 Jackson Hwy from R-1, Single family Residential to MRC, Mixed Residential Commercial.

DISCUSSION

Background: At the October 24, 2022, Council meeting, the City Council passed Ordinances #1045-B and 1056-B on first reading. They are now back to Council for a second reading.



In late 2021, during the open period for rezone requests, the owners of the Newaukum Valley Country Store submitted a letter requesting that 2988 Jackson Hwy be rezoned from R-1, Single family Residential to MRC, Mixed Residential Commercial.

On May 10, 2022, the Planning Commission held a public hearing to take testimony on this proposed rezone and make a recommendation. No one from the public spoke for or against this rezone request. After careful deliberation, the Planning Commission voted unanimously to recommend approval of the rezone request to the City Council.

FISCAL IMPACT

There is no fiscal impact to this proposal.

RECOMMENDATION

Staff recommends that the Council approve on second reading Ordinance #1045-B updating the Zoning Map and #1056-B, updating the Future Land Use Map rezoning parcel #017856001000 from R-1, Single family Residential to MRC, Mixed Residential Commercial.

SUGGESTED MOTION

Move to approve on second reading Ordinance #1045-B updating the Zoning Use Map and #1056-B, updating the Future Land Use Map rezoning parcel #017856001000 from R-1, Single family Residential to MRC, Mixed Residential Commercial.

ORDINANCE NO. 1045-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, AMENDING THE CITY OF CHEHALIS ZONING MAP, AND REZONING PARCEL NUMBER 017856001000, LOCATED AT 2988 JACKSON HIGHWAY, CHEHALIS, FROM SINGLE FAMILY LOW DENSITY (R1) TO MIXED RESIDENTIAL COMMERCIAL (MRC).

WHEREAS, development patterns over time in the City of Chehalis can result in the need to re-evaluate whether the zoning of particular property or an area allows for that property or area to be put to its highest and best use; and

WHEREAS, a rezone request has been reviewed by City of Chehalis Building and Planning Department and determined to be consistent with the City's vision for future development; and

WHEREAS, the proposed rezone is consistent with all City of Chehalis and State of Washington zoning laws; and

WHEREAS, allowing for the requested rezone would be consistent with RCW 35A.70, the Growth Management Act; and

WHEREAS, all zoning changes need to be reflected in the City of Chehalis Zoning Map; and

WHEREAS, the proposed Zoning Map Amendment and rezone were heard at a duly noticed meeting of the Chehalis Planning Commission on May 17, 2022; and

WHEREAS, the required notice of the proposed changes were sent to the Washington State Department of Commerce on May 17, 2022 for a determination of consistency with the Washington Growth Management Act; and

WHEREAS, a Determination of Nonsignificance was issued pursuant to the Washington State Environmental Policy Act on May 16, 2022; and

WHEREAS, after full consideration, the Chehalis City Council has approved the proposed changes to Zoning Map amendment and rezone; now therefore,

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

Section 1. RZ-22-009, a requested zoning change from Single-Family Low Density (R-1) to Mixed Residential Commercial (MRC) **is approved** for parcel number 017856001000, 2988 Jackson Highway, Chehalis, Washington.

Section 2. The City of Chehalis Zoning map **is amended** to reflect the zoning change to parcel number 017856001000, 2988 Jackson Highway.

Section 3. Upon adoption, any section of previously adopted ordinances that may be in conflict with this ordinance are hereby repealed.

Section 4. If any section, sentence, clause or phrase of this Ordinance shall be held to be unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

Section 5. The effective date of this Ordinance shall be the _____ day of _____, 2022.

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 _____, 2022

Mayor

Attest:

City Clerk

Approve as to form:

City Attorney

ORDINANCE NO. 1056-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, AMENDING THE CITY OF CHEHALIS FUTURE LAND USE MAP FOR PARCEL NUMBER 017856001000, LOCATED AT 2988 JACKSON HIGHWAY, CHEHALIS, FROM SINGLE FAMILY LOW DENSITY (R1) TO MIXED RESIDENTIAL COMMERCIAL (MRC).

WHEREAS, development patterns over time in the City of Chehalis can result in the need to re-evaluate whether the zoning of particular property or an area allows for that property or area to be put to its highest and best use; and

WHEREAS, a rezone request has been reviewed by City of Chehalis Building and Planning Department and determined to be consistent with the City's vision for future development; and

WHEREAS, the proposed rezone is consistent with all City of Chehalis and State of Washington zoning laws; and

WHEREAS, allowing for the requested rezone would be consistent with RCW 35A.70, the Growth Management Act; and

WHEREAS, all zoning changes need to be reflected in the City of Chehalis Comprehensive Plan Future Land Use Map; and

WHEREAS, the proposed Land Use Map Amendment was heard at a duly noticed meeting of the Chehalis Planning Commission on May 17, 2022; and

WHEREAS, the required notice of the proposed changes were sent to the Washington State Department of Commerce on May 17, 2022 for a determination of consistency with the Washington Growth Management Act; and

WHEREAS, a Determination of Nonsignificance was issued pursuant to the Washington State Environmental Policy Act on May 16, 2022; and

WHEREAS, after full consideration, the Chehalis City Council has approved the proposed changes to Land Use Map amendment and rezone; now therefore,

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

Section 1. RZ-22-009, a requested zoning change from Single-Family Low Density (R-1) to Mixed Residential Commercial (MRC) **is approved** for parcel number 017856001000, 2988 Jackson Highway, Chehalis, Washington.

Section 2. The City of Chehalis Future Land Use map **is amended** to reflect the change to parcel number 017856001000, 2988 Jackson Highway.

Section 3. Upon adoption, any section of previously adopted ordinances that may be in conflict with this ordinance are hereby repealed.

Section 4. If any section, sentence, clause or phrase of this Ordinance shall be held to be unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

Section 5. The effective date of this Ordinance shall be the _____ day of _____, 2022.

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 _____, 2022

Mayor

Attest:

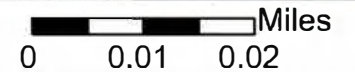
City Clerk



Approve as to form:

City Attorney



2021 Rezoning Requests



-  Zoning Requests
-  Parcels

**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: November 14, 2022

SUBJECT: **Second reading of Ordinance #1046-B Updating the Zoning Map and #1057-B, Updating the Future Land Use Map and Rezoning Parcel #017857003006 from CG, General Commercial to R-1, Single family Residential**

ISSUE

RCW 36.70A, the Growth Management Act, allows for periodic updates to the Comprehensive Plan. The Port of Chehalis submitted a request for the rezone of parcel #017857003006 located on Bishop Road has requested the property be rezoned from CG, General Commercial to R-1, Single family Residential.

DISCUSSION

Background: The City Council reviewed and passed on first reading Ordinances #1046-B and 1057-B at the October 22nd meeting. They are now presented for second reading.



In late 2021, during the open period for rezone requests, The Port of Chehalis submitted a letter requesting that a property it owns on Bishop Road be rezoned from CG, General Commercial to R-1, Single family Residential.

On May 10, 2022, the Planning Commission held a public hearing to take testimony on this proposed rezone and make a recommendation. No one from the public spoke for or against this rezone request. After careful deliberation, the Planning Commission voted unanimously to recommend approval of the rezone request to the City Council.

FISCAL IMPACT

There is no fiscal impact to this proposal.

RECOMMENDATION

Staff recommends that the Council approve on second reading Ordinance #1046-B updating the Zoning Map and #1057-B, updating the Future Land Use Map rezoning parcel #017857003006 from CG, General Commercial to R-1, Single family Residential.

SUGGESTED MOTION

Move to approve on second reading Ordinance #1046-B updating the Zoning Map and #1057-B, updating the Future Land Use Map rezoning parcel #017857003006 from CG, General Commercial to R-1, Single family Residential.

ORDINANCE NO. 1046-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, AMENDING THE CITY OF CHEHALIS ZONING MAP, AND REZONING PARCEL NUMBER 017857003006, LOCATED AT 0 BISHOP ROAD, CHEHALIS, FROM GENERAL COMMERCIAL (CG) TO SINGLE FAMILY LOW DENSITY (R1).

WHEREAS, development patterns over time in the City of Chehalis can result in the need to re-evaluate whether the zoning of particular property or an area allows for that property or area to be put to its highest and best use; and

WHEREAS, a rezone request has been reviewed by City of Chehalis Building and Planning Department and determined to be consistent with the City's vision for future development; and

WHEREAS, the proposed rezone is consistent with all City of Chehalis and State of Washington zoning laws; and

WHEREAS, allowing for the requested rezone would be consistent with RCW 35A.70, the Growth Management Act; and

WHEREAS, all zoning changes need to be reflected in the City of Chehalis Zoning Map; and

WHEREAS, the proposed Zoning Map Amendment and rezone were heard at a duly noticed meeting of the Chehalis Planning Commission on May 17, 2022; and

WHEREAS, the required notice of the proposed changes were sent to the Washington State Department of Commerce on May 17, 2022 for a determination of consistency with the Washington Growth Management Act; and

WHEREAS, a Determination of Nonsignificance was issued pursuant to the Washington State Environmental Policy Act on May 16, 2022; and

WHEREAS, after full consideration, the Chehalis City Council has approved the proposed changes to Zoning Map amendment and rezone; now therefore,

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

Section 1. RZ-22-006, a requested zoning change from General Commercial (CG) to Single-Family Low Density (R-1) **is approved** for parcel number 017857003006, 0 Bishop Road, Chehalis, Washington.

Section 2. The City of Chehalis Zoning map **is amended** to reflect the zoning change to parcel number 01785003006, 0 Bishop Road, Chehalis, Washington.

Section 3. Upon adoption, any section of previously adopted ordinances that may be in conflict with this ordinance are hereby repealed.

Section 4. If any section, sentence, clause or phrase of this Ordinance shall be held to be unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

Section 5. The effective date of this Ordinance shall be the _____ day of _____, 2022.

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 _____, 2022

Mayor

Attest:

City Clerk

Approve as to form:

City Attorney

ORDINANCE NO. 1057-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, AMENDING THE CITY OF CHEHALIS FUTURE LAND USE MAP FOR PARCEL NUMBER 017857003006, LOCATED AT 0 BISHOP ROAD, CHEHALIS, FROM GENERAL COMMERCIAL (CG) TO SINGLE FAMILY LOW DENSITY (R1).

WHEREAS, development patterns over time in the City of Chehalis can result in the need to re-evaluate whether the zoning of particular property or an area allows for that property or area to be put to its highest and best use; and

WHEREAS, a rezone request has been reviewed by City of Chehalis Building and Planning Department and determined to be consistent with the City's vision for future development; and

WHEREAS, the proposed rezone is consistent with all City of Chehalis and State of Washington zoning laws; and

WHEREAS, allowing for the requested rezone would be consistent with RCW 35A.70, the Growth Management Act; and

WHEREAS, all zoning changes need to be reflected in the City of Chehalis Comprehensive Plan Future Land Use Map; and

WHEREAS, the proposed Land Use Map Amendment was heard at a duly noticed meeting of the Chehalis Planning Commission on May 17, 2022; and

WHEREAS, the required notice of the proposed changes were sent to the Washington State Department of Commerce on May 17, 2022 for a determination of consistency with the Washington Growth Management Act; and

WHEREAS, a Determination of Nonsignificance was issued pursuant to the Washington State Environmental Policy Act on May 16, 2022; and

WHEREAS, after full consideration, the Chehalis City Council has approved the proposed changes to Land Use Map amendment; now therefore,

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

Section 1. RZ-22-006, a requested zoning change from General Commercial (CG) to Single-Family Low Density (R-1) **is approved** for parcel number 017857003006, 0 Bishop Road, Chehalis, Washington.

Section 2. The City of Chehalis Future Land Use map **is amended** to reflect the change to parcel number 01785003006, 0 Bishop Road, Chehalis, Washington.

Section 3. Upon adoption, any section of previously adopted ordinances that may be in conflict with this ordinance are hereby repealed.

Section 4. If any section, sentence, clause or phrase of this Ordinance shall be held to be unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

Section 5. The effective date of this Ordinance shall be the _____ day of _____, 2022.

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 _____, 2022

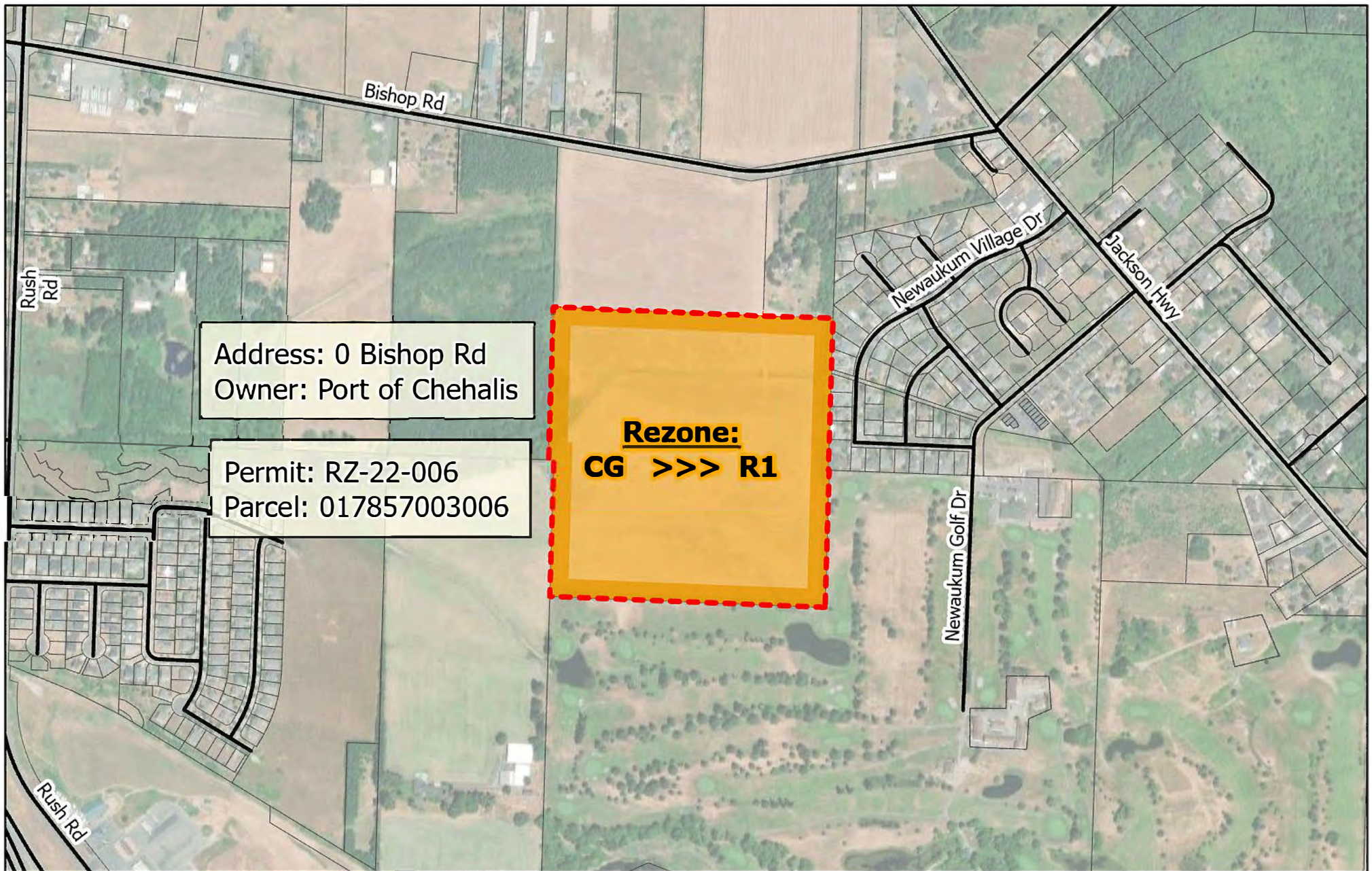
Mayor

Attest:

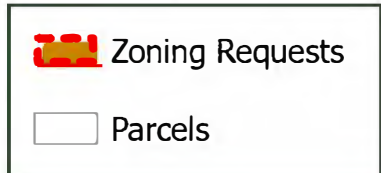
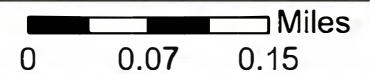
City Clerk

Approve as to form:

City Attorney



2021 Rezoning Requests



**CITY OF CHEHALIS
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Glenn Schaffer, HR/Risk Manager

DATE: November 14, 2022

SUBJECT: Proposed 2023–2025 IAFF Local 2510 Collective Bargaining Agreement

ISSUE

The Collective Bargaining Agreement (CBA) between IAFF Local 2510 (Fire Personnel) and the City will expire on December 31, 2022. The City’s negotiating team has been working with the Union to negotiate the terms of a new agreement for several months.

DISCUSSION

The City’s negotiating team started meeting with representatives of IAFF Local 2510 to discuss the positions for each side in June of this year. Several issues were brought to the table, to include wages, health care, management rights, retirement medical, scheduling, Health Savings Account contributions, clothing and equipment, and disciplinary action, just to name a few. These negotiations took place during a time of high inflation, which varied between from 8.1 % to 10.1 % from February 2022 through August 2022 according to the Consumer Price Index for All Urban Consumers (CPI-U) for Seattle-Tacoma-Bellevue. In the most recent CPI-U for August, inflation was 9% higher in August 2022 than in August 2021. The next CPI-U is scheduled to be released on November 10, 2022.

The 2023-2025 proposed CBA between IAFF Local 2510 and the City includes the following changes and updates:

- Minor changes were made to several of the sections in order to update the effective dates, clarify language and procedures and update legal terms. These sections include the addition of legal terminology in the Discrimination section; procedures regarding light duty and on the job injuries in the Sick Leave section; to exclude grievance arbitration for verbal warnings; and the incorporation of an existing MOU regarding the filling of vacant shifts in the Vacation section.
- In Section 17, Medical – the amount contributed by the employee for medical premiums doubled from \$5.00 per household member to \$10.00. In addition, the contribution limits to Health Savings Accounts increased by \$250 annually, a change implemented by Discovery Benefits, who administers the program, so the contract was updated to reflect this increase. Also, an additional benefit was created which gives employees the ability to opt out of medical insurance coverage, and in return recuperate 50% of the City’s savings into an HSA. The language of this section was created to protect the City’s underwriting and eligibility requirements with AWC.

- In Section 35, Term of Agreement – the contract is established for a three-year period, through December 31, 2025.
- Appendix A, A.1, Compensation, Effective January 1, 2023, employees holding the rank of Firefighter/Engineer shall receive a 7% base wage increase above their 2022 base wages. Employees holding the rank of Captain shall receive an 8.25% base wage increase above their 2022 base wages.
- Effective January 1, 2024, all employees shall receive a base wage increase based upon the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W), Seattle-Tacoma-Bellevue (June 2022 – June 2023), minimum of 3.5% and maximum of 5%.
- Effective January 1, 2025, all employees shall receive a base wage increase based upon the CPI-W, Seattle-Tacoma-Bellevue (June 2023 – June 2024), minimum of 3% and maximum of 5%.

The City has received the ratified contract from IAFF Local #2510.

Additionally, the City will enter into a Memorandum of Understanding for the purchase of a gym membership for IAFF Members not to exceed the current cost of \$34 per month. This MOU shall automatically become null and void, without further negotiation, once the City is able to relocate its Fire Department employees to a fire station which contains exercise equipment.

FISCAL IMPACT

The proposed CBA will increase the 2022 base wages of the represented fire employee by 7% in 2023, 3.5 to 5% in 2024, and 3 to 5% in 2025. Other financial impacts include the \$250 per year increase to the HSA, the \$34 per month gym membership for members who choose to use it, and some potential savings to the City with the opportunity for employees to voluntarily opt out of their medical coverage.

The City’s Preliminary Proposed Budget includes a 4% increase for salaries and wages for all employees, so an amendment will be needed in early 2023 to include the additional costs associated with the contract.

RECOMMENDATION

It is recommended that the City Council approve the 2023-2025 Collective Bargaining Agreement between the City and IAFF Local 2510 (Fire Personnel) and authorize the City Manager to execute the related documents.

SUGGESTED MOTION

Move to approve the 2023-2025 Collective Bargaining Agreement between the City and IAFF Local #2510 (Fire Personnel) and authorize the City Manager to execute the related documents.

CITY OF CHEHALIS
and
INTERNATIONAL ASSOCIATION OF
FIRE FIGHTERS,
LOCAL 2510

AGREEMENT

JANUARY 1, 2023 Through DECEMBER 31, 2025

Original

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**COLLECTIVE BARGAINING AGREEMENT
BY AND BETWEEN
CITY OF CHEHALIS, WASHINGTON
AND
LOCAL UNION NO. 2510 OF THE
INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS**

THIS AGREEMENT is effective on the 1st day of January 2023, by and between the CITY OF CHEHALIS, WASHINGTON, hereinafter referred to as the "Employer" and THE INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS, LOCAL 2510, hereinafter referred to as the "Union."

Section 1. Preamble.

The purpose of this Agreement is to achieve and maintain harmonious relations between the Employer and the Union, to provide for equitable and peaceful adjustments of differences that may arise and to establish standards of wages, hours and other conditions of employment.

Section 2. Recognition.

The Employer recognizes the Union as the exclusive bargaining representative for, and this Agreement shall cover, all public employees of the Employer employed in its Fire Department in the classifications of Firefighter/Engineer and Fire Captain.

Section 3. Management Rights.

The Employer retains the exclusive right to manage the Fire Department. Therefore, all powers, authorities, functions, and rights not specifically and expressly restricted by this Agreement are retained by the Employer and shall continue to be subject to exclusive management control.

Subject to the provisions of this Agreement, the Union recognizes that the Employer's management rights include, by way of non-exclusive example, the right to:

- A. Determine the City's budget, methods of operation, facilities, and equipment.
- B. Hire, promote, transfer, assign, retain, and lay off employees.
- C. For just cause, suspend, demote, discharge, and otherwise discipline non-probationary employees.
- D. Determine the methods and means by which the Employer's operations are to be conducted and the Employer's hours of operation.
- E. Utilize industry standards to determine performance/productivity standards applicable to the Chehalis Fire Department.
- F. Direct employees and determine their duties.
- G. Take emergency action as necessary to perform the proper functions of the City.
- H. Determine the management and organizational structure of the Employer.
- I. Maintain the efficiency of the operation entrusted to the Employer.

- J. Determine and administer policy.

The foregoing list of specific management rights is not intended to, and shall not be construed as, restrictive of, or as a waiver of, any management rights of the Employer not listed herein. To that end, the foregoing list is for illustrative purposes only.

Section 4. Union Security.

(a) Upon receipt from the Union of a voluntarily signed authorization by an employee covered by this Agreement, the Employer shall deduct from the employee's wage the dues, fees and costs authorized by the employee, including regular monthly Union membership dues payable by the employee to the Union during the period provided for in the signed authorization, which may be indefinite. The Employer shall remit said monthly dues to the Union on a monthly basis.

(b) Employee may revoke Employee's authorization for Payroll deduction, after Employee provides written notice to the Union. Every effort will be made to end the deduction effective on the first payroll after the request is received from the Union to Human Resources.

(c) Hold Harmless. The Union shall indemnify and hold the City harmless against any and all claims, demands, suits, grievances, or other liability that arise out of or by reason of actions taken or not taken by the City pursuant to the dues deduction provisions of this Section.

Section 5. Discrimination.

The Employer and the Union shall not unlawfully discriminate against any employee for activity on behalf of, or membership in the Union. Except as permitted by law, the Employer and the Union agree that there shall be no unlawful discrimination against any employee because of race, creed, color, national origin, religion, age, sex, marital status, disability or handicap, sexual orientation (to include gender identity and gender expression), and any other category protected by applicable law.

Section 6. Union Business.

The Union agrees to conduct its business off the job as much as possible. Representatives of the Union having business with individual members of the Union may confer with such officers or members during the course of the workday, for a reasonable time, provided that permission is first obtained from the Fire Chief. Employees elected to Union office shall be granted a leave of absence for a reasonable length of time to perform Union business including attendance at conventions and conferences. Such a leave of absence shall be granted by the Fire Chief if an adequate replacement can be found for the Union official during the period of the leave and the Employer incurs no overtime costs for such replacement.

Section 7. Wages.

- (a) Employees shall be compensated in accordance with the wage schedule attached to this Agreement and identified as Appendix "A", which Appendix, by this reference, is incorporated herein and made a part hereof, together with such other compensation in accordance with other aspects of pay as set forth in other provisions of this Agreement.
- (b) Employees shall be eligible for a one-step increase upon successful completion of a twelve (12) month probation, and on subsequent anniversary dates not to exceed at any time, the maximum step for the classification contained in Appendix "A".

- (c) The overtime rate of pay will be calculated in accordance with the provisions of the Fair Labor Standards Act, the requirements of the Wage and Hour Division of the U.S. Department of Labor, and the Washington State Department of Labor and Industries. Where terms of this Agreement are more favorable to the employee than state or federal law, the terms of this Agreement will be followed.

Section 8. Call-back Pay.

- (a) Any employee called to work while off duty shall be paid for all hours worked at the rate of one and one-half (1 1/2) times the employee's regular hourly rate with a minimum guarantee of one hour.
 - (i) Unless otherwise approved by the Fire Chief, only two (2) off duty employees are permitted to respond to a call-back occurring within one hour of the starting or ending time of an "all hands" training event.
- (b) Compensatory Time. All employees may elect to accrue compensatory time in lieu of receiving overtime wages. Compensatory time shall accrue at the rate of time and one half (1 1/2) for each overtime hour worked for any authorized hours worked beyond regularly scheduled shifts, overtime shifts, mandatory training/meetings, or emergency call-back and shall be subject to the following conditions:
 - (i) An employee shall be permitted to accumulate up to three hundred sixty (360) hours of compensatory time. Such accrued time shall be cumulative from year to year. Compensatory time exceeding the aforementioned limit shall be paid to the employee at the hourly rate in effect at the time the employee cashes out the compensatory hours, with the oldest accrued hours paid out first.
 - (ii) When taken as time off work, compensatory time shall be paid at the employee's current rate of pay.
 - (iii) Shift officers will determine shift staffing needs during the request period, ensure the time requested is adequately covered with accumulated compensatory time, note the employee's name and ensure that the compensatory time is placed on the calendar, approve or deny the request and ensure the request form is completed and signed.
 - (iv) Compensatory time expenditure will follow the same guidelines as vacation scheduling as outlined in the Vacation provisions of this Agreement.
 - (v) An employee may convert all, or parts thereof, accrued compensatory time to wages, paid to the employee at the hourly rate in effect at the time the employee cashes out the compensatory hours, with the oldest accrued hours paid out first. Any employee desiring to cash out compensatory time in December must present a request, in writing, to the Fire Chief or designee no later than November 25th.
 - (vi) When the employment of an employee is terminated (for whatever reason) or in the case of an employee's death, accrued compensatory time up to the maximum of three hundred sixty (360) hours shall be paid to the employee or his/her estate at the hourly rate in effect at the time the compensatory hours are cashed out.

Section 9. Holidays.

Effective January 1, 2020, due to the unusual nature of their work schedule, employees shall receive in lieu of holiday pay 104 hours off per year without loss of pay, accrued at the rate of 8.66 hours per month in accordance with Appendix B.

- (a) If employees are working a forty (40) hour work week they may, in lieu of working on a holiday, give up their 8.00 hours per holiday.

Section 10. Longevity Pay.

Based upon the length of continuous employment in the City's service, employees in the bargaining unit shall receive thirty (\$30.00) per month after completing five (5) years of service, and an additional thirty (\$30.00) per month for every five (5) year period completed until retirement from the City.

Section 11. Shift Changes.

Upon receipt of the prior approval of the Fire Chief or designee, employees of one job classification may exchange shifts of employment in the same job classifications provided:

- (a) Such shift change does not impose any additional cost on the Employer with the exception of sick leave provisions covered by this Agreement; and
- (b) The Employer is not responsible for enforcing any agreements made between employees.

Section 12. Clothing and Equipment.

The Employer shall maintain the quality and condition of uniforms, bunker gear and personal protective equipment, and other equipment to standards consistent with those set by the National Fire Protection Association (NFPA) and by the manufacturers of the uniforms, bunker gear, and other equipment. This Agreement does not prohibit the Employer from obtaining the best price possible by bidding with businesses supplying the department with uniforms and cleaning that meet industry standards for the activities and responsibilities executed by the employees.

- (a) There shall be a quartermaster system for the purchase and maintenance of all uniform, clothing and equipment needs of the employee.
- (b) The proper uniform shall consist of such items of apparel and equipment as approved and/or required by the Employer. A listing of apparel and equipment, which is applicable under the quartermaster system, shall be maintained for employee/employer reference.
- (c) Employees required by the Fire Chief to wear a uniform shall be furnished with all the necessary apparel and equipment on a quartermaster system. An individual will be assigned as the Department Quartermaster. This person, under the direction of the Fire Chief and with input from the members of the standards committee, will develop a program for the purchase and replacement of uniform clothing and equipment as defined in Department standards and guidelines. The standards committee shall consist of one Fire Captain, two Firefighter/Engineers, and two reserve firefighters. Once the minimum quantity has been recommended by the Committee and approved by the Fire Chief, the Employer will furnish each employee with the appropriate quantity of uniform apparel and equipment. All protective clothing and equipment shall be furnished by the Employer. Replacement of worn apparel and equipment will be on an as-needed basis. The cleaning of apparel and equipment shall be provided by the Employer on a weekly basis.

- (d) The employer recognizes that firefighters utilize a wide range of tools to complete their duties and that employees routinely purchase tools for use on the job. Because of this, the employer will reimburse each employee up to \$50 annually for the purchase of personal tools, equipment, or PPE that is not otherwise supplied or replaced by the employer.
- (e) On an annual basis, the Union and the Fire Chief will cooperate in preparing a report addressing status and conditions of Fire Department resources and equipment, operational status and readiness, and perceived areas of Fire Department strengths and weaknesses. The Union employees shall be responsible for gathering information and preparing a draft report for review by the Fire Chief. The Fire Chief shall retain freedom to edit and revise the report at the Fire Chief's discretion to generate a final version. The final version of the report shall be signed by the Fire Chief and a representative of the Union employees that compiled the report, and will be provided by the Fire Chief to the City Manager, the City Council, and Union members.

Section 13. Working Out of Classification.

Any Employee who is designated by the Fire Chief or designee to perform work in a classification other than that to which he/she is regularly assigned shall be compensated for such work at five percent (5%) over his/her base rate of pay. When working out of classification for vacations, short-term sick leave and other short-term absences, the designation will be made on a shift-by-shift basis. For other absences, the designation shall be made on the basis of seniority as herein defined, except for bona fide training situations where the regular shift officer on duty at the time allows a firefighter to act in the capacity of a shift officer under the regular shift officer's supervision and direction.

- (a) Upon completion of the next Captain's examination, the Fire Chief will develop a list of Senior Firefighters, which will no longer be based on seniority. This list will largely be determined from the Captain's exam scores.
- (b) An employee who is temporarily assigned by the Fire Chief to Acting Chief or Acting Assistant Chief for a period in excess of thirty-nine (39) consecutive work hours, and who performs the job duties of such position, shall be compensated at fifteen percent (15%) over his/her existing base wage for all hours worked. In no case will the total amount being paid be greater than the person currently occupying this position.

Section 14. Funeral Leave.

Employees shall be granted one (1) full twenty-four (24) shift off without loss of pay because of a death in his/her immediate family. Additional time, if needed, must be deducted from sick leave. Immediate family is defined herein as grandfather, grandmother, father, mother, father-in-law, mother-in-law, sister, brother, sister-in-law, brother-in-law, spouse, legal domestic partner as defined by the State of Washington, child, and grandchild.

Employees notified of death in the immediate family, shall be immediately excused from work for the balance of the shift after appropriate relief is secured. Such leave shall be in addition to the benefit stated in the preceding paragraph.

Section 15. Sick Leave.

- (a) Sick Leave Defined – Sick leave is defined as approved leave with pay while an employee is absent from work as a result of illness or injury. Sick leave shall be granted for the following reasons:

- (i) Personal illness or physical incapacity resulting from causes beyond the employee's control; or
 - (ii) Enforced quarantine of the employee by a physician; or
 - (iii) Illness within the immediate family (spouse and legal dependents of the employee residing in the employee's home) of the employee necessitating the employee's absence from work; or
 - (iv) Medical or dental treatment within the immediate family (as defined above) of the employee, necessitating employee's absence from work. Employees shall attempt to schedule medical or dental appointments during off duty hours.
 - (v) If the Employee's spouse returns home and assumes responsibility for the care of a sick child or dependent, the Firefighter shall return to work.
- (b) Employees shall accrue sick leave at the rate of twenty-two (22) shift hours per month until he/she has accumulated a maximum of one thousand four hundred forty (1,440) hours. Upon death or termination of employment, an employee, or surviving spouse, shall be paid an amount equal to the employee's accumulated but not used sick leave up to a maximum of seven hundred twenty (720) hours, based on the accrual rate of eight (8) shift hours per month. Cash out of any unused sick leave shall be forfeited if employment is terminated by the employee without giving thirty (30) days prior written notice or if the employee is discharged for cause.
- (c) Light Duty Assignment. An employee who is disabled may be assigned to limited duty by the Fire Chief when it is determined by the employee's physician, subject to confirmation by a physician selected by the Employer, that the employee can perform limited productive work. To effectuate this Section 15(c), Employer may require the employee to produce documentation from his/her physician (subject to any applicable Department of Labor & Industries rules) setting forth the employee's work restrictions in order for Employer to evaluate whether an appropriate light duty assignment exists.
- (d) Disability Coverage. An employee who is absent due to a job-related temporary illness or disability for which State Industrial Insurance or other such benefits are received shall be entitled to LEOFF II Disability Supplement Benefits as provided in RCW 41.04.500, et seq.
- (e) Employees who suffer an on-the-job ("OJI") shall: (i) inform the Fire Chief via electronic mail of the OJI within 24 hours of its occurrence (unless physically unable to do so due to the OJI); and (ii) complete the appropriate Labor & Industries form.

Section 16. Vacation.

Employees shall receive vacation time off without loss of pay according to Appendix B. The vacation accrual schedule set forth in Appendix B is based on the employee's years of cumulative service in the City's employ.

- (a) To streamline the process and allow greater selection capability, department vacations will be scheduled in the following manner.
 - (i) Vacations will be selected within the personnel of their assigned shifts.

- (ii) Vacations will be scheduled by rank, then seniority.
 - (iii) Vacations will only be taken in the amounts accumulated.
 - (iv) Vacations may be taken in no less than 1-hour increments for the first hour and no less than .5-hour increments after the first hour.
 - (v) Appropriate request forms will be submitted, approved and returned prior to the vacation time being taken.
- (b) Shift officers will determine shift staffing needs during the request period, ensure the time requested is adequately covered with accumulated vacation time, note the members name and the vacation shifts on the calendar, approve or deny the request and ensure the request form is placed in the designated basket for approval and signature. In addition, see attached MOU.
 - (c) Vacation and holiday leave may be carried over from one calendar year to the next so long as the total carried over is not greater than five hundred forty four (544) hours. Employees may carry over additional amounts of vacation with prior approval of the Employer.
 - (d) Upon submittal of resignation, termination, or death, accrued (but unused) vacation time remaining at termination will be paid at the employee's current rate of pay to the employee or their designated estate.
 - (e) The parties acknowledge the Fire Department currently operates with a four platoon system i.e., A, B, C, and D shifts. When full, each shift has three employees (Local members) assigned to each shift. If any of the shifts have a vacancy, the Employer will allow employees on the other full shifts to sign up and work said shift vacancy on an overtime basis (subject to the terms and conditions of this Agreement). The Fire Chief, in his/her sole discretion, may also allow employees on the other full shifts to sign up and work on another shift on an overtime basis if that shift has an employee out on an extended absence.

Section 17. Medical.

- (a) For medical coverage effective January 1, 2023, all employees in the bargaining unit will remain enrolled in the AWC Regence High Deductible Health Plan. The Employer and employee contribution rates for monthly medical premiums shall be as outlined below.

AWC Regence High Deductible Health Plan

The employees shall contribute the following amounts, via a payroll deduction, toward the cost of the monthly premium for medical insurance:

- Employee only: \$10.00 per month
- Employee and 1 dependent: \$15.00 per month
- Employee and 2 dependents: \$20.00 per month
- Employee and 3 or more dependents: \$25.00 per month

- (b) Effective January 1, 2023, each employee in the bargaining unit, while employed by the City and remaining enrolled in the AWC Regence High Deductible Health Plan, shall receive as excess medical benefit dollars the following employer paid contributions to tax-favorable accounts established by the employee. Payments shall be prorated for any employee hired after January 1st of each year and for any employee separating from employment for any reason.

- (i) Annual contribution limits for HSA are established under the Internal Revenue Code and differ for individuals with "self only" coverage versus "family" coverage. For the purposes of this agreement, any employee known to qualify for "self only" coverage for any part of the year will be treated as such for the entire year and will receive contributions to tax-favorable accounts based on "self only" coverage status as described below. Individual employees are responsible for any potential tax consequences should their status of "family" or "self only" coverage change during the course of the year.
- (ii) Employer contributions to tax-favorable accounts for employees qualifying for "family" coverage status: In January 2023, January 2024, and January 2025, Employer shall contribute \$7,000.00 to the employee's HSA account. Employees hired after January in 2023, 2024, and 2024 respectively shall receive a pro-rated amount of the foregoing HSA contribution.

In addition, Employer shall contribute \$166.40 per month to the employee's VEBA account.

- (iii) Employer contributions to tax-favorable accounts for employees qualifying for "self only" coverage status: In January 2023, January 2024, and January 2025, Employer shall contribute \$3,500.00 to the employee's HSA account. Employees hired after January in 2023, 2024, and 2025 respectively shall receive a pro-rated amount of the foregoing HSA contribution.

In addition, Employer shall contribute \$445.57 per month to the employee's VEBA account.

Note: Individually and collectively, employee and "dependent" insurance plan eligibility as well as eligibility and rules for tax-favored accounts will be governed by the underwriting rules, policies, laws and codes of the AWC Employee Benefit Trust, the administrator of the tax-favored account, and the Internal Revenue Code, as applicable, as long as insurance and/or administrative services are provided through that source.

For purposes of this Section 17, as well as Sections 18 and 19 of this Agreement, a "dependent" means an eligible dependent up to the age of 26. Provided, however: (i) if permitted by the terms and conditions of the subject health care plan, Employer shall continue to make the same contributions toward dependent coverage provided under these Sections 17, 18, and 19 for any legally incapacitated dependent age 26 or older who is already covered under the Employer's health care plan as of December, 2019; and (ii) if permitted by the terms and conditions of subject health care plan, Employer shall pay 50% of the cost of dependent coverage for any legally incapacitated dependent age 26 or older who is not covered under the Employer's health care plan as of December, 2019 and the employee shall pay the remaining 50% of the cost of this dependent coverage.

- (c) The Employer will deduct from each employee's paycheck, on a pre-tax basis, \$75 per month to be contributed to the Washington State Council of Firefighters Employee Benefit Trust.
- (d) Insurance Re-opener. Any change of plans, coverages, benefits or companies shall be made only with the prior consent of the Union (unless changed by the insurance company) and will be subject to re-opening by either party.

- (e) During the term of this Agreement either party may notify the other in writing of its desire to re-open this Agreement, provided such re-opener shall be limited to Medical Coverage, Dental Coverage, and Vision Coverage only.
- (f) All members of the Union who have participated in the Medical Expense Reimbursement Plan for not less than one (1) month, prior to being promoted or reassigned to a non-represented position, will continue to be plan participants until they are no longer employed by the City. These employees will continue to have appropriate contribution amounts deducted in the same manner as the Union.
- (g) The Employer and the Union recognize that the cost of providing health care coverage to employees and their dependents has been an important on-going issue, and agree to meet periodically during the term of this agreement to discuss wellness programs and other means of containing health care costs to the extent possible.
- (h) The Employer and the Union are aware that the excise ("Cadillac") tax provisions of the 2010 Patient Protection and Affordable Care Act ("ACA") when/if implemented could impose a significant additional tax burden on the Employer. Accordingly, if the Employer determines that the ACA's Cadillac tax implications are likely to result in additional costs or expense, the Employer may reopen Section 17 of this Agreement and the parties shall promptly commence meeting and negotiating the impact of those increased costs/expense to the Employer.
- (i) Medical Insurance Opt Out. Qualifying employees may choose to opt out of the medical insurance provided by the City pursuant to Section 17(a) above – subject to the strict limitations and rules set forth in this Section 17(i), which are as follows:
 1. Employer and Union expressly agree that this new opt out benefit (effective January 1, 2023) is included in this Agreement on non-precedent setting and trial basis only. The trial period is the length of this Agreement (January 1, 2023 – December 31, 2025). Due to the trial nature of this benefit, the parties acknowledge it shall not form part of the status quo. The City, in its sole discretion, may choose to discontinue this benefit after December 31, 2025.
 2. To be eligible to participate in the opt out benefit, the employee must: (i) have been enrolled in the City's medical insurance for at least the two prior years; (ii) provide written proof of appropriate alternative medical insurance; and (iii) the employee must opt out of the City's medical insurance for the entire enrollment year. The means neither the employee, nor any of his/her spouse/dependents will receive medical insurance through the City.
 3. For eligible and qualifying employees, the City shall pay the subject employee 50% of the cost of the City was paying for the employee's medical insurance premium under Section 17(a) above and 50% of the HSA contribution the City was paying to the employee under Section 17(b) above. For example, if the employee was enrolled in the City's medical insurance, with no dependents, the City would pay 50% of the premium it was paying (not including any employee contribution to the premium) for the employee's self-only medical coverage, as well as 50% of the amount it was paying into the employee's HSA (again, based on the self-only amount).
 4. The City will pay the 50% amount to eligible and qualifying employees on a monthly basis as part of payroll process. This means the employee shall receive 1/12 of the 50% each month as part of the payroll process. These payments by the City shall immediately cease upon the employee's separation of employment for any reason.
 5. To ensure the City does not run afoul of its insurance underwriting requirements (which are beyond the City's control), no employee shall be allowed to opt out of the City's insurance coverage and receive this opt out benefit if doing so would cause the City to violate any condition of its participation agreement or underwriting rules of the Association of Washington

Cities (AWC) or any other entity providing medical insurance to the City. For the same reasons, the City may discontinue this opt out benefit for employees who have already opted out if allowing the employees to continue to opt out violate the City's participation agreement or the underwriting rules.

Section 18. Dental Coverage.

Effective January 1, 2020, based upon December 2019 hours, the Employer shall remit the required premiums for Washington Teamsters Welfare Trust Dental Plan A to the Trust for each eligible employee covered by this Agreement, who has eighty (80) hours or more compensable hours in the preceding month. The premium payments shall be made to the Trust office in Seattle, Washington by the 10th day of each month.

Section 19. Vision Coverage.

Effective January 1, 2020, based upon December 2019 hours, the Employer shall remit the required premiums for Washington Teamsters Welfare Trust Vision Plan EXT to the Trust for each eligible employee covered by this Agreement, who has eighty (80) hours or more compensable hours in the preceding month. The premium payments shall be made to the Trust office in Seattle, Washington by the 10th day of each month.

Section 20. Long-term Disability Coverage.

During the life of this Agreement, the Employer shall continue to make available a long-term disability insurance policy. Employees desiring to purchase the long-term disability insurance shall pay all premium costs. The specific insurance provider of this benefit may be changed upon mutual agreement of the Union and the Employer. The employee monthly premium shall be paid by the employee each month by means of payroll deduction.

Section 21. Work Schedule.

The normal workday or shift for employees shall be twenty-four (24) hours, commencing at 8:00a.m. The normal work schedule for said employees shall consist of one (1) shift on and three (3) shifts off. The normal work week shall average forty-two (42) hours, and the normal work month shall average one hundred eighty-two (182) hours for said employees. The Fire Chief may require an employee to work a different schedule when necessary subject to a forty (40) hour workweek.

Section 22. Training.

Mandatory training is that at which an employee's attendance is required by the Employer. Mandatory training shall be considered compensable hours worked at the employee's applicable rate of pay, subject to the employee's workweek. Employees directed to attend mandatory training shall be provided with at least two (2) weeks notification for unscheduled shift changes. Voluntary training shall not be considered compensable hours worked, although the Employer may pay for all or part of the training. An employee's work schedule may be adjusted to accommodate the employee's request for voluntary training.

Section 23. Civil Service Rules.

Except as provided in this Agreement, the Chehalis Civil Service Commission's rules and regulations pertaining to hiring, promotion, demotion, discipline, and retention (including termination and reduction in force), shall prevail.

Section 24. Grievances, Arbitration, and Discipline.

Section 24.1. Grievances and Arbitration.

- (a) All grievances, defined as a dispute or disagreement concerning the interpretation, application, or an alleged violation of this Agreement, or appeals of discipline, shall be settled as provided in this Section 24. Any bargaining unit member who is subject to disciplinary action or a dispute arising from the interpretation or application of this Agreement may file a grievance to the Union under the terms of this Section 24 or pursue a separate legal action, but not both. The parties agree that pursuing a grievance to arbitration under this Section 24 constitutes an election of remedies and a waiver of any and all rights by the Union or persons represented by the Union, to litigate or otherwise prosecute the grievance and its subject matter in any court or other forum.
- (b) The written grievance shall, at a minimum, contain a statement of complaint, which cites a violation of a specific part of this Agreement, a dispute on the interpretation or application of a specific provision of this Agreement, or shall cite specific areas of dispute in a disciplinary action of a non-probationary employee. The written grievance shall also contain the remedy sought.
- (c) In the event that the City files a grievance against the Union, it shall be submitted to the Union in writing (to the attention of the bargaining unit President or Vice President) and signed by the Fire Chief or City representative. If the City's grievance is not settled within thirty (30) calendar days of its submission to the Union, the City may provide the Union with written notice that it is submitting the matter directly to arbitration in the manner provided below in Section 24(f).
- (d) **Step 1:** All grievances originating from the Union and/or its members shall be presented to the Union Grievance Committee for an initial determination of merit and if the Grievance Committee decides that the grievance lacks merit, no further action shall be taken. If the Grievance Committee decides the grievance has merit, then the Union shall forward the grievance to the Fire Chief as soon as practicable after the occurrence on which the same is based, but in no event later than 30 calendar days after the occurrence upon which the grievance is based. The failure of the Union to submit such grievance to the Fire Chief within the foregoing time period shall constitute a waiver of the grievance and a bar to further action thereon.
- (e) **Step 2:** If the Union is dissatisfied with the decision of the Fire Chief, the Union may then submit its grievance to the City Manager for review. The Union must file its request for review with the City Manager, in writing, within thirty (30) calendar days after its receipt of the Fire Chief's Step 1 decision. The City Manager shall conduct a review of the matter within thirty (30) days of his/her receipt of the Step 2 grievance and shall transmit, in writing, his/her final decision to the Union President within the foregoing timeframe.
- (f) **Step 3:** In the event the grievance is not satisfactorily settled in Step 2 (described above), the Union may submit the grievance to an arbitrator as provided below in this Section 24. In the case of a grievance filed by the City, the City may submit the grievance to an arbitrator as provided below in this Section 24 (after the City complies with the requirements of Section 24(c) above).
 - (f.1) The decision of the arbitrator shall be final and binding upon both parties. The arbitrator shall have no power to change, alter, detract from, or add to the provisions of this Agreement and any dismissal of the grievance by the arbitrator, whether on the merits or on procedural grounds, shall bar any further arbitration of the same issue.

- (f.2) The expenses, if any, of the arbitrator, shall be borne equally by both parties hereto.
 - (f.3) Each party shall bear the cost of presenting its own case (including attorneys' fees and costs) in arbitration.
 - (f.4) If either party requests a stenographic record of the arbitration, the cost of said record and the stenographer's time will be borne by the requesting party. Provided, however, if the other party also requests a copy of the stenographic record, then the parties will equally split all costs charged by the stenographer/court reporter.
- (g) The time limits set forth in this Section 24 may be waived or extended by mutual agreement of the parties in writing, and the parties, by written mutual agreement, may also waive any step in the grievance procedure. Failure on the part of the City to respond within the prescribed time limits shall be construed as a negative answer, which shall allow the processing of the grievance at the next applicable step. Should the Union fail to take the grievance to the next step within the prescribed time limits, the grievance shall be deemed settled and further action shall be barred.
 - (h) A grievance will be deemed waived if the grievant employee or the Union chooses to take a grievable matter to a court of law, a local, state, or federal agency, or any other forum.
 - (i) For grievances regarding the discipline of an employee, only discipline exceeding a verbal warning may be submitted to arbitration.
 - (j) Arbitration Procedures
 - (j.1) The Union must provide the City with written notice of its intent to submit a grievance to arbitration within thirty (30) calendar days of its receipt of the City Manager's decision rendered pursuant to Step 2 in Section 24(e) above.
 - (j.2) Upon receipt of either parties' written notice of submission of a matter to arbitration, representatives of the parties will meet (either in person or by telephone conference) within fourteen (14) calendar days of the submission and shall attempt to mutually agree upon a single arbitrator to hear and decide the particular case. If the parties are unable to agree upon an arbitrator within the foregoing timeframe, then either party may apply to Washington's Public Employment Relations Commission ("PERC") for a list of nine (9) qualified arbitrators (who are non-PERC employees) located in Washington and/or Oregon. Upon receipt of this list, the arbitrator shall be selected by each party alternatively striking a name from the list until only one (1) name remains. The party entitled to make the first strike of an arbitrator's name shall be determined by the flip of a coin. The arbitrator shall be selected by the parties within fourteen (14) calendar days of their receipt of the foregoing list of arbitrators.
 - (j.3) The arbitrator shall conduct a hearing at which the parties may submit their cases concerning the grievance. The arbitrator shall accept relevant evidence submitted by each party and shall be empowered to request such additional information as he/she deems necessary. Each party may call such witnesses as may be necessary. Each party may be represented by an attorney at the arbitration. The arbitrator shall be empowered to establish the procedures of the arbitration, which are not otherwise specifically articulated in this Section 24.
 - (j.4) The arbitrator's decision shall be made in writing and shall be issued to the parties as soon as possible after the arbitration hearing.

(j.5) The arbitrator, in his/her discretion, may allow the parties to submit post-hearing briefs.

Section 24.2. Discipline.

- (a) Non-probationary employees shall only be disciplined for just cause. The City shall follow, when appropriate, the concept of progressive discipline. The parties recognize that the concept of progressive discipline means that the level/degree of discipline imposed shall be based upon the severity of the offense, the misconduct, and/or performance issue(s) at hand, taking into account the subject employee's prior disciplinary record and any other relevant factors.
- (b) The levels of discipline shall be: (i) a verbal warning (reduced to writing to reflect its occurrence); (ii) written reprimand; (iii) suspension without pay; (iv) demotion; and (v) termination. When disciplining an employee, the City shall impose the level of discipline deemed appropriate taking into account the factors set forth in subsection (a) above. Discipline at the level of a verbal warning may not be submitted to the grievance arbitration process set forth in Section 24.1 above. Provided, however, the employee and/or Union may submit a written rebuttal to a verbal warning for inclusion in the employee's personnel file to document any disagreement the employee or Union may have with the discipline.
- (c) The City may also, in its discretion, decide to provide employees with non-disciplinary verbal coaching/counseling and/or written memorandums of non-disciplinary coaching, counseling, and/or training to address low-level performance issues. None of the foregoing types of non-disciplinary actions are subject to the grievance procedure in this Agreement. In addition, none of these non-disciplinary actions may be used as a step in the progressive discipline process.
- (d) Prior to the imposition of discipline exceeding the level of a written reprimand, the City shall provide the subject employee with written notice of the alleged misconduct at issue. In addition, the City shall hold a pre-disciplinary meeting (also known as a "Loudermill Hearing") with the employee prior to the imposition of the discipline. The employee shall be afforded an opportunity to present his/her side of the issue at the *Loudermill* Hearing and may be accompanied by his/her Union representative and/or attorney. At least five (5) days before the *Loudermill* Hearing, the City shall provide the employee with the written notice described above, as well as copies of the documents upon which the City is relying to support the subject proposed discipline. Probationary employees are not entitled to receive a *Loudermill* Hearing.
- (e) The City shall give the employee a copy of any disciplinary document issued to him/her. The employee shall sign a copy of the disciplinary document acknowledging that he/she received it. Employees may submit a written rebuttal to any discipline issued to them. The City shall place said written rebuttal in the employee's file.
- (f) Employees shall have the right to have a Union representative present at any meeting, which the employee reasonably believes could result in the imposition of discipline against him/her. It shall be the employee's responsibility to ask for Union representation.

Section 25. Strike.

Neither the Union nor its members, agents, representatives, employees or persons acting in concert with them, shall incite, encourage or participate in a strike, walkout, work slowdown or work stoppage of any nature whatsoever. In the event of any strike, walkout, work slowdown, or work stoppage, or a threat thereof, the Union and its officers will do everything within their power to end or avert the same.

Section 26. General Provisions.

- (a) This Agreement shall be subject to all present and future applicable federal or state laws, executive orders of the President of the United States pursuant to law, and rules and regulations of governmental authority. Should any provision or provisions become unlawful by virtue of the above, or by declaration of any court of competent jurisdiction, such action shall not invalidate the entire Agreement. Any provisions of this Agreement not declared invalid shall remain in full force and effect for the life of the Agreement.
- (b) The Agreement expressed herein in writing constitutes the entire Agreement between the parties and no express or implied statement or previously written or oral statements shall add to or supersede any of its provisions, excepting written mutually executed Memoranda of Understanding and/or amendments.
- (c) The parties acknowledge that, during the negotiations, which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter appropriate for collective bargaining, and that the exercise of that right and opportunity is set forth in this Agreement. Therefore, the Employer and the Union, for the life of this Agreement, each voluntarily and unqualifiedly waive the right and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter, except as otherwise provided herein, even though such subjects or matters may not have been within the knowledge or contemplation of either or both of the parties at the time that they negotiated or signed this Agreement.

Section 27. Prevailing Rights.

All rights and privileges held by the employees as of the effective date of this Agreement, shall remain in force, unchanged and unaffected, if they have been established by conduct that meets the legal standard for a "past practice" as defined by applicable law.

Section 28. EMT Status.

Every member of the bargaining unit shall obtain and maintain EMT certification status while employed with the Chehalis Fire Department. Employees must obtain EMT certification within one year of their initial regular appointment, or following the first available EMT certification exam.

Section 29. Meals.

Employees shall provide their own meals while on shift.

Section 30. Seniority.

The word seniority, as the term is used in this Agreement, shall mean the length of continuous service of an individual covered by this Agreement commencing with the date of employment with the Chehalis Fire Department (or, when applicable, as a Firefighter/Engineer or Fire Captain with the Chehalis Police & Fire Services Department).

- (a) Seniority as herein defined shall not apply to bona fide supervisory training situations conducted on shift under the direction of their shift officer.

Section 31. Educational Assistance.

The Employer will pay tuition and books when employees attend accredited college courses approved by the Employer and subject to the terms and conditions set forth herein.

- (a) To be eligible for reimbursement of approved college courses under this Section 31, the employee must obtain a grade of "C" or better in the respective class.
- (b) Employees desiring to receive educational reimbursement under this Section 31 shall first complete an educational plan and submit the same to the Fire Chief (or his/her designee) for approval. The education plan must set forth the type of college degree the employee is seeking to earn.

Section 32. Shift Assignments.

The Fire Chief shall provide shift assignments to each employee by November 1st for the following calendar year. These shift assignments will only be changed for legitimate operational reasons.

Section 33. Probationary Period.

New employees shall be subject to a probationary period of twelve (12) months of continuous service with Employer commencing upon the employee's hiring into a bargaining unit position under this Agreement. During this period, such employee may be terminated or otherwise disciplined at the discretion of Employer without recourse to the grievance procedure in this Agreement. At the discretion of Employer, an employee's probationary period may be extended for a period commensurate with the employee's absence from work. Termination or other discipline as a result of a probation extension shall not be subject to the grievance procedure.

Section 34. Direct Deposit.

Employer may pay employees via direct deposit.

Section 35. Term of Agreement.

This Agreement shall become effective at 12:01 o'clock a.m. on January 1, 2023, and shall continue in effect through and including December 31, 2025.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed this ____ day of November, 2022.

CITY OF CHEHALIS, WASHINGTON

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS, LOCAL 2510

By: _____
Jill Anderson, City Manager

By: _____
Jay Birley, President

APPENDIX A
 BETWEEN
 CITY OF CHEHALIS, WASHINGTON
 AND
 CHEHALIS FIRE DEPARTMENT
 LOCAL UNION NO. 2510 OF THE
 INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS

A.1

Effective January 1, 2023, employees holding the rank of Firefighter/Engineer shall receive a 7% base wage increase above their 2022 base wages. Employees holding the rank of Captain shall receive a 8.25% base wage increase above their 2022 base wages. The specific amounts of the foregoing increases are reflected in the chart below.

| Classification | Step A | Step B | Step C | Step D | Step E |
|----------------------|---------|---------|---------|---------|---------|
| Firefighter/Engineer | \$5,469 | \$5,728 | \$6,002 | \$6,291 | \$6,588 |
| Captain | \$6,547 | \$6,740 | \$7,185 | \$7,540 | \$7,896 |

Effective January 1, 2024, all employees shall receive a base wage increase based upon the CPI-W, Seattle-Tacoma-Bellevue (June 2022 – June 2023), minimum of 3.5% and maximum of 5%.

Effective January 1, 2025, all employees shall receive a base wage increase based upon the CPI-W, Seattle-Tacoma-Bellevue (June 2023 – June 2024), minimum of 3% and maximum of 5%.

APPENDIX B
 BETWEEN
 CITY OF CHEHALIS, WASHINGTON
 AND
 CHEHALIS FIRE DEPARTMENT
 LOCAL UNION NO. 2510 OF THE
 INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS

Vacation and Holiday Accrual Schedule

| Completed Years of Service | Vacation Hours Accrued Rate Per Month | Holiday Hours Accrued Rate Per Month | Total Hours Accrued Per Month | Total Hours Accrued Annually |
|----------------------------|---------------------------------------|--------------------------------------|-------------------------------|------------------------------|
| 0 | 8 | 8.66 | 16.66 | 199.92 |
| 1 | 8 | 8.66 | 16.66 | 199.92 |
| 2 | 8 | 8.66 | 16.66 | 199.92 |
| 3 | 8 | 8.66 | 16.66 | 199.92 |
| 4 | 8 | 8.66 | 16.66 | 199.92 |
| 5 | 12 | 8.66 | 20.66 | 247.92 |
| 6 | 12 | 8.66 | 20.66 | 247.92 |
| 7 | 12 | 8.66 | 20.66 | 247.92 |
| 8 | 12 | 8.66 | 20.66 | 247.92 |
| 9 | 12 | 8.66 | 20.66 | 247.92 |
| 10 | 12 | 8.66 | 20.66 | 247.92 |
| 11 | 12 | 8.66 | 20.66 | 247.92 |
| 12 | 14 | 8.66 | 22.66 | 271.92 |
| 13 | 14 | 8.66 | 22.66 | 271.92 |
| 14 | 14 | 8.66 | 22.66 | 271.92 |
| 15 | 14 | 8.66 | 22.66 | 271.92 |
| 16 | 14 | 8.66 | 22.66 | 271.92 |
| 17 | 14 | 8.66 | 22.66 | 271.92 |
| 18 | 14 | 8.66 | 22.66 | 271.92 |
| 19 | 14 | 8.66 | 22.66 | 271.92 |
| 20 or more | 16 | 8.66 | 24.66 | 295.92 |

MEMORANDUM OF UNDERSTANDING

By And Between The

CITY OF CHEHALIS

And

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS, LOCAL NO. 2510

Regarding a Gym Membership for Firefighters

This Memorandum of Understanding (“MOU”) is entered into by and between the City of Chehalis (“the City”) and the International Association of Fire Fighters, Local No. 2510 (“IAFF”).

Section 1 - Purpose of the MOU

The City and the IAFF are parties to a Collective Bargaining Agreement (“CBA”), with a term of January 1, 2023 through December 31, 2025. The parties agree it would be mutually beneficial to enter into this MOU as a supplement to the CBA. The purpose of this MOU is to provide for a gym membership for the IAFF’s members, at the City’s expense, subject to the specific terms and conditions set forth herein.

Section 2 – City Purchase of a Gym Membership for IAFF Members – Terms and Conditions

2.1 The parties acknowledge the City’s previous fire station contained exercise equipment for use by the Fire Department’s employees (IAFF members) to maintain their physical fitness which is necessary to perform the essential functions of their job. The City is no longer able to use its previous fire station. The Fire Department employees are currently housed in a temporary fire station. This temporary fire station does not have sufficient space to house exercise equipment.

2.2 To address the circumstance in discussed in Section 2.1 above, the City agrees to purchase a gym membership at a gym located within City limits for each Fire Department employee (IAFF member) who requests a membership. The cost of the gym membership shall not exceed \$34 per month per employee. If the cost of the gym membership should subsequently exceed \$34 per month per employee, the parties shall immediately meet and bargain the impact of the said cost increase.

2.3 The parties acknowledge that this MOU is intended to be temporary. The parties further agree that this MOU shall not be asserted by either party to create a past practice or precedent and, to the contrary, is solely intended to address this unique circumstance.

**CITY OF CHEHALIS
CITY COUNCIL MEETING AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Chun Saul, Finance Director

DATE: November 14, 2022

SUBJECT: Ordinances 1058-B and 1059-B, First Reading - Adoption of 2023 Property Tax Levies

ISSUE

Per RCW 84.52.020, the City is required to submit a Levy Certification to the county legislative authority, the amounts to be raised by taxation on the assessed valuation of the property in the city, no later than November 30th of the year preceding the year in which the levy amounts are to be collected.

In addition to the Levy Certification, the City is required to submit Ordinance/Resolution stating the dollar amount and percentage increase over the actual levy amount from the previous year to the County Board of Commissioners. Without the Ordinance/Resolution and Levy Certification, the County can only collect what it collected the year before.

Ordinances 1058-B and 1059-B have been prepared in connection with levying property taxes for collection in 2023. The Ordinances are required in order to have Lewis County collect property taxes on behalf of the City.

DISCUSSION

The 2023 Preliminary Budget, which includes a summary of anticipated revenues and expenditures, is available for public review at City Hall, the Finance Department, and on the City's website: www.ci.chehalis.wa.us.

ORDINANCE NO. 1058-B (SETTING THE 2023 LEVY AMOUNT)

Ordinance No. 1058-B establishes the amount of the City's levies of ad valorem taxes (i.e., property taxes) to be collected in 2023 for general operations and Emergency Medical Services (EMS). The proposed 2023 levy amounts are as follows:

- Regular Levy \$1,712,769.38
- EMS Levy \$472,263.81
- Total Levy \$2,185,033.19

Additional details are provided in the table below:

Ordinance No. 1058-B
2023 Property Tax Levy Amount - City of Chehalis

| Description | 2023 Regular Levy | 2023 EMS Levy | Total 2023 Levy |
|---|-------------------|---------------|-----------------|
| 2022 Tax Year Actual Levy | \$ 1,680,716.78 | \$ 463,990.54 | \$ 2,144,707.32 |
| 1% Increase over 2022 Highest Lawful Levy (HLL) | 19,196.76 | 4,724.20 | 23,920.96 |
| 2023 Levy Limit Before Add-Ons | 1,699,913.54 | 468,714.74 | 2,168,628.28 |
| Plus Add-Ons: | | | |
| Increase from new construction | 12,855.84 | 3,549.07 | 16,404.91 |
| Total Add-Ons | 12,855.84 | 3,549.07 | 16,404.91 |
| 2023 Preliminary Levy Amount | \$ 1,712,769.38 | \$ 472,263.81 | \$ 2,185,033.19 |

ORDINANCE NO. 1059-B (CHANGES FROM 2022 LEVY)

Ordinance No. 1059-B identifies the changes, in both the dollar amounts and percentage of changes, in the City's regular property tax levy and the EMS levy for next year (2023) compared to this year (2022).

Ordinance No. 1059-B
Dollar Amounts and Percentage of Changes in Property Tax Levies for 2023 over 2022

| Tax Levy | 2022 Highest Lawful Levy (HLL) | 2022 Actual Levy | 1% Increase over 2022 Highest Lawful Levy (HLL) | Use of Banked Capacity | Total Amount Increase in 2023 from 2022 Levy* | Percent Increase from 2022 |
|--------------|--------------------------------|------------------|---|------------------------|---|----------------------------|
| Regular Levy | \$ 1,919,675.84 | \$ 1,680,716.78 | \$ 19,196.76 | \$ - | \$ 19,196.76 | 1.142177% |
| EMS Levy | \$ 472,419.84 | \$ 463,990.54 | \$ 4,724.20 | \$ - | \$ 4,724.20 | 1.018167% |

**This increase is exclusive of additional revenue resulting from new construction, property improvements, any increase in the value of state assessed property, any annexations that have occurred, or property tax administrative refunds.*

RECOMMENDATION

It is recommended that the City Council pass Ordinance 1058-B and Ordinance 1059-B on first reading.

SUGGESTED MOTION

Move to approve Ordinance 1058-B and Ordinance 1059-B on first reading.

ORDINANCE NO. 1058-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, DETERMINING AND FIXING THE AMOUNT OF REVENUE TO BE RAISED BY AD VALOREM TAXES DURING THE CALENDAR YEAR 2023 AND PROVIDING FOR THE EFFECTIVE DATE HEREOF.

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

Section 1. The amount of revenue to be raised by ad valorem taxes during 2023 for general city operations shall be, and the same hereby is, determined and fixed in the sum of One Million Seven Hundred Twelve Thousand Seven Hundred Sixty-Nine Dollars and Thirty-Eight Cents. (\$1,712,769.38).

Section 2. The amount of revenue to be raised by ad valorem taxes during 2023 for emergency medical services (EMS) shall be, and the same hereby is, determined and fixed in the sum of Four Hundred Seventy-Two Thousand Two Hundred Sixty-Three Dollars and Eighty-One Cents (\$472,263.81).

Section 3. The effective date of the ordinance shall be the _____ day of November 2022.

PASSED by the City Council of the City of Chehalis, Washington during a regularly scheduled open public meeting thereof this _____ day of November 2022.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

ORDINANCE NO. 1059-B

**AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON,
STATING THE AMOUNT AND PERCENTAGE OF CHANGE IN
PROPERTY TAX LEVY IN CALEDAR YEAR 2023.**

WHEREAS, the City of Chehalis, Washington, properly gave notice of a public hearing held on the 14th day of November 2022, to consider the city budget for 2023, including possible property tax increases and other revenues, pursuant to RCW 84.55.120; and,

WHEREAS, the City Council of the City of Chehalis has met and considered its budget for the calendar year 2023; and,

WHEREAS, the City’s actual levy amounts in 2022 for general operations and Emergency Medical Services (EMS) levies were \$1,680,716.78 and \$463,990.54, respectively; and,

WHEREAS, the population of the City is less than 10,000; and now, therefore,

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

Section 1. An increase in the regular property tax levy and the emergency medical services (EMS) tax levy are hereby authorized for the levies to be collected in the 2023 tax year.

Section 2. The dollar amount of the increase for regular property tax levy over the actual levy amount from 2022 tax year shall be \$19,196.76 which is a percentage increase of 1.142177% from 2022 tax year. This increase is exclusive of additional revenue resulting from new construction, improvements to property, newly constructed wind turbines, solar, biomass, and geothermal facilities, and any increase in the value of state assessed property, any annexations that have occurred and refunds made.

Section 3. The dollar amount of the increase for emergency medical services (EMS) tax levy over the actual levy amount from 2022 tax year shall be \$4,724.20 which is a percentage increase of 1.018167% from 2022 tax year. This increase is exclusive of additional revenue resulting from new construction, improvements to property, newly constructed wind turbines, solar, biomass, and geothermal facilities, and any increase in the value of state assessed property, any annexations that have occurred and refunds made.

PASSED by the City Council of the City of Chehalis, Washington during a regularly scheduled open public meeting thereof this ____ day of November 2022, on first reading.

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 Director

MEETING OF: November 14, 2022

SUBJECT: Ordinance 1060-B, First Reading – Adopting the 2023 Preliminary Budget

ISSUE

This agenda item has been scheduled to provide for a public hearing on the City’s 2023 Preliminary Budget. Ordinance No. 1060-B has been prepared for the adoption of the Budget and is scheduled for the first of two readings at this City Council meeting.

DISCUSSION

The 2023 Preliminary Budget, which includes a summary of anticipated revenues and expenditures, is available for public review at City Hall, the Finance Department, and on the City’s website at www.ci.chehalis.wa.us.

Ordinance No. 1060-B

Adoption of the 2023 Preliminary Budget requires two public hearings and the adoption of an implementing City Ordinance. The Ordinance No. 1060-B has been prepared for consideration by the City Council on first of two required readings. This public hearing is to provide the public an opportunity to present comments and questions about the preliminary budget.

The City Budget is made up of 27 separate funds that are used to account for the revenues and expenditures associated with the provision of services in the community. The General Fund provides the primary governmental functions. Other than the General Fund, all other funds are restricted for specific purposes by law or policy. The 27 funds do not include fiduciary funds which are used to account for assets that are held for other agencies, including the State of WA. Only the General Fund can be used for general governmental services that include police, fire, parks and recreation, street maintenance, planning and zoning, building code enforcement, municipal court, and general administration services. As a result, it is important to note that while multiple funds make up the complete City budget, there are limitations on how the individual funds can be used.

The 2023 Preliminary Budget for all funds, as presented in Ordinance 1060-B is summarized as follows:

| Budget Summary - All Funds | 2023 Preliminary Budget | |
|---|------------------------------------|------------|
| Total Estimated Beginning Fund Balances | \$ | 27,324,863 |
| Total Revenues | \$ | 26,371,482 |
| Total Transfers In | \$ | 3,668,622 |
| Total Expenditures | \$ | 28,583,810 |
| Total Transfers Out | \$ | 3,668,622 |
| Total Ending Fund Balances | \$ | 25,112,535 |

The total expenditure budget for all funds, as presented in the 2023 Preliminary Budget is \$32,252,432 and is summarized by major purposes as follows:

| Expenditure Budget Summary - All Funds | 2023 Preliminary Budget | % of Total |
|---|------------------------------------|-----------------------|
| Operating Purposes | \$ 21,434,630 | 66.5% |
| Debt Service Purposes | \$ 2,537,870 | 7.9% |
| Capital Purposes | \$ 4,611,310 | 14.3% |
| Transfers Out | \$ 3,668,622 | 11.4% |
| Total | \$ 32,252,432 | 100.0% |

A summary for the 2023 Preliminary Budget, including beginning fund balances, revenues, transfers-in, expenditures, transfers-out, and estimated fund balances for all city funds is attached to the Ordinance No. 1060-B as Exhibit A.

As noted above, additional detail on the 2023 Preliminary Budget can be found in the agenda packet for this City Council meeting and online at the City's website: www.ci.chehalis.wa.us.

RECOMMENDATION

It is recommended that the City Council pass Ordinance 1060-B on first reading.

SUGGESTED MOTION

Move to approve Ordinance 1060-B on first reading.

ORDINANCE NO. 1060-B

**AN ORDINANCE OF THE CITY OF CHEHALIS,
WASHINGTON, ADOPTING THE BUDGET OF THE CITY
OF CHEHALIS FOR THE YEAR 2023 AND PROVIDING
FOR THE EFFECTIVE DATE HEREOF.**

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

Section 1. Attached hereto and identified as Exhibit “A,” in summary form, are the total of estimated revenues and appropriations for each separate fund and the aggregate totals for all such funds combined for the budget of the City for 2023, and by this reference said Exhibit “A,” showing a total estimated ending fund balance of \$25,112,535 is incorporated herein as if set forth in full and the same is hereby adopted in full.

Section 2. This ordinance is a legislative act delegated by statute to the City Council of the City of Chehalis, is not subject to referendum and shall take effect the ____ day of _____, 2022.

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 _____, 2022, on first reading.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

CITY OF CHEHALIS
2023 BUDGET SUMMARY- ALL FUNDS
Ordinance No. 1060-B, Exhibit A

| Fund No. | Fund Name | Estimated Beginning Fund Balance | Revenues | Transfers In | Expenditures | Transfers Out | Estimated Ending Fund Balance | Change in Fund Balance Increase | % Change |
|---------------|--|----------------------------------|----------------------|---------------------|----------------------|---------------------|-------------------------------|---------------------------------|--------------|
| | | 01/01/2023 | | | | | 12/31/2023 | (Decrease) | |
| 001 | General Fund | \$ 1,650,858 | \$ 11,917,218 | \$ 480,000 | \$ 11,346,737 | \$ 1,080,226 | \$ 1,621,113 | \$ (29,745) | -1.8% |
| 003 | Street Fund | 284,105 | 162,614 | 1,023,495 | 1,395,412 | - | 74,802 | (209,303) | -73.7% |
| 004 | Building Abatement Fund | 51,709 | 50 | - | - | - | 51,759 | 50 | 0.1% |
| 102 | Arterial Street Fund | 6,027 | - | - | - | 6,027 | - | (6,027) | -100.0% |
| 103 | Transportation Benefit District Fund | 3,772,796 | 1,448,900 | - | 906,410 | - | 4,315,286 | 542,490 | 14.4% |
| 107 | Tourism Fund | 117,188 | 291,400 | - | 189,700 | 142,694 | 76,194 | (40,994) | -35.0% |
| 110 | Compensated Absences Reserve Fund | 185,554 | 4,000 | - | 111,700 | - | 77,854 | (107,700) | -58.0% |
| 115 | LEOFF 1 OPEB Reserve Fund | 115,277 | 2,000 | 236,098 | 157,000 | - | 196,375 | 81,098 | 70.4% |
| 195 | Community Development Block Grant Fund | 23,638 | 400 | - | 1,000 | - | 23,038 | (600) | -2.5% |
| 197 | HUD Block Grant Fund | 86,586 | 1,700 | - | 2,000 | - | 86,286 | (300) | -0.3% |
| 199 | Federal Grant Control Fund | 1,713,569 | 20,000 | - | - | 593,340 | 1,140,229 | (573,340) | -33.5% |
| 200 | General Obligation Bond Fund | 6 | - | 301,529 | 301,529 | - | 6 | - | 0.0% |
| 301 | Public Facilities Reserve Fund | 357,316 | 7,000 | - | - | - | 364,316 | 7,000 | 2.0% |
| 302 | Automotive/Equipment Reserve Fund | 733,353 | 9,600 | - | 365,300 | - | 377,653 | (355,700) | -48.5% |
| 303 | Parks Improvement Fund | 101,900 | 2,000 | 56,600 | - | - | 160,500 | 58,600 | 57.5% |
| 305 | First Quarter REET Fund | 284,678 | 167,000 | - | - | 130,760 | 320,918 | 36,240 | 12.7% |
| 306 | Second Quarter REET Fund | 420,374 | 171,800 | - | - | 144,675 | 447,499 | 27,125 | 6.5% |
| 402 | Garbage Fund | 7,559 | 6,240 | - | 6,240 | - | 7,559 | - | 0.0% |
| 404 | Wastewater Fund | 3,339,257 | 5,550,500 | - | 5,493,339 | 454,500 | 2,941,918 | (397,339) | -11.9% |
| 405 | Water Fund | 1,604,518 | 3,272,010 | - | 2,981,873 | 868,300 | 1,026,355 | (578,163) | -36.0% |
| 406 | Storm and Surface Water Fund | 225,032 | 729,270 | - | 600,189 | 164,300 | 189,813 | (35,219) | -15.7% |
| 407 | Airport Fund | 18,487 | 2,394,280 | - | 1,691,031 | 83,800 | 637,936 | 619,449 | 3350.7% |
| 414 | Wastewater Capital Fund | 1,605,800 | 20,000 | 454,500 | 1,190,790 | - | 889,510 | (716,290) | -44.6% |
| 415 | Water Capital Fund | 5,916,600 | 100,000 | 868,300 | 1,428,030 | - | 5,456,870 | (459,730) | -7.8% |
| 416 | Storm and Surface Water Capital Fund | 1,372,500 | 20,000 | 164,300 | 321,030 | - | 1,235,770 | (136,730) | -10.0% |
| 417 | Airport Capital Fund | 2,295,316 | 40,000 | 83,800 | 87,500 | - | 2,331,616 | 36,300 | 1.6% |
| 611 | Firemen's Pension | 1,034,860 | 33,500 | - | 7,000 | - | 1,061,360 | 26,500 | 2.6% |
| TOTALS | | \$ 27,324,863 | \$ 26,371,482 | \$ 3,668,622 | \$ 28,583,810 | \$ 3,668,622 | \$ 25,112,535 | \$ (2,212,328) | -8.1% |

