

## LEAVENWORTH CITY COUNCIL STUDY SESSION MINUTES September 8, 2020

Mayor Carl Florea called the September 8, 2020 Study Session to order at 8:35 AM via Zoom Conferencing.

Council Present: Mayor Carl Florea, Carolyn Wilson, Mia Bretz, Sharon Waters, Clint Strand, Jason Lundgren, Anne Hessburg, and Zeke Reister.

Staff Present: Ana Cortez-Steiner-Steiner, Chantell Steiner, and Lilith Vespier.

### 1. Chamber Report

Chamber Executive Director Troy Campbell provided the Council with an update on recent inquiries regarding some negative feedback coming to the Chamber in regard to the cancellation of the Christmas Lighting Ceremonies. He noted that the Board made the decision to cancel the ceremonies and that they will be meeting this week to discuss their goals that were postponed this year due to COVID-19. He provided an update on their new Ambassador that worked over the past weekend; there were some issues related to garbage, as it was very busy.

### 2. Lodging Tax Group Funding – Review 2021 Funding & Award Process / Review Lodging Tax 2021-2022 Draft Budget

Finance Director Chantell Steiner provided the Council with a review of the 2020 Lodging Tax Fund Budget, noting areas included within the budget that can either be removed or reduced and are highlighted for reference. She identified potential reductions of \$450,000, of which \$300,000 is capital related expenses for parking and other annual allocations, \$75,000 for reductions to the Christmas Lighting flagging/security costs, and \$75,000 in events and group related operational costs that are not occurring due to COVID-19. She stated that the Finance Committee reviewed these specific areas and discussed the option of moving the 2020 Festival and Group Grant programming funding that has already been awarded to the 2021 budget year and postponing new award allocations until 2022 when funds are more stable. She noted some areas that the Council can consider for cuts in 2021/2022 and she specified the reduction currently included for Christmas Lighting Flagging, the Chamber contracted amount based on prior year revenues, and rolling back the funding for Leavenworth Area Promotions (LAP) to previous allocations that occurred in 2016/2017. She explained that the LAP funding suggested reduction aligns with the revenues that the City received from those fiscal years, which are similarly trending for 2020.

Councilmember Waters voiced her concern at considering a reduction to the Museum as this funding will assist in their annual rent payment for their new location. Director Steiner noted that the Museum funding is currently included for the normal amount of \$10,000 that was utilized for operational costs and does not include the additional \$4,000 provided in 2020 that was added to assist them the first year on the new rent; she added that this item is in the next agenda topic as well.

Councilmember Bretz updated the Council on the Finance Committee's discussions regarding the reduction for 2020 in the security patrols/flagging costs. She stated that the intent of the reduction is based on information provided from last year that identified the success of using City Hall as a

base for the Sheriff's to work from. Flagging will still be needed as some cost; however, there appears to be potential to refine the workload to maximize the dollars by effectively utilizing the tools available. She said that the Committee considered a major reduction to the flagging; however, Councilmember Strand had stated that he believes this will continue to be a necessary cost to ensure traffic flow and the public's safety. She confirmed that the Committee has been discussing more uses of the funds to assist in capital projects, which includes the Front Street Restroom Expansion in 2021. She noted that the current policy of \$300,000 in reserves was specifically created to combat advertising needs when the City experienced a downturn; she would like to see the Council consider a reserve amount as well for capital reserves in the future.

### **3. Lodging Tax Partnership Funding Contracts**

City Administrator Ana Cortez-Steiner reviewed for the Council the three annual partnership contracts for the Museum, Leavenworth Winter Sports Club, and the Autumn Leaf Festival. She stated that last year, the Council approved each one as a single year and that the Council wanted to consider the potential for multiple years. Councilmember Bretz stated that last year the discussion was to consider a 2-year contract to align with the City's biennial budget process. Council briefly discussed how the funds have transitioned over time to support these groups and whether there needs to be consideration for a public process to open up the funding to applications in the future. Councilmembers concurred that it would be advantageous to consider a more formal call for requests for future contractual agreements. Mayor Florea asked the Council if this should move forward by Committee; it was noted that the Economic Development Committee has been working on these over the past several years and that it would make sense to continue this new direction with discussion from that committee. The Committee could look at establishing goals for the allocation process and then to consider how to promote the funding available out to the community.

### **4. Summary of Council Areas of Interest**

Administrator Cortez-Steiner reviewed the Council Priorities from the recent Annual Retreat that she has put together for confirmation by the Council. She reviewed the matrix provided that documents the Council's priorities for their reference and use while also assisting staff in developing the future budget reflecting these important priorities. She stated that if Council would like to amend any items or if something is missing to let her know. She suggested having this come back as another agenda item with more time for discussion if that is requested.

### **5. Resolution XX-2020 – Legislative Priorities for FY 2021 + FY 2022**

Mayor Florea reviewed the draft resolution for legislative priorities that will be sent to the State Legislature once Council has confirmed the top priorities to include. He noted that some of these are from past priority requests. Councilmember Waters stated that she does not recall the new items for infrastructure/sales tax options and hotel funding opportunities; Mayor Florea explained that these are newly included priorities that he has included for Council's consideration to support future new revenues for assisting in funding housing opportunities. He explained that the Council is being presented with this draft document that came from the prior year and is open for discussion to consider additional priorities from the Council. Council discussed the current allowable use of lodging tax funds for housing through state law; Mayor Florea clarified that his intent to include this now is to seek additional or expansion of the allowances for use of the funding. He stated that housing is directly impacted from the tourism in Leavenworth and that asking for this from the

Legislature is a critical step in seeking housing funding support; employee/workforce housing options are an issue due to the high costs of living/housing in Leavenworth. He stated that if funding is available through state law, then that opens the door for the Council to consider use of the funding tools for housing purposes; he stated that it has been beneficial in the past to use funds from tourists to offset the impacts on the local residents; this includes lodging and retail dollars generated by visitors. Current employees of businesses and hotels are already impacted greatly. Mayor Florea explained his proposal previously to the Legislature, which was to consider new legislation that would allow the City Council to enact the new tax. Councilmembers provided comments on the need to consider some minor changes and to bring this back for further discussion.

## **6. Special Use Permit for RV Parking / Camping Permit**

Development Services Manager Lilith Vespier stated that this item has come forward due to recent uses and complaints that the City has received in regard to private uses of land for RV Parking/ Camping and tent camping. She stated that tent camping has been identified more recently and has been included for the evening discussion for potential approval. She clarified the regulations to include certain requirements, such as space limitations, toilet facilities, and garbage removal. Councilmember Hessburg questioned how zoning plays into this due to size limitations and what is the anticipated term length of this special use permit request. Manager Vespier noted that zoning allows for the requested use and was intended to be designed as an overflow tool during festivals. She reviewed the term length included for 2020 with allowances being spaced out in compliance with current code requirements. Councilmember Lundgren voiced concern at noise impacts to the residential homes that border the businesses, particularly for use of generators; Councilmember Hessburg concurred that these temporary RV parking areas can be very loud. Council identified the need to consider more discussion and input from the Council and residents before moving forward with approval of this type of special use permit (SUP); it was noted that it appears that the SUP process may inadvertently be creating ways to circumvent the City Code. Council questioned, due to COVID-19 and festival cancellations, whether this SUP is a necessary step at this time. Council discussed other ramifications that could create more concerns, such as the use of alcohol, and in particular increased noise from allowing tent camping. Council discussed the history of use in the past by a couple of businesses at the west end of town; council members voiced concern at setting precedent for this allowance. Mayor Florea noted that the Public Hearing this evening will provide another opportunity for Council to voice their concerns and to hear from the public.

## **7. Professional Services Agreement Gray & Osborne Development Standards Update**

Manager Vespier updated the Council on the past intention to proceed with this service agreement to complete some long overdue work to update the City Code for development standards for construction purposes. Council reviewed some questions related to the agreement that may need some minor changes; Manager Vespier noted the items in question and stated that she would incorporate any necessary changes with attorney consultation.

## **8. Council Meetings and Other Convening**

Administrator Cortez-Steiner stated that Council has requested more clarification on recent meetings and ensuring no violations to the Open Public Meetings Act (OPMA), particularly in relation to having a quorum of the Council present. She spoke about some of the recent committee meetings, such as the Downtown Steering and Parking Committees, where more than a quorum of

the Council wants to participate but are held back from speaking to avoid violating public meeting requirements. She questioned the Council if some of the topics need to be considered for more formal discussion by the full Council to avoid this concern in the future; she stated that some topics may need to come to the Council meetings. Mayor Florea added that committees were not intended to be fully attended as open public meetings; however, the need by members to want to attend and stay abreast of discussions has increased during the COVID-19 pandemic. Being that these meetings are occurring on zoom, it has changed the ability for council members to participate easily. It was clarified that this does appear to only be occurring on certain committees, such as Downtown Steering and Parking, which could be considered for more open house style meetings that are advertised accordingly.

Councilmember Lundgren stated that he is unsure on proper response procedures regarding email from the public that is sent to the full Council. He requested that when staff responds directly to those inquiries that the Council be included so that everyone is aware of a response occurring by staff. Administrator Cortez-Steiner responded, noting the procedure for response that does occur by either the staff and/or the Mayor. She noted that the link on the City website for emailing the Council does not facilitate an option to avoid violations to the OPMA; therefore, responding to all should not be used when the Council is contacted as a group, individual responses would be appropriate. Council discussed their experiences for responding to public inquiries and options for including the Mayor and Administrator in their individual responses. Mayor Florea stated that if Council is ever in doubt, they should email him or Administrator Cortez-Steiner to determine the best route for response.

## **9. Parking Implementation Update**

Administrator Cortez-Steiner provided the Council with an update on the Parking Committee meetings and recent discussions. She identified three major areas that the Committee wants to address with the public that includes 1. The proposed parking rate structure, 2. A proposed residential parking district, and 3. Employee parking options. She provided the following principles that have been identified by the Committee:

- Get the right parker in the right stall
- Open up parking for customers by providing appropriate options for employees
- Use data/revenue for future parking options such as a multi-level parking garage
- Capture revenues in the downtown to fund future parking related infrastructure

Based on these key principles, the Committee is currently moving forward with the installation of the downtown meters with the intent to activate them at a later time; more discussion needs to occur with the Council and public to identify parameters and regulations. Due to the impacts of the residents from visitors wanting to avoid metered parking, the Committee wants to address the options for residential parking zones prior to implementing the paid parking in the downtown.

Administrator Cortez-Steiner then reviewed suggestions related to the pricing of parking that will vary depending on whether it is on street or at the surface lots, the amount of time desired for parking, and the pricing based on weekdays versus weekends. She stated suggested pricing of hourly versus all day pass prices as well as some time for free parking opportunities for both street and lot uses. She explained that employees, residents, and visitors will have the option to choose their desired parking location based on rates and the amount of time needed; with the varied design of the rates, the preference will be chosen by individuals on an as needed basis.

Administrator Cortez-Steiner reviewed suggestions for residential districts that would be designed by the residents within any specific district boundary. She explained that the residents of a potential district would need to submit an application to the City identifying the desired regulations of their district. A fee structure has been reviewed and the Committee is suggesting no initial application fee. Each district request would allow for two free parking passes per resident and allow for a fee of \$25 for a third permit and \$50 for a fourth permit with four being a cap per residence. She noted that there could be a transfer fee as well if that comes into play. She stated that the Committee has determined that a minimum of 60% of the residents must be in support of the district area prior to approval and implementation by the City. Council discussed options for family gatherings to be permitted on a case by case basis and the intent to discourage all day parking in the residential zones with a two hour limit for non-permitted users. Councilmember Bretz clarified that creation of these districts will be a cost to the City to implement and enforce it; therefore, a district request does have to have some fee structure included. Council discussed concerns for enforcement and how that will be handled through the use of staff to ticket violators. Administrator Cortez-Steiner added that it is unknown at this time how many, if any, applications will be requested; this is a tool that is being designed for the residents and enforcement will depend on the amount of applications requested.

Administrator Cortez-Steiner reviewed suggestions for employee parking options that will include P2, P4, the West (WSDOT) lot, and City Pool lots (these lots will remain free) and the two Link Park & Rides (also remaining free); combined, this will include 45 reserved paid parking space options and nearly 300 on demand paid parking options. She identified a new tool that has been created to look at all of the parking options within the city limits. She proceeded to review the packet materials identifying the timeline for implementation of the various remaining steps. She noted the plan for installation of the on-street meters this fall as the next big milestone and identified the total number of planned meters and sensors to be installed. She detailed the process for installing the meter poles initially with a second step to occur later to add the meter heads and signage. At this time, it has not been determined when the meters will be initiated for use; however, it is clear that this will not occur in 2020 with the installation of the poles and sensors. Councilmembers shared additional thoughts on implementation, scheduling, consideration for code language that is general in nature to avoid confusion and ease of changes needed in the future, and collaboration with existing businesses parking lots for opportunities for additional free and or paid options during heavy traffic events. Administrator Cortez-Steiner stated that the next open house meeting is scheduled to occur on Wednesday, September 23, 2020 at 6:00 PM via Zoom and will be advertised soon.

## 10. Council Open Discussion / Public Comment Period

Mayor Florea asked if there are any additional items for discussion. Councilmember Waters questioned the heavy equipment in the Waterfront Park area; it was noted that this is in conjunction with the South Interceptor improvements that are underway.

The meeting adjourned at 11:38 A.M.

**APPROVED**



**Carl Florea**  
Mayor

**ATTEST**



**Chantell Steiner**  
Finance Director/City Clerk