

LEAVENWORTH CITY COUNCIL STUDY SESSION MINUTES

March 10, 2026

Mayor Florea called the March 10, 2026 Study Session to order at 5:38 PM.

Council Present: Mayor Carl J. Florea, Clint Strand, Anne Hessburg, Zeke Reister, Mike Bedard and Rob Eaton.

Council Absent: Shane Thayer and Travis McMaster.

Staff Present: Matthew "Selby", Chantell Steiner, Maggie Boles, Brantley Bain and Andrea Fischer.

1. Chamber Report

No representative from the Chamber of Commerce was present to provide a report.

2. Joint Meeting with the Upper Valley Parks and Recreation Service Area (PRSA) Board

City Administrator Matthew Selby welcomed everyone to the first joint meeting between the Leavenworth City Council and Upper Valley PRSA Board. It was noted that Councilmembers Thayer and McMaster, who also serve on the PRSA board, were absent from the meeting.

The Council and PRSA have received favorable feedback regarding the concept of converting the Osborn property into an indoor pool, community center and library facility. With that, the City is moving forward with the project concept and Council has approved creating and hiring a new Recreation and Tourism Manager position to coordinate PRSA activities and drive this project forward. Once the RTM is hired, he outlined the anticipated process moving forward, which includes creating a City-limits-only Public Facilities District through Council action, appointing a five-member board, and asking voters to adopt a 0.2% sales tax within City limits. This sales tax, similar to the current Transportation Benefit District, generates approximately \$700,000 annually. The project also requires expanding the PRSA boundary to match the Cascade School District boundary, which must be done in coordination with County Commissioners and requires voter approval from affected areas.

Administrator Selby provided an update on the asbestos abatement project at the Osborn property. The City received a \$225,000 grant from the Department of Commerce through their Brownfields revolving loan fund program for asbestos removal. However, contractors discovered more linear footage of asbestos-containing pipe in the utility corridors than originally estimated by engineers, requiring a change order that will exceed the grant funding by approximately \$9,000. City Engineer Brantley Bain explained that the original assessment assumed one pipe running around the utility corridor, but contractors found multiple pipes branching in different directions, all with asbestos-containing insulation. Even for partial demolition, all asbestos must be removed to meet North Central Washington Libraries' requirement for a completely hazard-free property.

Chelan County Commissioner Shon Smith mentioned he had been asked to attend a Peshastin Community Council meeting in April to discuss the PRSA, expressing concern that some community members might want to withdraw from the boundary. Kristian Winston, who serves on the PRSA board as the Peshastin representative, indicated this topic had been discussed at meetings but wasn't certain of the community's final direction. Administrator Selby asked Ms. Winston when she speaks to the Peshastin Community Council, to let them know about the City's new PRSA locals parking program that would allow residents within the PRSA boundary to park in Leavenworth for \$1 per hour for the first three hours, designed to provide incentive for communities to remain in or join the PRSA. The Parking Advisory Committee has already approved this program.

Administrator Selby reported that a \$25,000 pool pump has been ordered and after replacing it, the current pump is being rebuilt as a backup. A new pulsar chlorine dosing system is also expected soon. The facility is transitioning from saltwater to chlorinated treatment based on feedback and operational experience, as saltwater systems require up to three days of downtime after fecal incidents, compared to hours or one day for chlorinated systems. Last season, the pool was closed for nine days due to such incidents during an already shortened season that began mid-June.

Additional improvements include replacing rusted transition strip screws, repairing lifeguard chairs and bathroom dividers and addressing a depression in the ladies' bathroom that collects water but will work through regular maintenance rather than costly reconstruction. Staff is investigating new amenities including more shade and lounge chairs based on community feedback. The Freund parking lot will be repaved as the first of several lot improvement projects, with permitholders being relocated temporarily during construction. He mentioned a new validation parking tool that should help with abuse of the current dash pass program.

Finance Director Chantell Steiner announced she was preparing a budget amendment for pool operations, noting a \$36,000 reduction needed on the expenditure side due to property tax collection shortfalls from last year's assessment issues. She planned to present options to the PRSA board regarding whether to take the reduction from existing fund balance or capital line items.

Kurt Peterson, a representative of the Upper Valley Aquatic Boosters (UVAB), introduced his organization as a grassroots nonprofit working to build community around the current pool while advocating for a year-round indoor facility. The group supported the recent PRSA levy passage and is conducting focus groups in area communities to understand what would make a community center valuable to them. Mr. Peterson expressed enthusiasm for partnering with the new Recreation and Tourism Manager once hired and mentioned plans for a capital campaign to help fund the project.

3. Comprehensive Plan Review/Updates

Community Development Director Maggie Boles provided an overview of the comprehensive plan update process, which began with community visioning sessions in fall 2024, followed by hiring BHC Consultants last spring. She explained that tonight's materials represent working documents for Council feedback before going to the Planning Commission and eventual public hearings. The state extended the adoption deadline to December, but the City hopes to complete the plan by summer to focus on development

regulation updates. She emphasized their approach focuses on areas requiring updates per state law rather than a complete overhaul due to time and funding constraints. The plan can be amended annually, making it a living document that can evolve over time.

The vision statement was drafted based on community input from visioning sessions, with consultant-proposed edits addressing affordable housing and aging community members. Community feedback highlighted the need for commercial zones serving both tourism and local economy, with residents expressing the desire for basic necessities. Other priorities included dark sky preservation and infill development. Housing discussions revealed strong interest in workforce and affordable housing options, with surveys showing 80% of residents are severely cost-burdened.

The land use element includes updated future land use designations, with a comprehensive plan map differing from the zoning map. The plan designates mixed-density residential areas encompassing RL-6, multifamily zones and potential future R-3 zoning, providing flexibility for the next 20 years without requiring immediate implementation. New elements include a public zone designation, R-8 low-density residential for urban growth areas, and updated goals and policies addressing state-mandated requirements for climate resilience, environmental justice, and wildfire risk. The plan also includes new policies allowing clustering that preserves open space.

Director Boles acknowledged significant discussion with the Planning Commission about data representation challenges. While the land capacity analysis suggests adequate land for required housing numbers, this doesn't capture the full picture including the second homes and workers who work in town but live elsewhere. The housing allocation numbers from the state and county are based on census data of current residents, not reflecting actual housing needs for the workforce the community desires to support.

The current housing element contains only two goals, while the proposed update includes pages of additional goals and policies addressing expanding housing options, affordability, workforce housing, and climate resilience. All decisions made by staff must be consistent with the comprehensive plan, making these goals and policies crucial for backing future decision-making and code regulations. She explained that many policies stem from state mandates, though they're customized for Leavenworth rather than using cookie-cutter language. The environmental justice policy represents a state requirement that must be demonstrated through actual code updates and implementation within five years, not just aspirational language. She acknowledged the need to provide more concrete examples of how these policies would be applied to current development regulations.

The Council asked questions and discussed the information that was presented.

4. Council Retreat Topics

The City Council retreat is set for May 29, 2026.

After much discussion, the Council agreed on a full day retreat for a comprehensive discussion of capital improvement planning, funding strategies, and project prioritization, with the comprehensive plan capital improvement component being prepared separately to support the planning process. It was also stated that the City has done a lot of really great things, and it is important to acknowledge the wins.

Study Session adjourned at 6:57 PM.

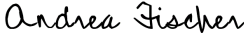
Leavenworth Study Session Minutes
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APPROVED

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Carl Florea
Mayor

ATTEST

Signed by:

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Andrea Fischer
City Clerk