

LEAVENWORTH CITY COUNCIL ANNUAL RETREAT MINUTES

June 30, 2026

City Administrator Selby called the June 30, 2026 Leavenworth City Council Annual Retreat meeting to order at 5:35 PM.

ROLL CALL

Council Present: Anne Hessburg, Zeke Reister, Shane Thayer, Mike Bedard, Travis McMaster and Rob Eaton.

Council Absent: Clint Strand.

Staff Present: Matthew "Selby", Chantell Steiner, Andi Zontek-Backstrum, Brantley Bain, Steven Rubinstein, Shannon Lemons and Andrea Fischer.

Capital Planning Strategy Session

City Administrator Selby opened the session by framing the central challenge: the City's capital improvement plan contains four major projects that, at full scope in today's dollars, total approximately \$185 million, while the City's available bonding capacity is estimated at \$50 million. The four projects under discussion are the Community Center (inclusive of an indoor pool and library), the Parking Garage at the Blewett lot (minimum 300 stalls), a new Public Works Campus, and the Front Street Pedestrian Plaza.

Public Works Director Andi Zontek-Backstrum introduced a forced pair ranking exercise to help the Council establish project priorities. After Councilmembers completed their rankings, the results placed the Community Center as the top priority, followed by the Parking Garage, the Front Street Pedestrian Plaza, and the Public Works Campus in fourth place. The Council generally agreed that this ordering reflected community sentiment, though several Councilmembers noted the limitations of comparing projects with fundamentally different funding structures.

Public Works Campus

Staff proposed that a Public Works campus with reduced scope would cost about \$15 million and would be focused on building new office space and covered storage at the existing site. It could be funded through a combination of revenue bonds and low-interest loans by approximately 2030, without requiring voter approval. The Council did not agree with the reduced scope and agreed with a phased approach, that the full long-term vision of a \$40 million campus should be preserved so future grant opportunities are not missed. The PUD land was confirmed as infeasible for a full campus due to access and transmission line constraints. The Council agreed to plan for \$15 million as Phase 1 with a clear roadmap for future phases.

Parking Garage

Staff noted that the current estimate of \$45 million exceeds what the City can reasonably fund through a revenue bond alone, with any remaining balance requiring voter-approved general obligation debt, which the Council viewed as unlikely to succeed. The concept of a public-private partnership was introduced, drawing on a proposal previously shared by retired local architect Glen Peterson. The concept would have the City retain ownership of the land while a private developer constructs a mixed-use building incorporating parking stalls, commercial space and affordable/workforce housing, potentially without consuming the City's bonding capacity. The Council expressed strong interest in this approach and agreed to pause the current final design contract with ARC while the public-private partnership concept is further explored. The Council has requested that Mr. Peterson be invited to present to the full Council at a future Study Session.

Community Center

Administrator Selby and Recreation & Tourism Manager Steven Rubinstein outlined a funding path centered on the formation of a Public Facilities District (PFD), which would allow the City to bring a two-tenths of one percent sales tax measure to voters at the November 2027 general election. This measure alone could support bonding of approximately \$9–10 million, and would be supplemented by donations, USDA low-interest loans, PRSA bonding capacity, and potential partnerships such as with the YMCA. The Council discussed the possibility of eventually expanding the PFD to align with the Cascade School District boundaries, contingent on passage of House Bill 1037, which would significantly increase bonding capacity. The Council agreed the Community Center should not have its scope reduced, citing strong community demand, the deteriorating condition of the existing pool, and the potential for private donations and naming rights to offset a significant portion of costs.

Front Street Pedestrian Plaza

An updated cost estimate of approximately \$66 million was received from the consultant on the day of the meeting. The Council agreed the project should proceed with a phased approach, with buildable plans ready within approximately one year. Heated sidewalks were unanimously agreed to be removed from scope due to high installation, maintenance, and utility costs. The Council also agreed that the proposed performance stage, being a Chamber of Commerce priority rather than a City need, should be funded by the Chamber rather than the City. A phasing sequence was discussed, with Councilmember Hessburg suggesting work begin on the west end to drive foot traffic to underserved businesses, while City Engineer Brantley Bain noted that underground utility replacement, water and sewer, would need to occur as the true first phase regardless of surface phasing decisions. The Council agreed to have engineering staff develop a recommended phasing plan for future Council review.

The Council broadly supported this direction, agreeing that bonding capacity dollars could serve as valuable match funding for federal grant programs, some of which offer up to 80% federal funding. Staff were directed to explore this further.

The Council confirmed its final project priority order as:

1. Community Center
2. Parking Garage

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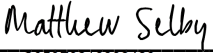
3. Front Street Pedestrian Plaza
4. Public Works Campus.

Several Councilmembers noted that the parking garage and community center should be considered co-equal priorities (1a and 1b), with Front Street as a strong concurrent effort. The Council agreed that all four projects should be planned at full vision scope rather than reduced scope, with phased implementation strategies developed for each. The Council also agreed that dedicated study sessions should be held for each project to develop individualized funding strategies, and that the City should move forward promptly with a Request for Proposals (RFP) for grant writing and lobbying services.

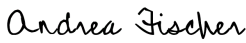
Adjournment

Seeing no other business, City Administrator Selby adjourned the June 30, 2026 annual retreat meeting of the Leavenworth City Council. The meeting adjourned at 7:23 PM.

APPROVED

Signed by:

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Matthew "Selby"
City Administrator

ATTEST

Signed by:

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Andrea Fischer
City Clerk