

**CITY OF ISSAQUAH**  
**City Council Regular Meeting**

7:00 PM  
 April 16, 2018

Council Chambers  
 135 E. Sunset Way

**MINUTES**

**COUNCIL AND ADMINISTRATIVE PERSONNEL PRESENT**

*Councilmembers:*

Mariah Bettise  
 Stacy Goodman  
 Victoria Hunt  
 Tola Marts  
 Bill Ramos  
 Chris Reh  
 Paul Winterstein

*Administration/Staff:*

Mary Lou Pauly, Mayor  
 Emily Moon, Interim City Administrator  
 Jim Haney, City Attorney  
 Tisha Gieser, Deputy City Clerk

**CALL TO ORDER**

Mayor Pauly called the meeting to order at 7:00 PM.

**PLEDGE OF ALLEGIANCE**

Mayor Pauly led the Pledge of Allegiance.

**SPECIAL BUSINESS**

- a) AB 7583 - Earth Day Proclamation

Mayor Pauly proclaimed April 22, 2018 as Earth Day and urged all residents to celebrate this special observance and take action together to contribute to a healthy environment. Jon Hoekstra, Executive Director, and Tor Bell, Field Program Director, from Mountains to Sound Greenway Trust, accepted the proclamation.

- b) AB 7590 - 2018 Legislative Session Summary and Appreciation for Doug Levy

Doug Levy, City Lobbyist, provided an overview of the 2018 legislative session. Following the presentation, Mayor Pauly presented Mr. Levy a Certificate of Appreciation for his service to the City.

**AUDIENCE COMMENTS**

The following public comments were provided:

- Geraldine Carey, 955 17th Ave. NW, spoke regarding Newport Way traffic patterns.
- Mary Lynch, 2690 NW Oakcrest Dr., spoke regarding concerns with the Teen Cafe program.
- David Kapplar, 255 SE Andrews St., spoke regarding an upcoming tree planting opportunity on the Greenwood Trust property near Lake Sammamish State Park.

The following individuals spoke in support of The Garage, a Teen Cafe program:

- Rebecca Rice, representing the Issaquah Food and Clothing Bank
- M Haynes, 761 Mt. View Pl. SW

- Angeline Yu, 3541 254th Ave. SE
- Kaylee Jaech, representing the Teen Cafe
- Lisa Callan, 3153 NE Marquette Way
- Skip Rowley, 1585 NW Gilman Blvd, also spoke regarding the process of hiring a City lobbyist

The following individuals spoke regarding concerns with the potential school site near the Issaquah Highlands:

- Sarah Crofton, 37728 SE 86th St., Snoqualmie
- Peter Crofton, 1823 NE Kenyan Court
- Robert Swanson, 826 4th Ave.

The following individuals urged preservation of the Bergsma/Windward property:

- Stephen Cobert, 5710 143rd Pl. SE
- Linda Shepherd, 14985 256th Ave. SE (handout provided)
- Julie Clark, 915 Bear Ridge Court NW
- Elizabeth Maupin, 100 Big Bear Place, also urged preservation of the Providence Heights campus
- Selena Eon, 635 Kalmia Place NW

## COMMITTEE / REGIONAL REPORTS

### *Councilmember Hunt:*

- WRIA8 Salmon Recovery Council – Announced upcoming meeting

### *Councilmember Reh:*

- Services & Safety Committee – Made report. The May meeting will be held May 9, 2018.
- Eastside Fire & Rescue Board – Made report

### *Councilmember Ramos:*

- Infrastructure Committee – Made report

### *Councilmember Winterstein:*

- Puget Sound Regional Council (PSRC) Growth Management Policy Board – Made report

### *Councilmember Goodman:*

- Land & Shore Committee – The April meeting will be held April 19, 2018.

### *Deputy Council President Bettise:*

- Puget Sound Regional Council (PSRC) Economic Development District Board – Announced upcoming meeting

### *Council President Marts:*

- Sound Cities Association (SCA) Public Issues Committee – Announced upcoming meeting

## MAYOR'S REPORT

- a) There will be an Executive Session held this evening to discuss collective bargaining sessions per RCW 42.30.140(4) and pending and potential litigation per RCW 42.30.110(1)(i). These items are expected to last 35 minutes. Action is anticipated to follow in open session.

## b) OPEN HOUSE

The Washington State Dept. of Transportation (WSDOT) will hold an Open House on the auxiliary lanes along I-90 on April 25, 2018, from 5-7 PM at Tibbetts Creek Manor.

## c) MEETINGS

April 3 – Attended Cascade Water Alliance (CWA) Board Retreat where we discussed future drinking water supply. Even though climate changes may change our weather patterns, the overall amount of precipitation in our region is expected to remain constant, more in the form of rain and less in the form of snow. Our issues will be storage, not quantity, compared to other areas that have abundant storage and water quantity issues.

April 4 – Presented on a panel with other female Mayors at the GoGreen Conference in Seattle.

April 9 – Attended a meeting at the Department of Ecology's NW Regional office, with Eastside Fire & Rescue, Sammamish Plateau Water District, and Ecology staff. This team has assembled funding from various entities to complete a soil and groundwater investigation into PFAS, a constituent in groundwater that the City is currently providing treatment for. We are hoping to begin our investigation this summer, with study results and next steps sometime late this fall.

April 12 – Attended the Cascade Water Alliance Resource Committee Meeting – Discussed several capital projects and were provided an update on the Lake Tapps Water Quality Project.

April 12 - Attended the PSRC Transportation Policy Board – Recommended adoption of the Regional Transportation Plan to the Executive Board.

## d) ISSUE UPDATES

**Moratorium update - two items remaining:**

1. Inclusionary Requirements – Staff is working with ECONorthwest to evaluate the impact the proposed inclusionary requirements would have had on the Atlas project – using Atlas as a case study. It is expected a report and presentation will be made to the Council Land & Shore at the Committee's April meeting (4/19).
2. Visions – The Visions document for Central Issaquah Neighborhoods is currently in Council Land & Shore Committee and will be discussed at the Committee's April meeting (4/19).

**Cougar Mountain/Bergsma Update:**

No new news in regards to the property known as Bergsma. At the March 5 City Council meeting I shared that we are partnering with Trust for Public Land (TPL) in exploring acquisition options for this property. In that work, Parks staff and TPL staff are collaborating on researching Grant options and other funding strategies that would be needed to support any size/scale of acquisition.

**Talus Parcels 7, 8, & 9:**

- Talus Parcels 7 & 8: The City geo-technical consultants have finished their first review of a new critical area study for Parcels 7 & 8. The property owner's consultants are currently working through the City comments and we are expecting this Final Plat will be before the City's Hearing Examiner in May.

- Talus Parcel 9: The property owner is continuing to work on stabilizing the property. By the end of the month, it's expected they will be  $\frac{3}{4}$  done with the construction of the 1st wall system. Last week the City issued a permit for Wall 3 and work is expected to commence on that wall later this month. The City expects stabilization efforts will continue through the end of 2018.

#### **Ending of Development Agreements for Talus and the Highlands:**

At the March 19, 2018 Council meeting, the Council referred ending the Talus Development Agreement and imposing new replacement regulations to the Planning Policy Commission for review of the proposed zoning designation for Talus Parcel 9. That Planning Policy Commission meeting is scheduled for May 10, 2018.

#### **Providence Heights:**

There has been a lot of public comment received by the City regarding Providence Heights and the proposal by the property owners to demolish the current buildings. The Providence Heights campus is located at 4221 - 228th Ave SE, adjacent to Providence Point. The property is owned by Plateau Campus, LLC, a wholly-owned subsidiary of Churchome, previously known as The City Church, a nonprofit, nondenominational church headquartered in Kirkland.

Churchome has decided to demolish the buildings and sell the property to provide revenue for their growing ministries. They believe that landmarking the existing structures reduces the value they could get from the property sale which would adversely impact their ability to fulfill their religious mission and expand their ministries.

Following the City's SEPA decision on the demolition of the buildings, the Sammamish Heritage Society submitted an application to landmark this property. The City has Code (IMC 18.20: Protection and Preservation of Landmarks, Landmark Sites and Districts) that provides for a Landmark Commission and a process for landmarking properties within the City. Since the City does not have enough requests to justify its own Commission, the City has an Interlocal Agreement with King County to use the County's Landmarks and Heritage Commission with one local representative for any preservation requests within the City. In July 2017, the Commission designated the property as a landmark and the City's Hearing Examiner remanded the SEPA decision back to the City to consider how the landmark status affects the decision.

At the time of the Landmark designation, Churchome's attorneys advised the City that the designation violated Churchome's rights to the free exercise of religion under the First Amendment of the US Constitution and Article 1, Section 11 of the Washington Constitution. Since the City agreed with Churchome's attorneys due to clear legal precedent (*First Covenant Church of Seattle v. City of Seattle*) where the courts found that the government's "interests in preservation of esthetic and historic structures is not compelling and does not justify the infringement of [a church's] right to freely exercise religion", the City entered into a Settlement Agreement with Churchome under which the City agreed not to oppose a court judgment holding the landmark designation unconstitutional in exchange for a release of all potential damage claims by Churchome.

On April 12, 2018, King County Superior Court Judge Julie Spector found that landmarking the Providence Heights property was unconstitutional and vacated that decision. Further, the judge prohibited the City and King County from accepting any other nomination seeking to designate this property as a landmark so long as Churchome owns the property. And, the City and King County are legally prohibited from continuing to delay Churchome's demolition permit on the basis of the landmark designation. Judge Spector also found that the City and Churchome had entered into the Settlement Agreement as an arms-length transaction and that the result was a fair and reasonable one.

On Friday, Preserve Providence Heights appealed the reissued State Environmental Policy Act (SEPA) decision. That appeal will be held by the City's Hearing Examiner. The date of that Hearing has not been scheduled yet.

**CONSENT CALENDAR**

*Items listed were distributed to Councilmembers in advance for study and were enacted with one motion.*

**IT WAS MOVED BY MARTS, SECONDED BY BETTISE; MOTION CARRIED (7-0), TO APPROVE THE CONSENT AGENDA AS AMENDED (see item "m").**

- a) ID 0197 - Accounts: Payables and Payroll of April 16, 2018, \$ 4,682,132.90; **Approved.**
- b) Minutes: City Council Special Meeting, April 2, 2018; **Approved.**
- c) Minutes: City Council Regular Meeting, April 2, 2018; **Approved.**
- d) Minutes: Council Committee Work Session, April 9, 2018; **Approved.**
- e) AB 7477 - PSRC Transportation Alternatives Program Grant (Newport Way Improvements: SR 900 to SE 54th St); **Authorized acceptance of the Puget Sound Regional Council (PSRC) Transportation Alternatives Program (TAP) grant funds of \$1,550,888 for the design phase of Newport Way Improvements from SR 900 to SE 54th St. and authorized the Mayor to enter into and execute the Local Agency Agreement and Project Prospectus with the Washington State Dept. of Transportation.**
- f) AB 7501 - Interim Board/Commission Extension; **Extended board and commission positions--with the exception of the Civil Service Commission--terms expiring April 30, 2018 to expire May 31, 2018.**
- g) AB 7555 - 2018 Water Rehabilitation Project; **Awarded the construction contract to Westerlund Excavation LLC in the amount of \$638,380 (including sales tax) for the 2018 Water Main Rehabilitation Project.**
- h) AB 7557 - Forest Rim Booster Pump Station Project; **Awarded the construction contract to Gary Harper Construction, Inc. in the amount of \$993,775.35 (including sales tax) for the Forest Rim Booster Pump Station project.**
- i) AB 7567 - PSRC Surface Transportation Block Grant Program (STP) (Newport Way Improvements: SR 900 to SE 54th St); **Authorized submittal of the PSRC Surface Transportation Block Grant Program (STP) grant application for the construction phase of Newport Way Improvements from SR 900 to SE 54th St.**
- j) AB 7568 - WSDOT Pedestrian/Bike Grant (Newport Way Improvements: SR 900 to SE 54th St); **Authorized submittal of the WSDOT Pedestrian/Bike grant application for the design phase of Newport Way Improvements from SR 900 to SE 54th St.**
- k) AB 7576 - Amendments to IMC regarding Accessory Dwelling Units; **Referred AB 7576 to April 19, 2018 Council Land & Shore Committee for review and recommendation, returning to the full Council on May 21, 2018.**

- l) AB 7577 - Central Issaquah Development and Design Standards Amendment limiting new Hotels, Motels, Time Share Lodging, Conference Centers and Self Storage Units in specific zones within Central Issaquah; **Referred AB 7577 to April 19, 2018 Council Land & Shore Committee for review and recommendation, returning to the full Council on May 21, 2018.**
- m) AB 7586 - Surplus City Equipment; **Removed from the Consent Agenda, to be heard under Regular Business (Item "a").**
- n) AB 7591 - PSRC Surface Transportation Block Grant Program (STP) (Newport Way Improvements: NW Maple St. to W. Sunset Way); **Authorized submittal of the PSRC Surface Transportation Block Grant Program (STP) grant application for Phase 1 of Newport Way Improvements from NW Maple St. to W. Sunset Way.**
- o) AB 7592 - Washington State Patrol National Criminal History Improvement Program Grant; **Authorized the submission of a grant application to the Washington State Patrol National Criminal History Improvement Grant Program.**
- p) AB 7596 - Property Tax Reduction Request via King Co. Public Benefit Rating System (PBRS); **Scheduled a public hearing for the May 21, 2018 Council meeting, and referred AB 7596 to the May 8, 2018 [Correction: "May 9, 2018"] Council Safety & Service Committee for review & recommendation, returning to the full Council on May 21, 2018.**
- q) AB 7598 - Civil Service Commission Appointments; **Confirmed the following Mayor appointments for the Civil Service Commission: Dave Bush (term expiring 2024), Dave DeVore (term expiring 2022), and Robert Bakh (term expiring 2020).**

## PUBLIC HEARING

- a) AB 7533 - First Major Amendment to the Costco Development Agreement

Introduced by Mayor Pauly and presented by Keith Niven, Economic & Development Services Director.

The public hearing was opened by Mayor Pauly at 8:34 PM.

No public comment was provided.

Following Council discussion,

**IT WAS MOVED BY GOODMAN, SECONDED BY WINTERSTEIN, TO:**

Continue the public hearing to May 7, 2018, and refer AB 7533 to the April 19, 2018 Council Land & Shore Committee for additional review and recommendation, returning to the full Council on May 7, 2018.

**MOTION CARRIED, 7-0.**

**REGULAR BUSINESS**

- a) AB 7586 - Surplus City Equipment

Introduced by Mayor Pauly, and presented by Councilmember Reh. Following Council discussion,

**IT WAS MOVED BY REH, SECONDED BY RAMOS, TO:**

Declare items identified in AB 7586 as surplus and authorize the Administration to dispose of them in accordance with Washington State law with the modification to the agenda bill that the estimated maximum value be \$17,000.

**MOTION CARRIED, 7-0.**

- b) AB 7484 -Teen Café Partnership & Lease Agreement

Introduced by Mayor Pauly and introduced by Jeff Watling, Parks and Recreation Director. Following Council discussion,

**IT WAS MOVED BY REH, SECONDED BY BETTISE, TO:**

Authorize the Mayor to enter into and execute the Lease Agreement with Friends of Youth as presented for the purpose of providing the Teen Café program within a portion of the City-owned building at 235 1st Avenue.

**MOTION CARRIED, 7-0.**

- c) AB 7594 - Funding Request for Temporary Staffing Resources

Introduced by Mayor Pauly, and presented by Emily Moon, Interim City Administrator. Following Council discussion,

**IT WAS MOVED BY MARTS, SECONDED BY BETTISE, TO:**

Authorize an allocation of \$320,000 to provide for additional staffing resources in Human Resources, Communications and the Executive Office; and direct the Finance Director to include the allocation in a subsequent 2018 budget amendment, utilizing the General Fund.

**MOTION CARRIED, 7-0.****GOOD OF THE ORDER**

- a) *Mayor Pauly:*  
Upcoming Council Meetings - Announced anticipated agenda items.

**EXECUTIVE SESSION**

At 10:09 PM, Council recessed into Executive Session for the purpose of discussing collective bargaining sessions per RCW 42.30.140(4) and pending and potential litigation per RCW 42.30.110(1)(i). The items were expected to take approximately 35 minutes. Action was anticipated to follow in open session.

**OPEN SESSION**

The meeting was reconvened at 10:30 PM.

**IT WAS MOVED BY MARTS, SECONDED BY BETTISE, TO:**

Authorize the Mayor to execute the Interlocal Agreement with the Sammamish Plateau Water District in substantially the form as discussed in executive session.

**MOTION CARRIED, 7-0.**

**ADJOURNMENT**

There being no further business to come before the Council, the meeting was adjourned at 10:31 PM.

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Tisha Gieser, Deputy City Clerk

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Mary Lou Pauly, Mayor