

SPECIAL P.M. CITY COUNCIL MEETING OF THE CITY OF REDMOND WAS HELD APRIL 15, 2014, IN THE CITY COUNCIL CHAMBERS.

COUNCIL MEMBERS PRESENT: Tory Allman – George Endicott – Camden King – Ginny McPherson – Jay Patrick

COUNCIL MEMBERS EXCUSED: Joe Centanni – Ed Onimus

STAFF PRESENT: City Manager Keith Witcosky – Assistant City Manager Sharon Harris – City Attorney Steve Bryant – Interim Airport Director Bob Noble – Police Chief Dave Tarbet – Public Works Director Bill Duerden – City Engineer Mike Caccavano – City Recorder Kelly Morse – Community Development Director Heather Richards – CIS Administrator Sheri Cleveland – Finance/Budget Manager Jason Neff – Associate Planner Scott Woodford

MEDIA PRESENT: Leslie Pugmire-Hole, Redmond

Mayor Endicott called the workshop to order at 6:30 p.m.

ORDINANCES

A. **Continued – Ord. #2014-10** – An ordinance of the City of Redmond declaring a moratorium on medical marijuana facilities, and declaring an emergency.

Councilor Patrick moved, seconded by Councilor McPherson, to approve Ord. #2014-10, roll call vote: Allman-yes, Centanni-absent, Endicott-yes, King-yes, McPherson-yes, Onimus-absent, Patrick-yes, motion passed.

PRESENTATIONS / DISCUSSIONS

A. Site Improvement Agreements, Heather Richards

Community Development Director Heather Richards provided the Council with a presentation on Site Improvement Agreements (SIA). Historically, the City allowed developers to defer required site improvements when platting a subdivision through the implementation of a SIA and required performance bond, line of credit or cash deposit equal to 120 percent of the calculated costs. Redmond Development Code states that all improvements, with the exception of sidewalks, need to be constructed within one year of the recording of the final plat. If the developer fails to carry out the requirements of the SIA, the City can call upon the bond or cash deposit to construct the improvements.

When the major decline in the housing market occurred, many developers failed to construct the required improvements due to lack of funds, the property was sold and the SIA did not forward the responsibility as part of the real estate transaction, or they wanted to wait until the housing improvements were built so driveway curb cuts could be identified. In 2012, staff identified 65 SIAs that were non-compliant with the development code which resulted in accessibility complaints and compromised neighborhood quality of life.

Options for the City include the following:

- Call in the surety and construct the improvements
- Defer improvements to the time of building permits
- Form a Local Improvement District or Reimbursement District to construct improvements and lien the properties.

Staff's recommendation for completion of sidewalks is to create a reimbursement district with the City allocating an additional \$50,000 per year in the budget to construct sidewalks then re-evaluate every two years.

Ms. Richards and City Engineer Mike Caccavano answered questions from the Council. After further discussion, the Council directed Mr. Caccavano to determine a reasonable deterioration schedule for concrete sidewalks and for staff to call in the bonds for those properties with common areas remaining, pursue a reimbursement district for completion of improvements on buildable lots already 75 percent complete, then re-evaluate the outstanding improvements in two years and consider calling in the bonds. In terms of street improvements, staff will research if any streets can be completed.

Resident Jim Cook inquired as to whether the City would create a reimbursement district for completion of sidewalks totaling around \$1,000. In response, Mr. Caccavano explained that the City would likely incorporate the smaller improvement into one larger reimbursement district.

B. Evergreen School, Heather Richards and Jason Neff

Ms. Richards explained the purpose of this presentation is to receive feedback from the Council on what it means to transform a portion of Evergreen School into Redmond City Hall by fall 2016.

The project timeframe is 18-24 months whereby discussions will be held on the architectural programing and space planning (2-3 months); procurement (2-3 months); design/public process (6-8 months); and construction (10-14 months).

Ms. Richard described the decision making points moving forward; history of the project to date including why the building was purchased, why plans to build at the current City Hall site were shelved, and improved key indicators.

Finance/Budget Analyst Jason Neff explained why the City feels it is in a financial position to pursue the project now. Throughout the recession, the City was deficient in many core services, but over time, resources have been added back to high priority areas. Staff has worked through various priorities and Evergreen was located high on the list. The City's financial position has stabilized and is improving while property tax revenue is growing. The City's existing reserves could provide for an "equity contribution" of up to \$1 million which would then assume a \$6 million bond payable over 30 years at 5 percent interest (approximately \$400,000 annual payment). Mr. Neff also noted the City has received Urban Renewal bond funds of approximately \$1.5 million, interest rates remain at historically low levels, and there is interest from private development and potential building tenants.

In response to questions from Council Patrick, Ms. Richards stated that use of the entire location will be reviewed during the architectural study and space planning. There is currently no parking or drainage on the site making it difficult to occupy all three buildings.

Ms. Richards shared what work in terms of due diligence has been done so far. Those items include an architectural study, hazardous materials survey, engineering study, fire safety study, site work (landscaping, parking, storm drainage, underground utilities right-of-way), construction costs estimates, and costs return of the existing City Hall site. Ms. Richards addressed questions from the Council.

Resident Larry Peterson requested that the City clean the location specifically referring to the two modular buildings sitting on the property and the chain link fencing.

Resident Bill Groesz spoke in favor of the Evergreen project adding it could become a great community resource.

Direction of the Council was to work towards moving forward while ensuring this is properly addressed during the upcoming Budget Committee meetings.

OTHER BUSINESS

Ms. Richards updated the Council on the status of the various beautification projects.

