

**City of Puyallup
Regular City Council Meeting
January 7, 2014**

(These minutes are not verbatim. The meeting was recorded, and copies of the recording are retained for a period of six years from the date of the meeting and are available upon request.)

COUNCILMEMBERS PRESENT: Mayor Knutsen, Deputy Mayor Hopkins, Councilmember Door, Councilmember Palmer, Councilmember Shadko, Councilmember Swanson, Councilmember Vermillion

SWEARING-IN OF NEWLY-ELECTED COUNCILMEMBERS

City Clerk Brenda Arline administered the oath of office to newly elected councilmembers Heather Shadko and Julie Door and to re-elected councilmember John Hopkins.

MOMENT OF SILENCE

A moment of silence was requested to reflect upon the passing of Al George, a much-beloved icon in the community who owned the Puyallup Carpet Center in the downtown for many years.

SELECTION OF MAYOR AND DEPUTY MAYOR FOR 2014-2015

Councilmember Vermillion nominated Councilmember John Knutsen to the position of Mayor. The motion passed 7-0.

Councilmember Vermillion nominated Councilmember Swanson to the position of Deputy Mayor. The motion failed 2-5 (Door, Hopkins, Knutsen, Palmer, Shadko).

Councilmember Palmer nominated Councilmember Hopkins to the position of Deputy Mayor. The motion passed 5-2 (Swanson, Vermillion).

APPROVAL OF THE AGENDA

Council Action: A motion was made by Councilmember Palmer, second by Deputy Mayor Hopkins, to approve the agenda with the addition of a Council-requested item relating to a development moratorium in the Shaw-East Pioneer area. The motion passed 5-2 (Vermillion, Swanson).

APPROVAL OF THE MINUTES

Minutes of November 26, December 6 and December 10, 2013

Council Action: A motion was made by Deputy Mayor Hopkins, second by Councilmember Palmer to approve the minutes of November 26, December 6 and December 10, 2013 as submitted. The motion passed 7-0.

PRESENTATIONS AND/OR PROCLAMATIONS

Pierce Transit: Community-based alternatives

Councilmember Vermillion reported on the planned “Puyallup Community Connector” service, intended to connect riders to key destinations in the city. The route will serve various medical, retail and recreation locations, with seasonal changes made to accommodate community events such as the summer-time concerts in Pioneer Park and the Saturday Farmer’s Market. Explaining that the connector would integrate with several existing bus routes, Councilmember Vermillion reviewed the proposed service schedule between June of 2014 and June of 2015 as well as the timeline for finalizing and implementing this demonstration service. Following the demonstration period, Pierce Transit will decide whether to continue the service based on ridership and utilization.

CITIZEN COMMENTS

Mr. Daniel Villwock reported a rumor regarding purported efforts by the city to ban septic systems within its jurisdiction, questioned if it was true, and spoke in favor of allowing either septic or sewer.

Ms. Joan Cronk supported the proposed moratorium on development in the Shaw Road/Pioneer area, saying that moratoriums are not necessarily negative when used as tools for gathering information. While she agreed that this area will be developed, she felt it beneficial to take some time to make positive decisions in support of quality development.

Ms. Becky Condra spoke to the city’s plans to install a splash pad in Pioneer Park, noting that the preferred location for this facility will require relocating one of the sculptures contained in the city’s outdoor art gallery. She explained that the “Moonstone Star Crown” sculpture was placed in memory of Debbie Munson, a longtime arts teacher at Rogers High School and one of the founding members of Valley Arts United. The sculpture was specifically calibrated so the moon shines on a certain stone set in the crown on Ms. Munson’s birthday. Ms. Condra asked that the city take the history and meaning of this piece and its location under careful consideration and allow Arts Downtown to assist in the relocation decision.

Ms. Catherine Rudolph questioned the proposed development moratorium and whether a true emergency existed to justify delaying a project which has been discussed for a number of years.

Ms. Jeannie Venzone expressed concern regarding the proposal to add timed parking zones between 3rd and 4th Streets along the north side of West Meeker, saying this street is too narrow for parking on both sides and that allowing this would hinder emergency responders. She supported allowing parking on one side only, or possibly adding two parking spots near the

credit union. On other subjects, she supported the removal of the benches near the Sound Transit station and questioned when the project on 3rd Street SW would be completed.

Mr. Lance Odermat spoke as the owner of property at the corner of Shaw and Pioneer regarding the proposed moratorium on development in this area. Explaining that his property is already encumbered by requirements under the CMX designation, he believed there was no need for a moratorium and that the city should instead collaborate on a development plan that works for all.

Mr. Robin Ordonez congratulated city staff for pursuing and being awarded the \$5 million grant from the state for the widening of Shaw Road. Regarding the proposed moratorium, he supported taking time to ensure good planning and did not believe that imposing the moratorium would hold up development as discussions regarding setbacks and landscaping could take place concurrent with the permitting process.

Mr. Jeff Harmer, representing Schnitzer West, said it would be a gross overreach to impose an emergency moratorium for a warehouse use in order to address landscape or similar design features. He emphasized the importance of having a known set of rules for proceeding with development and noted that developers will help extend needed utilities to this area. He expressed his company's desire to continue building first-class projects in Puyallup and asked for the city's cooperation towards this end.

Mr. Greg Helle spoke as a property owner in the Shaw/Pioneer area, explaining that he has worked to develop his property for six years and just last week submitted an application for a project. He expressed surprise regarding the proposed moratorium and was concerned that his project be allowed to proceed as envisioned.

Mr. David Coe supported accepting the grant from the state for the widening of Shaw Road in the interest of improving traffic safety. With respect to the proposed moratorium, he said while the zoning in this area had remained unchanged for a number of years, the rezone which was approved in December was specifically sought to accommodate a larger warehouse development than would otherwise have been allowed. He believed it was important that this area be developed exactly as desired since any project, once built, cannot be redesigned or changed.

Mr. Bruce Bittman spoke in favor of the proposed parking restrictions on the north side of West Stewart between 6th and 7th Streets to prevent parking by Sound Transit commuters, which negatively affects area residents.

Mr. Hollis Barnett, speaking on behalf of Neil and Lora Van Lierop, reviewed the lengthy, years-long process to zone and bring this property into the city, noting this included a pre-annexation agreement under which the Van Lierops dedicated 44% of their land to agricultural uses. Claiming that this dedication does not comply with the Growth Management Act, he said the rezone approved in December was a modest change as warehouses were already permitted on an adjacent parcel.

Ms. Georga Prossick was embarrassed by the proposed moratorium, which she believed to be

ridiculous and could prompt developers who may be willing to invest money in Puyallup to invest elsewhere instead.

Ms. Nicole Martineau questioned if the developer was extended any promises as to expected outcomes of the work it says it has put into this property since 2007. She did not feel the developer was any more invested in this property than other interested parties and believed the company could wait six more months to pursue this project as cooperative relationships work both ways. Emphasizing that the city is not under a contractual obligation to zone any property according to a developer's wish, she favored slowing the process down to allow the gathering of additional information before a decision is made.

Mr. Howard Schick commented that the upcoming agenda for the next Planning Commission meeting refers to requiring and "encourage(ing) high-density residential development," which will entail allowing smaller lot sizes and greater building heights. While he did not object to allowing buildings of 15 to 20 stories on South Hill, he believed the valley area should not be subject to significant development changes. He encouraged councilmembers to determine the preferences of their constituents regarding these issues.

Mr. Chris Chisholm said the recent election results demonstrated that the majority of Puyallup voters opposed the rezone on the Van Lierop property which Council approved in December. Saying that Council represents Puyallup's citizens, not developers, he encouraged it to listen to and respect citizens and ensure that the desires of the populace are enacted when development occurs. He further explained that as a small business owner, he is restricted in terms of what he can and cannot do; accordingly, he expected developers to be restricted as well.

Mr. Bud Metzger urged Council to affirm the moratorium, saying the rezone upset many citizens. He spoke to the need for a thoughtful process, much like the ones which the downtown area and Clarks Creek were afforded.

Mr. Paul Mahoney spoke in favor of the moratorium as it would offer all interested parties a chance to collaborate while giving citizens a voice. He agreed that the project to widen Shaw Road would improve public safety and help alleviate traffic problems.

CONSENT AGENDA

Authorize the purchase of certain replacement parts for treatment plant equipment from Lakeside Equipment Corporation in the amount of \$95,470 plus tax

Accept a grant from the Washington State Transportation Improvement Board in the amount of \$5,000,000 for the design and construction of Shaw Road from 23rd Avenue SE to Manorwood Drive SE

Deputy Mayor Hopkins said while he supported the projects to widen Shaw Road and replace the Milwaukee Bridge, he was troubled that they will cost substantial sums and thereby take funding away from already-neglected neighborhood streets. He felt this situation was a result of the city's prioritizing grant-funded projects over others and suggested this policy be addressed by council.

Council Action: A motion was made by Councilmember Swanson, second by Deputy Mayor Hopkins to approve the consent agenda. The motion passed 7-0.

ORDINANCES

First reading of an ordinance adding timed parking zones between 7th and 6th Streets on the north side of West Stewart and between 3rd and 4th Streets along the north side of West Meeker

Council Action: A motion was made by Deputy Mayor Hopkins, second by Councilmember Vermillion to approve first reading, with the understanding that the proposal to allow parking on the north side of West Meeker will be reviewed in light of the comments made by Ms. Venzone. The motion passed 7-0.

Second reading of the bond refunding and delegation of authority ordinance to refund a portion of the City's 2007 Limited Tax General Obligation bonds

Council Action: A motion was made by Deputy Mayor Hopkins, second by Councilmember Vermillion to approve second reading of the bond ordinance. With a roll call vote, the motion passed 7-0.

ORDINANCE NO. 3056

AN ORDINANCE OF THE CITY OF PUYALLUP, WASHINGTON, providing for the issuance of Limited Tax General Obligation Refunding Bonds of the City in the aggregate principal amount of not to exceed \$12,750,000 to refund certain outstanding General Obligation Bonds of the City and to pay cost of issuing the bonds; providing the form and terms of the bonds; approving an escrow deposit agreement; and delegating the authority to approve the final terms of the bonds.

Development moratorium in the Shaw-East Pioneer area

Deputy City Attorney Steve Kirkelie explained that the moratorium would affect 13 parcels in the Shaw Road/East Pioneer area. The parcels are currently zoned General Commercial (CG), Shaw-Pioneer Community Mixed-Use (CMX) or Limited Manufacturing (ML). Mr. Kirkelie explained that Chapter 20.46 of Puyallup Municipal Code created the Shaw-East Pioneer Overlay (SPO) in 2009. At that time, the City Council's intent was to expand the SPO into the Van Lierop annexation area upon the annexation of that area into the city. The moratorium would temporarily prohibit any new development from occurring in this area in order to allow Council to consider whether the SPO should extend into the Van Lierop annexation area as originally envisioned.

Explaining that the overlay zone applies additional design criteria to projects, Councilmember Palmer said the goal of the moratorium is to allow time to ensure that any large-scale projects in this area are high-quality and compatible with adjacent zones as well as with the overall community, to the extent possible. He emphasized that the moratorium would not reverse the rezoning or be intended to thwart development, but rather would allow Council to consider whether to require additional performance standards. Saying that any project on this property would affect the quality of life and property values of many residents and set the stage for development of the surrounding area, he expressed his interests in balancing development rights with the rights of others and pursuing a collaborative process.

Councilmember Door agreed this area was important to her constituents and therefore she supported enacting the moratorium to enable a transparent process for determining whether the overlay should be extended. Emphasizing that she appreciated the contributions which the Van Lierops have made to the community, she pointed out that citizens also have made their interests clear and she felt obligated to take those into consideration.

Councilmember Vermillion said under the Growth Management Act, this area will be transformed with high-intensity development that will replace what was once considered valuable agricultural land. Noting this process has been ongoing since 2004, he questioned taking ten years to design and refine standards. He noted that Councilmember Palmer played a key role in the original zoning of this area during his service on the Planning Commission; communicated concerns from property owners who feel constrained by CMX zoning; questioned whether the situation could properly be characterized as an emergency; and disputed there was any need for a moratorium. Saying that a moratorium would preclude land sales in this area due to uncertainty, he pointed out that imposing directives is not collaborative and advised that Council refer this matter to the Planning Commission.

Councilmember Swanson contended that the moratorium would not affect any properties as the design standards in the CMX zone are already greater than those in the overlay, and a development application was submitted today for a project on the parcels zoned for light manufacturing. He noted that 65% of the 300 open acres in this area remain outside of the city limits and are zoned Employment-Area (EC) which allows warehouses, construction yards and large-vehicle parking. He questioned how imposing a moratorium would help establish relationships and encourage investment in Puyallup rather than in the county, and encouraged the development of a comprehensive vision for the area.

Deputy Mayor Hopkins pointed out that the overlay was previously contemplated several years ago prior to the annexation of the Van Lierop property, and was supposed to have been applied upon annexation. He clarified that the moratorium would not prevent or prohibit development, but would be intended to ensure that any development is of the highest-possible quality.

Mayor Knutsen said no emergency for the moratorium existed in the form of any threat to health, economy or ecology. He emphasized the need to respect the landowners, those who would be employed, and businesses who wish to invest in Puyallup. He believed the developer was willing to work with the city on this project and referred to his intention to revisit the zoning on the opposite side of Pioneer.

Councilmember Palmer clarified that Mr. Helle's project would not be affected by the moratorium, and the application submitted today by Schnitzer West must be complete in order for that project to be vested.

Councilmember Door emphasized that Council merely seeks time to consider and decide whether the overlay should be extended, and that determination has not yet been made.

Councilmember Vermillion believed the proposal to impose a moratorium constituted retribution against the developer and, if approved, would send a strong signal that Puyallup is not pro-economic development. He referred to the city's bond rating, which was recently downgraded by Moody's due to high debt, and to the desire expressed by some to site a sports complex in this area although such a project could add to the city's debt load.

Mayor Knutsen questioned why this particular development was singled out for this type of response. Saying Council does not have sufficient information on the overlay and how it or the moratorium would affect property owners in this area, he favored referring this matter to the Planning Commission for its review.

Council Action: A motion was made by Councilmember Palmer, second by Councilmember Hopkins to approve first reading of the ordinance with a four-month time period for the moratorium instead of six months. With a roll call vote, the motion passed 4-3 (Swanson, Vermillion, Knutsen).

Mayor Knutsen noted Council concurrence to bring the ordinance back for second reading at next week's meeting.

CONSIDERATIONS AND REQUESTS

Removal of benches by Sound Transit station

City Manager Bill McDonald explained the recommendation to remove these benches as they have attracted nuisance and criminal behavior.

Council Action: A motion was made by Councilmember Vermillion, second by Deputy Mayor Hopkins to approve removal of certain benches by the Sound Transit station in downtown Puyallup. The motion passed 7-0.

OTHER BUSINESS

Update on the Draft Comprehensive Plan Parks, Recreation and Open Space (PROS) Plan

Associate Planner Chris Beale reviewed the draft Comprehensive Plan Parks, Recreation and Open Space (PROS) Plan, an element of the City's Comprehensive Plan which must be updated by March 3, 2014. Mr. Beale described key issues and background related to the draft PROS

Plan, which was last updated in 2008 and per state requirements must be certified every six years.

Mr. Beale explained the content of the plan and how the public has been involved in the update process. The plan contains an inventory of city-owned parks and open space, including community parks, neighborhood parks, special use areas, open space areas and undeveloped parks. He reviewed the current park service level standards and inventory as well as the current recreation facility standards and inventory, explaining that the state provides a standardized tool for measuring the level of service provided by a city's parks, recreation and open space system. He summarized Puyallup's level of service analysis, noting that overall, the city scores a level of service of "A" in all categories except for neighborhood parks.

Mr. Beale relayed the draft revised Vision Statement for the PROS and shared draft policies which are proposed to be added to the updated plan. He additionally reviewed: descriptions of areas underserved by either community or neighborhood parks; major planned improvements to existing parks; and the proposed Six-Year Capital Improvement Project list for 2014-2019.

Deputy Mayor Hopkins appreciated Mr. Beale's comment that the CIP list is preliminary, as this list is always evolving and items are not finalized until the Parks Board forwards them to Council for review and funding.

Responding to Councilmember Vermillion, Mr. Beale confirmed that the capital project for irrigation improvements at Manorwood was also on the CIP last year but has been expanded to include grading, among other components now deemed necessary. Councilmember Vermillion suggested that the periphery of this park be evaluated to determine how to deter the use of the wooded area as a cover for illicit activity.

Councilmember Palmer advised that the plan address the need to work with soccer, lacrosse, football and other sports clubs to assess the community's demand for facilities and to form future partnerships in order to meet that demand. While he agreed it was important to have a list of capital projects, he wanted it understood that this list has the potential to change as opportunities arise.

In response to Councilmember Swanson, Mr. Beale explained that the recreational needs assessment used national standards as a starting point but also included comparisons with similar-sized local jurisdictions.

Councilmember Swanson suggested that a method be developed to prioritize available funding not based strictly on what Puyallup has or does not have, but also incorporating assessments of nearby resources available in the county and neighboring jurisdictions.

Mayor Knutsen agreed it would be valuable to know how many acres of school district property are used for recreational activities or programming, and further agreed that such property and facilities should be considered as available resources.

Councilmember Swanson was concerned that funding not be taken away from school districts which rent or lease space to private organizations.

Update on Pioneer Park Upgrades: Spray Park and Playground Equipment

Parks, Recreation and Facilities Administrator Sarah Harris presented an update on upgrades to Pioneer Park consisting of new playground equipment and a splash pad to replace the current wading pool. She reviewed 30% design plans for this project, which will include amenities such as pathways, picnic tables, a shrubbery border and seatwalls. Alternate bid items will include more seatwalls and lighting and possibly another pathway on the eastern side of the spray park. Ms. Harris sought Council's authorization to increase the budget for this project by \$60,000 to ensure the delivery of a quality project.

Deputy Mayor Hopkins and Councilmember Vermillion noted their support for the requested budget increase. Referring to the need to relocate the "Moonstone Star Crown" sculpture, they hoped the city would cooperate with Arts Downtown to accomplish a mutually acceptable resolution. Councilmember Vermillion advised that the size of the spray pad not be reduced, as it is certain to be well-used.

Mayor Knutsen reserved his support for the additional funds, pending approval by the city manager. City Manager McDonald noted that the Parks Capital Improvement Project fund is healthy and generated approximately \$300,000 more revenue than projected in 2013.

CITY MANAGER'S REPORT

Carryforward 2014 Budget items

Mr. McDonald referred to a memo regarding various carryover budget items which were previously discussed on November 26th. Addressing the item regarding funding for parks maintenance, he asked that Council consider allowing some revenues for capital projects to be budgeted for parks maintenance. He reiterated that the Parks CIP fund is doing fairly well, with a fund balance of \$1 million, and suggested establishing a "not to exceed" threshold for this purpose. He pledged not to charge expenses against this appropriation until Council has decided this issue and said he was prepared to return with an alternative if Council does not support this proposal.

Councilmember Vermillion supported this concept so long as it is judiciously managed, noting that the only other way to pay for parks maintenance would be from the General Fund.

Councilmember Palmer noted his preference for using the CIP for capital projects only, although he would consider funding parks maintenance from the CIP on a one-time basis rather than setting a precedent for future years. He believed the city should strive to fund parks maintenance out of the General Fund rather than use revenues meant for capital projects.

Deputy Mayor Hopkins appreciated the idea of instituting a 10% cap for this purpose and agreed with the need to discuss this subject further.

COUNCIL REPORTS

Councilmember Swanson spoke in regards to Ms. Venzone's comments and requested any available parking data for the area mentioned. He voiced appreciation to Public Works Director Rob Andreotti and his staff for their work in securing the grant for Shaw Road, and welcomed former Mayor Rick Hansen to the meeting. In regards to the Shaw Road/East Pioneer area, he identified a need to determine whether or not the City will aggressively seek to annex the remainder of this area and proposed adding this subject to the Council's upcoming retreat agenda for discussion.

Councilmember Door commented on the "Santa Cops" program and commended the Police Department for its excellent representation of the city.

Councilmember Vermillion thanked those who supported families associated with Karshner Elementary who needed assistance over the Christmas school break. He reported on his ride-along with an officer on New Year's Eve and provided an update on recent Pierce Transit meetings.

At 9:30 p.m., Mayor Knutsen noted Council concurrence to extend the meeting for ten minutes.

Councilmember Palmer agreed that all interested parties should work together to develop a vision for the Shaw/East Pioneer area.

Deputy Mayor Hopkins solicited for volunteers and members for the Puyallup Main Street Association, noting the organization's new president is instituting positive changes.

MAYOR'S REPORT**Council appointments (committees and outside agencies)**

Council Action: A motion was made by Councilmember Vermillion, second by Councilmember Swanson to approve the recommended list of City Council appointments to outside agencies and organizations for 2014-2015. The motion passed 7-0.

Deputy Mayor Hopkins commended the mayor for the democratic and selfless manner in which the recommended appointments were drafted.

Mayor Knutsen stated his belief that the new Council will enjoy a great deal of collaboration and achieve much in the next two years.

ADJOURNMENT – 9:35 p.m.