Mayor Pro Tem Gothelf called the meeting to order at 7:04 p.m.

Councilmembers Brenden Elwood, Chris Garcia, Alan Gothelf, Trevor Kostanich, Ross Loudenback, Jonathan Rosen and Martin Volken were present.

**Staff Present:** City Administrator Lundi Lindell, Public Works Director Mark Rigos, Community Development Director David Miller, Economic Development Director and Planner Lynn Hyde, Communications Manager Jill Green and City Clerk Susie Oppedal.

**Guests Present:** Bianca Popescu and Kendra Breiland, Fehr & Peers; Kristina Gallant, Community Attributes

Mayor Pro Tem Gothelf announced an Executive Session would be added to the end of the night’s agenda to discuss performance of a public employee, pursuant to RCW 42.30.110(1)(g).

**Bike & Pedestrian Mitigation Fee Program**

Community Development Director Miller introduced Fehr & Peers Consultants Bianca Popescu and Kendra Breiland who were tasked with preparing a Bicycle and Pedestrian Fee Mitigation Study to assess the demand for non-motorized transportation needs in the City and to determine a fair and equitable mitigation fee to fund the design and construction of a trail system necessary to meet this demand.

Ms. Popescu and Ms. Breiland reviewed the purpose of the mitigation fee, the process to develop a mitigation fee, and the bicycle and pedestrian projects with an estimated cost of $12,798,056 eligible for the fee structure. They noted anticipated development between 2017 and 2035 was expected to add 553 new walking and biking trips and when divided between the total project costs resulted in an eligible amount that could be charged by the fee of $23,141 per walk/bike trip. Ms. Popescu noted because most land uses generated few walk/bike trips, the fee translated into $3,192 per single family house.

After discussion, Council consensus was to send the issue to the Community & Economic Development Committee for further review of possible fee exemptions for commercial and affordable housing developments.
North Bend Economic Profile & Retail Leakage Study

Community Development Director Miller introduced Community Attributes Consultant Kristina Gallant who was tasked with performing a study to provide an economic profile of the City and to conduct a retail leakage study to determine where the citizens of North Bend were spending their disposable income.

Ms. Gallant reviewed the first draft of an Economic Profile for the City which included population statistics, household incomes, employment by industry, commuting trips, taxable retail sales, retail trade capture and a summary of commercial zones. She noted the City's retail sales per capita was very similar to Issaquah’s and the benefit of the City’s location relative to I-90 was evident in the two highest retail trade captures: gas stations and clothing stores. She commented the largest area of lost opportunity for the City was in hospitality/accommodations.

Ms. Gallant reviewed the community outreach survey of area businesses and citizens. She explained the survey of businesses focused on their expansions plans, history in the City and perspective of the City as a place to do business and the survey of the community was related to their shopping habits and preferences. Key strengths mentioned in the business survey included growth potential, lifestyle and recreation and I-90 access and key challenges included lack of workforce housing and downtown traffic to support businesses, communications challenges with city government, community pushback and commercial rents too low to support higher quality developments. She noted the community survey indicated most residents do their shopping in the City or Issaquah and indicated a strong desire to see a store such as Trader Joe’s or Target locate in the City.

Stimulating Commercial Development

Economic Development Director and Planner Lynn Hyde explained to better understand the difficulties of developing in North Bend, she interviewed individuals who had attempted to do so and had failed or faced issues during the process. From the interviews staff identified the following concerns related to new development: expensive permit review time, confusing zoning, height limits, non-conforming uses, expensive permit fees (i.e. Transportation Impact Fees (TIF)), infrastructure concerns and lack of workforce housing. She reported staff had begun working on immediate solutions to the problem such as offering priority processing, concierge service to assist in getting through City permitting, business outreach meetings to build stronger relationships, development agreements to address zoning issues, TIF reductions for commercial use, General Facilities Charge reduction in Downtown, and alternative housing typologies. Ms. Hyde concluded by reviewing future action items and noted staff would continue to work to create a commercial business friendly environment in the City.
Discussion on Plastic Bags

Councilmember Volken discussed the impact the use of plastic bags has on the environment and suggested a ban on the use of them in the City. Concerns or comments were addressed regarding code compliance, associated costs for businesses, educational and business outreach and education, and non-regulatory/legislative options. After discussion, it was suggested an ordinance similar to the one passed in Issaquah be brought to the Council for consideration at a future Council meeting.

Executive Session

Mayor Pro Tem Gothelf recessed the Special Workstudy for an Executive Session at 10:08 p.m. to discuss performance of a public employee, pursuant to RCW 42.30.110(1)(g). No action would be taken as a result of the executive session, which was expected to last sixty minutes.

The workstudy reconvened at 11:02 p.m.

Adjournment

The workstudy closed at 11:02 p.m.

ATTEST:

________________________________________  ________________________________
Alan Gothelf, Mayor Pro Tem             Susie Oppedal, City Clerk