

NORTH BEND CITY COUNCIL MINUTES

March 1, 2022

Virtual Meeting

City Hall, 920 SE Cedar Falls Way, North Bend, Washington

CALL TO ORDER, ROLL CALL:

Mayor McFarland called the regular meeting to order at 7:01 p.m.

Councilmembers Present: Elwood, Joselyn, Koellen, Loudenback and Miller. Councilmembers Gothelf and Rosen were excused.

CONSENT AGENDA:

Minutes – City Council Meeting of February 15, 2022

Payroll – February 18, 2022 – 28454 through **28459**, in the amount of **\$238,117.48**

Checks – March 1, 2022 – 71984 through **72052**, in the amount of **\$315,263.10**

AB22-023 – Motion Approving Contract with Girard for Solid Waste Support

AB22-024 – Motion Authorizing Contract with Epicenter Services

AB22-025 – Ordinance 1771 Amending NBMC 20.08.060 RE Docket Process

AB22-026 – Resolution 2010 Authorizing Segregation of ULID 6 Assessments

Councilmember Miller **MOVED**, seconded by Councilmember Loudenback to approve the consent agenda as presented. The motion **PASSED** 5-0.

ANNOUNCEMENTS, PRESENTATIONS, APPOINTMENTS:

Presentation – Planning Commission Report

Audio: 1:48

Planning Commission Chair Bilanko reported the Commission's work for 2021 included amendments or creation of the following: Form Based Code in the Downtown Zone, North Bend Municipal Code (NBMC) 18.13 Special Districts, City Zoning Map – Neighborhood Business 2 Zone and Parks & Open Space, Hotel Performance Standards, NBMC 18.22 Temporary Uses, NBMC 18.10.050 Electric Vehicle Charging Units in Single Family Residential, NBMC Title 18 regarding Indoor Emergency Shelters, NBMC 19.06 Street Lighting and Development Agreements related to the Snoqualmie Valley Athletic Center and a proposed Senior Housing Project (which was later withdrawn by the applicant).

Commissioner Bilanko noted in 2022 the Commission will be focusing on the following: Floodplain Regulations related to Accessory Dwellings, NBMC 18.16.040 Parking Regulations, NBMC 18.34.050 Single Family Residential Design Standards, NBMC 18.14 Site Plans, NBMC Title 20 Development Review Regulations regarding abandoned applications,

State of the City Address – Mayor McFarland

Audio: 15:01

Mayor McFarland delivered the following State of the City of North Bend 2022 Address:

“It is my honor and pleasure to share with you the 2022 North Bend State of the City. While at this time the COVID-19 pandemic continues as a back-drop for City governing and operations, we proved our resilience and adaptability in 2021.

The new innovative practices and technologies we harnessed early in the pandemic continue to be honed and optimized and we are pleased to announce that City Hall reopened to the public today, March 1st. We appreciate your continued patience and understanding with this process as we comply with State and County requirements that are evolving literally as we speak. While public meetings remain virtual, at this time I expect that before the end of this month, I’ll be announcing the date for a return to in-person public meetings. When that happens, we expect to have a hybrid option whereby attendees will have a choice to be in person or remote. This, along with other new procedures and practices, are designed to meet the high expectations of our residents and businesses.

We strive to always learn, evolve and improve and my message tonight reflects our many achievements during 2021. ’21 was another unprecedented year – but one highlighted by progress and positive outcomes for our citizens. These accomplishments reflect months, and sometimes years, of collaborative efforts by staff working with businesses, residents and elected officials to ensure our unique mountain town remains one of the most highly livable places in the state.

As we progress into this new year, our goals and plans will continue to guide us in delivering significant projects and policies to better serve our residents while ensuring the City’s fiscal stability.

Fiscal Stability

The City Council directed work plan for the 2021-22 Biennial Budget helped to keep our city moving in a positive direction this last year.

Strong revenues in ’21 provided the City with a robust rebound from previous significant sales tax revenue dips related to pandemic restrictions. In fact, sales tax revenue came back last year at record levels. Property tax revenues continued to grow, and other development and business-related revenues had a solid year, too. These increased revenues allowed the city to continue moving forward in a positive direction and allowed Council to make some very strategic budget adjustments. As part of the Mid-Biennium budget process, Council approved \$450,000 for expedited sidewalk repairs and sidewalk

gap removals, \$250,000 for the design and planning of both Riverfront Park and Taylor Park along with the McClellan Alley project, a little over \$262,000 for the extension of Tanner Trail, and \$200,000 for a covered storage shed to protect expensive City equipment.

Other budget enhancements included funding to replace two Public Works pickup trucks in our aging fleet, hiring an additional Public Works Maintenance Worker, \$50,000 for City parks trail paving repairs, and approving a much-needed Deputy City Clerk position. Additionally, we were able to reinstate contributions to the Equipment Replacement Fund, restored funding for the Downtown Block Party, and restored funding for professional development and training.

This source of revenue is one critical component to the forward momentum we have strived for with regards to transportation improvement in North Bend. A citizen-voted special sales tax funds our Transportation Benefit District and it is this fund that continues to drive the crucial work of improving residential and commercial sectors of the community by means of funding projects that promote sound transportation options for our residents. This past November, local voters overwhelmingly renewed this special benefit tax that generates over \$700,000 annually for transportation projects. We are very thankful to you, North Bend voters, to be able to continue relying on this steady revenue source for another 10 years.

The City received over \$1 million in '21 from the American Rescue Plan Act (ARPA) to be used to support our community and address needs caused by the COVID-19 pandemic. We will be receiving another \$1 million in 2022. These funds are to be used over the next several years to support businesses and families struggling with the public health and economic impacts of the pandemic, replenish lost City government revenues and maintain public services, and build a strong, resilient, and equitable recovery by making investments that support long-term growth and opportunity. These funds represent a once-in-a-generation investment in our community and an exciting opportunity for the City to strategically invest in initiatives that will have a positive long-term impact. We are currently in the program allocation development process and more on how ARPA funds will be reinvested into the community will be shared with you at a future date.

Infrastructure, Economic Development and Transportation

Last fall, we celebrated the completion of Phase 1 of our Wastewater Treatment Plant High Priorities Improvement Project while simultaneously launching Phase 2. This critical two-phase project adds redundancy, improves employee safety, increases treatment and hydraulic capacities, replaces aging facilities and makes important environmental updates that meet stringent Department of Ecology requirements. But most importantly, it protects our beautiful Snoqualmie River environment. All in, we will have invested nearly \$30 million in major improvements to serve us for many decades to come.

Last year started on a positive note for our water utility operations when the County and State gave final approval to our updated Water System Plan. The WSP is a detailed plan documenting the facilities, procedures, policies and actions that guide city infrastructure projects to ensure we meet our legal obligations to provide safe and reliable drinking water to our current and future property-owning businesses and residents.

In one element of that plan, we made great progress with our Water Distribution System Leak Reduction Program, replacing hundreds of aging residential water meters and we not only completed a watermain Leak Study that identified a myriad of leaks deep underground, we completed fixes on nearly all of them.

Water conservation continues as a high priority for your elected officials and we are proud of the City's commitment and accomplishments in this area. This past summer we raised the bar by joining the Seattle Public Utilities Saving Water Partnership. The partnership supports our citywide conservation efforts by offering our residents and business owners water-saving tools and tips, along with valuable rebates, to help with year-round conservation. We encourage residents and business owners to learn about this program as well as other water saving tips on our city website, located under "Water Conservation." As a city, we feel our water conservation policies set a standard for other providers and thank all of you for doing your part to use water wisely. We all use and rely on clean, healthy water and have a commitment that all city customers share in the responsibility to use water responsibly.

Another component of our WSP is replacing aging watermain lines that have outlived their lifespan. The next project on our list is NE 6th Street and we have design work nearly finished for this watermain replacement. The project will also include some street repairs in the Silver Creek neighborhood. We anticipate the project will break ground in late April.

On the transportation front, we continue working diligently to secure grants to improve traffic around town and thereby reduce local taxpayer burden. In addition to the \$2.5 million secured in 2020, last year we secured approximately another \$1 million in transportation grant funding. These grants will help build new roundabouts at busy intersections along Bendigo Boulevard. Additionally, we have developer-funded projects for new roundabouts on 436th Avenue, including completing the one at North Bend Way and another one expected to start this year at the 136th intersection. These new roundabouts – relieve congestion while not leaving you idling at stoplights – making for a benefit to you and our environment.

Last year, we were able to repave some roads and reconstruct some sidewalks while working within budgetary constraints. The heavily traveled stretch of Park Street between Bendigo Boulevard and North Bend Way was overlaid with new pavement; and numerous sidewalks in Forester Woods were replaced – benefiting drivers and walkers alike. Additionally, we added new channelization striping on Tanner Road to improve safety.

After investing \$160,000 in our pilot Sidewalk Reinvestment Program last year and seeing great results in Forester Woods, Council doubled the program's funding for '22, focusing on more improvements in Forester Woods, the New Si View neighborhood and the downtown corridor. This is a program we hope to keep funding each year so we work our way throughout the city to update damaged areas. Also, in recognition of the success of this program, we created one specifically for addressing gaps in sidewalk and trail connections. This new program will kick off in in early summer.

Thanks to nearly \$300,000 in grant funding the 2nd Street storm drainage and sidewalk improvement project will replace portions of sidewalks on both sides of 2nd Street between Ballarat Avenue and Bendigo Boulevard, as well as replace the storm drainage system, watermain, curbs and gutters and pavement overlay. Construction on the 2nd street project is anticipated to begin this spring or summer.

This month, the Puget Sound Regional Council (PSRC) announced the City of North Bend is a recipient of the 2021 Rural Town Centers and Corridors Program (RTCC) and with that approximately \$967,000 toward the design and construction of the South Fork Extension Project. The project includes extending South Fork Avenue SW to West North Bend Way, providing an arterial level connection between West North Bend Way and Highway 202/Bendigo Boulevard South. This project aims to reduce traffic volumes and the emissions impact at major intersections downtown, provide alternatives for truck traffic, improve traffic and pedestrian safety, and increase access to and from Interstate 90. All of which should also result in an improved experience for your downtown shopping and dining experience.

Community Development Projects

Gaining a lot of attention this past year was a proposal to locate a Wyndham Hotel inside the Outlet Mall. In October, the project – expected to include ~120 rooms was submitted for planning review. The need for hotel options is a long overdue ask in the community and we are expecting to see the project break ground late this year. We are hopeful this will also lead to a much-needed refurbishment of the overall Premium Outlet Mall stores in the coming years.

Other light industrial and commercial business projects in planning review include a new Puget Sound Energy training facility, SeaCon, Alpentel Logistics and also Bio-Therapeutics, a medical device-maker that is looking to relocate to our city. These projects are expected to bring with them numerous living wage jobs.

With Council direction and support, staff has worked toward focusing resources on bringing new businesses to the city that are of value to our residents and thus working to uphold our live and play where you work philosophy. Last summer, we got closer to this goal, by taking an innovative approach to City Code with the adoption of Form-based Code for our Downtown Commercial zone. Form-based Code helps to ensure that future redevelopment fits the character of our community while also providing more housing and

business options. This innovative step by Council was honored by Governor Inslee and the Department of Commerce with a Smart Communities Award. This is a huge honor for our city and was a collaborative effort of your elected officials and our staff.

A different sort of win for 2021 was the return of some popular community events. Trick-or-Treat Street had record attendance, with kids and parents alike dressed in costume, collecting treats, enjoying local live music, and reconnecting with friends.

And Holly Days returned to downtown streets, bringing with it community performances, streetside s'mores and, yes, rockin' around the community tree. I had the honor to flip the switch to light our tree for this enthusiastic crowd. Even the cold and rain couldn't dampen the holiday spirit and our downtown core intersection was full of revelers. Holly Days also included our second annual Light up North Bend holiday lighting contest. There were some incredible displays that brought cheer to residents and recognition was awarded in several categories

Lastly for city sponsored events, our biggest downtown festival, Block Party, will be making its return this July after a two-year hiatus. Coordinated in partnership with the North Bend Downtown Foundation, Block Party was first held on June 27, 2009 in celebration of North Bend's centennial. We are thrilled to be bringing this cherished community event back.

New Businesses

The new Snoqualmie Valley Athletic Complex in the western portion of the city opened to sporting teams late last year. We are excited about this facility as it not only will help plug local gaps in services, but it is expected to draw patrons visiting for practices and tournaments to our local businesses.

Last year, Karakoram Snowboard Bindings moved into its newly constructed headquarters behind Napa Auto Parts on North Bend Way. The local owners of this growing company made the decision to stay here at home in North Bend as their business grew, and we're pleased they decided to invest in your community.

Some other notable storefront business comings in '21 were: Ignition Café, Britt Greenland Gallery, Edward Jones Financial, Simpson Group Real Estate, Wells Fargo, and big moves for Pearl & Stone Winery and Valley Center Stage. Longtime business Pioneer Coffee celebrated new local ownership and Falling River Meats is working toward their opening of a storefront right in the heart of the downtown historic business district.

Local businesses worked tirelessly this last year in an effort to recover from the extraordinary setbacks of 2020. That work has clearly paid off, as we witnessed more overall success, more open storefronts, and new, locally sourced products and business expansion in 2021.

Parks, Safety and Connectivity

A new, 4-acre city park is coming to town! The Dahlgren Family Park will connect to King County's Tanner Landing Park, providing direct access from North Bend Way to the Middle Fork Snoqualmie River. Park development includes a joint-partnership with the State Department of Natural Resources, which will also result in a kayak set-in area and riverfront park along the Middle Fork.

As mentioned earlier in budgeting, another Council-approved park project is to begin work on Master Plans for Taylor and Riverfront parks, both in our downtown core area. The Master Plans will guide redevelopment and walkability of these parks, their connection to the businesses and neighborhoods around them, and how they meet community needs as a whole. The Parks Commission is in the process of evaluating language for an RFP (Request for Proposal) to solicit bids from professional design firms with the skill to lead the master planning process. Our hope is that these parks work to create ideal downtown locations for spacious, safe gatherings that include community events, walking tours, outdoor seating and eating and recreational programming. Funding of the Master Plans will come primarily from Park Impact fees and the City's American Rescue Plan Act (ARPA) funds.

Another connectivity project that continues to progress is the Tanner Trail extension. Tanner Trail is the 100-foot abandoned railway corridor being converted to a paved trail located on the south side of North Bend Way. It intersects with the Snoqualmie Valley Trail, and links downtown North Bend with residential areas and recreational river frontage. Funding by Council for this project will extend the trail from its current ending spot just east of City Hall to approximately 436th Avenue SE. This will improve pedestrian connectivity and enhance public safety for residents. Funding for this project became available from the City's general fund due to robust sales tax revenue in '21.

Connectivity is one thing, and winter weather in our mountain town is another entirely. During December and January snowstorms, we endured up to 26 inches of snow over the course of nine days. Our Public Works crews plowed around the clock, logging over 500 hours of overtime to keep up. The City has been making proactive investments, including adding a fourth snowplow this past fall and new Public Works positions over the past five years. We are actively recruiting and we are working hard to update our streets division vehicle fleet as well. We are consistently evaluating where and how we can improve within the constraints of environmental integrity and our budget. Part of our practice is to perform "lessons learned" evaluations after major events and work on potential revisions with Council. Earlier tonight at the Council Work Study, council heard the latest staff report and discussed options for improved process within the Public Works Department.

Support within the realm of crisis intervention is another priority your elected officials take very seriously. Police are often the first to arrive after a mental health or substance abuse emergency. It is clear that a new resource is needed to help both those experiencing a

mental health or substance abuse crisis, as well as our local organizations that are there, first at the scene, doing their best to help. I am working with State Representative Lisa Callan, Snoqualmie/North Bend Police, Eastside Fire and Rescue, Snoqualmie Fire and Snoqualmie Mayor Katherine Ross to create a behavioral health specialist position that will serve inside the Snoqualmie/North Bend Police Department and offer response services for those experiencing crises such as these. Goals for this position include a licensed mental health or substance abuse professional that serves alongside first responders, supporting also Snoqualmie Valley Shelter Services, the hospital and school district. Initial funding of a \$150,000 grant in state funds, which Callan requested via a proviso in January is anticipated to be included in the state budget.

Housing Affordability and Diversity

This past year saw a few projects that had been in planning stages for quite some time before advancing to the construction phase. The Cedar River Partners will bring 212 new multi-family homes to our City. The 109 Degrees project – previously known as Cade Vu - also began sitework and will bring 28 new for sale townhomes to our city. It's been approximately 30 years since any new attached housing was built in North Bend. These homes will be walkable to downtown and help diversify housing options beyond single family residences.

Framing began late last year for the new, 7-townhome Habitat for Humanity community located on E. 2nd Street in downtown. This project is making homeownership possible for seven families that will soon call North Bend home. These homes will be walkable to downtown services and help diversify housing options beyond detached single family residences.

Additionally, the City issued a Clearing and Grading permit for the new River Run Apartment project. This multi-family housing development is located south of Chinook Lumber at the corner of 436th Ave SE and SE 136th Street and will consist of 128 units in 9 buildings. 28 of the apartments will be designated as affordable housing for households earning 80% or less of the King County Area Median Income (AMI).

As we close out the books on 2021, I do wish to take a moment and really, truly express the confidence I have in expecting only the best this new year. Our community has persevered through two years of historic pandemic times, and we are ready for a positive, successful 2022. The return of community events, resilient, collaborative and thriving local business– and City staff and elected officials that will continue with a mission to support and enhance this highly livable community. We've got a lot to look forward to in the coming years. By working in partnership with our residents, businesses and other stakeholders, our goals can be achieved, and this beautiful small mountain town will continue to be the unique, vibrant place that we are lucky enough to call home."

INTRODUCTIONS:

**AB22-027 – Ordinance 1772 Vacating Portion of North Bend Way
Right-of-Way**

Audio: 45:26

Deputy Public Works Director Mohr provided the staff report.

Mayor McFarland opened the Public Hearing on an Ordinance Vacating Portion of North Bend Way Right-of-Way at 7:48 p.m.

There was no public comment and Mayor McFarland closed the Public Hearing at 7:49 p.m.

Councilmember Loudenback **MOVED**, seconded by Councilmember Koellen to approve AB22-027, an ordinance vacating a portion of North Bend Way Right-of-Way adjacent to 247 E. North Bend Way, as a first and final reading. The motion **PASSED** 5-0.

MAYOR, COUNCIL, AND ADMINISTRATOR CONCERNS AND INITIATIVES:

Councilmember Joselyn extended support for the proposed Behavioral Health Specialist position at the Snoqualmie/North Bend Police Department. Additionally, he commented on a friend and fellow resident's positive interactions with City staff and extended his appreciation for all their hard work.

Councilmember Koellen reported on a Sound Cities Association meeting early in the day about COVID-19. She noted King County was the most vaccinated county in the nation with over ninety-one percent of King County adults having at least one dose of the COVID-19 vaccine and commented on the lifting of the indoor mask mandate for most venues and schools on March 11th.

Councilmember Miller discussed her recent attendance at Valley Center Stage's production of "Tiny Beautiful Things" and highly recommended it to those interested. She noted the production plays through March 5th at Sallal Grange.

Councilmember Loudenback commented on current Snoqualmie River flooding and reminded all to exercise caution when travelling on valley roads during flood events.

Councilmember Elwood commented on Planning Commission Chair Bilanko's report and Mayor McFarland's State of the City Address and extended his gratitude to all volunteers, staff and the City Administration for their hard work on behalf of the community. Additionally, he noted Valley Center Stage's production of "Tiny Beautiful Things" received a glowing review from Northwest Theatre.

City Administrator Miller thanked Public Works staff for all of their efforts during the flood event and reminded residents that sandbags were available at the Public Works Shop.

Additionally, he commented on Planning Commission Chair Bilanko's report and thanked Community & Economic Development Director Deming for her efforts coordinating with other valley cities on the community housing assessment.

Mayor McFarland spoke regarding the following items:

- March 1st City Hall Reopening
- Sandbag Availability at Public Works Shop
- March 11th Lifting of Indoor Mask Mandate

ADJOURNMENT:

Councilmember Elwood **MOVED** to adjourn, seconded by Councilmember Loudenback. The motion **PASSED** 5-0.

The meeting adjourned at 8:04 p.m.

ATTEST:

Rob McFarland, Mayor

Susie Oppedal, City Clerk