

CITY OF NORTH BEND
CITY COUNCIL WORKSTUDY NOTES

October 28, 2025

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

Mayor Pro Tem Joselyn called the meeting to order at 7:00 p.m.

Councilmembers Present: Alan Gothelf, Mark Joselyn, Heather Koellen, Christina Rustik, Suzan Torguson and Errol Tremolada. Councilmember Brenden Elwood was excused.

Staff Present: Mayor Mary Miller, City Administrator Amber Emery, Public Works Director Tom Mohr, Community & Economic Development Director James Henderson, Finance Director Martin Chaw, Administrative Services Director Lisa Escobar, Communications Manager Bre Keveren, IT Manager Phillip Davenport, Senior Planner Jamie Burrell and City Clerk Susie Oppedal.

Guests Present: Aisaya Corbray & Ryan Hood of Related Northwest

General Fund Fiscal Sustainability & Revenue

Finance Director Chaw provided a presentation on General Fund Fiscal Sustainability Analysis Part 2 – Options to Close the Gap. Mr. Chaw reviewed guiding principles, recap – sources of City General Fund revenues, options to fund public safety, updates to financial forecast for police services 2026/2027 and forecasted King County Sheriff's Office (KCSO) costs through 2031. He noted there was a gap of 9.1 million dollars in the financial forecast 2025-2030 for the General Fund due to police services expenses and reviewed several funding options noting the following were preferred:

- Operations Expenses Reduction (Mayor proposed)
- Operations Expenses Reduction + 0.1% Criminal Justice Sales Tax
- Operations Expenses Reduction + 0.1% Criminal Justice Sales Tax + \$0.32 Levy Lid Lift starting in 2027

Mr. Chaw concluded by noting the levy lid lift in 2027 could be delayed, operation expenses and a criminal justice sales tax for 2026, growth in City's tax base would reduce the need for a levy lid lift and not taking aggressive action now would require additional sources of revenue.

Council and staff discussed the various funding options, development revenue, the City's organization chart and how positions were funded, possible reductions in service/expenses, staff levels and analysis, and reduction or suspension of reserve fund contributions. It was requested that the proposed 0.1% Criminal Justice Sales Tax be discussed at a future Finance & Administration Committee meeting.

Council and staff discussed the 2026 Human and Community Services Grant requests. The 2026 Mayoral recommendation was to fund the requested grants at the same level as 2025 at \$249,000. After discussion, staff received guidance that \$200,000 be set aside for funding for 2026.

Disposition and Development Agreement for 230 Main Affordable Housing Project

Community & Economic Development Director Henderson and Related Northwest consultants Aisaya Corbray & Ryan Hood provided a presentation North Bend Housing & 230 Main Affordable Housing Update. They reviewed the following items specific to North Bend: household income, housing prices for 2000 – 2025, home ownership in 2025, 2025 rents, employment sectors, and the importance and who benefits from affordable housing.

Additionally, they reviewed the following items related to the 230 Main Affordable Housing Project:

- History and Purpose of the Project & Key Milestones
- Features of the Proposed Project (including number of units)
- Construction Cost & Timeline
- Operations & Ongoing Economic Impact
- Sources & Uses of Funds
- Disposition & Development Agreement
- Next Steps & Timeline

Council and staff discussed income margins, unit size and units per site, targeting advertising and availability to North Bend citizens, attractive local economy, public concerns regarding Mt. Si viewshed restrictions, zoning deviations and parking areas.

Adjournment

The Workstudy closed at 9:24 p.m.

ATTEST:

Mark Joselyn, Mayor Pro Tem

Susie Oppedal, City Clerk