

#### City Council Meeting Schedule September 2022

The City broadcasts City Council meetings on the City's website https://www.go2kennewick.com/CouncilMeetingBroadcasts.

September 6, 2022

Tuesday, 6:30 p.m.

REGULAR COUNCIL MEETING

September 13, 2022 Tuesday, 6:30 p.m.

WORKSHOP MEETING (the workshop meeting will be done via Zoom and broadcast on the City's website

 $\underline{https://www.go2kennewick.com/CouncilMeetingBroadcasts)}$ 

- 1. Kennewick Housing Authority Interlocal Agreement
- 2. Council Code Amendments: Term Limits & Boards & Committees
- 3. Legislative Prayer

September 20, 2022 Tuesday, 6:30 p.m.

REGULAR COUNCIL MEETING

September 27, 2022 Tuesday, 6:30 p.m.

WORKSHOP MEETING (the workshop meeting will be done via Zoom and broadcast on the City's website <a href="https://www.go2kennewick.com/CouncilMeetingBroadcasts">https://www.go2kennewick.com/CouncilMeetingBroadcasts</a>)

- 2023/2024 Budget Assumptions
   Comp Plan Amendments Part One
- 3. Economic Development Update

To assure disabled persons the opportunity to participate in or benefit from City services, please provide twenty-four (24) hour advance notice for additional arrangements to reasonably accommodate special needs.

Council Works			09/27/2022	Info Only	X
Covershee		Presentation		Policy Review	
	Subject	2023/2024 Biennial Budget			
	Ordinance/Reso #	Contract #		Policy DevMnt	
<b>V</b> ENNEW ₽C	Project #	Permit #	#	Other	
WASHINGTON	Department	Finance			
develop a proposed	resentation on the major rever 2023/2024 biennial budget for umptions for the General and	City Council's consideration	=	-	ily
Through			Attachments: Presentation		
Dept Head Approval	Dan Le Sep 22, 09:26:06 (				
City Mgr Approval	Marie M Sep 22, 12:05:23 (				



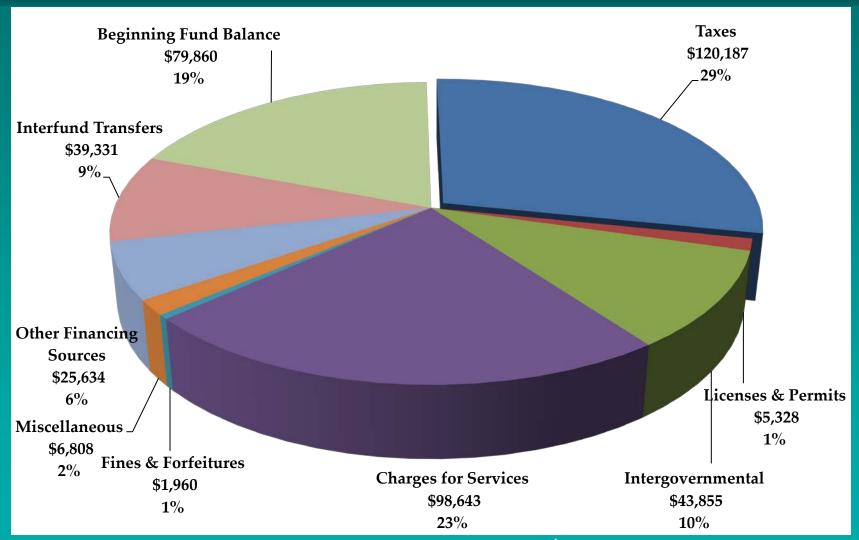
## 2023/2024 Budget Assumptions

Kennewick City Council Workshop September 27, 2022

## 2023/2024 Budget Calendar

- Council Retreat March 4th-5th
- Budget Instructions Issued June 30<sup>th</sup>
- Department Presentations June-August
- Budget Requests Due August 5<sup>th</sup>
- Dept. Budget Request Review September 7th-28th
- Decisions on Prelim Budget late Sept./early Oct.
- Budget Workshops November 1<sup>st</sup> & 8<sup>th</sup> (as needed)
- Preliminary Budget Available November 1st
- Public Hearing & Adoption November 15th

## 2021/2022 Sources of Funding All Funds (in thousands)

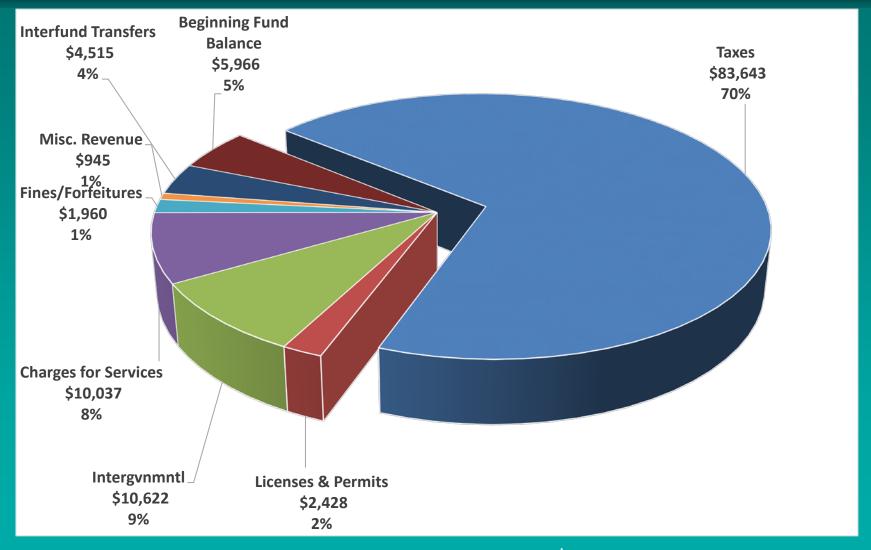


2021/2022 Adjusted Budget = \$421,607,135

## 2021/2022 Adjusted Budget Allocation of Tax Revenues (in thousands)

	General Governmental					Lodging	Fii	re	OPEB		
Revenue Source	General	Pub Sfty	Crim Ju	ustice	Subtotal	CIP	Tax	Pen	sion	Trust	Total
Property Tax	\$ 27,279	\$ -	\$	-	\$27,279	\$ 706	\$ -	\$	134	\$ -	\$ 28,119
Sales Tax:	35,591	-		5,680	41,271	13,966	-		-	-	55,237
Regular	22,416	-		-	22,416	-	-		-	-	22,416
Optional	9,450	-		-	9,450	12,966	-		-	-	22,416
1/10% Criminal Justice	3,725	-		-	3,725		-		-	-	3,725
3/10 % Pub Safety (Voted)	-	-		5,680	5,680	-	-		-	-	5,680
LRF (State & Local)	-	-		-	-	1,000	-		-	-	1,000
Utility Taxes	19,084	4,515		-	23,599	2,101	-		-	1,311	27,011
Real Estate Excise Tax	-	-		-	-	6,123	-		-	-	6,123
Gambling Tax	1,094	-		-	1,094		-		-	-	1,094
Admissions Tax	466	-		-	466		-		-	-	466
Leasehold Excise Tax	129	-		-	129		-		-	-	129
Hotel/Motel Tax	-	-		-	-		2,008		-	-	2,008
Total Taxes:	\$ 83,643	\$ 4,515	\$ .	5,680	\$93,838	\$22,896	\$ 2,008	\$	134	\$1,311	\$120,187

## 2021/2022 Sources of Funding General and Street Funds (in thousands)

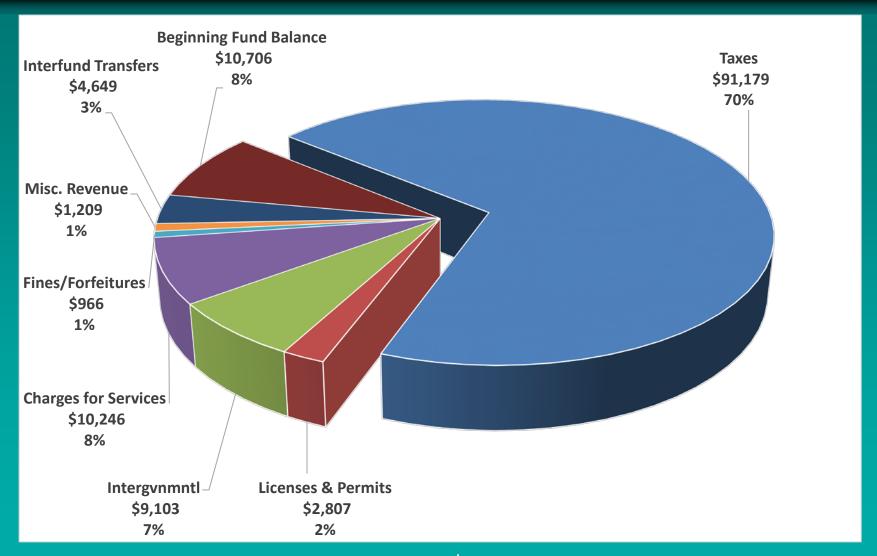


2021/2022 Adjusted Budget = \$120,116,213

## 2023/2024 Major Revenue Assumptions

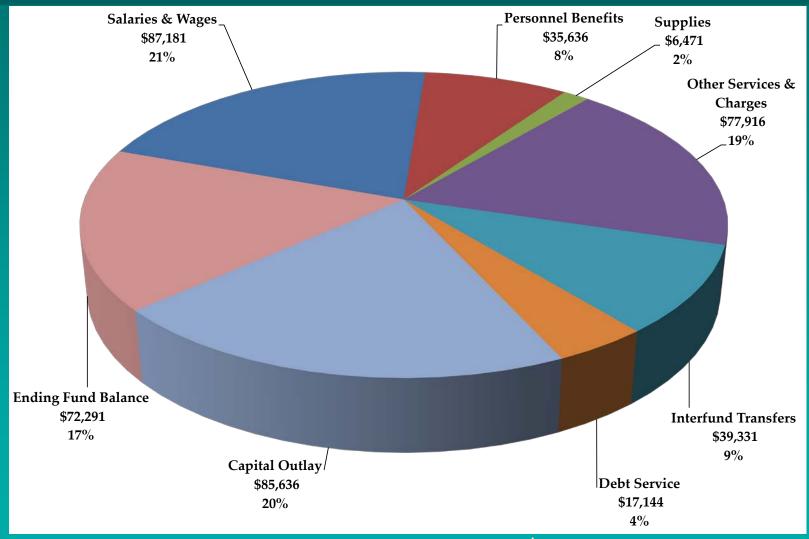
- Sales Tax 2.5% reduction in 2023 & 2.5% growth in 2024
  - Follows 18% incr. in 2021 and projected 3% incr. in 2022
  - Economic downturn or recession concerns for 2023
- Property Tax 1% growth in base levy & \$100M in new construction each year (with 40% of growth in SR LRA)
- Utility Taxes:
  - Electric 1.5% incr. each yr. (customer growth)
  - Telephone 10% <u>reduction</u> each yr.
  - Cable 1% incr. each yr. (3% rate growth, less 2% customer reduction)
  - Other Generally estimate 1.5% customer growth (where applicable) and 4% for rates tied to CPI (where applicable)
- State Shared Revenues No change to existing allocations
- Other Revenues Generally 2% increases per year

## Projected Sources of Funding 2023/2024 General & Street Funds (in thousands)



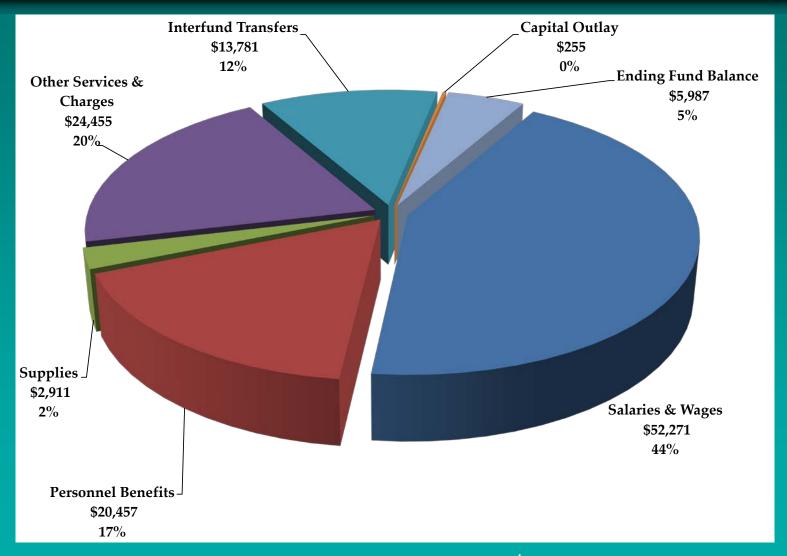
2023/2024 Projected Sources = \$130,865,470 (5% Incr. for <u>biennium</u>)

## 2021/2022 Uses of Funding All Funds (in thousands)



2021/2022 Adjusted Budget = \$421,607,135

## 2021/2022 Uses of Funding General and Street Funds (in thousands)



2021/2022 Adjusted Budget = \$120,116,213

## 2023/2024 Major Expenditure Assumptions

- Salaries & Wages Per contract terms or projected terms
  - Allowance for Under-Expenditures of \$3M
- Medical Rates 4.1% incr. in 2023 & 7.5% incr. 2024 with increases to employee paid premiums
- Retirement Rates Per DRS projections
- Other Benefit Rates 3% annual increases
- Major Contract Assumptions:
  - Jail Budget allocation of 9.21%, 35% incr. to <u>net</u> billable costs
  - SeComm/BCES 2023 proposed assessment & 7.5% incr. in 2024
  - District Court 16.89% allocation based on caseloads; projected budget incr. of 7.5% per year
  - OPD 38.64% allocation based on caseloads, preliminary budget for 2023 and assumption of 5% incr. for 2024
- Other Expenditures 10% incr. for the biennium
- GF Capital Contribution \$2M for biennium
- GF Risk Management Contribution \$2.45M for biennium
- GF Ambulance Utility Contribution \$10.12M for biennium



Council Workshop	Agenda Item Number	2. Meeting Date 09/27/2022	Info Only	
Coversheet	Agenda Item Type	Presentation	Policy Review	
	Subject	2022 Comprehensive Plan Amendments	Folicy Review	
	Ordinance/Reso #	Contract #	Policy DevMnt	
	Project #	Permit #	Other	
KENNEW CK	Department	Planning		
Summary				
unanimously on all applicati CPA-2022-0005 on Septem  1. CPA-2022-0005: To char from Low Density Residentia Sherman Street.  2. CPA-2022-0008: To desi 3. CPA-2022-0009: To char	ons to recommend apposer 19, 2022, and voted nge 4.31-acres from Lo al to Medium Density R ignate 222.87-acres located	ring for CPA-2022-0008, CPA-2022-0009 and CPA-2 roval to City Council. The Planning Commission held dunanimously to recommend denial.  w Density Residential to High Density Residential and esidential. The properties are generally located at 270 ated between Christensen Road and Interstate 82 as at 9496 W Clearwater Avenue from High Density Resat 2600 S Washington Street from Open Space to Lo	the public hearing for d change 33.93-acres 01 and 2711 S Industrial. sidential to Industrial.	

Through	Steve Donovan Sep 20, 07:20:09 GMT-0700 2022		
			Presentation
Dept Head Approval	Anthony Muai Sep 21, 12:05:38 GMT-0700 2022		
City Mgr Approval	Marie Mosley Sep 22, 12:10:41 GMT-0700 2022		

## 2022 Comprehensive Plan Amendment Review

City Council Workshop
September 27, 2022



## **Approval Criteria**

KMC 4.12.110 (7): Approval Criteria. The City may approve Comprehensive Plan Amendments and area-wide zone map amendments if it finds that:

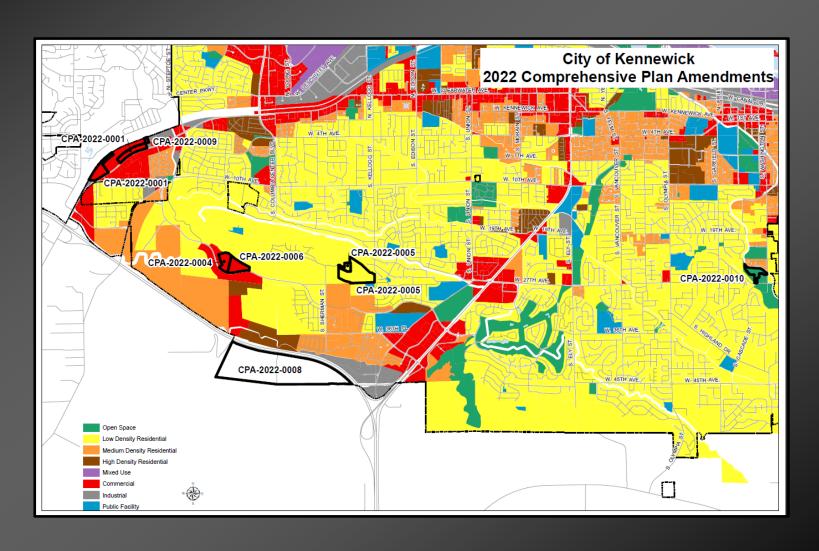
- (a) The proposed amendment bears a substantial relationship to the public health, safety, welfare, and protection of the environment;
- (b) The proposed amendment is consistent with the requirements of Chapter 36.70A RCW and with the portion of the City's adopted Comprehensive Plan not affected by the amendment;
- (c) The proposed amendment corrects an obvious mapping error; or
- (d) The proposed amendment addresses an identified deficiency in the Comprehensive Plan.
- (e) A rezone shall be treated as an area-wide map amendment when:
  - i. It is initiated by the City and a significant class of property is similarly affected by the proposed rezone; and
  - ii. It is either:
    - A. Based upon an adopted or ongoing comprehensive planning process or undertaken to ensure compliance with or to implement the provisions of the Growth Management Act; or
    - B. Part of the process that includes amending text for this title where such amendments will have a significant impact on a large area of the City.

### **Additional Factors**

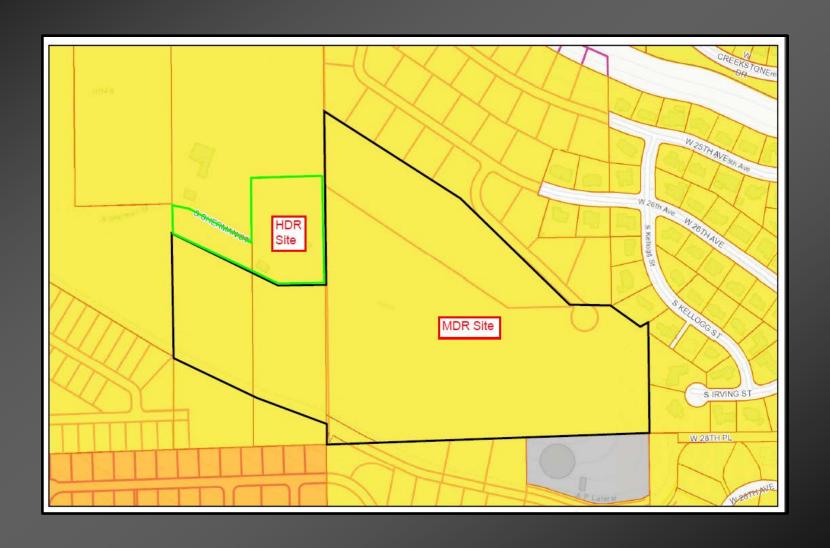
KMC 4.12.110 (8): Additional Factors. The City must also consider the following factors prior to approving Comprehensive Plan Amendments:

- a) The effect upon the physical environment;
- b) The effect on open space and natural features including, but not limited to, topography, streams, rivers, and lakes;
- c) The compatibility with and impact on adjacent land uses and surrounding neighborhoods;
- d) The adequacy of, and impact on community facilities, including utilities, roads, public transportation, parks, recreation, and schools;
- e) The quantity and location of land planned for the proposed land use type and density and the demand for such land;
- f) The current and projected project density in the area; and
- g) The effect, if any upon other aspects of the Comprehensive Plan.

## Comprehensive Plan Amendment Map



- José Chavallo is the applicant.
- Amend 4.31 acres from Low Density Residential (LDR) to High Density Residential (HDR)
- Amend 33.93 acres from LDR to Medium Density Residential (MDR)
- Total acreage of the site is 38.24 acres.
- The site is located at 2701 and 2711 S Sherman Street.
- 2020 Amendment proposed 40.6 acres to HDR.



#### Key Issues

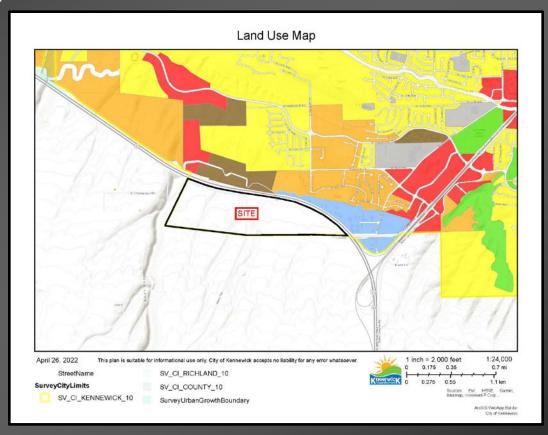
- Traffic: Concerns that traffic will increase in the general area and specifically in the surrounding neighborhoods. All proposed traffic is to be directed onto S Sherman Street and not to W 25<sup>th</sup> and W 26<sup>th</sup> Avenues.
- Compatibility with the surrounding neighborhoods and what impacts may develop as a result of increased density.
- The site contains steep slopes that are 15% or greater and 40% or greater. Slopes 40% or greater cannot be developed.
- Future uses that will be allowed in RH and RM zones that are not being proposed by the applicant.
- The proposal will provide additional housing type options to the public that will help address future housing needs.
- The proposal will make additional amenities/services available to the general public.

#### Planning Commission voted 4-0 to recommend denial.

- Establish an undesignated property as Industrial (I)
- 222.87 acres
- Address not yet assigned;
   Parcel # 1-1889-200-0001-005
- City of Kennewick

#### Key Issues

- Deficit of Industrial lands
- Potential for large-lot development



Planning Commission voted 5-0 to recommend approval.

- High Density Residential (HDR) to Industrial (I)
- 1.24 acres
- A portion of 9496 W Clearwater Ave
- Knutzen Engineering

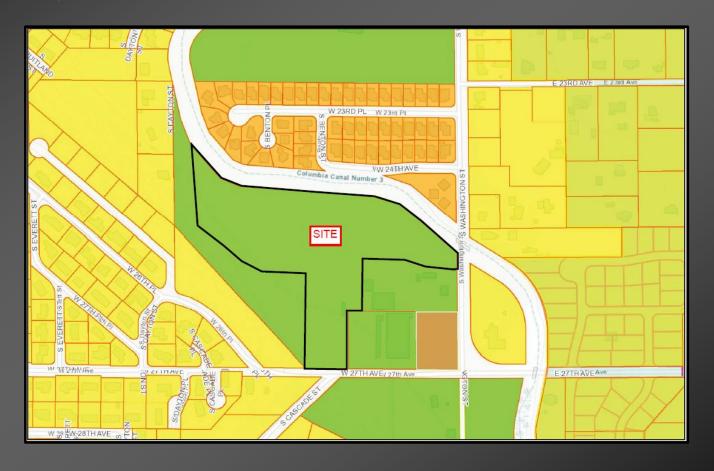
#### Key Issues

 Allows expansion of existing business to the east



Planning Commission voted 5-0 to recommend approval.

- Open Space (OS) to Low Density Residential (LDR)
- 10.4 acres
- 2600 S Washington Street
- Dave Retter, Retter & Co.



### Key Issues

- Loss of Open Space
- A small, 13-lot subdivision is planned
- Future development designed to maintain existing wooded areas and habitat
- Approximately 9.1-acres will remain Open Space

Planning Commission voted 5-0 to recommend approval.

## Next Steps

- 10/04 City Council decisions on first four amendments Action
- 10/17 Planning Commission Public Hearing for:
  - » CPA-2022-0001
  - » CPA-2022-0003
  - » CPA-2022-0004
  - » CPA-2022-0006
- 10/25 City Council Workshop on second four amendments
- 11/01 City Council Decisions

## Questions?



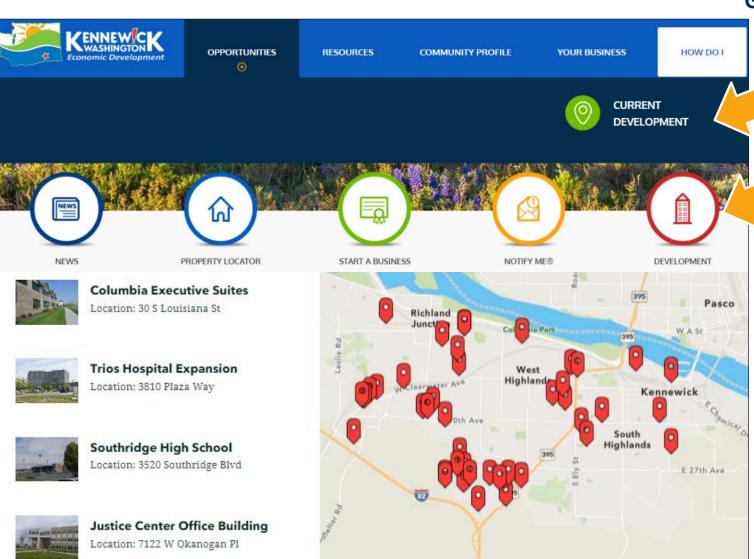
	Ī				
Council Workshop			09/27/2022	Info Only	X
Coversheet	Agenda Item Type	Presentation	Policy Review		
	Subject	Economic Development			
	Ordinance/Reso #	Contract		Policy DevMnt	
A CENTRAL CONTRACTOR OF THE CO	Project #	Permit	#	Other	
KENNEWICK	Department	Finance			
Summary					_
Staff will provide an update	on the City's Economic	Development program.			
	Emily Este	s-Cross	 7		
Through	Sep 21, 14:45:12 0		Attachments: Presentation		
Dent Head Approval	Dan Le				
Dept Head Approval	Sep 21, 15:24:11 (	GMT-0700 2022			
City Mgr Approval	Marie M Sep 22, 12:54:42 (				

# ECONOMIC DEVELOPMENT UPDATE

SEPTEMBER 27TH, 2022



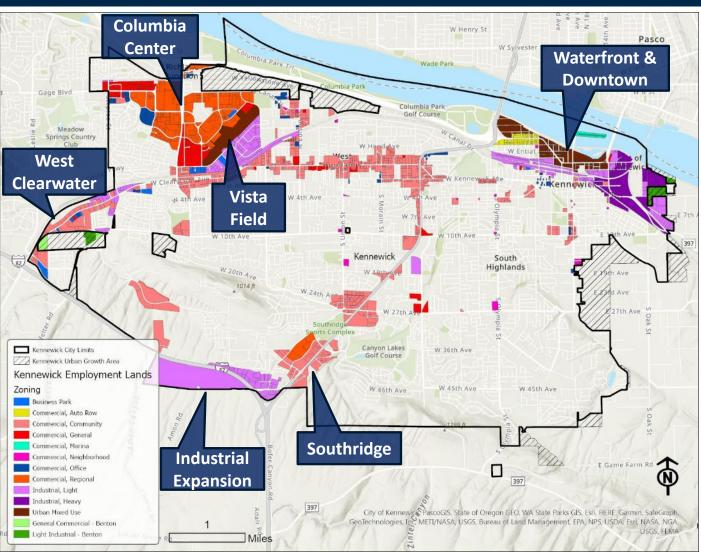
### **ECONOMIC GROWTH**



Go2Kennewick.com

for upcoming, under construction, and recently completed development projects

### **AREAS OF OPPORTUNITY**



#### **West Clearwater**

Easy highway access
Increased rooftops
Multiple commercial strips

#### **Columbia Center**

Regional shopping center 40k+ cars daily

#### Vista Field

103-acre development Walkable Close to Convention Center

#### Southridge

Easy highway access
East-west corridor
Rapidly increasing rooftops

#### **Waterfront & Downtown**

Historic buildings Economical lease rates Pop-up vendor spaces

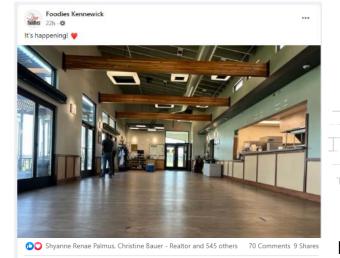
#### **Industrial Expansion**

Pending utility connections

### WATERFRONT

- Two additional tasting rooms opened and food truck plaza completed at Columbia Gardens
- First private purchase of Columbia Gardens parcel
- Washington Street ImprovementProject completed
- Willows and Cable Greens parcels available for purchase
- Effluent Treatment System
- Two-way walk/bike path and streetscape improvements
- Updated wayfinding signage





Columbia Gardens



Foodies at Columbia Park

### DOWNTOWN

- Kennewick Public Market opened at Columbia River Warehouse
- Urban Grounds opened on Kennewick Ave
- David's Shoes under new ownership –
   future change of use anticipated
- Rockabilly Roasting completed café and roastery expansion
- Lady Bug Shoppe reopened after Cascade
   Building fire
- South Columbia Creative District (SOCO)
   certified as Creative Arts District by
   ArtsWA
- Fire Station 1 replacement project groundbreaking



Kennewick Public Market





**Urban Grounds** 

## **VISTA AREA**

- Vista Field first 20 acres open and ready for private development
- Fire Station #3 replacement completed
- Toyota/Convention Center public improvements
- Private Phase I development adding highend hotel and retail center



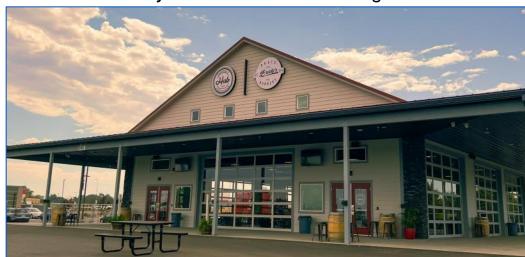


### COLUMBIA CENTER

- 6,000 sf food truck pavilion with quick service restaurant
- Ulta relocation and expansion
- Justice Center office building expansion
- Columbia Center Blvd. & Quinault Ave
   intersection project in process
- Multiple re-use projects in-process

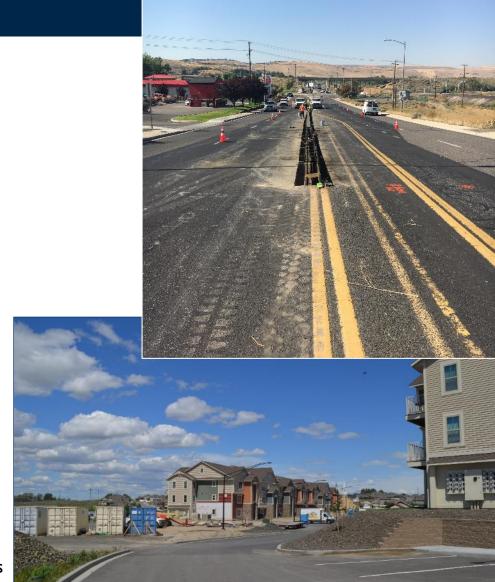


Justice Center Office Building



## WEST CLEARWATER

- Badger Canyon Apartments Phase 14 nearing completion
- **W. 10<sup>th</sup> Ave** Street improvements
- 99 lot high density single family residential subdivision
- 21,000 sf Class A office space completed
- Crimson Hills 141 lots under construction
- Calvary Chapel expansion in-process



## SOUTHRIDGE

- 24,000 sf hospital expansion completed
- Chipotle opened second Kennewick location
- Hwy 395/Ridgeline underpass increasing connectivity for residential and commercial development
- 30,000 sf Southridge High School addition
- Residential Projects under construction
  - Crimson Hills 141 Single Family Lots
  - Sundridge 142 Single Family Lease Lots
  - Apple Valley Phase 5A 45 Single Family Lots
  - Southcliffe Phase 5 27 Single Family Lots
  - Sherman Heights 192 Single Family Lots



Hwy 395/Ridgeline Underpass

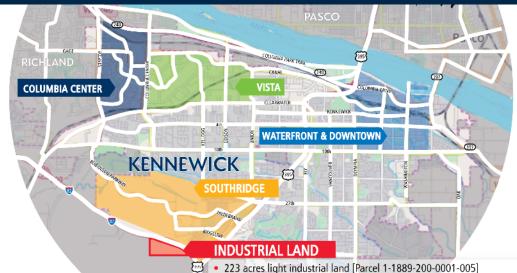


Trios Hospital Expansion

## INDUSTRIAL EXPANSION



- 223 acres light industrial
- Utilities pending
- Location, location, location
  - 182/Hwy 395 major cross regional connections
  - Several hundred pre-platted residential lots
  - Regional entertainment, retail and recreation hub



Demographics
308,293 Trade Area Population
84,960 City Population
% Owner Occupied Housing

% Owner Occupied Housing

33 Median Age of Population

#1 Largest Community in Metro Area

- · City committed to connect utilities
- · Several hundred pre-platted lots at Southridge, homes under construction
- Proximity to I-82 and Hwy 395, major cross-region connections
- Regional urban entertainment, retail & recreation hub
- Vibrant waterfront, downtown & Vista mixed use redevelopment
- Adjacent 1,700 acre county land accommodates growth



#### Tourism

- Public Golf Courses
- 27 Public Parks
- Miles of Waterfront
  Wineries within an hour's drive

Wineries within an hour's driv Major Junior Ice Hockey Team **Mar** 

### Market Indicators

\$72,538

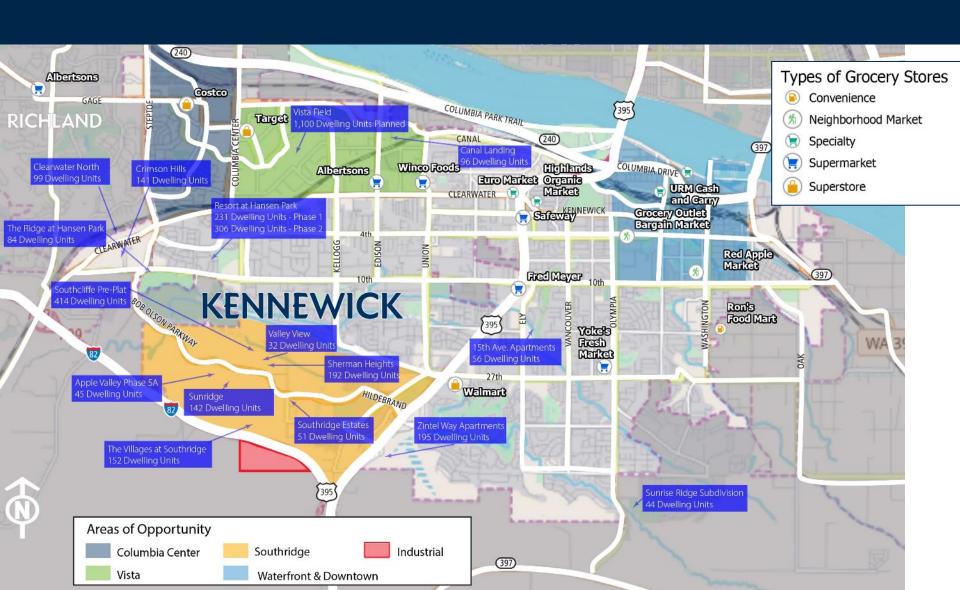
Trade Area Median Income Trade Area Median Expenditure

2 Minute Average Commute

8 Miles to Portland

225 Miles to Seattle

## **RECRUITING TARGETS**

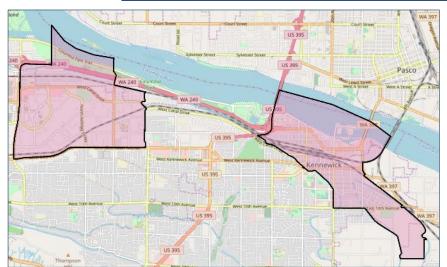


## **RECRUITING TOOLS**

- Partnerships
- Marketing
- Opportunity Zones
- Brewery Wastewater Toolkit
- Five-week commercial permitting
- Express Permitting
- Citywide infrastructure investment



**ICSC Trade Show** 



Opportunity Zones

## **CHALLENGES**

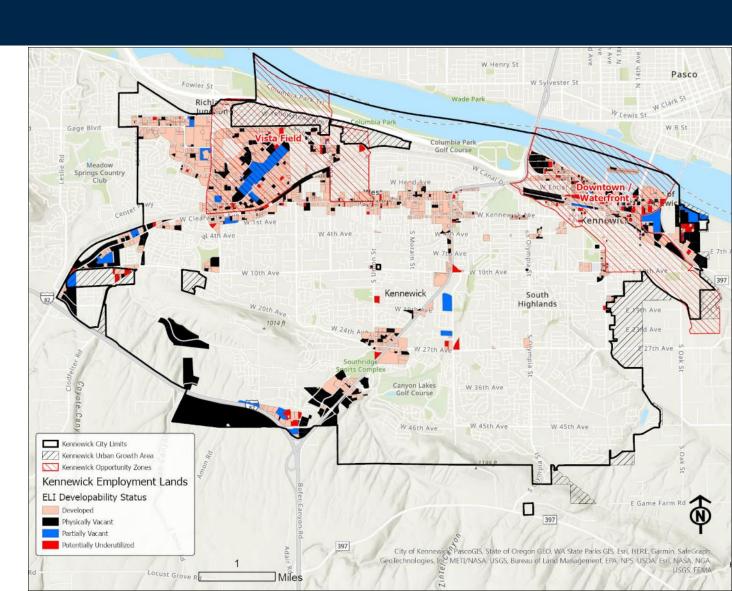
- 0% affordable housing vacancy rate in region, with growing shortage due to:
  - Job creation (4,500 new jobs projected)
  - Rent increases outpacing income
  - Apartments constructed or renovated for higher incomes
- Kennewick Housing Authority partnership to construct 52 units at 10<sup>th</sup> Ave/Gum St.
- Workforce attraction, development, and retention
- Private development market factors





## STRATEGIC PLANNING

- Housing
- Workforce
- Industrial recruitment
- Land use decisions
- Outreach



## **MARKETING**



## **Digital Communications**



#### **Regional Partnerships**



Joint Messaging



#### Working Together for Kennewick Businesses!

#### Information in this Edition

- Downtown Survey
- · Parcels at Vista Field
- Parcels at Columbia Gardens Urban Wine & Artisan Village
- Welcome New Kennewick Business License Holders
- Lawrence Scott Park-Pickleball Court Groundbreaking
- River of Fire at Columbia Park



#### Take the Downtown Kennewick Survey!

Your input will help fine-tune Downtown Kennewick's business development and district enhancement strategies. What development opportunities do you want to see that would make our downtown an even better place to visit, live, work, do business, or invest in?

The survey only takes about **six minutes** to complete, and all information is collected anonymously.

To participate, visit our website, HistoricKennewick.org

# DIGITAL TOP OF MIND AWARENESS



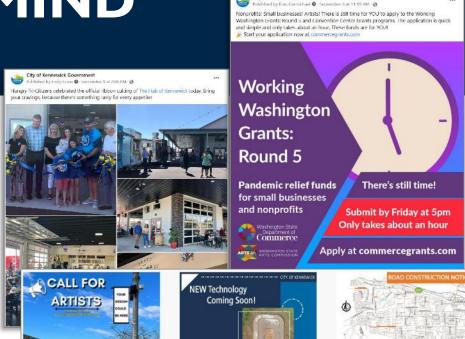
- Facebook▶ City▶ Parks & Rec▶ Police
  - reity ranks ander roi
- Instagram
- LinkedIn
- YouTube
- Twitter▶ City ▶ Fire Chief ▶ Police



- NewsFlash
- Alert Center
- Notify Me
- Civic Send

Direct Email

- Constant Contact Emails
  - Quarterly Business Newsletter
  - Developer/Builder Communication
  - Citizen Communication (Utility Bill Customers)





Advanced Metering Infrastructure

The City will be upgrading water meters as

a step toward a more modernized water

Project

Asphalt Overlay Project Begins

Road construction will be happening on

three of our roadways during the next few

June 27th

Call For Artist - Downtown Street

Downtown Kennewick is seeking artists for

the new street banner program!

# JOINT MESSAGING

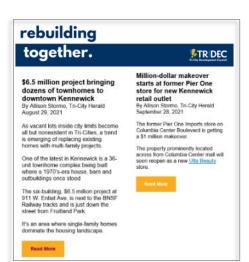
Kennewick news shared on partner websites, newsletters, and with

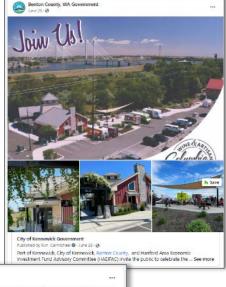
digital followers













# **ARTS COMMISSION**

- Roundabout and art maintenance
- Traffic utility box wraps
- Benton PUD utility box wraps
- Proposed Downtown sculpture
- Silas education solar system





Grandridge Roundabout Repair & Maintenance

## CREATIVE DISTRICT

- Designation late 2021
- Street banner grant
- WSDOT district signage
- Creative festival





## **THANKYOU!**



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Emily Estes-Cross
Economic Development Director
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Rohana Carmichael
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Rohana.Carmichael@ci.Kennewick.wa.us
509.585.4532





## City Council Meeting Schedule October 2022

The City broadcasts City Council meetings on the City's website <a href="https://www.go2kennewick.com/CouncilMeetingBroadcasts">https://www.go2kennewick.com/CouncilMeetingBroadcasts</a>.

October 4, 2022

Tuesday, 6:30 p.m. REGULAR COUNCIL MEETING

October 11, 2022 Tuesday, 6:30 p.m.

WORKSHOP MEETING (the workshop meeting will be done via Zoom and broadcast on the City's website

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- 1. Water/Sewer Rate Study
- 2. Entertainment District Partnership Update (A-1 Pearl)
- 3. Kennewick Public Facilities District Expansion Update
- 4. Existing Facilities and Six-Year Capital Improvement Plan

October 18, 2022 Tuesday, 6:30 p.m.

REGULAR COUNCIL MEETING

October 25, 2022 Tuesday, 6:30 p.m.

WORKSHOP MEETING (the workshop meeting will be done via Zoom and broadcast on the City's website

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- 1. 2023 TPA Budget & Marketing Plan
- 2. Animal Control Update
- 3. Comp Plan Amendments Part Two
- 4. 2023/2024 Biennial Budget Presentation

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