



**City of Port Orchard
Council Meeting Minutes
Work Study Session Meeting of July 16, 2019**

CALL TO ORDER AND ROLL CALL

Mayor Robert Putaansuu called the meeting to order at 6:30 p.m.

Roll call was taken by the City Clerk as follows:

Mayor Pro-Tem Ashby	Present
Councilmember Chang	Present
Councilmember Clauson	Present
Councilmember Cucciardi	Absent
Councilmember Diener	Present
Councilmember Lucarelli	Present
Councilmember Rosapepe	Present
Mayor Putaansuu	Present

Staff present: Public Works Director Dorsey, Finance Director Crocker, Community Development Director Bond, City Attorney Cates, City Clerk Rinearson and Deputy City Clerk Floyd.

Pledge of Allegiance

Mayor Putaansuu led the audience and Council in the Pledge of Allegiance.

1. Affordable Housing and New Tax Revenue

Finance Director Crocker said this was briefly talked about in the Finance Committee. House Bill 1406 transfers a portion of the State's current sales tax to local jurisdictions for affordable housing. He is proposing to participate in this new house bill where we would pass a resolution of intent to participate and receive our portion of the sales tax. This is not a new tax. If we do the resolution of intent, we would need to come up with a plan on how we would use those funds for affordable housing; pass an ordinance over the next year or so; and then begin collecting the tax next year.

It is important to know if the City decides not to participate, it is forfeiting the tax back to the County who will receive these funds to use under their program. If a year from now we do not elect into the program, we cannot get back in.

We estimate the total tax revenue the City of Port Orchard will receive next year is \$42,000. He said the rest of the cities and the County are taking action to adopt resolutions of intent.

Mayor Putaansuu stated a Resolution of Intent is scheduled to go before Council at their next Council meeting.

Councilmembers, Mayor, and staff discussed who else has passed resolutions, qualifying tax, KRCC Affordable Ad Hoc Committee and declaring a county-wide affordable housing emergency, county-wide tax, and voting by jurisdiction.

Council Direction: Council supports bringing the Resolution of Intent for adoption at the next Council meeting.

2. Potential Revisions Tax Abatement Requirements

Community Development Director Bond said last January, Council adopted the tax abatement code. At the time there was still debate about the issue and Council asked for this to be brought back. A proposal was discussed during the July Land Use Committee. The City passed tax abatement without ever having administered a program. The first application was for the Overlook Apartments above the movie theater, and a lot was learned through that process on how tax abatement works. We want to revisit the goals of this program. He mentioned goals the Council has discussed in the past.

He would like to find out what Council would like to achieve, as well as what they would like to avoid. He believes the tax abatement structure would accomplish all the goals the Council would like to achieve. He outlined Council's concerns about what to avoid.

He discussed several potential changes brought up at the Land Use Committee that could help achieve the goals.

Council and staff discussed area medium income for Port Orchard/Kitsap County, unit sizes, rental pricing, what areas to encourage 12-year abatement, tax abatement zones, redevelopment versus greenfield development, increased long term property tax revenue for 8-year exemption, and parking and parking structures.

Council would like to encourage 12-year abatement within a quarter mile radius of transit services.

Community Development Director Bond noted he will prepare a draft and bring back to the Land Use Committee and Council.

Council Direction: No direction was given to staff.

3. Update to Development Regulations

Development Director Bond said we have three code change updates; increasing the allowed number of lots in short plats from four to nine; onsite recreation space in new single-family subdivisions; and clarifying submittal and processing requirements for land disturbing activity permit applications. This has been discussed at Planning Commission with recommendations to approve the amendments.

Council and staff discussed the proposed changes. This will be placed on the next available agenda.

Council Direction: Council supports placing this on the next available agenda for adoption.

4. Zoning Map Corrections and Revisions

Community Development Director Bond noted we adopted a city-wide zoning map that lays out zones. It has been found that several corrections are needed that include churches that did not get identified as Civic & Institutional zoning; a church request to have undeveloped parcels rezoned as Commercial Mixed Use instead of Civic & Institutional; and an area on the west side of Mitchell Ave, between Bay Street and Taylor, that appears better suited for R3 residential development than the current R4 zoning because of the small lots and existing single-family development pattern.

Council and staff briefly discussed the corrections and had no objections to the revisions.

Council Direction: No direction was given to staff.

At 7:17 p.m., Mayor Putaansuu recessed the meeting for a 10-minute executive session pursuant to RCW 42.30.110(1)(i), regarding potential and pending litigation matters. City Attorney Cates, Finance Director Crocker, Public Works Director Dorsey, Community Development Director Bond and legal counsel Robertson, via telephone, were invited to attend and Mayor Putaansuu announced no action would be taken.

At 7:27 p.m., Mayor Putaansuu extended the executive session an additional 10 minutes.

At 7:37 p.m., Mayor Putaansuu extended the executive session an additional 10 minutes.

At 7:47 p.m., Mayor Putaansuu extended the executive session an additional 10 minutes.

At 7:57 p.m., Mayor Putaansuu extended the executive session an additional 5 minutes.


At 8:02 p.m., Mayor Putaansuu extended the executive session an additional 5 minutes.

At 8:07 p.m., Mayor Putaansuu reconvened Council back into regular session.

ADJOURNMENT

The meeting adjourned at 8:07 p.m. No other action was taken. Audio/Visual was successful.

The Mayor adjourned the meeting and entered in to a separate meeting for Collective Bargaining update pursuant to RCW 42.30.140 (4)(b).


Brandy Rinearson, MMC, City Clerk


Robert Putaansuu, Mayor

