

**Town of Coupeville
Regular Council Meeting
Tuesday, July 8, 2008
6:30 p.m.**

PRESENT: Mayor Nancy Conard, Councilmembers Dianne Binder, Bob Clay, Ann Dannhauer, Molly Hughes, and Jim Phay.

STAFF PRESENT: Town Planner Larry Kwarsick, Public Works Director Malcolm Bishop, Town Marshal Dave Penrod, Clerk Treasurer Judy Thomas

Mayor Conard noted one correction to the Agenda, that there will not be an Executive Session at the end of this meeting.

APPROVAL OF MINUTES

The minutes of the regular meeting of June 24, 2008, were approved with the following corrections and additions: *Page 1*, first paragraph, last sentence should read "... working on their citizenship communication badge."; *Page 5*, Staff Reports, Mr. Bishop's report, sixth sentence should read, "The ~~sanitary sewer survey~~ Washington State Department of Health (DOH) sanitary survey for the Town's water system was completed on June 11th...". Councilmember Dannhauer requested the following comments be included in the minutes: *Page 3*, second paragraph, add second sentence to read, "Councilmember Dannhauer asked whether this can work in conjunction with inclusionary zoning and she (Ms. Stipe) replied yes, that Langley was considering incorporating the zoning with land trusts."; *Page 4*, add sentence to the first paragraph, to read, "... marketing plan. Councilmember Dannhauer asked about the constitutionality of the contract under the State Constitution Article 8, Section 7 and the answer was yes."; *Page 4*, Approve Interagency Agreement for asphalt overlay, add the sentence, to read, "Councilmember Dannhauer asked if pervious pavement could be used and the answer was no, because they were paving over an existing surface."; *Page 5*, last paragraph, add the second sentence to Councilmember Dannhauer's report about rain gardens, to read, "She noted that Curtis Hinman dispelled some myths about rain gardens, including one that bio-retention is not effective on till or clay for soils that don't drain well, it is only necessary to increase the size of the rain garden."

MAYOR'S REPORT

- Mayor Conard acknowledged that the Town Council meetings are currently being televised on Channel 10 but the sound quality is being worked on. You can watch it on Comcast Channel 10 Monday through Friday at 7:00 p.m. or Saturday and Sunday at 3:00 p.m.; or you can borrow a copy of the DVD from Town Hall.
- She noted that we have published an ad in the Whidbey Examiner that the Town is accepting applications for Boards and Commissions. The due date for applications is July 15th and we have received four applications.
- July 10th is the Affordable Housing Summit at the Coupeville High School. She plans to attend along with Councilmembers Hughes and Dannhauer and suggested that anyone interested in intending, will need to RSVP.
- July 9th, she will meet with the Reclaimed Water Steering Committee to bring everyone up to speed, on the selection of an engineering firm; and we are in the process of

negotiating the contract with that firm. Once the contract is negotiated, the firm will make a presentation to the Council.

- Earlier today, she attended a low-impact development summit that was hosted by the Whidbey Island Conservation District. Representatives from various governmental agencies attended to share low-impact and sustainability activities that are going on in their communities. They discussed recent workshops on low impact development and currently planning for some additional staff training for our engineers and public works directors from the three cities. We are also looking for a couple of demonstration sites for people to observe what a rain garden looks like or what other techniques are used for installation of pervious pavement, and other types of low impact development. Representatives from the Environmental Protection Agency and Health Department are coming to Island County in September to film and document some of the efforts being done on the island; as they have heard that we are doing a good job on implementing low impact development and they would like to showcase some of the efforts.
- At the last Council meeting, she solicited for help with weeding along North Main Street from Highway 20 to Front Street. She thanked the Garden Club for their help and as of yesterday, we'd received 29 ½ hours of help in getting caught up on the weeding on both sides of the street.
- At the last Council of Governments (COG) meeting, she and Oak Harbor Mayor Jim Slowick discussed having a joint council meeting to invite representatives from Puget Sound Energy to present the pros and cons of a proposed public utility district that may be on the ballot in November.
- WSU has hired Kathy d'Almeida to fulfill the contract we have with them to implement the climate protection plan.
- She attended the Ebey's Landing Trust Reserve planning retreat, on July 1st, along with all the partners of the Ebey's Reserve present; and they collectively worked to develop a draft work plan for the reserve for the next year; that will include assisting with our design guidelines.
- She gave an update on curbside recycling from the last COG meeting, and getting curbside recycling in Coupeville. Island Disposal has a franchise agreement in Island County to pick up garbage. The towns of Langley and Coupeville, and Island County, all have contracts with Island Disposal. Rates charged by Island Disposal are determined by the Washington Utilities and Transportation Commission, but we have the right to negotiate details of the franchise. Last year, Island Disposal submitted a proposal to the Island County Commissioners to provide curbside recycling, but the commissioners were reluctant to do that because the proposal was for mandatory participation; and they were not comfortable with the monopoly they (Island Disposal) had on garbage collection. Subsequently, the Commissioners learned that although Island Disposal has a monopoly for garbage collection, the governmental agencies could contract with another company for recycling. Therefore, Island County has decided to put out a 'request for proposals' for curbside recycling services, separate from garbage collection. They are requesting prices three ways, one is voluntary participation by the customer, one is mandatory participation by the customer and the third is requiring them to pick up glass (even if there is no post market for it). Once the county gets this information they will decide what they want to do about it. The RFPs are expected to be advertised in August but it looks like the end of the year before a decision is made.

- She gave an update on the Whidbey Marathon, that she spoke with the organizers and they are working on a plan that includes Coupeville in the route that will satisfy the concerns of the Department of Transportation.
- She discussed some of the questions that were asked at the last council meeting, and several emails exchanged regarding council travel. She provided copies of a report she'd prepared on Budget and Expenditures for travel and training for the Town Council, and for Finance and Administration for the years 2005 to July 8, 2008. She explained that Finance and Administration includes the mayor, clerk-treasurer and administrative staff. The miscellaneous budget item contains tuition/registration fees, dues and other expenses. She reviewed the travel and miscellaneous charges for council to attend training; in the 2006 budget it states that travel and miscellaneous were increased to provide funding for all council members to attend the annual AWC conference and for two council members and the mayor to attend one of the annual NLC conferences. She described the finance and admin portion of the budget where the Mayor's expenses are reflected. The budget has been the same for the past three years and the actual amount spent has never exceed the amount budgeted. She explained the expenses spent, as of July 8, 2009. She added that Councilmembers Clay and Binder plan to attend the NLC conference and most of the AWC expenses will show in the July expenditures report.

AUDIENCE INPUT

Jerome Rosen, Coupeville, commented that there had been a fair amount of exchange regarding the council travel to the AWC conference and felt that Mayor Conard had been very thorough in her responses and now he was better informed. He added that the AWC conference was a good investment, but thought the cost was high for attending the NLC conference. He thanked Mayor Conard for the time she'd spent getting the requested information. He added that he was anxious to hear what was gained from the NLC conference. Mayor Conard responded that each council member will report on the conference, at the council meeting following the conference.

Mayor Conard noted that the total amount budgeted for travel for council and the mayor to attend conferences is about 6/10th of one percent of the general fund budget. She encouraged people to watch the meetings on Channel 10, as there was considerable discussion at the meeting about the conference.

Gordon Burton, Coupeville, spoke about the council meetings being televised on Channel 10 and felt that it great and the sound was better than it is in the room. He felt that Mary (Zibung) the weeding person needs more than eight hours per week to weed. Mayor Conard explained that is not her allowance of time. He added that he thought there should be more intelligent opposition among council members and a little more dissention and conversation.

PRESENTATION

Small Miracles - Emily Ramsey

Emily Ramsey discussed the program, Small Miracles, which is a medical support group that helps people who need help with medical expenses. The basis for eligibility is based on need, rather than a person's income. Sometimes people have to choose between making a mortgage payment or a medical payment; as they need up front money to see a specialist. Sometimes people don't have enough gas money to go for a cancer treatment on the mainland, and Small Miracles can help with gas vouchers and ferry fare; they help with medical equipment and any

way they can. Their income comes from the community through donations from individuals, a grant from Whidbey General Hospital, they work with the LIONS for eye glasses and hearing aids; and when Small Miracles can't help them they make referrals to someone who can help them. Small Miracles is available by phone 24 hours per day, seven days a week, and donations can be mailed to: Small Miracles, PO Box 912, Coupeville, WA, 98239. She added that they only help people who live within the Coupeville School District, but South Whidbey has a similar organization called Friends of Friends. She is open to suggestions on how to get the word out.

PUBLIC HEARING

Shoreline Development Permit SDP 07-01 located at 20 NW Front Street, View Ridge Investments

Mayor Conard explained that the format of the public hearing on the reverse side of the agenda.

Mayor declared the public hearing open at 7:17 p.m. and asked if any member of council had any ex parte communication with the applicant, possible conflict of interest, or appearance of fairness problems with this application. Councilmember Dannhauer noted that part of the public comment record (included in staff report) includes an email from WEAN dated 9-7-07; and no, she did not feel her membership with WEAN would compromise her ability to make a decision on this application, based on the record.

Mr. Kwarsick explained that this application is consistent with the existing shoreline master plan (in accordance to the Shoreline Management Act of 1971). It is for a new two-story commercial building on two adjoining waterfront lots. This structure is upland of the ordinary high water mark; except for the deck that extends over water. The Coupeville Planning Commission reviewed this application on June 3, 2008 and recommended Council approval based on the findings of fact and conditions of laws, which are included in the staff report. The Coupeville Design Review Board (DRB) and Ebey's Reserve have reviewed and approved the application; and it is consistent with the Department of Interior Design Standards. The applicant has done an excellent job to meet the requirements. There was an environment review through MDNS and SEPA. The deck cannot be used for restaurant use but is a public deck for public access. Once Council approves this application it will be sent to the Department of Ecology for approval.

Councilmember Clay asked if the deck would be owned by the Town and be required to maintain the deck. Mr. Kwarsick responded that it would likely be in the form of an easement with some responsibility for maintenance of the deck.

Dan Miranda, View Ridge Investments, PO Box 785, Coupeville, explained that the deck is about eight feet wide and narrows to five feet, with potential for access to the Windjammer deck. He added that the deck material will be the same as used on the Windjammer's deck.

Councilmember Hughes asked if there would be spaces between the slats in the deck and Mr. Kwarsick responded that the site assessment is a surf smelt area and the shade might help with the smelt. He also responded to her question about a shell midden deposit, that this is an area where there is more waste and is a good indicator of activity; and warrants supervision and monitoring; Department of Ecology may consider it a sensitive area.

Mr. Kwarsick responded to the question from Councilmember Binder that the height of the building could be up to 28 feet, and this project meets that requirement with the height about 22 feet from street level. He added that the applicant met with the DRB and Ebey's Reserve about

five or six times to ensure that it fits with the surrounding structures. A lot of work was done to address how it would look from the street and from the water.

Councilmember Dannhauer asked if the existing Shoreline Master Program (SMP) was included in the Town's municipal code. Mr. Kwargsick responded that it is not in the municipal code book but it is the governing regulation. This application meets the requirements of the existing SMP, and it is consistent with the new SMP (which the Town has not yet received final approval from DOE).

Dan Miranda, View Ridge Investments, PO Box 785, Coupeville, noted that the (staff) report was thorough and he thanked Ebey's Reserve for all their help.

John Rodriguey, owner of Toby's Tavern, commented that he thoroughly supports this project.

Jack McFadden, Coupeville, stated that Dan (Mr. Miranda) has done everything he has been asked to do; it looks like a good project and he thoroughly supports this application.

Charles Herring, 130 Jacobs Road, Coupeville, added that from what he's heard and seen this sounds like a good idea.

Councilmember Clay received clarification that there will be a restaurant on the main level with a 1,600 square foot residence on the second level.

The Planning Commission conducted a public meeting on June 3, 2008, and the minutes from their discussion were attached to the Staff Report for this application. The Planning Commission adopted the following (*Proposed Findings of Fact and Conclusions of Law*); and recommended Council approve SDP 07-01 with the eleven conditions listed in the staff report:

Proposed Findings of Fact and Conclusions of Law:

1. Viewridge Investments propose to construct a 1,522 square foot mixed use building (commercial restaurant on ground floor, residential on second floor) at 20 NW Front Street in the Town of Coupeville.
2. The property is located in the Historic/Limited Commercial zoning district within 200 feet of the ordinary high water mark of Penn Cove, and is therefore subject to the requirements of the Shoreline Management Act of 1971.
3. As a development proposal within an urban shoreline environment with a value greater than \$2,500, a Shoreline Substantial Development Permit is required prior to construction of the proposed building.
4. The Town received the application for a shoreline substantial development permit on May 20, 2007, and issued a Notice of Completion on August 2, 2007. On May 20, 2007, a Notice of Application with a 30-day comment period was sent to neighboring property owners and agencies with jurisdiction.
5. Revisions to the application were submitted on October 2, 2007 and a new Notice of application with a new 30 day comment period was issued on October 26, 2007.
6. Following the conclusion of the comment period, the Town issued a Mitigated Determination of Nonsignificance on December 7, 2007 with a 15-day comment period concluding on December 21, 2007. No comments were received during this comment period. The appeal period closed on January 7, 2008.
7. Biological, Coastal Geologic, Cultural Resource, and Geotechnical Site Assessments were prepared and submitted with the application. In addition the Town has prepared a

Shoreline Analysis and Beach Restoration Plan in association with the update of its Shoreline Master Program.

8. The Washington State Department of Fish and Wildlife reviewed the project and issued a Hydraulic permit with conditions which are attached hereto and made part of the record of this decision.
9. On April 15, 2008 the Design Review Board approved the architectural design and concluded that such was consistent with Secretary of Interior Standards for Infill Development.
10. Following public testimony and due deliberation, the Planning Commission found that the proposal can be conditioned to ensure consistency with the shoreline development policies of the Town's Shoreline Master Plan and the State Shoreline Management Act.
11. After due and proper notice the Planning Commission held a public meeting on the proposal at a meeting on June 3, 2008. Following discussion with staff and applicant, the Commission passed a unanimous recommendation of approval with 11 conditions.

The public hearing was closed at 7:58 p.m.

Council Action: A motion was made by Councilmember Clay, second by Councilmember Hughes, to adopt the Findings of Fact and Conclusions of Law and approve SDP 07-01 with the following eleven conditions:

1. The applicant shall comply with the terms and conditions of the MDNS.
2. The applicant shall comply with the terms and conditions of the Hydraulics Permit approval
3. The applicant shall comply with the terms and conditions of the Flood Hazard design and certification requirements as specified in CTC 16.45.
4. The building, except the cantilevered public deck, and building support structures shall be located upland of the Line of Ordinary High Water.
5. The applicant shall comply with the recommendation of the Cultural Resources Study to include the following additional requirements:
 - a. To minimize disturbance excavation will be done on the North piers with a "mini" excavator from the beach to reduce impact at the OHW line.
 - b. Digging the footings at the base of the existing retaining wall will be done with a mini excavator where no shell midden has been found.
 - c. In the two areas where shell midden deposits have been found, excavation will be done by hand. The design of the footprint has been formatted as to avoid contact with any known midden.
 - d. As a precautionary measure the applicant has voluntarily proposed to cover these areas with filter fabric and a clean screened sand cover from a local pit. This was suggested as a proper means of protection by Kelly Bush from Equinox Research and Consulting International Inc.
6. That the applicants submit and have approved a Small Parcel Erosion Control Plan in accordance with Section 13.20.070 of the Town Code. The intent of this plan is to control erosion and sediment runoff during construction and to permanently stabilize soils exposed during construction.
7. That the applicant submit and have approved a Permanent Stormwater Quality Control Plan and a Stormwater Rate Control Plan, in accordance with Section 13.20.080 of the Town Code and the Puget Sound Water Quality Standards.
8. That the applicant shall dedicate the pedestrian walkway and viewing deck to the Town of Coupeville for use by the general public. No commercial use of the deck is allowed.

9. Construction shall be in compliance with plans submitted by the applicant, which are on file at the Coupeville Planning Department. Any proposed changes must be reviewed and approved by this department.
 10. All construction debris shall be disposed of at a Town approved site.
 11. Substantial progress toward completion of a permitted activity shall be undertaken within two years after approval of the permit (WAC 173-14-060).
- The motion passed 4-0-1 (Dannhauer abstained).

Councilmember Clay explained that by the time an application such as this gets to the Council, it has gone through numerous modifications; and he commended Mr. Miranda for all his efforts; and he feels it will be an improvement to the town. Councilmember Hughes commented that she appreciates all the work that Mr. Miranda has done and all the changes he agreed to do. She is excited to have something that will help the town. Councilmember Binder agreed that it will be a great addition to town.

Mayor Conard called for a short recess at 8:05 p.m. and reconvened to regular session at 8:11 p.m.

NEW BUSINESS

Consider Town Membership in Saratoga Community Housing - *Mayor recommends authorizing membership in Saratoga Community Housing with a contribution to be determined by Council.*

Mayor Conard explained that the cities of Oak Harbor and Langley have joined the membership in Saratoga Community Housing and asked if Council was interested in joining. This would be a legitimate expense it could be included in the budget revision. Council discussed amounts ranging from \$500 to \$2,500, and possibly donating seed money toward purchasing land. Council agreed to postpone a decision on the amount until the next Council meeting; and they'd attended the Affordable Housing Summit on July 10th.

Set Council Workshop for August 13, 2008 at 5:30 p.m.

Council Action: A motion was made by Councilmember Binder, second by Councilmember Clay, to set the Council Workshop for Wednesday 13, 2008 at 5:30 p.m. The motion passed 5-0.

DISCUSSION

Review Draft #2 of Council of Governments (COG) Resolution for Sustainability

Mayor Conard explained that the Council of Governments (COG) presented this second draft at their last COG meeting and changed title from "... promoting a sustainable, traditionally Northwest..." to read, "... promoting a low impact, traditionally Northwest..." She asked Council if there was anything in the document that was not acceptable to them.

Councilmember Phay noted that there is no mention for nuclear energy which he feels is unacceptable. Councilmember Dannhauer commented that she would be opposed to that (nuclear energy) being included in the document. Councilmember Clay stated that he thought the resolution looks good.

Inclusionary Zoning - Councilmember Dannhauer has information to share

Councilmember Dannhauer discussed information she'd received from Municipal Research Services Center (MRSC) regarding inclusionary zoning: *From Carol Tobin at MRSC, she wrote:*

“I am not aware of the smallest size town that uses inclusionary zoning techniques. In Washington, Sequim (population 5,330) and Snohomish (population – 8,970) have both adopted inclusionary zoning provisions. Inclusionary zoning is more typically adopted by larger communities, but some small towns have incorporated inclusionary zoning provisions for affordable housing into their codes. In California, two towns of less than 2,000 population have adopted inclusionary zoning (Colma, population 1,575 and San Juan Bautista, population 1,726).” Mayor Conard explained that it would be helpful to receive information to be discussed prior to the meeting so Council could study and understand the subject to adequately discuss, and come up with questions; and asked Councilmember Dannhauer to describe inclusionary zoning and what it would do.

Councilmember Dannhauer explained that inclusionary zoning is where a town or city adopts a policy for new development that would require a certain percentage, of a new development, to be set aside for low income housing units (based on median income); typically it would be around 20%. Mayor Conard asked if she had any examples of inclusionary zoning, such as is used in Sequim; i.e. what size projects are required to have inclusionary zoning. Councilmember Dannhauer responded that there are examples on the MRSC website and added that Sequim adopted their policy in 2006; she was not aware if they had built any affordable housing units in accordance with the new policy. Sequim’s policy applies to planned unit development (PUD) of less than five acres that must include 20% of the lots for affordable housing. Mayor Conard asked Mr. Kwarsick to provide some samples of and information on how this is being implemented in Sequim for discussion at the Council workshop.

Councilmember Hughes explained that affordable housing does not necessarily mean low income housing; so she asked if she was talking about 20% of the poverty level. Councilmember Dannhauer responded that there are four levels of income based on the local area median income.

Councilmember Clay explained that we have affordable housing in Coupeville, including three good size mobile home parks.

Mr. Kwarsick added that 18% of the Town’s population lives in manufactured homes. He added that the affordable housing summit will look at what types of initiatives we could commit to within Island County. Councilmember Clay explained that we will need to determine whether there is a need for affordable housing in Coupeville; Saratoga Community Housing is about affordable home ownership, and there are several affordable rentals in town.

ADJOURNMENT: 8:36 p.m.

Respectfully Submitted:

MAYOR:

Judy A. Thomas, Clerk Treasurer

Nancy Conard, Mayor