	<p><b>City Council Study Session Finance - Econ Dev SFA December 10, 2018 - 5:30 PM Council Chambers - City Hall AGENDA</b></p> <p><b>Watch the meeting LIVE!</b></p> <p><b>Watch the meeting video</b> Meeting videos are not available until 72 hours after the meeting has concluded.</p>
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**I. CALL TO ORDER**

**A. Roll Call**

**II. ANNOUNCEMENTS, REPORTS, AND PRESENTATIONS**

**III. AGENDA ITEMS FOR COUNCIL DISCUSSION**

**A. Annexation of "Island" areas**

Provide a preliminary issues analysis regarding annexation of the Klump (north Auburn) and the Totem (south Auburn) island area. Areas identified for high-level analysis include key issues pertaining to: land use and addressing impacts; fiscal impacts; infrastructure impacts; and environmental impacts

**B. Graffiti Update (Tate) (15 Minutes)**

Presentation of efforts to combat graffiti

**C. Ordinance No. 6698 (Tate) (15 Minutes)**

An Ordinance of the City Council of the City of Auburn, Washington, relating to planning; adopting 2018 annual comprehensive plan map and text amendments pursuant to the provisions of RCW Chapter 36.70a and adopting corresponding rezones related to certain map amendments

**D. Ordinance No. 6699 (Tate) (10 Minutes)**

An Ordinance of the City Council of the City of Auburn, Washington amending Sections 19.02.115, 19.02.120, 19.02.130 and 19.02.140 of the Auburn City Code relating to School Impact Fees

**E. Ordinance No. 6708 (Tate) (10 Minutes)**

An Ordinance of the City Council of the City of Auburn, Washington, creating new sections 15.20.075 and 15.20.077 and amending Sections 1.25.030, 1.25.040, 1.25.065 and 15.20.030 of the Auburn City Code relating to Code Enforcement

**F. Ordinance No. 6707 (Gaub) (15 Minutes)**

An Ordinance of the City Council of the City of Auburn, Washington, relating to telecommunications infrastructure, and adopting new Chapter 20.14, small wireless facilities in the public right-of-way; providing for severability; and establishing an effective date

#### IV. FINANCE AND ECONOMIC DEVELOPMENT DISCUSSION ITEMS

- A. Gambling & Card Room Revenue (Coleman) (5 Minutes)
- B. 3rd Quarter 2018 Financial Report (Coleman) (20 Minutes)

#### V. OTHER DISCUSSION ITEMS

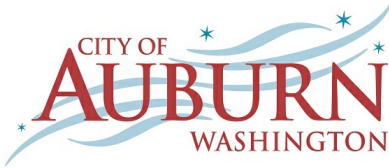
#### VI. NEW BUSINESS

#### VII. MATRIX

- A. Matrix

#### VIII. ADJOURNMENT

*Agendas and minutes are available to the public at the City Clerk's Office, on the City website (<http://www.auburnwa.gov>), and via e-mail. Complete agenda packets are available for review at the City Clerk's Office.*



## AGENDA BILL APPROVAL FORM

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**Agenda Subject:**

Annexation of "Island" areas

**Department:**

Legal, Finance, PW, CD

**Attachments:**

[Annexation Memo](#)

[Exhibits 1 & 2 \(Maps\)](#)

[Exhibit 3](#)

**Date:**

December 3, 2018

**Budget Impact:**

Current Budget: \$0

Proposed Revision: \$0

Revised Budget: \$0

**Administrative Recommendation:****Background Summary:**

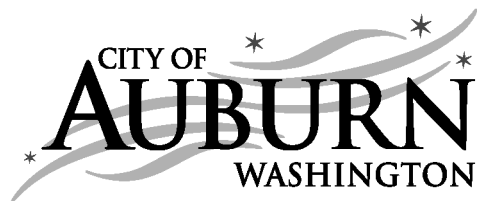
There are two areas of unincorporated King County that are located within the City limits. Staff has reviewed the areas known as Totem (54 parcels in south Auburn) and Klump (24 parcels in north Auburn). The staff consensus is that annexation would result in increased taxes, fees and future capital costs for utilities to the property owners. In addition, there would be a near-term increase in roadway preservation costs to the City's 103 Local Street Preservation Fund.

**Reviewed by Council Committees:****Councilmember:****Staff:**

Gross, Coleman, Gaub,  
Tate

**Meeting Date:** December 10, 2018

**Item Number:**



## Interoffice Memorandum

**To:** Nancy Backus, Mayor  
City Council

**From:** Shelley Coleman, Finance Director  
Ingrid Gaub, Public Works Director  
Steve Gross, City Attorney  
Jeff Tate, Community Development Director

**Date:** December 6, 2018

**Re:** Annexation of Islands within City Limits

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**Purpose:** Provide a preliminary Issues analysis regarding annexation of the Klump (north Auburn) and the Totem (south Auburn) island area. Key areas identified for high-level analysis include key issues pertaining to: Land use and addressing impacts; fiscal impacts; infrastructure impacts; and environmental impacts.

**Scope:** The areas known as Totem (54 parcels in south Auburn) and Klump (24 parcels in north Auburn).

**Conclusion:** The staff consensus is that annexation would result in increased taxes, fees and capital costs to the property owners.

### **Annexation process (Legal)**

(1) The legislative body of a code city may resolve to annex unincorporated territory to the city under certain statutory conditions. Both the Totem (54 parcels) and Klump (24 parcels) areas meet the criteria for island annexation. ***See attachment 1 and 2 for maps of the two areas.***

The annexation resolution must describe the boundaries of the area to be annexed, state the number of voters residing in that area as nearly as may be, and set a date for a public hearing on the resolution for annexation. Notice of the hearing and the resolution must be published at least once a week for two weeks before the date of the hearing, in one or more newspapers of general circulation within the code city and one or more newspapers of general circulation within the area to be annexed.

After the public hearing, the City Council may pass an ordinance approving the annexation. However, the ordinance does not take effect until at least 45 days after the date of the passage of the ordinance. After passage, the City must publish notice of the annexation in a newspaper of general circulation (published at least once each week for two weeks). The residents of the annexation area then have the opportunity to file a referendum petition challenging the annexation ordinance. The referendum petition must be filed with the City within 45 days after the passage of the ordinance, and must include signatures of qualified voters living in the annexation area equal to not less than 10% of the voters (living in that area) who cast votes in the last general election. If a referendum petition is filed with the City, the voters living in the annexation area will have the opportunity to vote for or against the annexation. The annexation is considered to be approved by the voters unless a majority of votes cast on the proposition are in opposition to the annexation. The annexation is also be effective if no referendum petition meeting the legal requirements is filed within 45 days after passage of the ordinance.

Additionally, the annexation is subject to the jurisdiction of the appropriate County's Boundary Review Board. The City will have to provide notice of intent to annex if Council approves the resolution of intent to annex. The Board can review and approve, disapprove, or modify the annexation. A majority of the Board **cannot** initiate review on its own (RCW 36.93.100(1)(a)). A petition must be filed within 45 days of the filing of the notice of intent to annex. Either the City or the County can file a request for review. Or, a petition signed by: 1) five percent of the registered voters living in the proposed annexation area; 2) owners of five percent of the assessed value of property in the proposed annexation area or, 3) five percent of registered voters who claim that they are affected by the annexation and reside within ¼ mile of the proposed area (but not within the City). In the last case, a majority of the Board must agree to hear the matter.

### **Fiscal impacts (Finance)**

Fiscal impacts to the homeowners would be the inclusion of a 6% B&O tax on telephone, gas, power and cable. There would also be a cable franchise fee of 5% on cable. While these taxes and fees are assessed against the utility businesses, they are universally just passed through to the property owner/customer.

Additionally, they would be subject to a fire benefit charge as the properties would annex to the VRFA.

The fiscal impact per household is estimated to be \$565/year for the Totem area and \$720/year in the Klump area. **See Exhibit 3 (Powerpoint slides)**

Capital costs to improve the utility infrastructure noted under infrastructure impacts would cost approximately \$2.5 Million for Totem and \$600,000 for Klump. Without any grants,

which are unlikely, the annual LID cost to each parcel would be approximately \$8,700 and \$2,100, respectively, over 20 years to service the debt.

The City would recognize approximately \$35,000 in new property tax revenue, \$28,000 in B&O and franchise fee revenue, and \$19,000 in storm water revenue from the 78 parcels annually for a total of \$82,000 in new revenue.

### **Infrastructure Impacts (Public Works)**

#### *Totem:*

Water Utility System Improvements	\$1,400,000
Sewer Utility System Improvements	\$1,100,000
Roadway Preservation	\$600,000

The Totem area is serviced by a private water system (well) and all but two properties are on septic. There are four parcels in this area receiving City water. The Utility Improvements identified above would most likely be completed by a Local Improvement District (LID) at the request of the residents.

The water facilities would require upgrading before, or in conjunction with, any street repairs due to the likely poor condition of the private water system.

The Totem area roadways are in poor condition and would require a higher level of preservation work within the next few years. This would not include building curb, gutter, sidewalk or storm drainage facilities but would only preserve the pavement.

#### *Klump:*

Sewer Utility System Improvements	\$600,000
Roadway Preservation	\$120,000

The Klump area is fully serviced by City of Auburn water. The Utility Improvements identified above would most likely be completed by a Local Improvement District (LID) at the request of the residents.

The Klump area roadways are in better condition due to recent utility work in the area and only minor preservation work would be anticipated in the next few years. This would not include building curb, gutter, sidewalk or storm drainage facilities but would only preserve the pavement.

The LID funding for utilities would include design, construction, administration and bond issuance costs. The average cost per parcel in the Totem area would be \$48,204 with an annual assessment of \$ 8,700 over 20 years.

The average cost per parcel in the Klump area would be \$25,000 with an annual assessment of \$2,100 over 20 years.

In addition to the Capital costs there would be costs for each parcel to connect (utility service line construction, permits, System Development Charges's, etc.) to the utility main once it is built. The per property estimated costs for these connections, based on 2018 rates, are:

Totem – Water Connections	\$11,330
Totem – Sewer Connections	\$5,650
Klump – Sewer Connections	\$5,650

There would also be a monthly charge for the King County Capacity of \$62.60 (2018 rate) for 15 years and the monthly utility charges for City service for sewer, water and storm.

### Environmental impacts (Community Development)

Klump	
Wetlands or Streams	City maps do not indicate that there is a presence of wetlands or streams.
Steep Slopes	The area is relatively flat.
Floodplains	<p>FEMA's draft FIRM maps indicate that the west side of Klump is heavily encumbered by floodplains. While not impossible to develop/redevelop, there will be an extremely heavy burden on a future applicant to comply with the Endangered Species Act and to provide compensatory flood storage capacity. Given that these requirements are likely to be near impossible to provide onsite, a future developer will likely have to meet those standards off site.</p> <p><b>FEMA's current maps do not show this area within the floodplain. FEMA's maps will go into effect in the Spring of 2019. The message provided to prospective developers will be the same whether the properties are within the City or they remain in unincorporated King County. If these properties are annexed into the City and the City must deliver the message that the properties are difficult to</b></p>

	<b>develop, property owners may feel that the annexation created these challenges.</b>
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<b>Totem</b>	
Wetlands or Streams	City maps do not indicate that there is a presence of wetlands or streams.
Steep Slopes	The area is relatively flat.
Floodplains	City maps do not indicate that there is a presence of wetlands or streams.

### Land use and addressing impacts (Community Development)

<b>Klump</b>	
Land Use	<p>All 24 parcels are developed with existing single-family residences. Properties range in size from 7,424 square feet to 87,120 square feet and the entire area is 821,701 square feet (18.86 acres not including public streets). The average parcel size is 34,237 square feet (.78 acres). The Comprehensive Plan designates all 24 parcels as Light Manufacturing.</p> <p><b>Development/redevelopment of these properties from residential to Light Manufacturing uses will be difficult. Because all of the parcels are already developed with single family homes redevelopment will occur in one of two manners:</b></p> <ol style="list-style-type: none"> <li><b>(1) Parcel by parcel. This manner of redevelopment will be challenging because it is very difficult to develop most any type of light manufacturing use on the small parcel sizes that exist in this area. Additionally, parcel-by-parcel redevelopment will result in a mix of incompatible light manufacturing and residential uses.</b></li> <li><b>(2) Area-wide. This would be the preferred approach of redevelopment but is complicated by the fact that it will be difficult to aggregate all 24 lots. All of the properties contain single family residences so there are likely to be many folks who are not ready or willing to sell.</b></li> </ol>
Zoning	King County has zoned all 24 properties as R4 (Residential – 4 dwelling units per acre). The City's implementing zoning designation for the Light Manufacturing land use designation is M-1.



	<p><b>The City of Auburn Comprehensive Plan designates all 24 parcels as Light Manufacturing. If Klump were annexed into the City of Auburn, all of the parcels would need to be rezoned from R4 to M-1.</b></p> <p><b>Rezoning all 24 parcels to M-1 will result in all of the parcels being classified as “non-conforming” because single-family residential uses are not allowed within the M-1 zone.</b></p>
Code Enforcement	<p>King County zoning and land use rules within residential areas are more lenient than the City of Auburn. The County does not enforce the following types of rules that are likely to exist within Klump:</p> <ul style="list-style-type: none"> <li>• Vegetation height and condition</li> <li>• Parking vehicles on unimproved surfaces</li> <li>• Farm animals and activities</li> <li>• Outdoor storage</li> <li>• Home based businesses and business licenses</li> </ul>
Addressing	<p>The road that runs in a north/south direction and that bisects the 24 parcels is labelled and signed as 85<sup>th</sup> Avenue S. 85<sup>th</sup> Avenue S connects to C Street NE to the south. Despite this, because Klump is unincorporated King County all 24 parcels retain a King County road name and King County address numbers.</p> <p><b>If Klump were annexed into the City of Auburn, all 24 parcels would need to be re-addressed to conform to the City addressing standard. M&amp;O will need to ensure that all street signage reflecting King County road names is removed and/or replaced with City street signs.</b></p> <p>For example, immediately/adjacent to the south of Klump, the building is addressed as 4432 C St. NE. The next parcel to the north (within Klump) is addressed as 28404 85<sup>th</sup> Ave S. If annexed, 28404 85<sup>th</sup> Ave S would be re-addressed to 4438 C St. NE.</p>

Totem	
Land Use	<p>All 55 parcels are developed with existing single-family residences. Properties range in size from 8,068 square feet to 34,055 square feet and the entire area is 735,284 square feet (16.88 acres not including public streets). The average parcel size is 13,369 square feet (.31 acres). The Comprehensive Plan designates all 55 parcels as Multifamily.</p>

	<p><b>Development/redevelopment of these properties from residential to Multifamily uses will be difficult. Because all of the parcels are already developed with single family homes redevelopment will occur in one of two manners:</b></p> <p>(1) <b>Parcel by parcel. This manner of redevelopment will be challenging because it is very difficult to develop most any type of multifamily use on the small parcel sizes that exist in this area.</b></p> <p>(2) <b>Area-wide. This would be the preferred approach of redevelopment but it is complicated by the fact that it will be difficult to aggregate multiple lots. All of the properties contain single family residences so there are likely to be many folks who are not ready or willing to sell.</b></p>
Zoning	<p>King County has zoned all 55 properties as R4 (Residential – 4 dwelling units per acre). The City’s implementing zoning designation for the Multifamily land use designation is either R-20 (Residential 20 dwelling units per acre) or R-RH (Manufactured/Mobile Home Park).</p> <p><b>Because the City of Auburn Comprehensive Plan designates all 55 parcels as Multifamily, if Totem is annexed into the City of Auburn all of the parcels would need to be rezoned from R4 to R-20 (since it is not a manufactured/mobile home park).</b></p> <p><b>Rezoning all 54 parcels to R-20 will result in all of the parcels being classified as “non-conforming” because single-family residential uses are not allowed within the R-20 zone.</b></p>
Code Enforcement	<p>King County zoning and land use rules within residential areas are more lenient than the City of Auburn. The County does not enforce the following types of rules that are likely to exist within Totem:</p> <ul style="list-style-type: none"> <li>• Vegetation height and condition</li> <li>• Parking vehicles on unimproved surfaces</li> <li>• Farm animals and activities</li> <li>• Outdoor storage</li> <li>• Home based businesses and business licenses</li> </ul>
Addressing	<p>The roads that run through Totem are a mix of County and City street names. Existing street signs currently show two street names (e.g. a single street sign pole has both “C St. SE” and “87 Ave S” posted). Because Totem is located in unincorporated</p>

	<p>King County, there is the potential that at least 8 parcels will need to be re-addresses.</p> <p><b>If Totem were annexed into the City of Auburn, 8 of the 55 parcels would likely need to be re-addressed to conform to the City addressing standard. Additionally, M&amp;O will need to ensure that all street signage reflecting King County road names is removed and/or replaced with City street signs.</b></p>
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Attachments

Water ★ Sewer ★ Customers for King County Franchise Fee – Totem Area



Private water system, 6" main should be replaced

Group A Well (South Auburn Water Assn)

● Group B Well (Peterson and South Auburn Water Assn)

Water - \$405/LF (includes tax, 25% LID, 20% design/construction mgmt)

Sewer \$420/LF (includes tax, 25% LID, 20% design/construction mgmt)

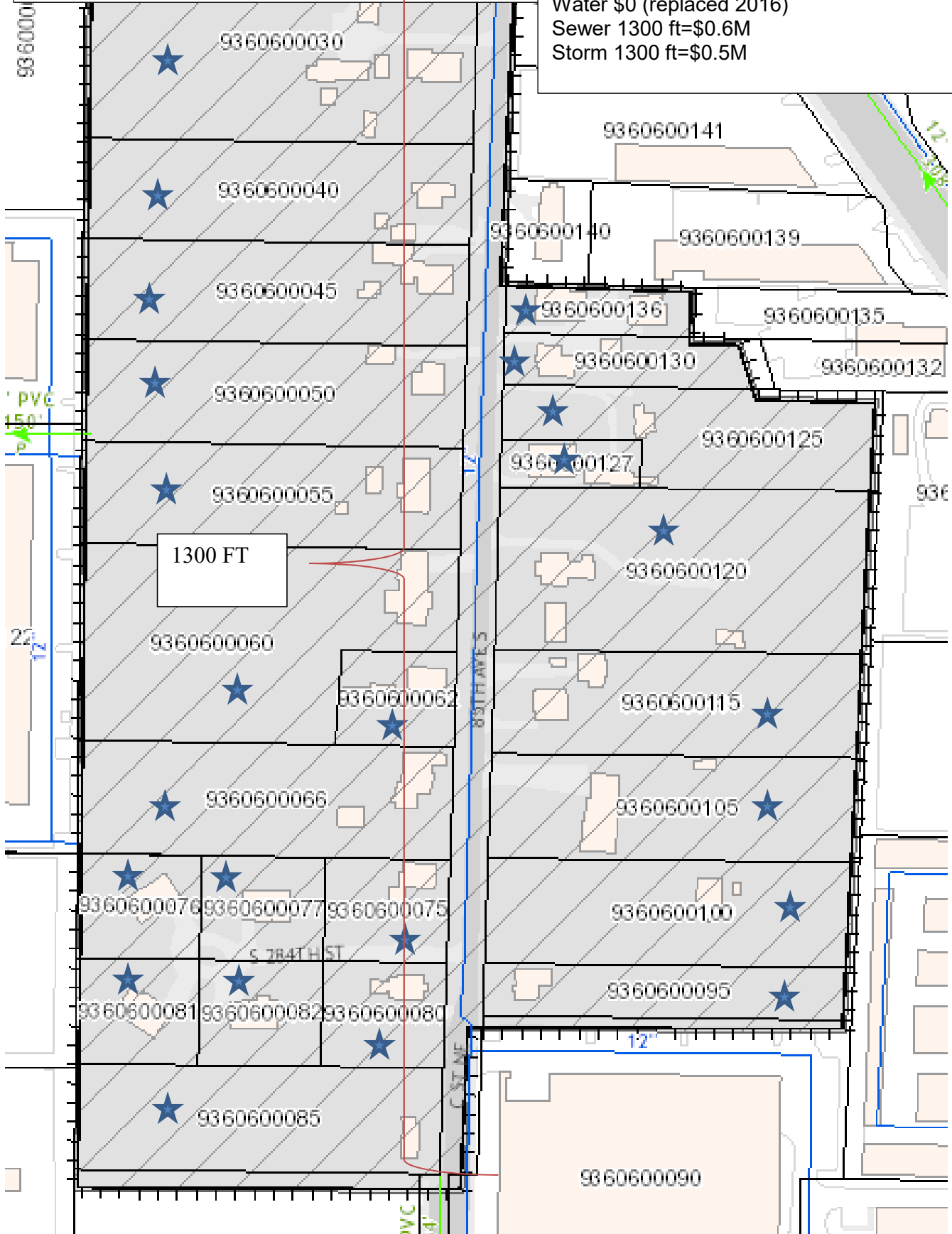
Storm - \$340/LF (includes tax, 20% design/construction mgmt.)

Water 3500 ft=\$1.4M, Sewer 2500 ft=\$1.1M, Storm 2500 ft==\$0.9M

**Water** ★ **Sewer** ★ **Customers** for King County Franchise Fee – Klump Area

No storm, no sewer

Water - \$405/LF, Sewer \$420/LF, Storm - \$340/LF  
 Water \$0 (replaced 2016)  
 Sewer 1300 ft=\$0.6M  
 Storm 1300 ft=\$0.5M



# Estimated Fees & Taxes to be Paid in the City Versus the County

Utility	Tax Rate	Annual \$ Unincorporated	Annual \$ City of Auburn
Cellular	6%		\$ 57.60
Electricity	6%		72.00
Gas Utility	6%		57.60
Cable Utility	6%		108.00
Fire Benefit Charge			293.00
SWM or Stormwater Fee		240.44	242.64
Cable Franchise Fee	5%		90.00
<b>Total Utility taxes and fees</b>		<b>\$ 240.44</b>	<b>\$ 920.84</b>

# Property Tax Impact - County versus City

City of Auburn Rate		Levy 4736 Totem	
\$	14.68055	\$	15.22029
\$	3,126.96	\$	3,241.92

Property tax impact on a \$213,000 home \$ (114.96)

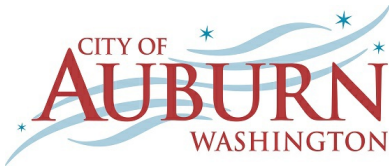
City of Auburn Rate		Levy 5135 Klump	
\$	13.02509	\$	12.83620
\$	2,644.09	\$	2,605.75

Property tax impact on \$203,000 home \$38.34

# Summary of Rate, Fee, & Tax Impacts

	Klump	Totem
Property Tax	\$ 38	\$ (115)
Other fees/taxes	680	680
	<hr/> \$ 719	<hr/> \$ 565





## AGENDA BILL APPROVAL FORM

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**Agenda Subject:**

Graffiti Update (Tate) (15 Minutes)

**Department:**

Community Development

**Attachments:**

[PowerPoint Presentation](#)

**Date:**

December 5, 2018

**Budget Impact:**

Current Budget: \$0

Proposed Revision: \$0

Revised Budget: \$0

**Administrative Recommendation:**

For discussion only.

**Background Summary:**

Please see the attached PowerPoint presentation.

**Reviewed by Council Committees:**

Other: Code Enforcement

**Councilmember:****Staff:**

Tate

**Meeting Date:** December 10, 2018

Item Number:

**CODE ENFORCEMENT &  
COMMUNITY RESPONSE TEAM**

**GRAFFITI**

**CHRIS BARACK & APRIL STEINMAN  
CITY COUNCIL STUDY SESSION  
DECEMBER 10, 2018**

Department of Community Development

Planning • Building • Development Engineering  
Permit Center • Code Enforcement • Environmental

AUBURN  
VALUES

S E R V I C E

E N V I R O N M E N T

E C O N O M Y

C H A R A C T E R

S U S T A I N A B I L I T Y

W E L L N E S S

C E L E B R A T I O N

# GRAFFITI 101

- Gang Graffiti vs. Non-Gang Graffiti
- Reporting, Recording, Eliminating
- Public Property vs. Private Property
- Owner is a Victim but Owner is Responsible for Removal
- Timeframes for Removal
- Prioritization Based on Content and Location
- Importance of Expeditious Removal
- Partnership with Agrishop and Voucher Program
- Fighting Graffiti as a Community

# COMMUNITY APPROACHES - PD



# COMMUNITY APPROACHES - CE





# COMMUNITY APPROACHES – M&O



# COMMUNITY APPROACHES – STAFF





# COMMUNITY APPROACHES







## AGENDA BILL APPROVAL FORM

Agenda Subject:  
Ordinance No. 6698 (Tate) (15 Minutes)

Date:  
December 4, 2018

Department:  
Community Development

**Attachments:**  
[Attachment 1 - Agenda Bill](#)  
[Attachment 2 - Ordinance No. 6698](#)

Budget Impact:  
Current Budget: \$0  
Proposed Revision: \$0  
Revised Budget: \$0

### Administrative Recommendation:

City Council to review and discuss Ordinance No. 6667 amending the Comprehensive Plan to include 2018 Annual Comprehensive Plan Map and Policy/Text Amendments and thee associated rezones (zoning map amendments).

### Background Summary:

Please see the attached agenda bill.

Included under this agenda bill, and as part of Ordinance No. 6698, are the Planning Commission's recommendation on the 2018 package of amendments. This year there are 15 separate comprehensive plan amendments. The package of amendments are organized as follows:

- The first page of the agenda bill provides a general overview of the 15 amendments. There are 9 policy/text amendments, 3 map amendments, and 3 privately initiated plan map amendments.
- Pages 2 and 3 provide greater summary detail of each of the 15 amendments. P/T Amendments are Policy/Text Amendments and CPM Amendments are Comprehensive Plan Amendments. The CPM Amendments are broken into 2 categories – those that are city initiated and those that are privately initiated.
- The remaining pages of the agenda bill provide background details about the legislative process up to this point and a few pages of detail for each of the 15 amendments.

While the agenda bill provides a great deal of information it is actually an abbreviated summary of the process, analysis, public comment, findings, and recommendations for the package of amendments. Two large binders have been placed in the City Council library in the event that councilmembers would like to learn more about an individual amendment or the overall process. Each binder is identical. Included in the binders are all details related to staff's analysis, SEPA environmental review, state agency review, staff reports, planning commission minutes, public comment, etc.

### Reviewed by Council Committees:

Planning And Community Development Other: Legal, Public Works, & Fire

Councilmember:

Staff:

Tate

Meeting Date: December 10, 2018

Item Number:





## AGENDA BILL APPROVAL FORM

<b>Agenda Subject:</b> Ordinance #6698 CPA18-0001 & REZ18-0002, CPA18-0002, CPA18-0003 & REZ18-0003, and CPA18-0004 & REZ18-0004, as the 2018 Annual Comprehensive Plan Map and Policy/Text Amendments		<b>Date:</b> November 28, 2018		
<b>Department:</b> Community Development Dept.	<b>Attachments:</b> Ordinance No. 6698 See separate map amendment & policy/text amendment sections of the working binder.	<b>Budget Impact:</b> N/A		
<b>Administrative Recommendation:</b> City Council to review and discuss Ordinance No. 6667 amending the Comprehensive Plan to include 2018 Annual Comprehensive Plan Map and Policy/Text Amendments and thee associated rezones (zoning map amendments).				
<b>Background Summary:</b> The City of Auburn adopted amendments to its Comprehensive Plan in 1995 in response to the Washington State Growth Management Act (GMA) requirements, as amended. Since then the Auburn Comprehensive Plan has been amended annually. The City adopted a substantially revised Comprehensive Plan in December 2015.  Comprehensive plan amendments can be initiated by the City of Auburn (city-initiated) and by private citizens (private-initiated). This year the city is initiating: <ul style="list-style-type: none"> <li>Nine policy/text amendments</li> <li>Three map amendments</li> </ul> Also, the city received three (3) private-initiated plan map amendment by the June 8, 2018 submittal deadline. This staff report and Planning Commission recommendation addresses all of this year's amendments consisting of: <ul style="list-style-type: none"> <li>CPA18-0002, Comprehensive Plan <b>Text</b> Amendments (P/T) # 1-9 – <b>City-initiated applications</b></li> <li>CPA18-0002, Comprehensive Plan <b>Map</b> Amendment (CPM) # 1–3 - <b>City-initiated applications</b></li> <li>CPA18-0001 &amp; REZ18-0002, Comp. Plan &amp; Zoning <b>Map</b> Amendment – <b>private-initiated applic.</b></li> <li>CPA18-0003 &amp; REZ18-0003, Comp. Plan &amp; Zoning <b>Map</b> Amendment – <b>private-initiated applic.</b></li> <li>CPA18-0004 &amp; REZ18-0004, Comp. Plan &amp; Zoning <b>Map</b> Amendment – <b>private-initiated applic.</b></li> </ul> Comprehensive plan amendments are initially reviewed during a public hearing process before the City of Auburn Planning Commission, who then provides a recommendation to the City Council for final action. City Council consideration and action on the amendments generally occurs but is not required prior to the end of the year.				
<table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> <b>Reviewed by Council &amp; Committees:</b>  <input type="checkbox"/> Arts Commission  <input type="checkbox"/> Airport            Mayor  <input type="checkbox"/> Hearing Examiner  <input type="checkbox"/> Parks  <input type="checkbox"/> Human Services            Planning  <input type="checkbox"/> Park Board  <input type="checkbox"/> Planning Comm.            Human Resources         </td> <td style="width: 50%; vertical-align: top;"> <b>Reviewed by Departments &amp; Divisions:</b>  <input type="checkbox"/> Building  <input type="checkbox"/> Finance  <input type="checkbox"/> Municipal Services  <input type="checkbox"/> Planning &amp; Dev.  <input checked="" type="checkbox"/> Legal            Other <input checked="" type="checkbox"/> </td> </tr> </table>			<b>Reviewed by Council &amp; Committees:</b> <input type="checkbox"/> Arts Commission <input type="checkbox"/> Airport Mayor <input type="checkbox"/> Hearing Examiner <input type="checkbox"/> Parks <input type="checkbox"/> Human Services Planning <input type="checkbox"/> Park Board <input type="checkbox"/> Planning Comm. Human Resources	<b>Reviewed by Departments &amp; Divisions:</b> <input type="checkbox"/> Building <input type="checkbox"/> Finance <input type="checkbox"/> Municipal Services <input type="checkbox"/> Planning & Dev. <input checked="" type="checkbox"/> Legal Other <input checked="" type="checkbox"/>
<b>Reviewed by Council &amp; Committees:</b> <input type="checkbox"/> Arts Commission <input type="checkbox"/> Airport Mayor <input type="checkbox"/> Hearing Examiner <input type="checkbox"/> Parks <input type="checkbox"/> Human Services Planning <input type="checkbox"/> Park Board <input type="checkbox"/> Planning Comm. Human Resources	<b>Reviewed by Departments &amp; Divisions:</b> <input type="checkbox"/> Building <input type="checkbox"/> Finance <input type="checkbox"/> Municipal Services <input type="checkbox"/> Planning & Dev. <input checked="" type="checkbox"/> Legal Other <input checked="" type="checkbox"/>			
<b>Action:</b> Committee Approval: <input type="checkbox"/> Yes <input type="checkbox"/> No Council Approval: <input type="checkbox"/> Yes <input type="checkbox"/> No    Call for Public Hearing    ___/___/___ Referred to _____ Until ___/___/___ Tabled _____ Until ___/___/___				
Councilmember:		Staff: Tate		
Meeting Date: November 28, 2018		Item Number:		

## **I. Background**

At its **November 7, 2018 public hearing**, the Planning Commission considered the following set (docket) of Annual Comprehensive Plan Amendments, consisting of map and policy/text amendments:

### **A. Policy/Text (P/T) Amendments (File #CPA18-0002 – City-Initiated):**

- P/T #1 – Incorporate Auburn School District Capital Facilities Plan
- P/T #2 – Incorporate Dieringer School District Capital Facilities Plan
- P/T #3 – Incorporate Federal Way School District Capital Facilities Plan
- P/T #4 – Incorporate Kent School District Capital Facilities Plan
- P/T #5 – Incorporate City of Auburn Capital Facilities Plan
- P/T #6 - Modify text at the end of Volume 1, "Land Use Element" to clarify and distinguish between the various subcategories of "Special Planning Areas" that are already described in the Plan. Bring back some missing explanation from previous pre-2015 Comprehensive Plan to aid in describing the purpose and actions associated with each subcategory. The changes are shown in strike through and underline. Also, change Map No. 1.3 to correspond. See the related Map amendment CPM #1.
- P/T #7 - Amend text of Volume 6, Economic Development Element of Comprehensive Plan and the Comprehensive Plan's "Core Plan" (headline chapter) and specifically the Economic Development Vision Statement discussion to reflect preparation of the City of Auburn Ten-Year Economic Development Strategic Plan (TEDSP). Also, amend and the Appendices to include the document as one of the background documents to the Plan. The changes are shown in strike through and underline.
- P/T #8 - Amend text and policies of Comprehensive Plan to add back the contents of the former Chapter 10, "Historical Preservation" from pre-2015 Comprehensive Plan as a new Chapter 8, with some minor revisions. Also, add a corresponding section to the "Core Plan" to maintain formatting, add a map of designated landmarks, as before and amend the Appendices to reflect the map addition. See related Map amendment CPM #2. The text changes are shown in strike through & underline.
- P/T #9 - Modify text of Volume 1, "Land Use Element" of the Comprehensive Plan to remove the mapped designation of "Residential Transition Overlay" from the Comprehensive Plan Map. The text requires modification to eliminate references to the map location. See related Map amendment CPM #3.

### **B. Map (CPM) Amendments (CPA18-0002 – City-Initiated)**

- CPM #1 - Change the Comprehensive Plan Map, "Designated Areas, Map # 1.3" to remove "Environmental Park" Designated Area, since the area was rezoned in 2017 to M-1, Light Industrial and thus is not distinguished from other areas. (See also related text amendment P/T #6)
- CPM #2 - Add back the Historic Resource Inventory Map from former Chapter 10, Historic Preservation Chapter, from the pre-2015 Comprehensive Plan as a re-numbered Map 8.1. (See also related text amendment P/T #8)
- CPM #3 - Amend Comprehensive Plan Map to remove the mapped designation of "Residential Transition Overlay". (See related text amendment P/T #9) P/T #6 - Remove the discussion of a "Mixed Use" land use designation from the text of the Plan and from the Land Use Map. The R10, R16, and R20 residential zoning districts already allow for mixed uses (comprised of residential & commercial) as permitted uses (See Table 18.07.020, Permitted Use Table ). CPM #1 - Remove the discussion of a "Mixed Use" land use designation from the text of the Plan and

remove category from the Land Use Map. "The R-10, R-16 and R-20 residential zoning districts already allow for mixed uses residential & commercial) as permitted uses (See Table 18.07.020, Permitted Use Table). (See also related P/T #6)

**A. Map (CPM) Amendments – Private-Initiated**

- CPM #4 – (CPA18-0001 & REZ18-0002) Application by Labrador Ventures LLC to change the designation of three vacant parcels totaling approx. 1.89 acres located NE of 40th and I ST NE from the "Residential Transition Overlay" to "Multiple Family Residential" and associated rezone from "R-7, Residential 7 dwelling units per acre" to "R-20, 20 Dwelling Units Per Acre". Parcels are located on the east side of 'I' St. NE, approximately 200 ft. north of 40th St. NE., Parcel Nos. 000420-0010, -0027, & -0028.
- CPM #5 – (CPA18-0003 & REZ18-0003) Application by Auburn School District to change the designation of two developed parcels totaling approx. 0.9 acres located west of Pioneer Elementary from "Single Family Residential" to "Institutional" and associated rezone from "R-7, Residential 7 dwelling units per acre" to "P-1, Public Use". Parcels are located on the east side of K ST SE in the 2200 block (between 21st ST SE and 25th ST SE, addressed as 2230 & 2236 K ST SE., Parcel Nos. 192105-9190 & -9282.
- CPM #6 – (CPA18-0004 & REZ18-0004) Application by Auburn School District to change the designation of four parcels (3 developed; 1 vacant) totaling approx. 22.08 acres located west of Kersey WY SE from "Residential Conservancy" to "Institutional" and the associated rezone from "RC, Residential Conservancy" to "I, Institutional". Parcel Nos. 322105-9016, -9056, 9057, & - 9058.

**In short, with conclusion of the hearing, the Planning Commission forwarded its recommendation for "approval" to the City Council on all of the year 2018 Comprehensive Plan Amendments.**

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**II. Comprehensive Plan-Related Findings**

1. The purpose of the City's Comprehensive Plan document is to provide a policy basis for development regulations to ensure that the Comprehensive Plan and implementing regulations are consistent, as required by the Washington State Growth Management Act (GMA) and the following City Code provision:  
  

***"14.22.050 Conformance and consistency.***  
*The zoning, land division and other development codes contained or referenced within Auburn City Code shall be consistent with and implement the intent of the comprehensive plan. Capital budget decisions shall be made in conformity with the comprehensive plan."*
2. RCW 36.70A.130 (The Washington State Growth Management Act (GMA)) provides the process for amendments to locally adopted GMA-compliant comprehensive plans shall be considered by the city no more frequently than once per year, except in limited circumstances as provided for in State law and repeated in City Code Section 14.22.060, 'Comprehensive Plan Amendments'.
3. The City of Auburn established a Friday, June 8, 2018 deadline for the submittal of private-initiated comprehensive plan applications (map or policy/text). Notice to the public of the application filing deadline was provided on the City's website, published in the Seattle Times

Newspaper, and sent to a compiled notification list on May 4, 2018. The City received three (3) private-initiated plan map amendment by the submittal deadline.

4. The City of Auburn received annual updates to the four (4) school district Capital Facilities Plans whose districts occur within the City of Auburn. These Capital Facilities Plans, as well as the City's Capital Facilities Plan are proposed to be incorporated by reference in the current Capital Facilities Element (Volume 3), of the 2015 Auburn Comprehensive Plan and are processed as Policy/Text (P/T) amendments.
5. The environmental review under the State Environmental Policy Act (SEPA) for the school district capital facilities plans were prepared individually by each school district acting as their own lead agency, as allowed by state law.
6. The City conducted the environmental review under the State Environmental Policy Act (SEPA) for the city-initiated policy/text and map amendments. This resulted in a Determination of Non-Significance (DNS) (File #SEP18-0010) issued for the City-initiated Comprehensive Plan Amendments on September 19, 2018. The comment period ended October 4, 2018 and the appeal period ended October 18, 2018. The City did not receive any comments in response to the issuance of the Determination of Non-Significance (DNS). A copy of the DNS and environmental checklist application is provided in the working binder behind the "Environmental Review" tab.

Also, the City conducted the environmental review under the State Environmental Policy Act (SEPA) for the three (3) private-initiated Comprehensive Plan Map Amendments and associated rezones. This resulted in:

- CPM #4 – Determination of Non-Significance (DNS) (File # SEP18-0012), Labrador Ventures LLC for the Comprehensive Plan amendment & rezone (CPA18-0001 & REZ18-0002) issued on August 16, 2018. The comment period ended August 31, 2018 and the appeal period ended September 14, 2018. One public comment was submitted regarding off-site vegetation that was replied by written staff comments; (See Exhibit 9 under "CPA 18-0001" near the end of working binder); no appeal was filed.
  - CPM #5 – Determination of Non-Significance (DNS) (File # SEP18-0012), Auburn School District for the Comprehensive Plan amendment & rezone (CPA18-0003 & REZ18-0003) issued on August 9, 2018. The comment period ended August 24, 2018 and the appeal period ended September 7, 2018. No public comments were submitted; no appeal was filed.
  - CPM #6 – Determination of Non-Significance (DNS) (File # SEP18-0013), Auburn School District for the Comprehensive Plan amendment & rezone (CPA18-0004 & REZ18-0004) issued on August 14, 2018. The comment period ended August 29, 2018 and the appeal period ended September 12, 2018. Three public comments were submitted mainly addressing vehicle and pedestrian transportation and site layout that were replied by written staff comments; (See Exhibit under "CPA 18-0004" near the end of working binder); no appeal was filed.
7. Auburn City Code Chapter 14.22, (Amendments) outlines the process for submittal of private-initiated amendments and the general processing of comprehensive plan amendments as follows:

*"Section 14.22.100, (Public Hearing Required by Planning Commission.)*

- A. *The planning commission shall hold at least one public hearing on all proposed amendments to the comprehensive plan. Notice of such public hearing shall be given pursuant to Chapter 1.27 ACC and, at a minimum, include the following:*
    1. *For site-specific plan map amendments:*
      - a. *Notice shall be published once in the official newspaper of the city not less than 10 calendar days prior to the date of public hearing;*
      - b. *Notice shall be mailed by first class mail to all property owners of record within a radius of 300 feet of the proposed map amendment request, not less than 10 calendar days prior to the public hearing;*
    2. *For area-wide plan map amendments:*
      - a. *Notice shall be published once in the official newspaper of the city not less than 10 calendar days prior to the date of public hearing;*
      - b. *Notice shall be mailed by first class mail to all property owners of record within the area subject to the proposed amendment;*
      - c. *Notice shall be posted in at least two conspicuous locations in the area subject to the proposed amendment not less than 10 calendar days prior to the date of the public hearing.*
  - B. *Notwithstanding the above, the director may expand the minimum noticing provisions noted above as deemed necessary.*
  - C. *Planning Commission Recommendation. The planning commission shall conduct a public hearing on all potential comprehensive plan amendments and shall make and forward a recommendation on each to the city council. The planning commission shall adopt written findings and make a recommendation consistent with those findings to the city council.*
  - D. *The city council, if it elects to amend the comprehensive plan, shall adopt written findings and adopt said amendments by ordinance.*
  - E. *State Review. All comprehensive plan amendments considered by the planning commission shall be forwarded for state agency review consistent with RCW 36.70A.106.*
  - F. *Any appeal of an amendment to the comprehensive plan shall be made in accordance with Chapter 36.70A RCW. (Ord. 6172 § 1, 2008.)”*
8. Thus, Comprehensive Plan amendments are initially reviewed during a public hearing process before the City of Auburn Planning Commission, who then provides a recommendation to the City Council for final action. City Council consideration and action on the amendments generally occurs, but is not required, prior to the end of the year.
  9. Pursuant to RCW 36.70A.106, the proposed comprehensive plan amendments outlined in this agenda bill were sent to the Washington State Office of Commerce and other state agencies as required for the 60-day state review. No comments have been received from the Washington State Department of Commerce or other state agencies as of the writing of this report.
  10. Due to the nature of the city-initiated amendments and the scope and limited number of private-initiated amendments, the optional process available in the city code for staff to hold a public open house was not conducted.
  11. With the City adoption of a substantially revised Comprehensive Plan in December 2015, the need for some policy/text amendments and map amendments is needed to correct some inadvertent changes. The changes are necessary to increase the consistency of the Comprehensive Plan and zoning as required by ACC 14.22.050, “Conformance and

Consistency”. **Each of the Policy/Text (P/T) and map (CPM) changes are shown in greater detail behind the respective tabs of the ‘Working Binder’.**

12. For the city-initiated amendments a public hearing notice was published on October 24, 2018 in the Seattle Times newspaper which is at least 10-days prior to the Planning Commission public hearing, conducted on November 7, 2018, as required. The private-initiated applications were each the subject of separate hearing notices also published on, or before October 24, 2018.

### **III. Zoning Code Related Findings**

13. In June 2017 the City Council adopted Ordinance No. 6655 which allows the Planning Commission and City Council to consider associated map changes (for Comprehensive Plan and Zoning map amendments), concurrently. This eliminates the need for the rezone (zoning map amendment) to subsequently be heard and decided by the Hearing Examiner through a separately scheduled hearing when it is related to a Comprehensive Plan map amendment.
14. Chapter 18.68 ACC (Zoning) Amendments)) outlines the process for submittal of private-initiated zoning amendments and the process. Per ACC 18.68.030(B)(1)(b), when the Planning Commission is considering a rezone (zoning map amendment) which requires a Comprehensive Plan Land Use Map amendment, the public hearings shall be conducted concurrently and a recommendation on both shall be forwarded to the City Council.

### **-----NOVEMBER 7, 2018 PLANNING COMMISSION PUBLIC HEARING-----**

#### **Comprehensive Plan Policy/Text (P/T) Amendments (File No. CPA18-0002, City-initiated)**

##### **P/T #1**

Incorporate the Auburn School District Capital Facilities Plan 2018-2024 into the City of Auburn Comprehensive Plan. *The CFP is provided in the working binder behind the “Comp. Plan Policy/Text Amendments” tab.*

##### **Discussion**

The Auburn School District has provided the City with its annually updated Capital Facilities Plan (CFP) covering from 2018-2024. The CFP was prepared by the District staff and adopted by the Auburn School District School Board of Directors on June 11, 2018 and has been subject to separate SEPA review and a Determination of Non-Significance (DNS) prepared by the District. Information contained in the School District CFP serves as the basis for the City's collection of school impact fees on behalf of the school district. The action is to incorporate the Auburn School District Capital Facilities Plan into the City's Comprehensive Plan by reference.

A review of the Auburn School District's updated Capital Facilities Plan indicates the District is requesting a change in the fee obligations. The net fee obligation for single-family dwellings is proposed to be \$5,715.68, an increase of \$2,393.82 and the requested fee for multiple-family dwellings is \$4,488.43, an increase of \$2,407.14. The impact fees are established by ordinance through City Council action.

#### **PLANNING COMMISSION RECOMMENDATION**

Planning Commission **recommended approval** of the Auburn School District Capital Facilities Plan 2018- 2023 to the City Council.



**P/T#2**

Incorporate the Dieringer School District Capital Facilities Plan 2019-2024 into the City of Auburn Comprehensive Plan. *The CFP is provided in the working binder behind the “Comp. Plan Policy/Text Amendments” tab.*

**Discussion**

The Dieringer School District has provided the City with its annually updated Capital Facilities Plan 2019-2024. The CFP was adopted by the Dieringer School District Board of Directors on June 18, 2018. The CFP has been subject to separate SEPA review and a DNS prepared by the District. Information contained in the School District CFP serves as the basis for the City’s collection of school impact fees on behalf of the school district. The action is to incorporate the School District Capital Facilities Plan into the City’s Comprehensive Plan by reference.

A review of the Dieringer School District’s updated Capital Facilities Plan indicates the District is requesting a decrease in the fee obligations. The net fee obligation for single-family dwellings is proposed to be \$3,216.00, a decrease of \$269.00 and the requested fee for multiple family dwellings is \$450.00; a decrease of \$631.00. The impact fees are established by ordinance through City Council action.

**PLANNING COMMISSION RECOMMENDATION**

Planning Commission recommended approval of the Dieringer School District Capital Facilities Plan 2019- 2024 to the City Council.

**P/T #3**

Incorporate the Federal Way School District 2019 Capital Facilities Plan into the City of Auburn Comprehensive Plan. *The CFP is provided in the working binder behind the “Comp. Plan Policy/Text Amendments” tab.*

**Discussion**

The Federal Way School District has provided the City with its annually updated Capital Facilities Plan 2019. The CFP was adopted by the Federal Way School District School Board July 24, 2018 by Resolution No. 2018-10. The CFP has been subject to separate SEPA review and a DNS prepared by the District. Information contained in the School District CFP serves as the basis for the City’s collection of school impact fees on behalf of the school district. The action is to incorporate the School District Capital Facilities Plan into the City’s Comprehensive Plan by reference.

A review of the Federal Way School District’s updated Capital Facilities Plan indicates the District is requesting a change in the fee obligations. The net fee obligation for single-family dwellings is proposed to be \$7,221.00, representing an increase of \$379.00 and the requested fee for multi-family dwellings is \$19,454.00, a decrease of \$632.00. The impact fees are established by ordinance through City Council action.

According to communication in 2017 from Tanya Nascimento, Student & Demographic Forecaster of the Federal Way Public Schools, there are several factors, which have driven the impact fees to increase quite significantly prior to adoption last year. One factor is the steady increase in observed multiple-family student generation rates. In 2015, the first of three multi-family developments was opened and fully occupied in the City of Federal Way. The second was opened and occupied in late 2016 and the third was opened in fully occupied this summer. The first two developments have been

included in the generation rate calculation for last year's plan. The specific generation rates can be found on Page 34. These multiple-family complexes are generating more than one student per unit, which is significantly higher than past developments within the school district.

In addition to the high student generation rates, the district completed work with its Facilities Planning Committee, which determined a need for additional capacity at a number of schools. As a result of this work, Phase II of the District's plan was the subject of a voter approved capital bond. The facilities impacted during Phase II can be found on Page 7 of the Capital Facilities Plan. It is important to note that not all projects within Phase II will create additional capacity. Only costs associated with project increasing needed capacity are used in the formula for calculating Impact Fees. The specific cost calculations are outlined on Page 32 of the Capital Facilities Plan.

#### **PLANNING COMMISSION RECOMMENDATION**

Planning Commission [recommended approval](#) of the Federal Way School District Capital Facilities Plan 2019 to the City Council.

#### **P/T #4**

Incorporate the Kent School District Capital Facilities Plan 2018-2019 to 2023-2024 into the City of Auburn Comprehensive Plan. *The CFP is provided in the working binder behind the "Comp. Plan Policy/Text Amendments" tab.*

#### **Discussion**

The Kent School District has provided its annually updated 2018-2019 to 2023-2024 Capital Facilities Plan. The CFP was adopted by the Kent School District School Board on June 27, 2018 and has been subject to separate SEPA review and a DNS prepared by the District. Information contained in the School District CFP serves as the basis for the City's collection of school impact fees on behalf of the school district. The action is to incorporate the School District Capital Facilities Plan into the City's Comprehensive Plan by reference.

A review of the Kent School District's updated Capital Facilities Plan indicates the District is requesting a change in the fee obligations. The net fee obligation for single-family dwellings is proposed to be \$5,397.00, representing an increase of \$162.00 and the requested fee for multi-family dwellings is \$2,279.00, an increase of \$12.00. The actual impact fees are established by ordinance through subsequent City Council action.

#### **PLANNING COMMISSION RECOMMENDATION**

Planning Commission [recommended approval](#) of the Kent School District Capital Facilities Plan 2018-2019 to 2023-2024 to the City Council.

#### **P/T #5**

Incorporate the City of Auburn's 6-year Capital Facilities Plan 2019-2024, into the City's Comprehensive Plan. *The CFP is provided in the working binder behind the "Comp. Plan Policy/Text Amendments" tab.*

#### **Discussion**

A Capital Facilities Plan is one of the comprehensive plan elements required by the Washington State Growth Management Act (GMA) (RCW 36.70A). The GMA requires that a capital facilities plan include an inventory of existing capital facilities (showing locations and capacities), a forecast of future needs for such capital facilities, proposed locations and capacities of new or

expanded capital facilities, and a minimum of a six-year plan to finance capital facilities with identified sources of funding. The proposed City of Auburn 6-year Capital Facilities Plan 2019-2024 satisfies the GMA requirements for a capital facilities element as part of the Comprehensive Plan.

Each comprehensive plan prepared under the GMA must include a capital facilities plan element. More specifically, RCW 36.70A.070(3) of the GMA requires the following:

“A capital facilities plan element consisting of:

- (a) An inventory of existing capital facilities owned by public entities, showing the locations and capacities of the capital facilities;
- (b) a forecast of the future needs of such capital facilities;
- (c) the proposed locations and capacities of expanded or new capital facilities;
- (d) at least a six-year plan that will finance such capital facilities within projected funding capacities and clearly identifies sources of public money for such purposes; and
- (e) a requirement to reassess the land use element if probable funding falls short of meeting existing needs and to ensure that the land use element, capital facilities plan element, and financing plan within the capital facilities plan element are coordinated and consistent. Park and recreation facilities shall be included in the capital facilities plan element.”

A capital facility is defined as a structure, street or utility system improvement, or other long-lasting major asset, including land. Capital facilities are provided for public purposes. Capital facilities include, but are not limited to, the following: streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, domestic water systems, storm and sanitary sewer systems, parks and recreation facilities, and police and fire protection facilities. These capital facilities include necessary ancillary and support facilities.

The memo dated September 28, 2018 prepared by the City’s Finance Department contained in front of the CFP in the working binder highlights the major changes in the CFP from last year’s CFP by projects completed (removed) and new projects (added). The City of Auburn 6-year Capital Facilities Plan 2019-2024 is proposed to be incorporated by reference in the Comprehensive Plan, Capital Facilities Element (Volume No. 3).

#### **PLANNING COMMISSION RECOMMENDATION**

Planning Commission recommended approval of the City of Auburn Capital Facilities Plan 2019-2024 to the City Council.

#### **P/T #6**

Modify text at the end of Volume 1, “Land Use Element” to clarify and distinguish between the various subcategories of “Special Planning Areas” that are already described in the Plan by bringing back some missing explanation from previous pre-2015 Comprehensive Plan to aid in describing the purpose and actions associated with each subcategory. The changes are shown in strike through and underline. Also, change Map No. 1.3 “Designated Areas” and Map #1.5 “Impression Corridors” to correspond. See the related Map amendment CPM #1, below. *The changes are shown in strike through and underline in the working binder behind the “Comp. Plan Policy/Text Amendments” tab.*

#### **Discussion**

The Land Use Element (Volume No. 1) of the Comprehensive Plan at Page LU-18 describes “Special Planning Areas”.

By Ordinance No. 6584, the City of Auburn adopted a new Comprehensive Plan at the end of 2015 that included a revised section in the Land Use Element titled “Special Planning Area Designation”. This section provides descriptions, designation criteria, and policies for each of the four (4) types of Special Planning Areas (smaller geographic areas of the City). The four types of Special Planning Areas include:

- Districts,
- Subareas,
- Impression Corridors, and
- Gateways.

The Special Planning Areas known as “Subareas” are further broken down into five (5) different types of Subareas:

- “Identified Areas”,
- “Designated Areas”,
- “Designated Areas – Economic Development Strategy Areas”,
- “Designated Areas – Areas of Concern”, and
- “Adopted Areas”.

The purpose of designating these Special Planning Areas within the City of Auburn is to recognize smaller sub-regions that warrant additional emphasis in planning, investments, and policy development. Additionally, the policies contained within the Special Planning Area Designation section are intended to identify, provide guidance for, and deal with the unique problems or opportunities that exist in certain smaller portions of the City. This section is “...useful in developing and applying implementing tools (such as zoning provisions); for interpreting the associated land use designation Map (i.e. the Comprehensive Plan Map) as it applies to specific regulatory decisions or development proposals; and in adjusting or amending the associated land use designation map when changing conditions or land use markets warrant” (*Chapter 14 - Comprehensive Plan Map, Land Use Element, Amended 2011, pg. 14-1*). While the majority of the Special “Planning Areas Designation” section is derived from the former Chapter 14 “Comprehensive Plan Map”, of the previous, now archived Comprehensive Plan, revisions are needed to improve its clarity and applicability.

## **REQUESTED CHANGE**

For the purpose of summarizing the changes for review, the proposed revisions to the “Special Planning Area Designation” section have been categorized into “minor revisions” and “major revisions”.

### **1.0 Minor revisions:** minor revisions consist of the following changes:

- 1.1 Reorganization of designation criteria and policies;
- 1.2 Renumbering of designation criteria and policies;
- 1.3 Re-categorization of “Subareas”;

- 1.4 Improving the section nomenclature (e.g. making sure titles are the same); and
- 1.5 Aligning the list of “Impression Corridors” with the locations shown on the “Impression Corridors Map #1.5”.

**2.0 Major revisions:** major revisions consist of the following changes:

- 2.1 Addition of policy language for “Designated Areas”;
- 2.2 Removal of “Auburn Environmental Park/Green Zone” as a “Designated Area – Economic Development Strategy Area”;
- 2.3 Identification of priority impression corridors; and
- 2.4 Identification of priority gateways;

The text amendments to this section at the end of Volume 1, “Land Use Element” to clarify and distinguish between the various subcategories of “Special Planning Areas” is provided in the working binder behind the “Comp. Plan Policy/Text Amendments” tab. The nature of revisions are shown follow these guidelines:

- Insertions are shown in green, underlined text.
- Additions to inserted text is shown in green, underlined, bold **text**.
- Deletions are shown in red, strikethrough ~~text~~.
- Moves from are shown in blue, strikethrough ~~text~~.
- Moves to are shown in blue, underlined text.

The next few paragraphs describe the “major revisions” in greater detail.

## **MAJOR REVISIONS**

### **Addition of policy language for “Designated Areas”**

The current Comprehensive Plan, adopted in 2015 under Ordinance No. 6584, does not contain specific policies for the “designated subareas”. While the previous, now archived, Comprehensive Plan (as was amended in 2011) featured policies for each “Designated Area” these were inadvertently removed during the update of the current Comprehensive Plan. However, Staff has concluded that having specific policies for the Designated Areas is necessary. The purpose of a subarea is to anticipate, support, and guide long-term growth and redevelopment through planned development and a unique vision for how that area should look and function in the future. Therefore, without specific policies for each designated area, Staff cannot anticipate or identify unique problems or characteristics for a particular area.

Specific policies for the “designated” subareas, including Auburn Municipal Airport, BNSF Rail Yard, Stuck River Road, Lakeview, Mt. Rainier; the “Economic Development Strategy Areas” were added under the “Designated Areas Policies” (Page 9) discussion . Note that the majority of the changes are shown in **green** as the text for the policy language was derived from the previous, now archived, Comprehensive Plan. Minor changes, shown in

green, underline bold **text**, were added to a few of the designated areas policies. The purpose of these minor changes is to update or provide clarification to the policy.

**Removal of Auburn Environmental Park (AEP)/Green Zone as a “Designated Area” from the Designated Areas list.**

The “AEP/Green Zone” designated area was originally an “Economic Development Strategy Area” special planning area within the previous, now archived Comprehensive Plan. The stated purpose of the AEP/Green Zone was to “...create an economically enhanced area that complements the Auburn Environmental Park and sustains environmentally sensitive industries”. To complement the designation of this area as an economic development strategy area, in 2006 (Ordinance No. 6036), the City adopted the EP, Environmental Park zoning district (EP zone), and a majority of the area was zoned EP. The EP zone was intended to focus on medical, biotech and “green” technologies including energy conservation, engineering, water quality, and similar uses.

Its designation as a special planning area was carried over in the current Comprehensive Plan adopted in 2015 (Ordinance No. 6584). Specifically, in the current Comprehensive Plan it is a “Designated Area”. However, since the current Comprehensive Plan was adopted, the portion of the area zoned EP has been rezoned by the City to M-1, Light Industrial (rezoned in 2017 under Ordinance No. 6660). The area was rezoned from EP to M-1 due to the lack of private sector investment into the privately owned properties within the EP zone, while substantial investment within the nearby M-1 and M-2 zoned properties occurred. Therefore, the focus on medical, biotech and “green” technologies or environmentally sensitive industries was not viable. Consequently, the need for the area to remain as a designated area or economic development strategy area no longer exists. Therefore, the proposal is to remove the AEP/Green zone from the list of designated areas and remove it from Map #1.3, the “Designated Areas Map”, of the Comprehensive Plan. The corresponding map change is provided in the working binder behind the “Comp. Plan Map Amendments” tab. (See also CPM #1, below)

**Identification of priority Impression Corridors**

The Comprehensive Plan adopted in 2015 (Ordinance No. 6584) included a new section in the Land Use Element titled “Special Planning Area Designation” and “Impression Corridors” were adopted as a new special planning area within the new Comprehensive Plan. Impression corridors are aligned with a particular street, trail, river, stream, or specific linear corridor. The purpose of the impression corridors is to identify the key passageways in which residents, businesses, and visitors move throughout the City. Currently, 25 impression corridors are identified in the special planning area designation section of the Comprehensive Plan. While each of these corridors are key passageways throughout the City, due to the sheer number of impression corridors, some focus and refinement of priority corridors is necessary. Distinguishing key corridors provides direction to the City on which impression corridors take precedent. Priority is given to the impression corridors that are a part of a subarea. The corresponding change to “Impression Corridors Map #1.5” is provided in the working binder behind the “Comp. Plan Map Amendments” tab. (See also CPM #1, below)



### **Identification of priority Gateways**

The 2015 Comprehensive Plan included a new section in the Land Use Element titled “Special Planning Area Designation” and “Gateways” were adopted as a new Special Planning Area within the new Comprehensive Plan. Gateways are specific places, intersections, or blocks within the City. Gateways are essential locations because they constitute the first impression of Auburn. Currently, eight (8) gateways are identified in the Special Planning Area section of the Comprehensive Plan. While each of the gateways constitutes a “first impression” into the City, the identification of key gateways is necessary. Distinguishing key gateways provides direction to the City on which gateways take precedent. Priority is then given to the gateways that are along a priority impression corridor. Priority gateways function as an entrance to an impression corridor.

### **PLANNING COMMISSION RECOMMENDATION**

Planning Commission recommended approval to the City Council of text amendments at the end of Volume 1, “Land Use Element” to clarify and distinguish between the various subcategories of “Special Planning Areas” that are already described in the Plan, as shown in the mark up (strike-through & underline).

### **P/T #7**

Amend text of Volume 6, Economic Development Element of Comprehensive Plan and the Comprehensive Plan's "Core Plan" (Introductory chapter) and specifically the Economic Development Vision Statement discussion to reflect preparation of the City of Auburn Ten-Year Economic Development Strategic Plan (TEDSP). Also, amend and the Appendices to include the document as one of the background documents to the Plan. *The changes are shown in strike through and underline in the working binder behind the “Comp. Plan Policy/Text Amendments” tab.*

### **Discussion**

In the fall of 2015, the City of Auburn embarked on a process to develop an Economic Development Strategic Plan guided by the City’s Economic Development section of the Administration Department and prepared for the purpose of guiding the City’s economic development and activities and investment over the next decade. The City hired a team of expert consultants in specialized subject areas that included:

- TIP Strategies (an economic development consultant),
- Heartland (a real estate advisory & investment consultant), and the
- Retail Coach (a retail recruitment & development consultant).

This consultant team (“Team”) built on the then, recent “Imagine Auburn” public outreach and participation plan that had been implemented for the preparation of the city’s Comprehensive Land Use Plan. The City’s Comprehensive Plan was adopted by Ordinance No. 6584 on December 4, 2015.

The development of the resultant document: City of Auburn Ten-Year Economic Development Strategic Plan, included its own outreach effort to inform its contents. The Team conducted extensive public input reaching out to more than 200 employers, community and regional leaders, residents, and other stakeholders. The Team also prepared a detailed analysis of demographic, economic, and market data for the City and regional context. The research and methodology are described on Page 8 of the Plan. The goals and strategies were also informed by the consulting team's knowledge of trends and best practices that shape economic

development outcomes and programs across the nation. The result is a set of strategies and actions that will propel the City of Auburn forward towards its vision for 2025. The Findings of the investigative effort are described starting at Page 11 of the document.

The timing of the preparation of the Plan was timely due to both the then, recent adoption of the guiding document--the City's Comprehensive Plan--and due Auburn's key location in the path of path of growth radiating from Seattle and the assets and attractiveness of Auburn as expressed by some important early development projects. In addition, this Plan is more extensive in scope and greater in depth than preparation of past economic development strategy document preparation efforts by the City.

To recognize and incorporate the City's Ten-Year Economic Development Strategic Plan text/policy amendments are required and excerpts of the City's Comprehensive Plan documents are provided showing strike through and underline changes to show deletions and additions, respectively:

- Volume 6 - The Economic Development Element, Pages ED-1 through ED-6.
- Core Plan, Policy Elements Section, - Economic Development Policy Element, Pages C4-16 through C4-17.
- Appendices (While this document is not provided, it is intended to be updated to add to the listing, the Ten-Year Economic Development Strategic Plan.), Page A-1

**Key Changes/Points:**

As part of the 2018 Annual Comprehensive Plan Amendments, the city seeks to change the Comprehensive Plan to recognize and incorporate the Ten-Year Economic Development Strategic Plan. The main changes to the Comprehensive Plan document include:

- Change wording to ensure consistency and agreement with the Ten-Year Economic Development Strategic Plan. It is appropriate to change the Comprehensive Plan to ensure consistency.
- Update information due to the passage of time.
- Update wording to increase clarity and understanding.
- Align the policy statements with the strategies/actions listed in the Ten-Year Economic Development Strategic Plan. However, since the Comprehensive Plan document is a policy document while the Ten-Year Economic Development Strategic Plan is an implementation tool, not every strategy or action listed will have will have a corresponding policy statement.

**PLANNING COMMISSION RECOMMENDATION**

Planning Commission recommended approval to the City Council of text amendments to Volume 6, Economic Development Element of Comprehensive Plan and the Comprehensive Plan's "Core Plan" to reflect preparation of the City of Auburn Ten-Year Economic Development Strategic Plan (TEDSP). Also, to amend the Appendices to include the TEDSP as a background document to the Plan.

**P/T #8**

Amend text and policies of Comprehensive Plan to add back the contents of the former Chapter 10, "Historical Preservation" from the pre-2015 Comprehensive Plan as a new Chapter 8, with some minor policy and format revisions. Also, add a corresponding section to the "Core Plan" to maintain formatting, add a map of landmark and designated properties, similar to before and amend the Appendices to reflect the map addition. See also related Map amendment CPM #2.

*The changes are shown in strike through and underline to the previous chapter in the working binder behind the "Comp. Plan Policy/Text Amendments" tab.*



### **Discussion**

By Ordinance No. 6584, the City of Auburn adopted a major, new Comprehensive Plan at the end of 2015. There were so many changes being made to the document at the time that in oversight the Historic Preservation element was not included. Some “clean up” is now required. This omission leaves the city without policy guidance in our Comprehensive Plan and is not consistent with provisions of Auburn City Code Section 15.76, “Historic Preservation”, which reinforces that the city shall consider historic preservation issues in its decision making and provides the process for contracting with King County Office of Historic Preservation for professional expertise.

Staff proposes to add a new chapter to the Comprehensive Plan document to reincorporate much of the former Chapter with a few changes. These minor changes include:

- **Renumbering the added narrative as Volume 8**, to fit in the context of the more recent Comprehensive Plan. The changes are shown as strike-through (eliminations) and underlines (additions) on the previous wording of Chapter 10. All of the changes would be additions to the current Comprehensive Plan document.
- **Supplementing the policy statements** in response to a recent review by King County Historic Preservation Staff. The changes suggested by experts generally added to the range of tools available for flexibility without being more restrictive. Language continues to be permissive with “should” statements.
- **Reorganizing the information** into the current format of the Comprehensive Plan, such as changing headings, dividing into specific sections and renumbering policies.
- **Add discussion in the “Core Plan”** – Since the Core Plan (Introductory chapter) contains a recitation of the contents of the later Volumes (separate chapters later in the document) in order to provide this “working document” with actions emphasized, a new section is added at the end of the Core Plan on historic preservation.
- **Add back an updated Map of Historical Resources** - The former Chapter 10, “Historic Preservation”, contained a map of officially recognized properties located in the City of Auburn. Staff proposes to update and provide this map in the Plan. Updates are warranted due to new designations since the adoption.
- **Modify the Appendix** - to recognize the addition of the map in the listing of maps in the Comprehensive Plan document. In addition, the table of Contents will be changed to reflect the new Volume 8.

### **PLANNING COMMISSION RECOMMENDATION**

Planning Commission recommended approval to the City Council of policy text amendments to create a “new” Volume 8, Historic Preservation Element of Comprehensive Plan and add discussion in the Comprehensive Plan’s “Core Plan” (Introductory chapter) to correspond. In addition, modify the Appendix and Table of Contents to agree.

### **P/T #9**

Modify text of Volume 1, “Land Use Element” of the Comprehensive Plan to remove the mapped designation of “Residential Transition Overlay” from the Comprehensive Plan Map. The text requires modification to eliminate references to the map location. See related Map amendment CPM #3. *The changes are shown in strike through and underline in the working binder behind the “Comp. Plan Policy/Text Amendments” tab.*

### **Discussion**

With the adoption of the overhauled Comprehensive Plan document at the end of 2015, the City of Auburn adopted a new Comprehensive Plan Land Use map containing a new mapped designation termed: “Residential Transition Overlay” (or “RT Overlay”). While the

purpose of this new map designation or “overlay” was intended to ensure that, where there is a sharp transition in different land uses adjacent to one another, the Comprehensive Plan would provide the City with the authority to develop, adopt, and implement subsequent development regulations, such as zoning, to better manage negative impacts or conflicts that may result from the proximity of these disparate land uses.

Since the adoption of the RT Overlay, practical challenges have been encountered regarding how the proposed policies can be implemented. Further, many of the areas mapped within the City that were included within the RT Overlay may not be appropriate given their location and their current land use. Staff is requesting to modify the RT Overlay policy language and map designation in order to better align it with its intent.

The RT Overlay Comprehensive Plan designation was applied to areas currently designated as “Single Family Residential” and zoned R-1, R-5, or R-7 that are located adjacent to more intensive zoning districts throughout the City. These adjacent more intensive zoning districts include Commercial, Industrial, and Public Uses. The geographic areas covered by this mapped RT Overlay varies in width since it followed the parcel boundaries of any property that would be abutting the more intensive zoning districts, but generally, includes a 150-200 foot wide area.

Through the adoption of the RT Overlay and Comprehensive Plan policies, the guidance and direction was established to enable the City to subsequently create zoning regulations that would directly implement the intent of the RT Overlay policies. The policy guidance of the Comprehensive Plan does not by itself regulate; as a policy document, it only provides guidance or policy that sets the direction for subsequent adoption of related development regulations. The policies or direction must be implemented by the City developing, adopting, and implementing these subsequent regulations. The policies themselves do not have regulatory effect; however, city code requires that the Comprehensive Plan and development regulations must be consistent.

#### **Practical difficulties in implementation**

Generally, any new regulations that are developed based on the policies of the Comprehensive Plan apply only to new development (new construction or alterations) that takes place after the new regulations are adopted, unless specified otherwise. Not making the regulations retroactive is generally preferable since it avoids surprising property owners and avoids creating non-conforming situations and risk. So, not being retroactive, the RT overlay would not correct any existing circumstances of adjacent disparate land uses; since it only applies to new locations. This reduces the effectiveness and takes longer to achieve widespread results.

Also, this proposed approach of incorporating transition overlays within their Comprehensive Plan is not generally common to jurisdictions, thus unexpected, and not likely to be understood by users as a comprehensive plan map designation. When the intent is to apply specific certain development regulations to a specific geographic area, this is more commonly accomplished through a “zoning overlay” rather than at the higher level, long-range focused comprehensive plan policy. Typically, an overlay is applied to existing zoning districts and adds a specific level of regulations that are geographically focused. Examples include applying view sensitive overlays that limit height in certain areas, or manufacturing/industrial type overlays that limit the amount of retail in certain areas.

The concept of applying regulations to better manage the transition between incongruent land uses is laudable and found in many jurisdictions throughout the region and country. However, approach is generally opposite way; jurisdictions ensure that height limits, additional landscaping, and limitations on high intensity uses are applied to the more intensive commercial and industrial zoning districts that are located near single-family and multi-family areas, rather than the less intensive zoning districts. This is accomplished through zoning overlays that have specific standards or with transition zoning districts that only permit certain types of uses and have specific development standards. In some cases, such as with the Cities of Kent and Bellevue, any non-single-family residential site that is located within 300 feet from a single-family neighborhood is subject to additional transition standards found within the zoning code. Within the City of Auburn, there are multiple code requirements that are able to provide a transition between different land uses.

The policies for the Residential Transition Overlay encourage connecting uses with pedestrian ways, allowing for a variety of housing types, and seeking to minimize noise, light, and air impacts. In the Comprehensive Plan narrative and mapped locations, the RT Overlay was applied to “Single-Family Residential” land use designations that were zoned R-1, R-5, and R-7 that abut more intensive zoning districts such as commercial and industrial. While the general intent of the RT Overlay focuses on protecting less intense land uses from impacts resulting from nearby more intensive land uses, the mapped locations for the RT Overlay contain policies that would allow for single-family areas to be developed with more intensive multi-family and mixed-use developments. This dynamic results in a direct conflict with what the RT Overlay is trying to achieve, as areas that are currently reserved for less intense development would have the potential to be developed with more intense land use such as multi-family. For example, if the rear yards of single family and industrial lots border each other, allowing additional dwelling units may result in increased vehicle traffic to the single-family neighborhood.

While purpose of this 2015 change was to provide an incentive to better manage the transition through allowing the bonus of intensifying development, it also places the burden on the single-family residence and generally the owner of a smaller property who is least likely to be able to afford it. On a small-lot by small-lot basis, managing the transition is likely to be less effective and not achieve the desired effect.

Further, the areas designated for the RT Overlay were based off a mapping analysis that doesn’t accurately reflect what areas are in need of having the RT Overlay applied. It does not adequately take into account existing man-made or natural features that serve as effective barrier to manage the transition. Examples include:

- Single-family subdivisions that are separated by steeply sloped areas from nearby industrial properties in which an effective transition is already provided, such as along West Valley Highway;
- Rural and undeveloped areas near the Auburn Adventist Academy and White River that are not located near any high intense land uses;
- Single-family areas near Downtown Auburn that are already surrounded by intensive land uses and should be protected

In addition, the name of “Residential Transition Overlay” closely resembles terminology from other designations used elsewhere in the Comprehensive Plan document, and thus, the multiple, similar sounding terms, each with different meanings and applications, is confusing to users. Specifically, the Comprehensive Plan contains provisions for a future “Residential Transition zoning district”.

This approach does not acknowledge the various zoning code requirements are already currently in effect to help ensure that a transition is provided between incompatible land uses. These requirements include:

- Maintaining similar height limits for low intensity commercial uses and public facility type uses with single-family residential uses
- Requiring commercial, industrial, and multi-family uses to provide minimum landscaping buffers when they abut single-family residential uses.
- Requiring industrial and some commercial type uses to meet performance standards to minimize odors, noise, and other nuisances.
- Establishment of the RO Residential Office zone, which allows for conversion of older single-family residences into low intensity commercial uses such as offices. These locations are generally located on busier roads and separate commercial or multi-family zoning districts from single-family residential neighborhoods.

**Proposed Change/Approach:**

To remedy this situation while maintaining the necessary policy framework that will assist in providing better transitions between incompatible land uses, it is recommended to remove the mapped RT Overlay from the Comprehensive Plan Land Use map while keeping slightly modified RT Overlay policy statements. This will allow for flexibility in approach and gives the basis for the city to, as a future action, implement a zoning overlay (rather than comprehensive plan overlay) by developing specific regulations in the future that can apply to the more intensely zoned areas to provide improved protection to residential uses. This requires a future code amendment that would be reviewed by Planning Commission and City Council.

**PLANNING COMMISSION RECOMMENDATION**

Planning Commission [recommended approval](#) to the City Council of policy text amendments to Volume 1, "Land Use Element" of the Comprehensive Plan to remove the mapped designation of "Residential Transition Overlay" from the Comprehensive Plan Map. The text requires modification to eliminate references to the map location.

**Comprehensive Plan Map (CPM) Amendments (File No. CPA18-0002, City initiated)**

**CPM #1**

Change the Comprehensive Plan Map, "Designated Areas, and Map #1.3" to remove "Environmental Park" Designated Area, since the area was rezoned by Ordinance No. 6660 in 2017 to M-1 Light Industrial and thus is no longer unique and distinguished from other areas. Also, change to the Comprehensive Plan Map, "Impression Corridors Map #1.5" to agree with the list of streets provided in the Comprehensive Plan. *The changes are shown in the working binder behind the "Comp. Plan Map Amendments" tab.*

**Discussion**

*(This is the same topic as text amendment P/T #6, but is repeated as a map amendment since it requires revision to both the text and map of the comprehensive plan document. See discussion and analysis under text amendment P/T #6.)*

During the Planning Commission regular meeting held on October 16, 2018, the Planning Commission requested that staff perform the following:

1.0 Reconcile the list of “Impression Corridors” included on Pages 7-8 of the “Amendment to Special Planning Areas Designation” Section of the Land Use Element, and those shown on the “Impression Corridors Map #1.5”; and

2.0 Determine why State Route 167 is shown as an Impression Corridor on Map #1.5, while State Route 18 is not.

### **1.0 Reconcile Impression Corridors list vs. Map #1.5**

Staff reviewed the list of Impression Corridors provided on Pages 7-8 of the “Amendment to Special Planning Areas Designation” section of the “Land Use Element”. To reconcile the list, staff reviewed drafts of the “Special Planning Areas” text and maps that were previously presented to the Planning Commission prior to adoption of the new Comprehensive Plan in 2015. It appears that due to a mapping error, the following Impression Corridors were omitted from the “Impression Corridors Map #1.5”:

- M ST SE/Harvey RD (between Auburn WY S and 15th ST NE)
- 15th ST NW/NE (between Harvey RD and W Valley HWY)
- 8th ST NE (between Auburn WY N and Lea Hill RD SE)
- W Valley HWY (between the northern and southern City limits)

Additionally, for ease in identification, labels were added to Map #1.5 for the following impression corridors:

- Interurban Trail
- Mill Creek
- Auburn Black Diamond Road
- Division Street
- Green River Road

Lastly, for consistency the following street labels included on Pages 7-8 of the proposed text amendment were changed to agree with the actual names depicted on Map #1.5:

- Lake Tapps Corridor was changed to Lake Tapps Pkwy SE
- 132nd St SE was changed to 132nd Ave SE

### **2.0 State Route 167 (SR 167) vs. State Route 18 (SR 18)**

Per the City’s Transportation Element, the Washington State Department of Transportation (WSDOT) has jurisdiction over three major routes within Auburn: SR 167, SR 18, and SR 164 (Auburn Way South). Unlike Auburn Way South, both SR 167 and SR 18 are “full control limited access highways” – within the City limits and access is only allowed at interchanges. SR 164 is classified differently and does not have the same access restrictions as SR 18 and SR 167. The City of Auburn classifies SR 164 as a “Principal Arterial”; principal arterials carry the highest traffic volumes, experience the longest vehicle trips, and have the highest speed limits of all City streets. As a Principal Arterial the City has the ability to affect infrastructure changes within the right of way, including pedestrian and aesthetic improvements. Improvements to an impression corridor consistent of aesthetic signage, landscaping, and monument features, and the rehabilitation or removal of existing

buildings and property. For that reason, neither SR 18 nor SR 167 are included in the Impression Corridor list because the City does not have the ability to make these types of improvements. Therefore, staff concludes SR 167 was included on Map #1.5 in error and has been removed from Map #1.5

#### **PLANNING COMMISSION RECOMMENDATION**

Planning Commission **recommended approval** to the City Council of a map amendment to change the Comprehensive Plan Map, "Designated Areas Map #1.3" to remove "Environmental Park" Designated Area and change the Comprehensive Plan Map, "Impression Corridors Map #1.5" to agree with the updated list of streets in the Comprehensive Plan.

#### **CPM #2**

Add back an updated "Historic Resource Inventory" map from the pre-2015 Comprehensive Plan, Chapter 10, 'Historic Preservation Chapter', as a renumbered Map #8.1 retitled to "Historical Landmark & Registry Inventory Map" to correct an omission. Map shows landmark registry properties within the City. *The changes are shown in the working binder behind the "Comp. Plan Map Amendments" tab.*

#### **Discussion**

*(This is the same topic as text amendment P/T #8, but is repeated as a map amendment since it requires revision to both the text and map of the comprehensive plan document. See discussion and analysis under text amendment P/T #8.)*

#### **PLANNING COMMISSION RECOMMENDATION**

Planning Commission **recommended approval** to the City Council of a map amendment to add back an updated "Historical Landmark & Registry Inventory Map #8.1" from the pre-2015 Comprehensive Plan, Chapter 10, Historic Preservation Chapter.

#### **CPM #3**

Amend Comprehensive Plan Map to remove the mapped designation of "Residential Transition Overlay" from Map #1.1. The mapped designation from 2015 Comprehensive Plan sets the stage for development of subsequent implementing regulations, however there are practical difficulties in formulating and applying these implementing regulations in location shown that warrant removing the mapped designation. *(The map changes are shown in the working binder behind the "Comp. Plan Map Amendments" tab.)*

#### **Discussion**

*(This is the same topic as text amendment P/T #9, but is repeated as a map amendment since it requires revision to both the text and map of the comprehensive plan document. See discussion and analysis under text amendment P/T #9.)*

#### **PLANNING COMMISSION RECOMMENDATION**

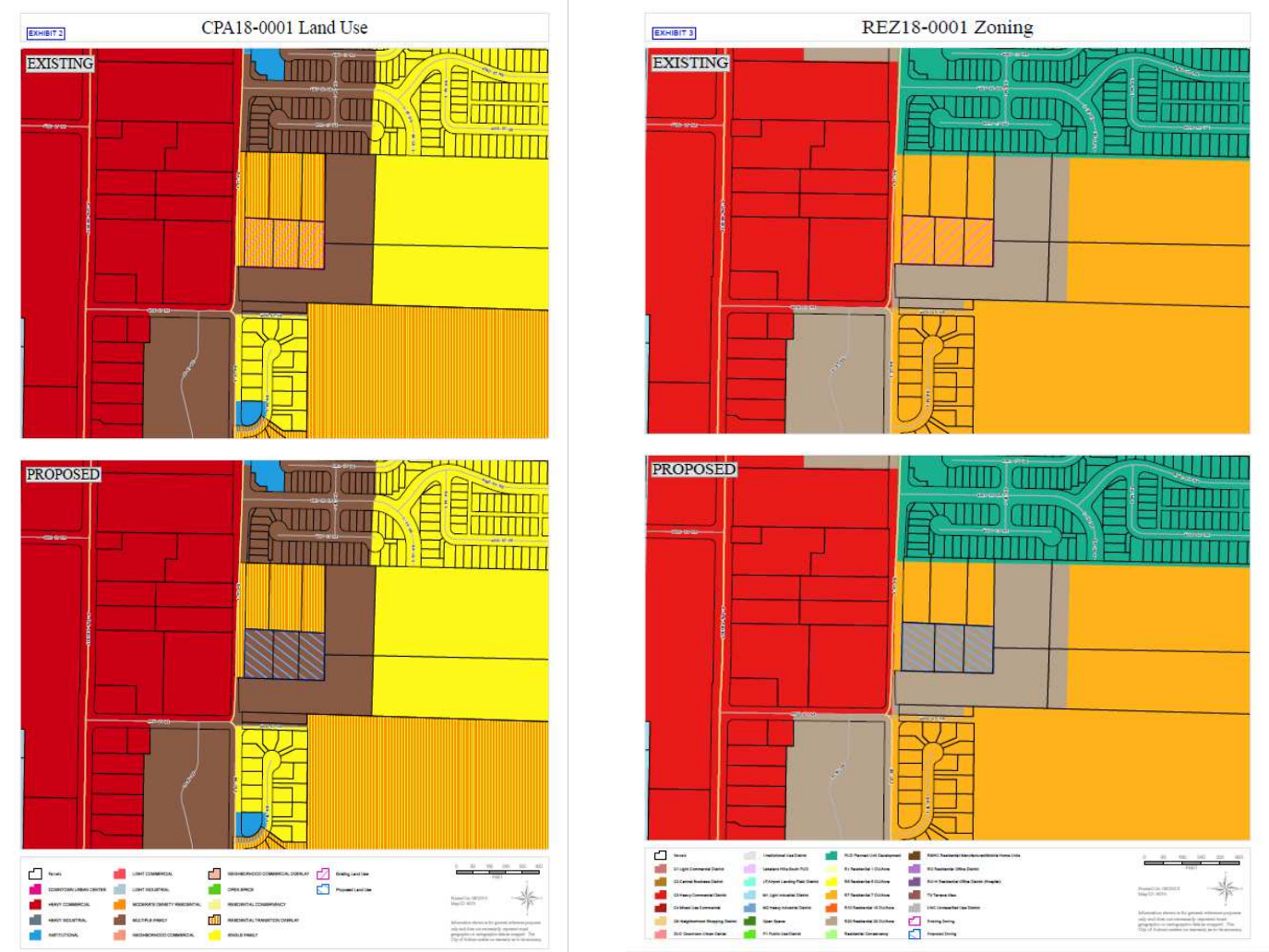
Planning Commission **recommended approval** to the City Council of a map amendment to Amend Comprehensive Plan Map to remove the mapped designation of "Residential Transition Overlay" from Map #1.1.

**CPM #4 Private-Initiated Map Amendment (File #CPA18-0001) and Rezone (File #REZ18-0002) Labrador Ventures LLC** *(Please refer to the 4th section (blue divider page) behind the "Comp Plan Map Amendments" tab in the working binder for the exhibits referenced for the Labrador Ventures LLC application materials.)*

**FINDINGS OF FACT**

1. The Applicant, David Toyer, of Toyer Strategic Consulting, representing Brad Hughes, Manager of Labrador Ventures, LLC (“Labrador Ventures”), submitted a Comprehensive Plan Map Amendment (City File No. CPA18-0001) and Rezone (REZ18-0002) applications on May 4, 2018. More specifically, the applications request a change in the land use designation of three vacant parcels totaling approximately 1.89 acres from “Single Family Residential” with a “Residential Transition Overlay” to “Multiple Family Residential” (See Exhibit 2); and the rezoning (zoning map amendment) from “R-7, Residential 7 dwelling units per acre” to “R-20, Residential 20 dwelling units per acre” (See Exhibit 3).
2. The proposed site consists of three adjacent parcels located on the east side of ‘I’ St. NE, approximately 200 ft. north of 40th St. NE. The site is composed of King Co. Parcel Nos. 000420-0010, 000420-0027, and 000420-0028.





3. Pursuant to Chapter 197-11 WAC and Chapter 16.06 ACC, this proposal is subject to State Environmental Policy Act ("SEPA") decision. A Determination of Non-Significance ("DNS"), for the Comprehensive Plan amendment and Rezone request was issued under City File No. SEP18-0008 on August 16, 2018; with the comment period ending August 31, 2018 and an appeal period ending September 14, 2018. One written public comment was received and responded to, and is attached as Exhibit 9; no appeal was filed.
4. The Applicant has supplied narratives for the Comprehensive Plan amendment and the Rezone request applications (See Exhibit 4). At this time there is no specific project planned for the property if the requests are approved.
5. As shown in the table below and the following map, the surrounding properties have varying degrees of development. The properties to the north contain existing single-family residences, the properties to the south and east are vacant and across 'I' St. NE to the west is developed commercial land.
6. The current Comprehensive Plan Land Use designation, zoning classification, and land uses of the subject properties and surrounding properties are as follows:



	Comp Plan Designation	Zoning Classification	Existing Land Use
On-Site	“Single Family Residential” w/ “Residential Transition Overlay”	R-7, Residential	Vacant
North	“Single Family Residential” w/ “Residential Transition Overlay”	R-7, Residential	Single-family homes
South	“Multiple Family Residential”	R-20, Residential	Vacant
East	“Multiple Family Residential”	R-20, Residential	Vacant
West	“Heavy Commercial”	C-3, Heavy Commercial	Commercial and Manufacturing Uses

7. The western-most of the three parcels fronts onto 'I' ST. NE; the other two parcels are located adjacent and to the east. 'I' ST NE is classified as a 'Minor Arterial' street and connects to Auburn Way S ('Principal Arterial' classified street) via both 40th St. NE ('Local Residential') and 45th ST NE ('Residential Collector'). Future development of one or all of the parcels would require street frontage improvements to 'I' ST NE as well as internal access and circulation for vehicles.
8. A Traffic Memorandum was submitted in support of the application and was reviewed the City's Traffic Engineer (Exhibit 5) to look at how many additional trips would be generated based on a project built at the R-20 density. If the three parcels were fully built-out at the R-7 density, it would include up to 9 single-family homes and under R-20 up to 38 multi-family units. Based on the Institute of Traffic Engineers (ITE) Trip Generation Manual (an industry standard), a project constructed under the R-7 zone would generate 9 PM peak-hour trips, and 21 PM peak-hour trips under R-20. "PM peak-hour trips" are weekday trips at the highest one-hour period between the hours of 4-6:00PM and are what the City's Level of Service standards in the Comprehensive Transportation Plan are based off of (LOS-04). Detailed trip generation numbers are included in Exhibit 5.
9. The public hearing notice was published on October 24, 2018 in the Seattle Times newspaper, at least 10 days prior to this November 7, 2018 Planning Commission public hearing. Public notice was also mailed to property owners of record within 300 feet, posting on-site and on the city's webpage.

#### **COMPREHENSIVE PLAN RELATED – CONCLUSIONS:**

The City Code provides certain criteria for decisions on amending the Comprehensive Plan under ACC 18.14.22.110. These criteria are listed below, followed by a Staff Analysis in italics. The Applicant's responses to these criteria are included in Exhibit 4.

#### **1. Criterion #1 – ACC 14.22.110(A)(1): The proposed change will further and be consistent with the goals and objectives of the plan and the plan will remain internally consistent.**

*Staff Analysis: The Comprehensive Plan (Land Use Element, Page LU-9) provides the following explanation for the "Multiple Family Residential" Land Use Designation:*

### ***“Multiple Family Designation***

#### ***Description***

*This category shall be applied to those areas that are either now developed or are reserved for multiple family dwellings. Densities may range from 20 to 24 units per acre. These communities are served by transit, have non-motorized connections to surrounding amenities and services, or have access to on-site amenities.*

#### ***Designation Criteria***

- 1. Previously developed high-density residential or manufactured/mobile home parks; or*
- 2. Properties that are connected to single-family and nonresidential designations by the Residential Transition designation and meet the development parameters of the multiple family designation.*

#### ***Implementing Zoning Designations***

***R-20 Residential Zone and Manufactured/Mobile Home Park***

#### ***Policies***

***Policy LU-22.*** Development regulations should include density bonuses and flexible development City of Auburn Comprehensive Plan standards that create incentives for innovative site and building design, incorporation of open space and public art, non-motorized connectivity to parks and commercial areas, proximity to transit services, supplemental natural resource protection, supplemental use of CPTED, and supplemental use of low-impact development techniques.

***Policy LU-23.*** Home occupations and shared housing should be allowed in this designation; however, given their high densities, it is appropriate to establish additional restrictions, procedures, and requirements in order to ensure that they are compatible with their surroundings and do not adversely affect the community.

***Policy LU-24.*** Live-work units are encouraged.

***Policy LU-25.*** Improve the quality of low-income neighborhoods and implement programs that encourage rehabilitation of deteriorating structures and facilities the downtown area, areas between lower-density residential uses and more intense nonresidential activities, and areas with high levels of transit service and available high-quality services.

***Policy LU-26.*** Multiple-family development should be subject to building and site design standards. These standards should address the appearance of buildings, compatibility with nearby uses, exterior lighting, connectivity with surrounding properties and uses, the relationship of ground floor spaces and entryways with the streetscape, and connectivity to nearby nonresidential hubs (shopping centers and schools).

***Policy LU-27.*** Provide a variety of housing typologies to suit the needs of various potential residents.

***Policy LU-28.*** Establish intensity limitations such as floor area ratios, density, building height, coverage ratios, setbacks, and other standards.

***Policy LU-29.*** Access to nearby amenities and health and human services should be considered when reviewing senior housing developments.

***Policy LU-30.*** Encourage development of permanent supportive housing to address the homeless population and those with special needs.

***Policy LU-31.*** Encourage adaptive reuse, particularly of historic properties.”

***Per ACC 18.23.030(C), the intent of the R-20, Residential zoning district is:***

*“...intended to provide for multiple-family residential development and is further intended as a residential zone primarily of multiple-family residences, except as specifically provided elsewhere in this chapter. A related consideration is to make it possible to more efficiently and economically design and install all physical public service facilities in terms of size and capacity to adequately and permanently meet needs resulting from a defined intensity of land use.”*

*As identified in the R-20 intent statement above, this zoning district is geared toward multi-family developments, however, also allows uses such as mixed-use, nursing homes, etc. The full list of uses allowed within the R-20 zone are attached as Exhibit 6. Although no specific use is proposed at this time, any future development will be governed by the codes and standards in place at that time.*

*As shown and discussed above, the properties to the south and east are zoned R-20 (vacant land) and there is an existing apartment complex a few hundred feet to the southwest from the subject properties. Changing the Comprehensive Plan designation and Zoning classification to R-20 would not be out of character with the surrounding properties.*

*The requested Comprehensive Plan amendment will remain internally consistent with the Comprehensive Plan through approval / adoption of the associated Rezone request.*

**2. Criterion #2 – ACC 14.22.110(A)(2): Whether the capacity to provide adequate services is diminished or increased.**

*Staff Analysis: The proposed application for a change in the Comprehensive Plan designation has been reviewed by the City’s Utilities, Traffic division, and the Valley Regional Fire Authority. Based on these reviews, the change would not adversely affect the provision of services. As is typical with development in the City, adequate infrastructure improvements will be required to be provided concurrent with future development. Although no specific construction activity is proposed or permitted with this amendment, eventual buildout of one or more of these parcels is not anticipated to be detrimental to public services. A Traffic Memorandum has been prepared and reviewed by the City’s Traffic Engineer and no detrimental impacts to the City’s transportation system are anticipated.*

**3. Criterion #3 – ACC 14.22.110(A)(3): Assumptions upon which the comprehensive plan is based are found to be invalid.**

*Staff Analysis: While the policies of the Comprehensive Plan are not invalid, the Applicant’s request to change three parcels from single-family residential to multi-family residential is not out of character with the designations or uses in the immediate vicinity. The requested change is a logical request based on these existing surrounding uses and land use designations.*

**4. Criterion #4 – ACC 14.22.110(A)(4): A determination of change or lack of change in conditions or circumstances has occurred since the adoption of the latest amendment to the specific section of the comprehensive plan that dictates the need for a proposed amendment.**

*Staff Analysis: The proposed change is for three parcels to Multiple Family Residential, which is consistent with the adjacent parcels to the south and east. The Residential Transition Overlay was put in place during the 2015 update to the Comprehensive Plan and is proposed to be removed during this periodic update, thereby leaving a Single Family*

*Residential designation on these properties. Both the Single-Family and Multiple Family designations could be appropriate designations, however, based on the location in relation to existing Multiple Family designated properties and proximity to a “minor arterial” street, the Multiple Family designation appears to be best-suited.*

**5. Criterion #5 – ACC 14.22.110(A)(5):** If applicable, a determination that a question of consistency exists between the comprehensive plan and Chapter 36.70A RCW, the countywide planning policies for either King and/or Pierce County, as appropriate, and Vision 2040: Growth and Transportation Strategy for the Puget Sound Region.

*Staff Analysis:* The change, if approved, would continue to be consistent with the Growth Management Act (Chapter 36.70A RCW), the King County Countywide Planning Policies and Vision 2040. The proposal is consistent because upon future development it will provide housing.

**6. Criterion #6 – ACC 14.22.110(A)(6):** If the request is to change the land use designation of a specific property on the comprehensive plan land use map, the applicant must demonstrate one of the following:

- a. The current land use designation was clearly made in error or due to an oversight;
- b. The proposed land use designation is adjacent to property having a similar or compatible designation, or other conditions are present to ensure compatibility with surrounding properties;
- c. There has been a change in conditions since the current land use designation came into effect.

*Staff Analysis:* The requested change is consistent with Item b in that the adjacent properties to the west and south are designated “Multiple Family Residential”.

#### **REZONE RELATED – CONCLUSIONS:**

The Applicant has requested a rezone from “R-7, Residential” to “R-20, Multiple Family Residential”. Per ACC 18.68.030(B)(1)(b) if the rezone request also requires changes to the Comprehensive Plan, the Planning Commission shall hold a public hearing and make a recommendation to the City Council. Chapter 18.68 ACC contains the intent and process for zoning code amendments; in this case, a site-specific zoning map amendment has been requested. Auburn City Code does not contain any specific rezone criteria for City Staff to review; however, Case Law offers some rezone criteria (“A Little Bit Pregnant: The Multi-Personalities of Site Specific Rezones - Or - A Cheat Sheet for Everything You Need to Know about Site-Specific Rezones”, by Phil Olbrechts on mrsc.org, April 1, 2013) as follows:

*“...require that the proponents of a rezone must establish that conditions have substantially changed since the original adoption and that the rezone must bear a substantial relationship to the public health, safety, morals or welfare. If a rezone implements the comprehensive plan, a showing that a change of circumstances has occurred is not required.”*

With the change in City procedures by Ordinance No. 6655 to allow concurrent recommendations by the Planning Commission on both the Comprehensive plan and zoning map changes, the recommendations on each should be consistent and therefore does not need to show a change in circumstances has occurred.

The requested rezone bears a substantial relationship to the public health, safety, morals and welfare. Adequate public facilities such as water, sewer, and electricity, are capable of being provided for the parcels upon future development and would therefore not be detrimental to public health. The rezone itself is not anticipated to allow any uses or acts that would pose any detrimental effects on the morals or welfare of the public. No impacts to public safety outside of normal residential development are anticipated.

#### **PLANNING COMMISSION RECOMMENDATION**

Planning Commission **recommended approval** of the Labrador Ventures LLC request for a Comprehensive Plan Land Use Map amendment for three parcels (Parcel Nos. 000420-0010, 000420-0027, and 000420-0028) from “Single Family Residential” with a “Residential Transition Overlay” to “Multiple Family Residential”; and a rezone from “R-7, Residential” to “R-20, Residential”.

#### **EXHIBIT LIST:**

*(For Exhibits, please refer to the 4th section (blue divider page) behind the “Comp Plan Map Amendments” tab in the working binder)*

- Exhibit 1. Staff Report CPA18-0001 and REZ18-0002
- Exhibit 2. Comprehensive Plan Map Amendment – Proposed Change
- Exhibit 3. Zoning Map Amendment – Proposed Change
- Exhibit 4. Completed Comprehensive Plan Amendment and Rezone Application forms and materials including Applicant’s Narrative Statement
- Exhibit 5. Traffic Memorandum, Prepared by Gibson Traffic Consultants
- Exhibit 6. Uses Allowed in the R-20 Zoning District
- Exhibit 7. Completed SEPA environmental checklist application SEP18-0008
- Exhibit 8. Combined Notice of Application and Determination of Non-Significance SEP18-0008
- Exhibit 9. SEPA Comment Letter and City Response
- Exhibit 10. Dept. of Commerce 60-Day Acknowledgement Letter
- Exhibit 11. Notice of Public Hearing
- Exhibit 12. Affidavits of Publication, Mailing, and Posting

**CPM #5 Private-Initiated Map Amendment (File #CPA18-0003) and Rezone (File #REZ18-0003) Auburn School District (Pioneer Elementary)** *(Please refer to the 5th section (blue divider page) behind the “Comp Plan Map Amendments” tab in the working binder for the exhibits referenced for the Auburn School District application materials.)*

#### **FINDINGS OF FACT:**

1. The Applicant, Camie Anderson of Shockey Planning Group, representing Jeff Grose, Exec. Director of Capital Projects Auburn School District, submitted applications for a Comprehensive Plan map amendment (File No. CPA18-0003) and a related rezone (File No. REZ18-0003). More specifically, the applications request a change in the designation of the two parcels, totaling approximately 0.9 acres from the current designation of “Single-Family” to “Institutional” and a rezone from “R-7 Residential – Seven Dwelling Units per Acre” to “P-1 Public Use District”. This will allow for the future reconstruction of Pioneer Elementary to include and occupy the subject two properties, as well as within its existing area. Specific details on the proposed reconstruction of Pioneer Elementary are unknown at this time.
2. The “Site”, comprised of the two parcels, each with a single-family house are located on the east side of K ST SE in the 2200 block (between 21st ST SE and 25th ST SE, addressed as 2230 &

2236 K ST SE). The two parcels are identified as King Co. parcel numbers 1921059282 & 1921059190.

3. The Applicant submitted a Comprehensive Plan map amendment application on June 6, 2018, before the application submittal deadline for comprehensive plan amendments (June 8, 2018).





4. A Determination of Non-Significance (DNS), the environmental review decision required under the State Environmental Policy Act (SEPA), for the application by Auburn School District for a Comprehensive Plan Map Amendment and Rezone was issued under City File No. SEP18-0012 on August 9, 2018. The comment period ended August 24, 2018 and the appeal period ended September 7, 2018. There were no comments or appeals.
5. The current Comprehensive Plan designation, zoning classification and current land uses of the sites and surrounding properties are as follows:

	<b>Comprehensive Plan Designation</b>	<b>Zoning Classification</b>	<b>Existing Land Use</b>
<b>On-Site</b>	Single-Family Residential	R-7 Residential Seven Dwelling Units per Acre	Single-Family Dwellings
North	"Institutional"	P1, Public Use	Elementary School Play Field
South	"Institutional"	P1, Pubic Use	Elementary School Play Field
East	"Institutional"	P1, Public Use	Elementary School
West	"Single-Family Residential"	R-7 Residential, Seven Dwelling Units per Acre	Single-Family Residential

6. The parcels border to the west by developed K ST SE, which is classified by the City as a "Local Non-Residential" street, which prescribes a two-lane road with 50 feet of right-of-way. The adjacent street is not currently fully developed to the "Local Non-Residential" street standards, as there is no sidewalk or vertical curb abutting the property.
7. The property is located within the King County portion of the City of Auburn. Ordinance No. 1239 annexed it to the City in 1958.
8. Based on historic zoning maps, the subject properties were zoned "R-2, Residential – Single Family", at the time of annexation up until 2009 when it was part of an area wide rezone to "R-7 Residential Zone – Seven Dwelling Units per Acre".
9. As indicated by the Applicant's narrative submitted with the application, the Comprehensive Plan Amendment and related rezoning have been requested for the purpose of changing the land use designation of the property to ensure a consistent designation with Pioneer Elementary School, which abuts the site directly to the east. Pioneer Elementary is proposed to be demolished and rebuilt in the future.
10. The public hearing notice was published on October 24, 2018 in the Seattle Times at least 10 days prior to the Planning Commission public hearing scheduled for November 7, 2018. Public notice was also mailed to property owners of record within 300 feet, posting on-site and on the city's webpage.



**COMPREHENSIVE PLAN RELATED – CONCLUSIONS:**

The City Code provides certain criteria for decisions on amending the Comprehensive Plan under ACC 18.14.22.110. These criteria are listed below in bold, followed by a Staff Analysis in italics.

**1. Criterion #1 – ACC 14.22.110(A)(1) The change must further and be consistent with the goals and objectives of the plan and the plan will remain internally consistent.**

***Staff analysis:** The subject two properties are adjacent to the existing Pioneer Elementary School. The parcels are needed in order to expand the area in which Pioneer Elementary is located and allow for its reconstruction in the future. The site is served by public infrastructure, including a “Local Non-Residential” street to the west and, should it be combined with the existing Pioneer Elementary site, a minor arterial street is located to the east. The proposal to change the mapped land use designation of the site from “Single-Family” to “Institutional” is supported by numerous Comprehensive Plan policies within both the Land Use Element and the Capital Facilities Element.*

*The City’s Comprehensive Plan contains the following objectives and policy guidance, as it relates to this application:*

**Volume 1 – Land Use Element**

***“Public and Institutional Land Use Designations”***

***“Character Sketch”***

*“Public and institutional uses will occur in both low and high-density environments. For passive uses, land and views will be protected; limited access to these areas will be typical. For more active uses, usability and accessibility will be key features and new development will be subject to standards reflecting programmed space and interconnectivity. These spaces will be varied in type, providing service to areas large and small, urban and more rural in character. Sustainable solutions and innovations that are responsive to the native ecology will be typical of public and institutional uses.”*

***“General Policies”***

*A general policy appropriate to this request is:*

*“Policy LU-89. The primary purpose of this designation is to address public needs while taking advantage of synergies with the adjacent areas where they are sited.”*

***“Institutional Designation”***

***“Description”***

*“This category includes those areas that are reserved for public or institutional uses. These public uses include public schools and institutional uses such as large churches and schools. It is also intended to include those of a significant impact, and not those smaller public uses that are consistent with and may be included in another designation. For example, public uses of an industrial character are included in the industrial designation, and small-scale religious institutions of a residential character are included in the residential designation”*

*“Designation Criteria1. Previously developed institutional uses; or  
2. Located along major arterial streets;*

3. *Properties that are buffered from the single-family designation by landscaping, environmental features, or the Residential Transition designation and buffered from all other Residential designations; and*
4. *Meets the development parameters of the Institutional designation.*
5. *Properties identified in the Airport Master Plan as Landing Field.”*

*An Institutional-related policy appropriate to this request is:*

*“Policy LU-102 Appropriate uses for this designation include facilities that serve the needs of the larger community such as public schools, active parks, city operated municipal facilities, large churches, and fire stations.”*

*The Capital Facilities Element also contains objectives and policies relevant to the request, as follows:*

*Volume 3 – Capital Facilities Element*

*“Planning Approach”*

*“The Capital Facilities planning approach is to manage growth in a manner that enhances rather than detracts from community quality and values by actively coordinating land use type and intensity with City facility and service development and provision.”*

*“Objectives and Policies”*

*“Objective 1.1. Ensure that new development does not outpace the City’s ability to provide and maintain adequate public facilities and services, by allowing new development to occur only when and where adequate facilities exist or will be provided, and by encouraging development types and locations that can support the public services they require.”*

*“Policy CF-3. Development shall be allowed only when and where such development can be adequately served by public services (police and fire) without reducing the level of service elsewhere.”*

*“Objective 1.2. To ensure that new developments are supported by an adequate level of public services through an effective system of public facilities.”*

*“Policy CF-10. Public facilities shall be provided in accord with the guidance of the Capital Facilities Plan or, as may be appropriate a system plan for each type of facility designed to serve at an adequate level of service the locations and intensities of uses specified in this Comprehensive Plan.”*

*“Objective 1.8. To site public and institutional buildings in accord with their service function and the needs of the members of the public served by the facility.”*

*“Policy CF-63. Public and institutional facilities that attract a large number of visitors City Hall, museums, libraries, educational facilities, permit and license offices, health and similar facilities, etc.) should be sited in areas that are accessible (within ¼ mile) by transit.”*

*The proposal to change the land use designation on the site to institutional will not be in conflict with the Comprehensive Plan, as it allows for a public facility to meet the needs of the community, adequate public facilities will be provided concurrent with the development to serve the future redevelopment of the site, and will be served by public transit.*

**2. Criterion #2 – ACC 14.22.110(A)(2) The comprehensive plan amendment must not diminish or increase the ability to provide adequate services.**

*Staff analysis:* The applications for a change in Comprehensive Plan designation and zoning have been reviewed by Valley Regional Fire Agency and the City Utilities and Traffic divisions. Based on these reviews, the changes would not adversely affect the provision of services. The proposed Comprehensive Plan map change by itself, if approved will not affect the ability to provide adequate services. As typical with development in the city, the infrastructure improvements needed to support the development would be the responsibility of the future development. At the time of development, adequate services would be required to be provided concurrent with the development in order for the project to be authorized. Therefore, it is not anticipated that approval of the request negatively affects provision of services. Utility and street frontage improvements would be required to support the development

*While the site is currently developed with single-family residences, it will eventually include a portion of the future Pioneer Elementary School. The existing Pioneer Elementary School is located directly to the east and currently served by adequate City services. Existing services either exists or can be provided to support the Comprehensive Plan Amendment to change the site's map designation from "Single-Family Residential" to "Institutional".*

**3. Criterion #3 – ACC 14.22.110(A)(3) The assumptions on which the comprehensive plan is based are found to be invalid.**

*Staff analysis:* While the policies of the Comprehensive Plan are not invalid, the map designation of Pioneer Elementary directly to the east is "Institutional". Auburn School District acquired the two subject parcels in 2010 and 2012 with the intent of including them in the Pioneer Elementary School campus. As such, the requested change is logical, in that it will expand the existing "Institutional" designation that makes up the Pioneer Elementary School campus and is surrounded on three sides.

**4. Criterion #4 – ACC 14.22.110(A)(4) That there has been a change or lack of change in conditions or circumstances has occurred since the adoption of the latest amendment to the comprehensive plan that dictates the need for a proposed amendment.**

*Staff analysis:* There has been a change in conditions that generates the need for the map change. Auburn School District acquired both of the subject parcels after the development of Pioneer Elementary, which was constructed in 1959. According to the Applicant, Pioneer Elementary will be redeveloped in the future to serve 650 students and have the ability to accommodate 150 students more through future phases. Based on the need for the Elementary School replacement and the increase in residential development and corresponding increase in student population throughout the surrounding area since the original 1959 construction date of the school, it is apparent that conditions have changed which would warrant the Comprehensive Plan amendment to "Institutional".

- 5. Criterion #5 – ACC 14.22.110(A)(5) The change must be determined to be consistent with the Growth Management Act (RCW 36.70A), the Countywide Planning Policies of the relevant county and “Vision 2040: Growth and Transportation Strategy for the Puget Sound Region”.**

*Staff analysis:* The change if approved would continue to be consistent with the Growth Management Act (RCW 36.70A), the Countywide Planning Policies of King County and “Vision 2040: Growth and Transportation Strategy for the Puget Sound Region”. The proposal is consistent because it provides land suitable for institutional development, which will directly provide services (educational) to the immediate community within an urban area.

- 6. Criterion #6 – ACC 14.22.110(A)(6) As applies only to changes of the mapped land use designation of a specific property, the applicant must demonstrate one of the following:**
- a. The current land use designation was clearly made in error or due to an oversight;**
  - b. The proposed land use designation is adjacent to property having a similar or compatible designation, or other conditions are present to ensure compatibility with surrounding properties;**
  - c. There has been a change in conditions since the current land use designation came into effect.**

*Staff analysis:* The same land use designation as proposed occurs on the adjacent Pioneer Elementary School site to the east, and thus, meets Item b, matching an adjacent property in designation.

### **REZONE RELATED – CONCLUSIONS:**

The Applicant has requested a rezone from “R-7, Residential” to “P-1, Public Use”. Per ACC 18.68.030(B)(1)(b) if the rezone request also requires changes to the Comprehensive Plan, the Planning Commission shall hold a public hearing and make a recommendation to the City Council. Chapter 18.68 ACC contains the intent and process for zoning code amendments; in this case a site-specific zoning map amendment has been requested. Auburn City Code does not contain any specific rezone criteria for City Staff to review; however, Case Law offers some rezone criteria (“A Little Bit Pregnant: The Multi-Personalities of Site Specific Rezones - Or - A Cheat Sheet for Everything You Need to Know about Site-Specific Rezones”, by Phil Olbrechts on mrsc.org, April 1, 2013) as follows:

*“...require that the proponents of a rezone must establish that conditions have substantially changed since the original adoption and that the rezone must bear a substantial relationship to the public health, safety, morals or welfare. If a rezone implements the comprehensive plan, a showing that a change of circumstances has occurred is not required.”*

With the change in City procedures by Ordinance No. 6655 to allow concurrent recommendations by the Planning Commission on both the Comprehensive plan and zoning map changes, the recommendations on each should be consistent and therefore does not need to show a change in circumstances has occurred.

The requested rezone bears a substantial relationship to the public health, safety, morals and welfare. Adequate public facilities such as water, sewer, and electricity, are capable of being provided for the parcels upon future development and would therefore not be detrimental to public health. The rezone itself is not anticipated to allow any uses or acts that would pose any detrimental

effects on the morals or welfare of the public. No impacts to public safety outside of normal development are anticipated.

### **PLANNING COMMISSION RECOMMENDATION**

Planning Commission **recommended approval** of the Auburn School District No. 408 (CPA18-0003) request for a Comprehensive Plan Map Amendment to change the map designation of two parcels, Parcel Nos. 192105-9282 and 192105-9190 from “Single-Family” to “Institutional” and to rezone both parcels from “R-7, Residential Zone - Seven Dwelling Units per Acre” to “P-1, Public Use” zoning district.

### **EXHIBIT LIST**

*(For Exhibits please refer to the 5th section (blue divider page) behind the “Comp Plan Map Amendments” tab in the working binder)*

Exhibit 1	Staff Report CPA18-0003 & REZ18-0003
Exhibit 2	Comprehensive Plan Map Amendment - Proposed Change
Exhibit 3	Zoning Map Amendment - Proposed Change
Exhibit 4	Completed Comprehensive Plan Amendment and Rezone Application forms and materials including Applicant’s Narrative Statement
Exhibit 5	Completed SEPA Environmental Checklist Application SEP18-0012
Exhibit 6	Combined Notice of Application and Determination of Non-Significance SEP18-0012
Exhibit 7	Dept. of Commerce 60-Day Acknowledgement Letter
Exhibit 8	Notice of Public Hearing
Exhibit 9	Affidavits of Publication, Mailing, and Posting

**CPM #6 Private-Initiated Map Amendment (File #CPA18-0004) and Rezone (File #REZ18-0004) Auburn School District (Kersey Way SE)** *(Please refer to the 6th section (blue divider page) behind the “Comp Plan Map Amendments” tab in the working binder for the exhibits referenced for the Auburn School District application materials.)*

### **FINDINGS OF FACT:**

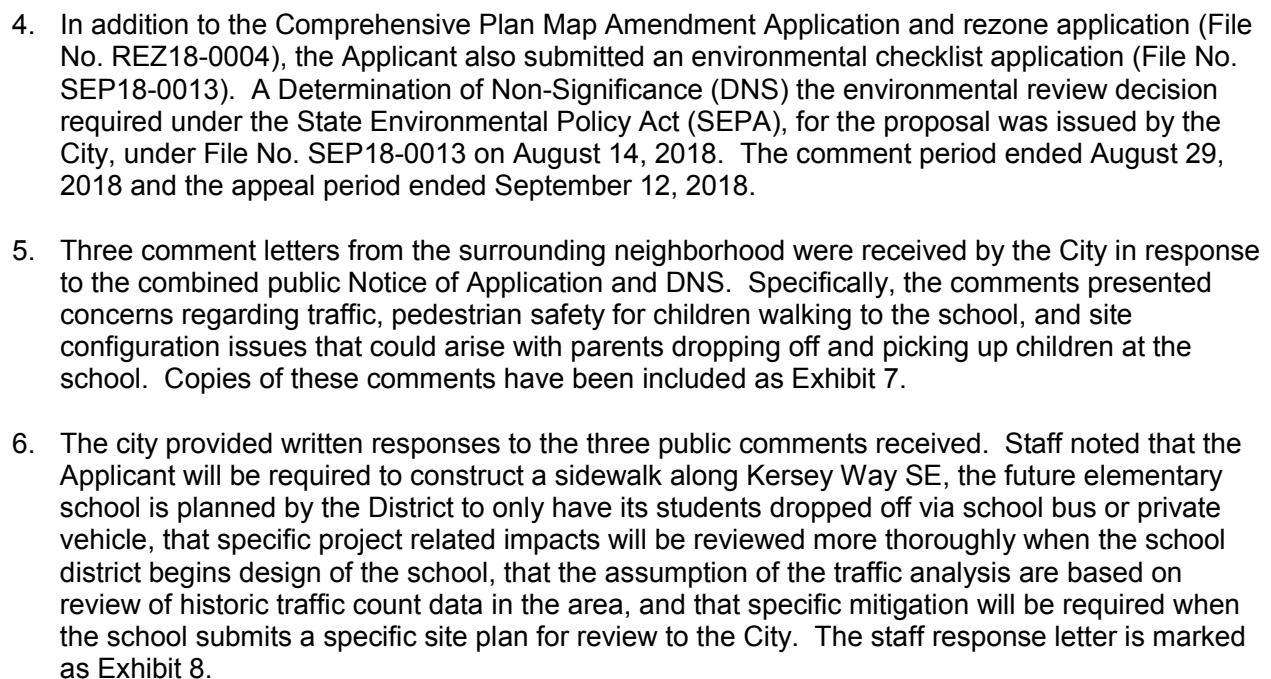
1. The Applicant, Camie Anderson of Shockley Planning Group, representing Jeff Grose, Exec. Director of Capital Projects Auburn School District, submitted applications for a Comprehensive Plan map amendment (File No. CPA18-0004) and a related rezone (File No. REZ18-0004). More specifically, the applications request a change in the designation of four parcels, totaling approximately 22.08 acres from the current designation of “Residential Conservancy” to “Institutional” and to subsequently rezone the site from “RC, Residential Conservancy” to “I, Institutional Zone”.
2. The “Site” is comprised of four parcels located on the west side of Kersey WY SE (between 53rd ST SE and 57th ST SE), addressed as 2901, 2925, & 3001 57th ST SE and identified as King County parcel numbers 3221059058, 3221059057, 3221059056, & 3221059016.
3. As indicated by the Applicant’s narrative statement submitted with the application, the Comprehensive Plan Amendment and related rezoning have been requested in order to allow for the construction of a future elementary school on the site to serve student population growth.

**Agenda Subject:** Ord #6698, CPA18-0001 & REZ18-0002, CPA18-0002, CPA18-0003 & REZ18-0003, and CPA18-0004 & REZ18-0004, - 2018 Comprehensive Plan Amendments – Map Amendments & Policy/Text Amendments & Assoc. Rezones

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**Date:** November 28, 2018





7. The applicant provided a Traffic Impact Analysis, prepared by PH Consulting LLC, dated September 25, 2017, noting the potential traffic impacts that could arise should the site be developed as a K-5 elementary school with a capacity of up to 800 students, with a build year of 2021. While limited in scope, the findings from the Traffic Impact Analysis confirmed that development of an elementary school for up to 800 students on the property will not result in any nearby intersections to not meet City of Auburn Level of Service (LOS) standards. A more detailed Traffic Impact Analysis will be prepared once the specific design of the school is determined, at which point, specific mitigation (if any) will be determined. The applicant's Traffic Impact Analysis is marked as Exhibit 10.
8. The Applicant submitted a Comprehensive Plan map amendment application on June 6, 2018, before the year 2018 application submittal deadline for comprehensive plan amendments (June 8, 2018).
9. It should be noted that at the time of application submittal, two of the four parcels subject to the map amendment and rezone were not owned by the District and owned by different parties. Since that time, the District has acquired one additional property. Currently, it is the City's understanding that Auburn School District has either obtained ownership of the last remaining parcel (parcel number 322105-9016) or will have ownership of it in the near future. The application for the Comprehensive Plan Map Amendment and Rezone has been signed by all property owners associated with the request.
10. The current Comprehensive Plan designation, zoning classification and current land uses of the sites and surrounding properties are as follows:

	<b>Comprehensive Plan Designation</b>	<b>Zoning Classification</b>	<b>Existing Land Use</b>
<b>On-Site</b>	Residential Conservancy	RC Residential Conservancy	Single-family dwellings and vacant
North	Residential Conservancy	RC Residential Conservancy	Vacant / Single-Family Residential
South	Single-Family in Pierce County (within Auburn's Potential Annexation Area)	MSF – Moderate Density Single-Family Zone (Unincorporated Pierce County)	Single-Family Residential
East	Residential Conservancy	RC Residential Conservancy	Single-Family Residential
West	Single-Family Residential	PUD Planned Unit Development	Single-Family Residential

11. Parcel #322105-9058, addressed as 2901 57th St SE, contains a single-family residence. Parcel #322105-9057 is vacant. Parcel #322105-9056, addressed as 2925 57th St SE, contains a single-family residence. Parcel #322105-9016, addressed as 3001 57th St SE, contains a single-family residence.
12. All four parcels are served by 57th St SE, a private road (driveway) connecting directly to west side of Kersey WY SE. Kersey WY SE is classified as a “Minor Arterial”. Kersey WY SE is not currently fully developed to the “Minor Arterial” street standards, as there is not sidewalk or vertical curb abutting the property.
13. The property is located within the King County portion of the City of Auburn. Ordinance No. 2271 annexed it to the City in 1968.
14. Based on historic zoning maps, the subject properties previously were zoned “RR, Rural Residential” until 2009 when it was part of an area wide rezone to “RC Residential Conservancy”.
15. The public hearing notice was published on October 24, 2018 in the Seattle Times at least 10-days prior to the Planning Commission public hearing scheduled for November 7, 2018. Public notice was also mailed to property owners of record within 300 feet, posting on-site and on the city’s webpage.

#### **COMPREHENSIVE PLAN RELATED CONCLUSIONS**

The City Code provides certain criteria for decisions on amending the Comprehensive Plan under ACC 18.14.22.110. These criteria are listed below in **bold**, followed by a Staff Analysis.

1. **Criterion #1 – ACC 14.22.110(A)(1) That the change must further and be consistent with the goals and objectives of the plan and the plan will remain internally consistent.**

*Staff Analysis: As identified by the Applicant, the purpose for the Comprehensive Plan map amendment is to allow for the subject four parcels to be developed with an elementary school. The applicant’s justification for the request notes that state-wide minimum class size mandates has put a greater need for Auburn School District to increase its elementary capacity in this area. Further, the area has experienced an increase in residential development, with more housing anticipated for the area in the future. The site is served by public infrastructure, including a “minor arterial” street immediately to the east. The proposal to change the mapped land use designation of the site from “Residential Conservancy” to “Institutional” is supported by numerous Comprehensive Plan policies within both the Land Use Element and the Capital Facilities Element, as follows:*

*The City’s Comprehensive Plan contains the following objectives and policy guidance, as it relates to this application:*

*Volume 1 – Land Use Element  
“Public and Institutional Land Use Designations”*

*“Character Sketch”*

*“Public and institutional uses will occur in both low and high-density environments. For passive uses, land and views will be protected; limited access to these areas will be typical. For more active uses, usability and accessibility will be key features and new*

*development will be subject to standards reflecting programmed space and interconnectivity. These spaces will be varied in type, providing service to areas large and small, urban and more rural in character. Sustainable solutions and innovations that are responsive to the native ecology will be typical of public and institutional uses.”*

*“General Policies”*

*A general policy appropriate to this request is:*

*“Policy LU-89. The primary purpose of this designation is to address public needs while taking advantage of synergies with the adjacent areas where they are sited.”*

*“Institutional Designation”*

*“Description”*

*“This category includes those areas that are reserved for public or institutional uses. These public uses include public schools and institutional uses such as large churches and schools. It is also intended to include those of a significant impact, and not those smaller public uses that are consistent with and may be included in another designation. For example, public uses of an industrial character are included in the industrial designation, and small-scale religious institutions of a residential character are included in the residential designation”*

*“Designation Criteria*

- 1. Previously developed institutional uses; or*
- 2. Located along major arterial streets;*
- 3. Properties that are buffered from the single-family designation by landscaping, environmental features, or the Residential Transition designation and buffered from all other Residential designations; and*
- 4. Meets the development parameters of the Institutional designation.*
- 5. Properties identified in the Airport Master Plan as Landing Field.”*

*Institutional-related policies appropriate to this request are:*

*“Policy LU-102 Appropriate uses for this designation include facilities that serve the needs of the larger community such as public schools, active parks, city operated municipal facilities, large churches, and fire stations.”*

*“Policy LU-103 This designation permits a wide array of uses that tend to be located in the midst of other dissimilar uses. For this reason, special emphasis should be directed at the following:*

- a. The appropriateness of new requests for this designation and the impacts that it may have on the surrounding community.*
- b. Site-specific conditions that should be attached to the granting of new requests for this designation that are designed to mitigate impacts on the surrounding community.*
- c. Site-specific conditions that should be attached to development proposals that are designed to mitigate impacts on the surrounding community.”*

*The Capital Facilities Element also contains objectives and policies relevant to the request, as follows:*

*Volume 3 – Capital Facilities Element*

*“Planning Approach”*

*“The Capital Facilities planning approach is to manage growth in a manner that enhances rather than detracts from community quality and values by actively coordinating land use type and intensity with City facility and service development and provision.”*

*“Objectives and Policies”*

*“Objective 1.1. Ensure that new development does not outpace the City’s ability to provide and maintain adequate public facilities and services, by allowing new development to occur only when and where adequate facilities exist or will be provided, and by encouraging development types and locations that can support the public services they require.”*

*“Policy CF-3. Development shall be allowed only when and where such development can be adequately served by public services (police and fire) without reducing the level of service elsewhere.”*

*“Objective 1.2. To ensure that new developments are supported by an adequate level of public services through an effective system of public facilities.”*

*“Policy CF-10. Public facilities shall be provided in accord with the guidance of the Capital Facilities Plan or, as may be appropriate a system plan for each type of facility designed to serve at an adequate level of service the locations and intensities of uses specified in this Comprehensive Plan.”*

*“Objective 1.8. To site public and institutional buildings in accord with their service function and the needs of the members of the public served by the facility.”*

*The proposal to change the land use designation on the site to “Institutional” will not be in conflict with the Comprehensive Plan, as it will allow for a public facility to meet the needs of the community and adequate public facilities will be provided concurrent with the development to serve the future land use of the site.*

*In addition, the intent of the I Institutional Zone is:*

*“... to provide an area wherein educational, governmental, theological, recreational, cultural and other public and quasi-public uses may be allowed to develop. It is further intended these areas be significant in scope which will allow a combination of uses which may not be permitted outright within other zones. This district is not intended to include those smaller or singular public uses which are consistent with and permitted in other zones.”*

*The I, Institutional Zone is an implementing zoning district of the “Institutional” Comprehensive Plan land use designation.*

**2. Criterion #2 – ACC 14.22.110(A)(2) The comprehensive plan amendment must not diminish or increase the ability to provide adequate services.**

*Staff Analysis: The applications for changes in comprehensive plan designation and zoning have been reviewed by Valley Regional Fire Agency and the City Utilities and Traffic divisions. Based on these reviews, the changes would not adversely affect the provision of services. The proposed Comprehensive Plan map change by itself, if approved will not affect the ability to*

*provide adequate services. As typical with development in the City, the infrastructure improvements needed to support the development would be the responsibility of the future development. At the time of development, adequate services would be required to be provided concurrent with the development in order for the project to be authorized. As such, it is not anticipated that approval of the request will negatively affect the provision of services. Utility and street frontage improvements, and possibly off-site improvements, would be required to support the development*

*While three of the four parcels that make up the site are developed with single-family residences, it is the District's plan to remove these and eventually redevelop the site with an elementary school and associated site improvements. Existing services either exists or can be provided to support the Comprehensive Plan Amendment to change the site's map designation from "Residential Conservancy" to "Institutional".*

**3. Criterion #3 – ACC 14.22.110(A)(3) The assumptions on which the comprehensive plan is based are found to be invalid.**

*Staff Analysis:* While the policies of the Comprehensive Plan are not invalid, the current map designation of the site as "Residential Conservancy" would not be consistent with a future rezone to the "I, Institutional" zoning needed to allow for an elementary school to be built on the site. Auburn School District acquired or is in the process of acquiring the parcels that make up the site with the intent of developing them with a new elementary school.

**4. Criterion #4 – ACC 14.22.110(A)(4) There has been a change or lack of change in conditions or circumstances has occurred since the adoption of the latest amendment to the comprehensive plan that dictates the need for a proposed amendment.**

*Staff Analysis:* There has been a change in conditions that generates the need for the map change. According to the Applicant, Auburn School District has been searching for a viable site in this general area to construct an elementary school for several years with difficulty. Based on the need for an elementary school to serve the increase in new housing surrounding the area and to maintain class size requirements, it is apparent that conditions have changed which would warrant the Comprehensive Plan amendment to "Institutional".

**5. Criterion #5 – ACC 14.22.110(A)(5) The change must be determined to be consistent with the Growth Management Act (RCW 36.70A), the Countywide Planning Policies of the relevant county and "Vision 2040: Growth and Transportation Strategy for the Puget Sound Region".**

*Staff Analysis:* The change if approved would continue to be consistent with the Growth Management Act (RCW 36.70A), the Countywide Planning Policies of King County and "Vision 2040: Growth and Transportation Strategy for the Puget Sound Region". The proposal is consistent because it provides land suitable for institutional development which will directly provide services (educational) to the immediate community within an urban area.

**6. Criterion #6 – ACC 14.22.110(A)(6) As applies only to changes of the mapped land use designation of a specific property, the applicant must demonstrate one of the following:**

- a. The current land use designation was clearly made in error or due to an oversight;**
- b. The proposed land use designation is adjacent to property having a similar or compatible designation, or other conditions are present to ensure compatibility with surrounding properties;**



**c. There has been a change in conditions since the current land use designation came into effect.**

*Staff Analysis:* According to the Applicant, Auburn School District has been searching and investigating property in this area for several years. No error or oversight in the Comprehensive Plan designation exists because when the last Comprehensive Plan was updated, the subject parcels were not identified as a school site by the School District and the designation had been in place for many years. The change is the school district

Further, if approved the designation will be compatible with the adjacent “Single Family Residential” to the west and south since the intensity of an elementary school is commonly located proximate to single family residential neighborhoods. Further, the site contains steeply sloping topography along its norther and eastern boundaries and a large wetland along its westerly boundary, all acting as buffers from nearby single-family development. Such conditions directly tied to Comprehensive Plan Policy LU-103. Elementary schools are most often located in single-family neighborhoods, as they serve a smaller immediate area than schools for upper grades. Also, if approved, the designation would be compatible with the “Residential Conservancy” designation located to the east, since this is separated by the minor arterial street of Kersey WY SE and steep transitions in ground surface elevation. In fact, these four parcels are an “island” of “Residential Conservancy” designation located on the west side of Kersey WY SE. The change would eliminate this “island”. As such, the proposal meets items b and c.

**REZONE RELATED – CONCLUSIONS:**

The Applicant has requested a rezone from “RC, Residential Conservancy” to “I, Institutional”. Per ACC 18.68.030(B)(1)(b) if the rezone request also requires changes to the Comprehensive Plan, the Planning Commission shall hold a public hearing and make a recommendation to the City Council. Chapter 18.68 ACC contains the intent and process for zoning code amendments, in this case, a site-specific zoning map amendment has been requested. Auburn City Code does not contain any specific rezone criteria for City Staff to review; however, Case Law offers some rezone criteria (“A Little Bit Pregnant: The Multi-Personalities of Site Specific Rezones - Or - A Cheat Sheet for Everything You Need to Know about Site-Specific Rezones”, by Phil Olbrechts on mrsc.org, April 1, 2013) as follows:

*“...require that the proponents of a rezone must establish that conditions have substantially changed since the original adoption and that the rezone must bear a substantial relationship to the public health, safety, morals or welfare. If a rezone implements the comprehensive plan, a showing that a change of circumstances has occurred is not required.”*

With the change in City procedures by Ordinance No. 6655 to allow concurrent recommendations by the Planning Commission on both the Comprehensive plan and zoning map changes, the recommendations on each should be consistent and therefore does not need to show a change in circumstances has occurred.

The requested rezone bears a substantial relationship to the public health, safety, morals and welfare. Adequate public facilities such as water, sewer, and electricity, are capable of being provided for the parcels upon future development and would therefore not be detrimental to public health. The rezone itself is not anticipated to allow any uses or acts that would pose any detrimental effects on the morals or welfare of the public. No impacts to public safety outside of normal development are anticipated.

**PLANNING COMMISSION RECOMMENDATION**

Planning Commission **recommended approval** of the Auburn School District No. 408 (CPA18-0004) request for a Comprehensive Plan Map Amendment to change the map designation of four parcels, Parcel Nos. 3221059058, 3221059057, 3221059056, & 3221059016 from “Residential Conservancy” to “Institutional” and to rezone the four parcels from “RC, Residential Conservancy” to “I Institutional” zoning district.

**EXHIBIT LIST**

*(For Exhibits, please refer to the 6th section (blue divider page) behind the “Comp Plan Map Amendments” tab in the working binder)*

Exhibit 1	Staff Report
Exhibit 2	Comprehensive Plan Map Amendment - Proposed Change
Exhibit 3	Zoning Map Amendment - Proposed Change
Exhibit 4	Completed Comprehensive Plan Amendment Application Form
Exhibit 5	Completed Rezone Application Form
Exhibit 6	Applicant’s Narrative Statement
Exhibit 7	Public Comments Received
Exhibit 8	City Response to Public Comments
Exhibit 9	SEPA Environmental Checklist
Exhibit 10	Traffic Impact Analysis, PH Consulting, LLC, September 25, 2017
Exhibit 11	Combined Notice of Application and Determination of Non-Significance SEP18-0013
Exhibit 12	Dept. of Commerce 60-Day Acknowledgement Letter
Exhibit 13	Notice of Public Hearing
Exhibit 14	Affidavits of Publication, Mailing, and Posting

**ORDINANCE NO. 6 6 9 8**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF  
AUBURN, WASHINGTON, RELATING TO PLANNING;  
ADOPTING 2018 ANNUAL COMPREHENSIVE PLAN MAP  
AND TEXT AMENDMENTS PURSUANT TO THE  
PROVISIONS OF RCW CHAPTER 36.70A AND ADOPTING  
CORRESPONDING REZONES RELATED TO CERTAIN MAP  
AMENDMENTS

WHEREAS, since 1986 the City of Auburn has maintained a Comprehensive Plan, periodically updated and reaffirmed by the City Council, that includes a Map establishing the location of the Comprehensive Plan Land Use Designations throughout the City; and

WHEREAS, on December 14, 2015, the Auburn City Council adopted an updated Comprehensive Plan by Ordinance No. 6584; and

WHEREAS, in May 2018 the City of Auburn published in the *Seattle Times Newspaper* an advertisement that the City was accepting comprehensive plan amendment applications and established a deadline for submittal of June 8, 2018; and

WHEREAS, the City of Auburn received and processed three private-initiated map amendments for the year 2018 annual amendments; (Labrador Ventures LLC as CPA18-0001, Auburn School District as CPA18-0003, and Auburn School District as CPA 18-0004); and

WHEREAS, the City of Auburn initiated three map amendments (File No. CPA18-0002) and nine policy/text amendments (File No. CPA18-0002); and

WHEREAS, none of the City-initiated map amendments and all three of the private initiated map amendments have an associated rezone (zoning map amendment) to maintain consistency with the Comprehensive Plan; and

WHEREAS, the Comprehensive Plan text/policy amendments and map amendments were processed by the Community Development Department as proposed Year 2018 annual amendments to the City of Auburn Comprehensive Plan; and

WHEREAS, the Growth Management Act, RCW 36.70A, requires the City to maintain a current Capital Facilities Plan; and

WHEREAS, the environmental impacts of the proposed Year 2018 Comprehensive Plan amendments and rezones were considered in accordance with procedures of the State Environmental Policy Act (File No. SEP18-0010 (city-initiated amendments), SEP18-0008 (Labrador Ventures LLC, private-initiated amendment), SEP18-0012 (Auburn School District Pioneer Elementary private-initiated amendment), and SEP18-0013 (Auburn School District Kersey WY SE private-initiated amendment) and were determined to have no environmental significance; and

WHEREAS, the proposed amendments were transmitted to the Washington State Department of Commerce, Growth Management Services Division, and other State agencies for the 60-day review period in accordance with RCW 36.70A.106; and

WHEREAS, after proper notice published in the City's official newspaper at least ten (10) days prior to the date of the hearings, the Auburn Planning Commission on November 7, 2018, conducted public hearings on the proposed amendments heard and considered the public testimony, viewed the evidence and exhibits presented to it, and made recommendations to the City Council on the proposed Year 2018 annual Comprehensive Plan map and text amendments and for certain amendments, on the associated rezones; and

WHEREAS, on December 10, 2018, the Auburn City Council reviewed the Planning Commission's recommendations, and on December 17, 2017 considered the proposed Comprehensive Plan amendments and rezones.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, DO ORDAIN AS FOLLOWS:

**Section 1.** Application CPA18-0001 & REZ18-0002, Labrador Ventures LLC Comprehensive Plan Map Amendment, requesting a land use designation change from "Single Family Residential" with a "Residential Transition Overlay" to "Multiple family Residential" and a rezone (zoning map amendment) from "R-7, Residential 7 Dwelling Units Per Acre" to "R-20, Residential 20 Dwelling Units Per Acre" for three parcels totaling approximately 1.89 acres, identified by King County parcel numbers: 000420-0010, 000420-0027, and 000420-0028 is approved, the Comprehensive Plan Map and Zoning Map are amended as set forth in Exhibit "A," and the findings and conclusions outlined in the November 28, 2018 staff report to the City Council, as set forth in Exhibit "B" are adopted.

**Section 2.** Application CPA18-0003 & REZ18-0003, Auburn School District, Pioneer Elementary School Site Comprehensive Plan Map Amendment, requesting a land use designation change from "Single-Family" to "Institutional" and a rezone (zoning map amendment) from "R-7 Residential – Seven Dwelling Units per Acre" to "P-1 Public Use District" for two parcels totaling approximately 0.9 acres, identified by King County parcel numbers: 1921059282 & 1921059190 is approved, as set forth in Exhibit "C," and the findings and conclusions outlined in the November 28, 2018 staff report to the Council, as set forth in Exhibit "B," are adopted.

**Section 3.** Application CPA18-0004 & REZ18-0004, Auburn School District, Kersey Way SE Site Comprehensive Plan Map Amendment, requesting a land use designation change from “Residential Conservancy” to “Institutional” and a rezone (zoning map amendment) from “RC, Residential Conservancy” to “I, Institutional Zone” for four parcels totaling approximately 22.08 acres, identified by King County parcel numbers: 3221059058, 3221059057, 3221059056, & 3221059016 is approved, as set forth in Exhibit “D,” and the findings and conclusions outlined in the November 28, 2018 staff report to Council, as set forth in Exhibit “B”, are adopted.

**Section 4.** The 2018 Comprehensive Plan city-initiated Map Amendments (CPA18-0002) are approved, as set forth in Exhibit “E,” and the findings and conclusions contained in the November 28, 2018 staff report to Council, as set forth in Exhibit B, are adopted.

**Section 5.** The 2018 annual Comprehensive Plan city-initiated Text Amendments (CPA18-0002), as set forth in Exhibit "F," are approved. The full text of the Capital Facilities Plan of the City and the four school district’s Capital Facilities Plans are adopted, copies of which shall be on file with the Office of the City Clerk, and the Findings and Conclusions outlined in the November 28, 2018 staff report to Council, as set forth in Exhibit "B", are adopted.

**Section 6.** The adopted Comprehensive Plan as amended is designated as a basis for the exercise of substantive authority under the Washington State Environmental Policy Act by the City’s responsible environmental official in accordance with RCW. 43.21C.060.

**Section 7.** The Mayor is hereby authorized to implement such administrative procedures as may be necessary to carry out the directions of this legislation to include incorporating into one document the adopted Comprehensive Plan map and text amendments, attached as Exhibit "A", Exhibit "B", Exhibit "C", Exhibit "D", Exhibit "E," and Exhibit "F" when preparing and publishing the amended Comprehensive Plan.

**Section 8.** The provisions of this ordinance are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section or portion of this ordinance, or the invalidity of the application thereof to any person or circumstance shall not affect the validity of the remainder of this ordinance, or the validity of its application to other persons or circumstances.

**Section 9.** This Ordinance shall take effect and be in force five days from and after its passage, approval and publication as provided by law.

INTRODUCED:\_\_\_\_\_

PASSED: \_\_\_\_\_

APPROVED:\_\_\_\_\_

CITY OF AUBURN

\_\_\_\_\_  
Nancy Backus  
MAYOR

ATTEST:

\_\_\_\_\_  
Shawn Campbell, MMC, City Clerk



APPROVED AS TO FORM:

\_\_\_\_\_  
Steven L. Gross, City Attorney

Published: \_\_\_\_\_

## Exhibit "A"

Colored Map as an excerpt of the City's Comprehensive Plan Map showing a change from "Single Family Residential" with the "Residential Transition Overlay" to "Multiple Family Residential" for three parcels totaling approximately 1.89 acres, identified by parcel numbers: 000420-0010, 000420-0027, & 000420-0028 for Labrador Ventures LLC. (CPA18-0001)

Colored Map as an excerpt of the City's Zoning Map showing a change from "R-7, Residential 7 dwelling units per acre" to "R-20, 20 Dwelling Units Per Acre" for three parcels totaling approximately 1.89 acres, identified by parcel numbers: 000420-0010, 000420-0027, & 000420-0028 for Labrador Ventures LLC. (REZ18-0002)

(Please see "Comp. Plan Map Amendments CPA18-0001" tab in the working binder).

## **Exhibit "B"**

*See Staff Report dated November 28, 2018 transmitted to the City Council for the Study Session on December 10, 2018.*

## Exhibit "C"

Colored Map as an excerpt of the City's Comprehensive Plan Map showing a change from "Single Family Residential" to "Institutional" for two parcels totaling approximately 0.9 acres, identified by parcel numbers: 192105-9190 & 192105-9282 for the Auburn School District Pioneer Elementary School Site (CPA18-0003)

Colored Map as an excerpt of the City's Zoning Map showing a change from "R-7, Residential 7 dwelling units per acre" to "P-1, Public Use" for two parcels totaling approximately 0.9 acres, identified by parcel numbers: 192105-9190 & 192105-9282 for the Auburn School District Pioneer Elementary School Site (REZ18-0003)

(Please see "Comp. Plan Map Amendments CPA18-0003" tab in the working binder).

## Exhibit "D"

Colored Map as an excerpt of the City's Comprehensive Plan Map showing a change from "Residential Conservancy" to "Institutional" for four parcels totaling approximately 22.08 acres, identified by parcel numbers: 322 105-9016, 322 105--9056, 322 105-9057, & 322 105-9058 for the Auburn School District Kersey Way SE Site (CPA18-0005)

Colored Map as an excerpt of the City's Zoning Map showing a change from "RC, Residential Conservancy" to "I, Institutional" "R-7, Residential 7 dwelling units per acre" to "P-1, Public Use" for four parcels totaling approximately 22.08 acres, identified by parcel numbers: 322 105-9016, 322 105--9056, 322 105-9057, & 322 105-9058 for the Auburn School District Kersey Way SE Site (REZ18-0004)

(Please see "Comp. Plan Map Amendments CPA18-0004" tab in the working binder).

## **Exhibit "E"**

*CPM #1 - Change the Comprehensive Plan Map, "Designated Areas, Map # 1.3" to remove "Environmental Park" Designated Area, since the area was rezoned in 2017 to M-1, Light Industrial and thus is not distinguished from other areas.*

*CPM #2 - Add back the Historic Resource Inventory Map from former Chapter 10, Historic Preservation Chapter, from the pre-2015 Comprehensive Plan as a re-numbered Map 8.1.*

*CPM #3 - Amend Comprehensive Plan Map to remove the mapped designation of "Residential Transition Overlay".*

*(See "Comp. Plan Map Amendments" tab in the working binder)*

## Exhibit "F"

### **Annual Comprehensive Plan Map (CPM) Amendments (CPA18-0002 – City Initiated)**

*P/T #1 – Incorporate Auburn School District Capital Facilities Plan*

*P/T #2 – Incorporate Dieringer School District Capital Facilities Plan*

*P/T #3 – Incorporate Federal Way School District Capital Facilities Plan*

*P/T #4 – Incorporate Kent School District Capital Facilities Plan*

*P/T #5 – Incorporate City of Auburn Capital Facilities Plan*

*P/T #6 - Modify text at the end of Volume 1, "Land Use Element" to clarify and distinguish between the various subcategories of "Special Planning Areas" that are already described in the Plan. Bring back some missing explanation from previous pre-2015 Comprehensive Plan to aid in describing the purpose and actions associated with each subcategory. The changes are shown in strike through and underline. Also, change Map No. 1.3 to correspond. See the related Map amendment CPM #1.*

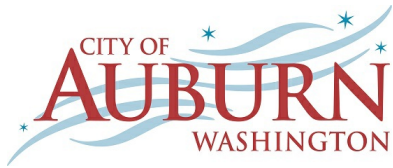
*P/T #7 - Amend text of Volume 6, Economic Development Element of Comprehensive Plan and the Comprehensive Plan's "Core Plan" (headline chapter) and specifically the Economic Development Vision Statement discussion to reflect preparation of the City of Auburn Ten-Year Economic Development Strategic Plan (TEDSP). Also, amend and the Appendices to include the document as one of the background documents to the Plan. The changes are shown in strike through and underline.*

*P/T #8 - Amend text and policies of Comprehensive Plan to add back the contents of the former Chapter 10, "Historical Preservation" from pre-2015 Comprehensive Plan as a new Chapter 8, with some minor revisions. Also, add a corresponding section to the "Core Plan" to maintain formatting, add a map of designated landmarks, as before and amend the Appendices to reflect the map addition. See related Map amendment CPM #2. The text changes are shown in strike through & underline.*

*P/T #9 - Modify text of Volume 1, "Land Use Element" of the Comprehensive Plan to remove the mapped designation of "Residential Transition Overlay" from the Comprehensive Plan Map. The text requires modification to eliminate references to the map location. See related Map amendment CPM #3.*

*(See "Comp. Plan Policy/Text Amendments" tab in the working binder)*





## AGENDA BILL APPROVAL FORM

Agenda Subject:  
Ordinance No. 6699 (Tate) (10 Minutes)

Date:  
December 5, 2018

Department:  
Community Development

**Attachments:**

[Attachment 1 - Agenda Bill](#)  
[Attachment 2 - Ordinance No. 6699](#)  
[Attachment 3 - Table Comparison 2019 rates](#)

Budget Impact:  
Current Budget: \$0  
Proposed Revision: \$0  
Revised Budget: \$0

**Administrative Recommendation:**

City Council to review and discuss school impact fee Ordinance No. 6699 revisions and set a date for action.

**Background Summary:**

Please see the attached agenda bill.

**Reviewed by Council Committees:**

Other: Legal, Planning

Councilmember:

Staff:

Tate

Meeting Date: December 10, 2018

Item Number:



## AGENDA BILL APPROVAL FORM

<b>Agenda Subject:</b> ZOA18-0003; Ordinance No. 6699 to revise school district impact fees for effective year 2019		<b>Date:</b> November 28, 2018
<b>Department:</b> Community Development & Public Works Dept.	<b>Attachments:</b> Ordinance No. 6699 <hr/> Table Comparison of Impact Fees indicated in each School District Capital Facilities Plan (CFP)	<b>Budget Impact:</b> (none)
<b>Administrative Recommendation:</b> City Council to review and discuss school impact fee Ordinance No. 6699 revisions and set a date for action.		
<p><b>Background Summary:</b> Title 19 (Impact Fees) of the Auburn City Code contains standards and regulations pertaining to the collection of impact fees in the City of Auburn. State law authorizes impact fees. Specifically, Chapter 19.02 (School Impact Fees) addresses the establishment, calculation, collection and amendment of <b>school impact fees</b> within the municipal boundaries of the City of Auburn. The city originally established school impact fees in 1998 by Ordinance No. 5078. Portions of four school districts occur within the City limits.</p> <p>Pursuant to Code Section 19.02.060 (Annual Council Review) of the Auburn City Code, on at least an annual basis, the Auburn City Council shall review the information submitted by the Districts pursuant to ACC 19.02.050. The review shall be in conjunction with any update of the capital facilities plan element of the city's comprehensive plan. The City Council may also at this time determine if an adjustment to the amount of the impact fees is necessary.</p> <p>The City of Auburn Annual Comprehensive Plan Amendment process for 2018 included requests for City approval of the Capital Facilities Plans of the four districts as follows:</p> <ul style="list-style-type: none"> <li>* 2018 - 2024 Auburn School District Capital Facilities Plan;</li> <li>* 2019-2024 Dieringer School District Capital Facilities Plan;</li> <li>* 2019 Federal Way School District Capital Facilities Plan; and</li> <li>* 2018-2019 through 2023-2024 Kent School District Capital Facilities Plan.</li> </ul> <p>These requests were submitted in accordance with the provisions of Section 19.02.050 (Submission of District Capital Facilities Plan and Data) of the Auburn City Code.</p> <p>The School Districts' Capital Facilities Plans are contained in the working notebooks (three-ring binders) for the 2018 Annual Comprehensive Plan Amendments, distributed to the City Council prior to the 12-10-18 study session.</p>		
<b>Reviewed by Council &amp; Committees:</b> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <input type="checkbox"/> Arts Commission  <input type="checkbox"/> Airport  <input type="checkbox"/> Hearing Examiner  <input type="checkbox"/> Human Services  <input type="checkbox"/> Park Board  <input checked="" type="checkbox"/> Planning Comm.         </div> <div style="width: 45%;"> <b>COUNCIL COMMITTEES:</b>  <input type="checkbox"/> Finance  <input type="checkbox"/> Municipal Serv.  <input checked="" type="checkbox"/> Planning &amp; CD  <input type="checkbox"/> Public Works  <input type="checkbox"/> Other _____         </div> </div>		<b>Reviewed by Departments &amp; Divisions:</b> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <input type="checkbox"/> Building  <input type="checkbox"/> Cemetery  <input type="checkbox"/> Finance  <input type="checkbox"/> Fire  <input checked="" type="checkbox"/> Legal  <input type="checkbox"/> Public Works         </div> <div style="width: 45%;"> <input type="checkbox"/> M&amp;O  <input type="checkbox"/> Mayor  <input type="checkbox"/> Parks  <input checked="" type="checkbox"/> Planning  <input type="checkbox"/> Police  <input type="checkbox"/> Human Resources         </div> </div>
<b>Action:</b> Committee Approval: <span style="margin-left: 100px;"><input type="checkbox"/> Yes <input type="checkbox"/> No</span> Council Approval: <span style="margin-left: 100px;"><input type="checkbox"/> Yes <input type="checkbox"/> No</span> <span style="margin-left: 50px;">Call for Public Hearing ____/____/____</span> Referred to _____ Until ____/____/____ Tabled _____ Until ____/____/____		
<b>Councilmember:</b>		<b>Staff:</b> Tate
<b>Meeting Date:</b> December 10, 2018		<b>Item Number:</b>

**Definition**

The city's code section 19.02 contains the city's regulations governing school impact fees. It provides the following definition:

*"Impact fee" means a payment of money imposed upon development as a condition of development approval to pay for school facilities needed to serve new growth and development that is reasonably related to the new development that creates additional demand and need for public facilities, that is a proportionate share of the cost of the school facilities, and that is used for such facilities that reasonably benefit the new development.*

**Related Authority**

Other key points of the city's regulations include:

- ❖ RCW 82.02.050 - .110 and WAC 365-196-850 authorize cities (towns & counties) planning under the Growth Management Act (GMA) to impose impact fees.
- ❖ The impact fee shall be based on a capital facilities plan adopted by the school district and incorporated by reference by the city as part of the capital facilities element of the city's comprehensive plan, adopted pursuant to Chapter 36.70A RCW, for the purpose of establishing the fee program.
- ❖ Separate fees shall be calculated for single-family and multifamily types of dwelling units, and separate student generation rates must be determined by the district for each type of dwelling unit.
- ❖ The fee shall be calculated on a district-wide basis using the appropriate factors and data supplied by the district. The fee calculations shall also be made on a district-wide basis to assure maximum utilization of all available school facilities in the district, which meet district standards.
- ❖ As a condition of the city's authorization and adoption of a school impact fee ordinance, the city and the applicable district shall enter into an interlocal agreement governing the operation of the school impact fee program, and describing the relationship and liabilities of the parties. The agreement must provide that the district shall hold the city harmless for all damages.
- ❖ On an annual basis (by July 1st or on a date agreed to by district and the city and stipulated in the interlocal agreement), any district for which the city is collecting impact fees shall submit the Capital facilities plan and supporting information to the city.
- ❖ Applicants for single-family and multifamily residential building permits shall pay the total amount of the impact fees assessed before the building permit is issued, using the impact fee schedules in effect, unless the fee has been deferred pursuant to City Ordinance No. 6341.
- ❖ The impact fee calculation shall be based upon the formula set forth in ACC 19.02.110, "Impact fee formula". The formula is the city's determination of the appropriate proportionate share of the costs of public school capital facilities needed to serve new growth and development to be funded by school impact fees based on the factors defined in ACC 19.02.020. Based on this formula, the "Fee Obligation" is the "Total Unfunded Need" x 50% = Fee Calculation.

The Capital Facilities Plans that were approved by each of the school boards contain proposed school impact fees for each of the Districts. The requests for adjustment of the school impact fees are required to be submitted concurrent with the submittal of the Capital Facilities Plans. Under City regulations a separate letter request is only required to be submitted to the city when the fee adjustment is requesting an increase.

**Council Review and Decision**

The establishment of the actual fee amount occurs through separate Council action amending Chapter 19.02 of the Auburn City Code. Section 19.02.060, (Annual Council Review) specifies the following:

*"On at least an annual basis, the city council shall review the information submitted by the district pursuant to ACC 19.02.050. The review shall be in conjunction with any update of the capital facilities plan element of the city's comprehensive plan. The city council may also at this time determine if an adjustment to the amount of the impact fees is necessary; provided, that any school impact fee adjustment that would increase the school impact fee shall require the submittal of a written request for the adjustment by the applicable school district concurrent with the submittal of the annual capital facilities plan pursuant to ACC 19.02.050. In making its decision to adjust impact fees, the city council will take into consideration the quality and completeness of the information provided in the applicable school district capital facilities plan and may decide to enact a fee less than the amount supported by the capital facilities plan."*

This Section provides the Auburn City Council is not obligated to accept the fees proposed by the School Districts within their submitted Capital Facilities Plans and may establish fees that the Council determines are more appropriate and consistent with the public's interest in reasonably mitigating school impacts within the affected portion of the City.

**Recommendation (Contained in draft Ordinance No. 6699)**

**Auburn School District:**

The Auburn School District indicated by letter submitted with their Capital Facilities Plan, that they are requesting an increase in school impact fees for the year 2019. The year 2019 fees for single-family dwellings is proposed to be \$5,715.68, an increase of \$2,393.82 and the requested fee for multiple-family dwellings is \$4,488.43, an increase of \$2,407.14.

**Dieringer School District:**

The Dieringer School District is not requesting an increase for year 2019. The year 2019 fees for single-family dwellings is proposed to be \$3,216.00, a decrease of \$269.00 and the requested fee for multiple family dwellings is \$450.00; a decrease of \$631.00.

Historically, the City has established fee rates for the Dieringer School district that is the same as the fee implemented in Pierce County's fee since it is more appropriate and consistent with the public's interest in reasonably mitigating school impacts within the affected portion of the City. Both, the school district fee calculations do not exceed the maximum fee obligation obligations established by Pierce County Ordinance by No. 2018-88s adopted November 13 2018; effective January 1, 2019. So no adjustment by the City of Auburn is necessary for the fee to be consistent with Pierce County. The Dieringer School District is the only school district common to both the jurisdictions of the City of Auburn and Pierce County.

**Federal Way School District:**

The Federal Way School District indicated by letter submitted with their Capital Facilities Plan that they are requesting an increase in school impact fees for year 2019. The year 2019 fees for single-family dwellings is proposed to be \$7,221.00, representing an increase of \$379.00 and the requested fee for multi-family dwellings is \$19,454.00, a decrease of \$632.00.

According to communication leading to last year's fee changes from Tanya Nascimento, Student & Demographic Forecaster, Federal Way Public Schools, there are several factors which have driven the impact fees to increase quite significantly in the preceding year. One factor is the steady increase in observed multiple-family student generation rates. In 2015, the first of three multi-family

developments was opened and fully occupied in the City of Federal Way. The second was opened and occupied in late 2016 and the third was opened in fully occupied this summer. The first two developments have been included in the generation rate calculation for last year's plan. The specific generation rates can be found on Page 34. These multiple-family complexes are generating more than one student per unit which is significantly higher than past developments within the school district.

In addition to the high student generation rates, the district completed work with its Facilities Planning Committee which determined a need for additional capacity at a number of schools. As a result of this work, Phase II of the District's plan was the subject of a voter approved capital bond. The facilities impacted during Phase II can be found on Page 7 of the Capital Facilities Plan. It is important to note that not all projects within Phase II will create additional capacity. Only costs associated with project increasing needed capacity are used in the formula for calculating Impact Fees. The specific cost calculations are outlined on Page 32 of the Capital Facilities Plan.

#### Kent School District

The Kent School District indicated by letter submitted with their Capital Facilities Plan that they are requesting an increase in school impact fees for year 2019. The year 2019 fees for single-family dwellings is proposed to be \$5,397.00, representing an increase of \$162.00 and the requested fee for multi-family dwellings is \$2,279.00, an increase of \$12.00.

#### Scheduling of Actions

A discussion of the School District Capital Facilities Plans school impact fee changes and Ordinance No. 6699 is scheduled for the Study Session on December 10, 2018. City Council action on Ordinance No. 6699 is requested for December 17, 2018.

**ORDINANCE NO. 6 6 9 9**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY  
OF AUBURN, WASHINGTON AMENDING SECTIONS  
19.02.115, 19.02.120, 19.02.130 AND 19.02.140 OF THE  
AUBURN CITY CODE RELATING TO SCHOOL IMPACT  
FEES

WHEREAS, the City of Auburn has adopted a school impact fee ordinance and collects school impact fees on behalf of certain school districts located or located in part within the City of Auburn; and

WHEREAS, the Auburn School District, Dieringer School District, Federal Way School District, and the Kent School District, each being located in part within the City of Auburn, have provided the City of Auburn with updated capital facilities plans to be considered during the City's 2018 annual comprehensive plan amendment process that addresses among other things, the appropriate school impact fee for single family residential dwellings and multi- family residential dwellings for each district; and

WHEREAS, the Auburn School District issued a Determination of Non-Significance for the 2018 - 2024 Auburn School District Capital Facilities Plan June 11, 2018; the Dieringer School District issued a Determination of Non- Significance for the 2019-2024 Dieringer School District Capital Facilities Plan June 18, 2018; the Federal Way School District issued a Determination of Non-Significance for the 2019 Federal Way School District Capital Facilities Plan July 24, 2018; and the Kent School District issued a Determination of Non-Significance for the 2018-2019 through 2023-2024 Kent School District Capital Facilities Plan June 27, 2018; and

WHEREAS the City of Auburn issued a Determination of Non-Significance (DNS)

on September 19, 2018 for the City of Auburn Year 2018 city-initiated comprehensive plan map and text amendments (File No. SEP18-0010), and

WHEREAS, after proper notice published in the City's official newspaper at least ten (10) days prior to the date of hearing, the Auburn Planning Commission on November 7, 2018 conducted public hearings on the proposed Auburn School District 2018-2024 Capital Facilities Plan, the proposed Dieringer School District 2019-2024 Capital Facilities Plan; the proposed Federal Way School District 2019 Capital Facilities Plan; and for the proposed Kent School District 2018-2019 through 2023-2024 Capital Facilities Plan; and

WHEREAS, following the conclusion of the public hearing on November 7, 2018, and subsequent deliberations, the Auburn Planning Commission, following individual positive motions, made separate recommendations to the Auburn City Council on the approval of the Auburn School District 2018-2024 Capital Facilities Plan, the Dieringer School District 2019-2024 Capital Facilities Plan; the Federal Way School District 2019 Capital Facilities Plan; and for the Kent School District 2018-2019 through 2023-2024 Capital Facilities Plan; and

WHEREAS, the Auburn City Council reviewed the recommendations of the Auburn Planning Commission on the school district capital facilities plans at a regularly scheduled study session on December 10, 2018; and

WHEREAS, the Auburn City Council considered the recommendations of the Auburn Planning Commission on the capital facilities plans at a regularly scheduled meeting on December 17, 2018, and a positive motion approved the Auburn School



District 2018-2024 Capital Facilities Plan, the Dieringer School District 2019-2024 Capital Facilities Plan; the Federal Way School District 2019 Capital Facilities Plan; and for the Kent School District 2018-2019 through 2023-2024 Capital Facilities; and

WHEREAS, on December 10, 2018 the Auburn City Council at a regularly scheduled study session reviewed amendments to Title 19 (Impact Fees) and more specifically, Chapter 19.02 (School Impact Fees) pertaining to school impact fees for single family residential dwelling units and multi-family dwelling units to be applied in the City of Auburn for the Auburn School District; Dieringer School District, Federal Way School District, and the Kent School District; respectively, based on the aforementioned capital facilities plans for each of these districts; and

WHEREAS, the Auburn City Code provides for adjustments to school impact fees based on a review of the capital facilities plans for each of the districts; and

WHEREAS, Section 19.02.060 (Annual Council Review) of the Auburn City Code specifies that the Auburn City Council will in making its decision to adjust impact fees take into consideration the quality and completeness of the information provided in the applicable school district capital facilities plan and may decide to enact a fee less than the amount supported by the capital facilities plan. NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, DO ORDAIN AS FOLLOWS:

**Section 1.** Amendment to the City Code. Section 19.02.115 of the Auburn City Code is hereby amended to read as follows.

19.02.115 Impact fee calculation and schedule for the Dieringer School District.

The impact fee calculation and schedule below is based upon a review of the impact fee calculation for single-family residences and for multifamily residences set forth in the most recent version of the Dieringer School District Capital Facilities Plan adopted by the Auburn city council as an element of the Auburn comprehensive plan. The calculation is the determination of the appropriate proportionate share of the costs of public school capital facilities needed to serve new growth and development to be funded by school impact fees based on the factors defined in ACC 19.02.020.

Effective January 1, ~~2018~~2019, or the effective date of this ordinance whichever is later, the school impact fee shall be as follows:

Per Single-Family Dwelling Unit    ~~\$3,485.00~~\$3,216.00

Per Multifamily Dwelling Unit        ~~\$1,081.00~~\$450.00

(Ord. 6668 § 1, Ord. 6627 § 1, 2016; Ord. 6581 § 1, 2016; Ord. 6542 § 1, 2014; Ord. 6488 § 1, 2013; Ord. 6445 § 1, 2012; Ord. 6393 § 1, 2011; Ord. 6341 § 2, 2011; Ord. 6340 § 1, 2010; Ord. 6279 § 1, 2009; Ord. 6214 § 1, 2008; Ord. 6134 § 1, 2007; Ord. 6060 § 1, 2006; Ord. 5950 § 2, 2005.)

**Section 2.** Amendment to the City Code. Section 19.02.120 of the Auburn City

Code is hereby amended to read as follows.

19.02.120 Impact fee calculation and schedule for the Auburn School District.

The impact fee calculation and schedule is based upon a review of the impact fee calculation for single-family residences and for multifamily residences set forth in the most recent version of the Auburn School District's Capital Facilities Plan adopted by the Auburn city council as an element of the Auburn comprehensive plan. The calculation is the determination of the appropriate proportionate share of the costs of public school capital facilities needed to serve new growth and development to be funded by school impact fees based on the factors defined in ACC 19.02.020.

Effective January 1, ~~2018~~2019, or the effective date of this ordinance whichever is later, the school impact fee shall be as follows:

Per Single-Family Dwelling Unit ~~\$3,321.86~~\$5,715.68

Per Multifamily Dwelling Unit ~~\$2,081.29~~\$4,488.43

(Ord. 6668 § 1, Ord. 6627 § 1, 2016; Ord. 6581 § 2, 2016; Ord. 6542 § 2, 2014; Ord. 6488 § 2, 2013; Ord. 6445 § 2, 2012; Ord. 6393 § 2, 2011; Ord. 6341 § 2, 2011; Ord. 6340 § 2, 2010; Ord. 6279 § 2, 2009; Ord. 6214 § 2, 2008; Ord. 6134 § 2, 2007; Ord. 6060 § 2, 2006; Ord. 5950 § 1, 2005; Ord. 5793 § 1, 2003; Ord. 5232 § 1, 1999.)

**Section 3.** Amendment to the City Code. Section 19.02.130 of the Auburn City

Code is hereby amended as follows.

19.02.130 Impact fee calculation and schedule for the Kent School District.

The impact fee calculation and schedule is based upon a review of the impact fee and calculation for single-family residences and for multifamily residences set forth in the most recent version of the Kent School District's Capital Facilities Plan adopted by the Auburn city council as an element of the Auburn comprehensive plan. The calculation is the determination of the appropriate proportionate share of the costs of public school capital facilities needed to serve new growth and development to be funded by school impact fees based on the factors defined in ACC 19.02.020.

Effective January 1, ~~2018~~2019, or the effective date of this ordinance whichever is later, the school impact fee shall be as follows:

Per Single-Family Dwelling Unit ~~\$5,235.00~~\$5,397.00

Per Multifamily Dwelling Unit ~~\$2,267.00~~\$2,279.00

(Ord. 6668 § 1, Ord. 6627 § 1, 2016; Ord. 6581 § 3, 2016; Ord. 6542 § 3, 2014; Ord. 6488 § 3, 2013; Ord. 6445 § 3, 2012; Ord. 6393 § 3, 2011; Ord. 6341 § 2, 2011; Ord. 6340 § 3, 2010; Ord. 6279 § 3, 2009; Ord. 6214 § 3, 2008; Ord. 6134 § 3, 2007; Ord. 6060 § 3, 2006; Ord. 5950 § 1, 2005; Ord. 5233 § 1, 1999.)

**Section 4.** Amendment to the City Code. Section 19.02.140 of the Auburn City

Code is hereby amended to read as follows.

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Ordinance No. 6699  
December 5, 2018  
Page 5 of 7

19.02.140 Impact fee calculation and schedule for the Federal Way School District.

The impact fee calculation and schedule is based upon a review of the impact fee and calculation for single-family residences and for multifamily residences set forth in the most recent version of the Federal Way School District's Capital Facilities Plan adopted by the Auburn city council as an element of the Auburn comprehensive plan. The calculation is the determination of the appropriate proportionate share of the costs of public school capital facilities needed to serve new growth and development to be funded by school impact fees based on the factors defined in ACC 19.02.020.

Effective January 1, ~~2018~~2019, or the effective date of this ordinance whichever is later, the school impact fee shall be as follows:

Per Single-Family Dwelling Unit ~~\$6,842.00~~\$7,221.00

Per Multifamily Dwelling Unit ~~\$20,086.00~~\$19,454.00

(Ord. 6668 § 1, Ord. 6627 § 1, 2016; Ord. 6581 § 4, 2016; Ord. 6542 § 4, 2014; Ord. 6488 § 4, 2013; Ord. 6445 § 4, 2012; Ord. 6393 § 4, 2011; Ord. 6341 § 2, 2011; Ord. 6340 § 4, 2010; Ord. 6279 § 4, 2009; Ord. 6214 § 4, 2008; Ord. 6134 § 4, 2007; Ord. 6060 § 4, 2006; Ord. 6042 § 1, 2006.)

**Section 5.** Constitutionality and Invalidity. If any section, subsection sentence, clause, phrase or portion of this Ordinance, is for any reason held invalid or unconstitutional by any Court of competent jurisdiction such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

**Section 6.** The provisions of this ordinance are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section or portion of this ordinance, or the invalidity of the application thereof to any person or

circumstance shall not affect the validity of the remainder of this ordinance, or the validity of its application to other persons or circumstances.

**Section 7.** Implementation. The Mayor is authorized to implement such administrative procedures as may be necessary to carry out the directions of this legislation.

**Section 8.** Effective Date. This Ordinance shall take effect and be in force five days from and after its passage, approval and publication as provided by law.

INTRODUCED: \_\_\_\_\_

PASSED: \_\_\_\_\_

APPROVED: \_\_\_\_\_

CITY OF AUBURN

ATTEST:

\_\_\_\_\_  
NANCY BACKUS, Mayor

\_\_\_\_\_  
Shawn Campbell, MMC, City Clerk

APPROVED AS TO FORM:

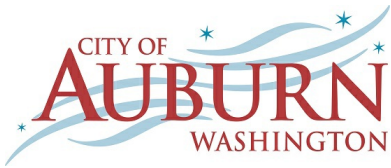
\_\_\_\_\_  
Steven L. Gross, City Attorney

Published: \_\_\_\_\_

## School Impact Fee Proposal (Effective Year 2019)

School District	Multiple Family				Single Family			
	Past 2018 fee, Per ACC 19.02	CFP says:	Requested Amount	Change?	Past 2018 fee, Per ACC 19.02	CFP says:	Requested Amount	Change?
Auburn	\$2,081.29	\$4,488.43 Page 29	\$4,488.43	Increase of \$2,407.14	\$3,321.86	\$5,715.68 Page 29	\$5,715.68	Increase of \$2,393.82
Dieringer	\$1,081.00	\$450.00 Page 14	\$450.00	Decrease of \$631.00	\$3,485.00	\$3,216.00 Page 16	\$3,216.00	Decrease of \$269.00
Federal Way	\$20,086.00	\$19,454.00 Page 30	\$19,454.00	Decrease of \$632.00	\$6,842.00	\$7,221.00 Page 30	\$7,221.00	Increase of \$379.00
Kent	\$2,267.00	\$2,279.00 Page 32 & 34	\$2,279.00	Increase of \$12.00	\$5,235.00	\$5,397.00 Page 31 & 34	\$5,397.00	Increase of \$162.00

CFP = Capital Facilities Plan  
ACC = Auburn City Code



## AGENDA BILL APPROVAL FORM

**Agenda Subject:**

Ordinance No. 6708 (Tate) (10 Minutes)

**Date:**

December 5, 2018

**Department:**

Community Development

**Attachments:**

[Attachment 1 - Ordinance No. 6708](#)

[Attachment 2 - RCW 7-80-050](#)

**Budget Impact:**

Current Budget: \$0

Proposed Revision: \$0

Revised Budget: \$0

**Administrative Recommendation:**

Schedule Ordinance No. 6708 for City Council action on December 17, 2018

**Background Summary:**

This Ordinance will provide Code Compliance Officers additional tools related to the enforcement of the Auburn City Code. If adopted, the effect of the code changes would be to:

- On occasion, a code violation may call for a rapid response or involve uncorrectable damage, where the current tools may cause undue delay or ineffective enforcement. For example, if a code enforcement officer witnesses an individual dumping solid or liquid waste into a wetland the current enforcement procedure requires that the officer first issue a notice to correct and provide between 1 to 15 days to correct the violation. The effect of the code change would be to allow the officer to skip this step and proceed directly to issuance of a citation.
- The Ordinance will also allow Code Compliance Officers to streamline their process pertaining to the issuance of a Notice to Correct, as well as a Notice of Civil Penalty. This new process removes the requirement for certified mailings, which are cumbersome, unnecessary, and produce confusion to the receiving party. The effect of the code change is to change the "method of service" to a process that is consistent with service of criminal citations. Criminal citations can be served using regular post office mailings. By removing the requirement to utilize certified mailing, it saves time and several thousand dollars per year in mailing cost without compromising outcomes.
- In addition, this Ordinance will amend the section of City code that adopts the International Property Maintenance Code under ACC 15.06 and 15.08A. Although the International Property Maintenance Code is a model code, certain provisions within the code require the adopting government to specify measurements, amounts, or dates that it prefers. Without these unspecified figures or dated, the City is unable to enforce certain provisions of the adopted Code.



**Reviewed by Council Committees:**

Other: Legal

**Councilmember:**

**Staff:**

Tate

**Meeting Date:** December 10, 2018

Item Number:

## **ORDINANCE NO. 6708**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, CREATING NEW SECTIONS 15.20.75 AND 15.20.77 AND AMENDING SECTIONS 1.25.030, 1.25.040, 1.25.065 AND 15.20.030 OF THE AUBURN CITY CODE RELATING TO CODE ENFORCEMENT

WHEREAS, Auburn City Code requires that code enforcement officials first issue a code violator a Notice to Correct Violation prior to issuing an infraction for a violation; and

WHEREAS, because some code violations call for a rapid response or concern damage that is uncorrectable, a Notice to Correct may be superfluous or cause undue delay in enforcement; and

WHEREAS, RCW 7.80.050 requires code enforcement officers to use a different process for citing violators depending upon whether the violation occurs in the official's presence or not; and

WHEREAS, the current requirement that the City send all Notices to Correct and Civil Penalties by both certified mail and regular post is cumbersome, unnecessary, and produces confusion; and

WHEREAS, in 2016, the City Council adopted by reference the International Property Maintenance Code, which is a model code published by the International Code Council; and

WHEREAS, although the International Property Maintenance Code is a model code, certain provisions of the Code require the adopting government to specify measurements, amounts, or dates that it prefers; and

WHEREAS, the City is unable to enforce provisions of the Property Maintenance Code that contain unspecified figures or dates.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, DO ORDAIN as follows:

**Section 1. Amendment to City Code.** That section 1.25.030 of the Auburn City Code be and the same hereby is amended to read as follows:

**1.25.030 Notice to correct violation.**

**A. Authority to Issue.**

1. Whenever the code enforcement official or other authorized enforcement official, or his/her designee, determines that a violation is occurring or has occurred, he/she may issue a notice to correct the violation, in a form pursuant to subsection C of this section, to the property owner(s) and/or tenant(s) and/or to any person(s) causing or allowing or participating in the violation.

2. If a notice to correct the violation has been issued, the code enforcement official shall require the violation to be corrected within one to 15 working days from the issuance of the notice to correct. The length of time to correct shall be determined, in the sole discretion of the code enforcement official or other authorized enforcement official, or his/her designee, by the scope of violation, the history of prior violations by the same persons and/or at the same location and method needed to correct violation. All violations, in any event, shall be corrected expeditiously.

**B. Receipt of Correction Notice.**

1. Upon receipt of notice to correct violation, the violator shall either correct the violation or ask the code enforcement official for a reconsideration of the notice to correct within the time frame set out in subsection (B)(3) of this section.

2. If the violator corrects the violation, the code enforcement official shall close the violation file and notify violator of compliance.

3. The property owner and/or tenant may request reconsideration of the notice to correct violation by the code enforcement official. This request must be made in writing prior to the date on which corrections are to be completed as specified in the notice. The code enforcement official shall respond to the request for reconsideration, if timely received, no later than seven calendar days from the date the request for reconsideration was received. The code enforcement official

may amend the notice (a) to correct the notice, (b) for good cause to allow for a longer time to correct the violation, (c) to amend the scope of violation, or (d) to rescind the notice. A stay of the time allowed for correction shall be in effect from the date that a request for reconsideration was received, if timely received, until the date a response to the request for reconsideration is sent.

4. If the violator corrects the violation pursuant to the reconsideration determination, the code enforcement official shall close the violation file and notify the violator of compliance.

C. Content. The notice to correct violation shall contain the following:

1. The name and address of the property owner and/or tenant and/or other person to whom the notice to correct violation is directed; and

2. The street address or description sufficient for identification of the building, structure, premises, or land upon or within which the violation has occurred or is occurring; and

3. A description of the violation and a reference to the Auburn City Code or related provision, standard, regulation, procedure or permit which has been violated; and

4. A statement of the action required to be taken to correct the violation as determined by the code enforcement official and a date or time by which correction is to be completed; and

5. A statement that the property owner and/or tenant may request a reconsideration of the notice to correct violation by the code enforcement official and the procedures required for such request; and

6. A statement that the consequences of failing to correct the violation may result in monetary penalties and/or other enforcement requirements; and

7. A statement that the person to whom the notice to correct violation is directed shall inform the code enforcement official of the correction so an inspector can be sent to the violation premises to confirm the correction.

D. Service of Notice. The code enforcement official shall cause the notice to correct violation to be served on the person(s) to whom it is directed by personal service or by mailing a copy of the notice to correct violation ~~both~~ by regular mail ~~and by certified mail~~, postage prepaid, ~~return receipt requested~~, to such person(s) at his/her last known address. If the person's address is unknown, service shall be completed by mailing the notice to the address of the most

recent payer of the property tax for the property, as shown in the county's records, and by posting a copy of the notice to correct violation conspicuously on the affected property or structure. Mailed notices shall be deemed received three (3) business days after the postmark.

E. Extension. Upon written request received prior to the correction date or time, the code enforcement official may extend the date set for correction for good cause. The code enforcement official may consider but is not limited to the consideration of substantial completion of the necessary correction or unforeseeable circumstances which render completion impossible by the date established as good cause.

F. Repeat Violations. Notwithstanding the above provisions, in the case of a repeat violation, the code enforcement official or other authorized enforcement official, or his/her designee, may issue a notice of infraction regardless of whether a notice to correct violation has been issued. For the purposes hereof, "repeat violation" means that the same person or property has been the subject of one or more notice to correct violation within the preceding 12 months. (Ord. 6615 § 5, 2016; Ord. 5966 § 3, 2006; Ord. 5677 § 2, 2002; Ord. 5246 § 1 (Exh. B), 1999; Ord. 5212 § 1 (Exh. B), 1999; Ord. 4460 § 1, 1991.)

## **Section 2. Amendment to City Code.**

That section 1.25.040 of

the Auburn City Code be and the same hereby is amended to read as follows:

### **1.25.040 Notice of infraction.**

~~A. Authority to Issue. W~~Notwithstanding the provisions of ACC 1.25.030,  
whenever the code enforcement official determines that a violation has  
occurred not been corrected pursuant to ACC 1.25.030, he/she shall be  
authorized to issue a notice of infraction, on an appropriate form for filing with the  
court of limited jurisdiction authorized to hear cases of the city, to the property  
owner(s) and/or tenant(s) and/or to any person(s) causing or allowing or  
participating in the violation. If a violation occurs outside the official's presence,  
the official shall file, according to the process described in RCW 7.80.050, a  
notice of infraction with the court of limited jurisdiction for Auburn for the court to  
issue to the person(s). If a violation occurs in the official's presence, the official  
may issue the notice of infraction either directly to the person(s) or by filing it with  
the court, according to RCW 7.80.050. Once issued, the infraction shall be

~~B. Infraction Process. Once the notice of infraction has been filed with the court~~  
~~of limited jurisdiction authorized to hear cases of the city, it shall be sent in the~~  
~~normal course to the property owner(s), tenant(s) and/or to other person(s)~~  
~~causing or allowing or participating in the violation, and thereafter processed for~~  
~~court proceedings in accordance with applicable rules and procedures. (Ord.~~

6429 § 3, 2012; Ord. 5677 § 2, 2002; Ord. 5246 § 1 (Exh. B), 1999; Ord. 5212 § 1 (Exh. B), 1999; Ord. 4460 § 1, 1991.)

**Section 3. Amendment to City Code.**

That section 1.25.065 of

the Auburn City Code be and the same hereby is amended to read as follows:

**1.25.065 Additional penalty and enforcement provisions**

A. Civil Penalty. In addition to any other enforcement actions available to the city, if the code enforcement official determines that a violation has not been corrected pursuant to ACC 1.25.030 within the time specified in the notice to correct violation or recurs within 60 days of remediation of the same violation, he/she is authorized to impose a civil penalty against the property owner on whose property the violation exists, and/or the person in possession of the property, and/or the person otherwise causing or responsible for the violation. The penalty shall be up to \$500.00 for the first day and \$100.00 per day for each additional full day the violation continues. In the event a violation is remediated but recurs within 60 days, the city may impose a penalty that is double that of the above listed penalty amounts. Each day on which a violation or recurrence thereof continues shall constitute a separate violation. If unpaid within 14 calendar days of becoming effective, each penalty shall constitute a lien against the property of equal rank with state, county, and municipal taxes.

B. Notice of Penalty. The penalty shall be imposed by serving a notice of penalty. Service of the notice shall be made upon all persons identified in the notice either personally or by mailing a copy of such order by certified-regular mail, postage prepaid, ~~return receipt requested~~. If an address for mailed service cannot be ascertained, service shall be accomplished by posting a copy of the notice conspicuously on the affected property or structure. The initial penalty shall be effective and the recurring daily penalty shall commence on the date service is effective. Service by certified-regular mail shall be effective five calendar days after the date of postmark, unless U.S. postal records show actual receipt prior to that date. If service is by personal service, service shall be deemed effective immediately. If service is made by posting, service shall be effective on the third day following the day the notice is posted. Recurring penalties shall become effective every 24 hours after midnight of the effective date of the initial penalty, if the violation is not corrected.

The notice shall contain all the information required to be placed in a notice to correct violation, under ACC 1.25.030, and in addition the following:

1. The amount of the initial penalty and the amount of the per day penalty for each day the violation(s) continues, and, if applicable, the conditions on which assessment of such civil penalty is contingent.

2. A statement that the recurring penalty accrues each day automatically, without further notice.

3. The procedure for appealing the penalty, as described in this chapter.

4. That if the penalties are unpaid within 10 days of when they become effective, they shall become a lien on the property that shall be of equal rank with state, county and municipal taxes.

C. Withdrawal. The code enforcement officer may withdraw a notice of penalty if compliance is achieved, as determined by the officer, within 14 calendar days of the service date of the notice. The officer shall not withdraw a notice of penalty if it is the second notice issued by the officer to the same person for the same or similar violation committed within six months.

D. Continued Duty to Correct. Payment of a penalty pursuant to this chapter does not relieve a person of the duty to correct the violation as ordered by the enforcement officer. Correction of the violation does not relieve a person of the obligation to pay the penalty assessed, unless dismissed, withdrawn, or modified by the hearing examiner or the code enforcement officer.

E. Appeal of Notice of Penalty.

1. An assessed civil penalty may be appealed to the city hearing examiner within 14 calendar days of the penalty's effective date, in the same manner as determinations of the building official are appealed under ACC 15.07.130. After the 14-day period, penalties shall be final and binding. The hearing examiner may grant an extension of time for filing an appeal if the person establishes that he/she did not receive the notice of penalty due to good cause. The burden of proving such good cause circumstances is on the person making the claim.

2. The appeal shall be processed and the hearing conducted according to the provisions of ACC 15.07.130 and the provisions of that section are adopted by reference for the purpose of this chapter. The person appealing may appeal either the determination that a violation exists or the amount of the civil penalty imposed, or both. The person appealing may appeal all penalties that are not final and binding. The hearing examiner has the authority to affirm, dismiss, or modify the civil penalty. The city shall have the burden of proving by a preponderance of the evidence the commission of a violation. If the hearing examiner finds that a violation was not committed at the time the notice of penalty was issued, the examiner shall dismiss all penalties before him/her that were imposed for the alleged violation and the city shall dismiss all additional penalties, whether effective or final, that were imposed for the alleged violation.

3. The civil penalties for a continuing violation shall not continue to accrue pending determination of the appeal; however, the hearing examiner may impose a daily monetary penalty, to a maximum of \$100.00 per day, from the date of service of the notice of penalty if the hearing examiner finds that the appeal is frivolous or intended solely to delay compliance. An appeal does not lift or stay a notice to correct violation.

4. A person is precluded from appealing a penalty if the hearing examiner finds that it has determined in a prior appeal all the issues of fact and law raised by the person appealing.

5. At his/her discretion, the hearing examiner may consolidate appeals of penalties imposed on the same property for the same violations.

#### F. Cost Recovery and Lien.

1. Any monetary penalty imposed under this chapter constitutes a personal obligation of the person served the notice of penalty. The city attorney is authorized to collect the monetary penalty by use of appropriate legal remedies, the seeking of which shall neither stay nor terminate the accrual of additional per-day penalties so long as the violation continues.

2. The city may authorize the use of collection agencies to recover monetary penalties, in which case the cost of the collection process shall be assessed in addition to the monetary penalty.

3. Once civil penalties are effective and due, pursuant to this section, the code enforcement officer may file a lien with the county auditor on the property where the violation exists for the amount of the unpaid civil penalties. The lien shall be of equal rank with state, county and municipal taxes, and shall be in similar form, be filed with the same county office, be enforced and foreclosed in the same manner, and subject to the same exemptions as state law provides for the foreclosure of labor and material liens. The claim of lien shall contain the following:

a. The authority for imposing a civil penalty;

b. A brief description of the civil penalty imposed, including the violations charged and the duration thereof;

c. A legal description of the property to be charged with the lien;

d. The name of the known or reputed owner; and



e. The amount, including lawful and reasonable costs, for which the lien is claimed. (Ord. 6647 § 2, 2017; Ord. 6615 § 7, 2016; Ord. 6328 § 4, 2010.)

**Section 4. Amendment to City Code.**

That section 15.20.030 of

the Auburn City Code be and the same hereby is amended to read as follows:

**15.20.030 Section 103.1 and 103.5 amended.**

Sections 103.1 and 103.5 of the International Property Maintenance Code ~~is~~are amended to read as follows:

103.1 Department of property maintenance inspection. The department of community development and public works is responsible for implementation and enforcement of the International Property Maintenance Code.

103.5 Fees. The fees for activities and services performed by the city in carrying out its responsibilities under this code, including hearings conducted by the hearings examiner, shall be as indicated in the City of Auburn Fee Schedule.  
(Ord. 6615 § 1, 2016.)

**Section 5. New Section to City Code.**

That a new Section 15.20.075 of

the Auburn City Code, entitled "Sections 302.4 and 304.14 Amended -- General Requirements," is hereby created to read as follows:

**15.20.075 Sections 302.4 and 304.14 Amended -- General Requirements.**

Sections 302.4 and 302.14 of the International Property Maintenance Code are amended to read as follows:

**302.4 Weeds.** Premises and exterior property shall be maintained free from weeds or plant growth in excess of six inches. Noxious weeds shall be prohibited. Weeds shall be defined as all grasses, annual plants and vegetation, other than trees or shrubs provided; however, this term shall not include cultivated flowers and gardens.

Upon failure of the owner or agent having charge of a property to cut and destroy weeds after service of a notice of violation, they shall be subject to prosecution in accordance with Section 106.3 and as prescribed by the authority having jurisdiction. Upon failure to comply with the notice of violation, any duly authorized employee of the jurisdiction or contractor hired by the jurisdiction shall be authorized to enter upon the property in violation and cut and destroy the weeds growing thereon, according

to the abatement process contained in ACC 8.12, and the costs of such removal shall be paid by the owner or against responsible for the property.

**304.14 Insect Screens.** During the period from April 1 to October 31, every door, window and other outside opening required for ventilation of habitable rooms, food preparation areas, food service areas or any areas where products to be included or utilized in food for human consumption are processed, manufactured, packaged or stored shall be supplied with approved tightly fitting screens of minimum 16 mesh per inch (16 mesh per 25 mm) and every screen door used for insect control shall have a self-closing device in good working condition.”

**Section 6. New Section to City Code.** That a new Section 15.20.077 of the Auburn City Code, entitled “Sections 602.3 and 602.4 Amended – Mechanical and Electrical Requirements,” is hereby created to read as follows:

**15.20.075. Sections 602.3 and 602.4 amended – Mechanical and Electrical Requirements.**

Sections 602.3 and 602.4 of the International Property Maintenance Code are amended to read as follows:

**602.3 Heat Supply.** Every owner and operator of any building who rents, leases or lets one or more dwelling units or sleeping units on terms, either expressed or implied, to furnish heat to the occupants thereof shall supply heat during year-round to maintain a minimum temperature of 68°F (20°C) in all habitable rooms, bathrooms and toilet rooms.

**Exceptions:**

1. When the outdoor temperature is below the winter outdoor design temperature for the locality, maintenance of the minimum room temperature shall not be required provided that the heating system is operating at its full design capacity. The winter outdoor design temperature for the locality shall be as indicated in Appendix D of the International Plumbing Code.
2. In areas where the average monthly temperature is above 30°F (-1°C), a minimum temperature of 65°F (18°C) shall be maintained.

**602.4 Occupiable work spaces.** Indoor occupiable work spaces shall be supplied with heat year-round to maintain a minimum temperature of 65°F (18°C) during the period the spaces are occupied.

**Exceptions:**

1. Processing, storage and operation areas that require cooling or special temperature conditions.
2. Areas in which persons are primarily engaged in vigorous physical activities.”

**Section 7. Implementation.** The Mayor is hereby authorized to implement such administrative procedures as may be necessary to carry out the directions of this legislation.

**Section 8. Severability.** The provisions of this ordinance are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section or portion of this ordinance, or the invalidity of the application thereof to any person or circumstance shall not affect the validity of the remainder of this ordinance, or the validity of its application to other persons or circumstances.

**Section 9. Effective date.** This Ordinance shall take effect and be in force five days from and after its passage, approval and publication as provided by law.

INTRODUCED: \_\_\_\_\_

PASSED: \_\_\_\_\_

APPROVED: \_\_\_\_\_

\_\_\_\_\_  
NANCY BACKUS, MAYOR

ATTEST:

\_\_\_\_\_  
Shawn Campbell, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Steven L. Gross, City Attorney

Published: \_\_\_\_\_

**RCW 7.80.050****Notice of infraction—Issuance, service, filing.**

(1) A civil infraction proceeding is initiated by the issuance, service, and filing of a notice of civil infraction.

(2) A notice of civil infraction may be issued by an enforcement officer when the civil infraction occurs in the officer's presence.

(3) A court may issue a notice of civil infraction if an enforcement officer files with the court a written statement that the civil infraction was committed in the officer's presence or that the officer has reasonable cause to believe that a civil infraction was committed.

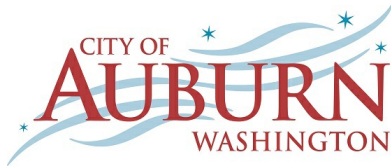
(4) Service of a notice of civil infraction issued under subsection (2) or (3) of this section shall be as provided by court rule. Until such a rule is adopted, service shall be as provided in \*JTIR 2.2(c)(1) and (3), as applicable.

(5) A notice of infraction shall be filed with a court having jurisdiction within forty-eight hours of issuance, excluding Saturdays, Sundays, and holidays. A notice of infraction not filed within the time limits prescribed in this section may be dismissed without prejudice.

[ 1987 c 456 § 13.]

**NOTES:**

**\*Reviser's note:** The Justice Court Traffic Infraction Rules (JTIR) were replaced by the Infraction Rules for Courts of Limited Jurisdiction (IRLJ), effective September 1, 1992.



## AGENDA BILL APPROVAL FORM

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**Agenda Subject:**

Ordinance No. 6707 (Gaub) (15 Minutes)

**Department:**

Public Works

**Attachments:**

[Ordinance No. 6707](#)

**Date:**

December 4, 2018

**Budget Impact:**

Current Budget: \$0

Proposed Revision: \$0

Revised Budget: \$0

**Administrative Recommendation:**

Discuss Ordinance No. 6707.

**Background Summary:**

Ordinance No. 6707 adopts regulations establishing local requirements for the location, construction, and modification of small wireless facilities within the City rights-of-way.

The FCC recently adopted its Declaratory Ruling and Third Report and Order concerning processing of applications by local governments for the deployments of small wireless facilities. In order to stay compliant with current federal regulations and effectively manage the use of the City's rights-of-way, the attached draft Ordinance No. 6707 and Exhibit A add a new City Code Chapter 20.14.

As telecommunications companies, operators and providers expand and upgrade their networks and provide services to their customers they seek to deploy and place their facilities such as small wireless antennas in the City's rights-of-way and potentially on City facilities. The proposed City Code sets forth the process and requirements for those entities to obtain approval of specific installations in the rights-of-way. Specific design and construction requirements are being added to the City's Design and Construction Standards which are planned to be published in early 2019.

**Reviewed by Council Committees:****Councilmember:**

**Meeting Date:** December 10, 2018

**Staff:**

Gaub

Item Number:

**ORDINANCE NO. 6 7 0 7**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, RELATING TO TELECOMMUNICATIONS INFRASTRUCTURE, AND ADOPTING NEW CHAPTER 20.14, SMALL WIRELESS FACILITIES IN THE PUBLIC RIGHT-OF-WAY; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, in 1934, Congress enacted the Communications Act of 1934, creating the Federal Communications Commission (“FCC”) and granting it authority over common carriers engaged in the provision of interstate or foreign communications services; and

WHEREAS, in 1996 Congress enacted Pub. L. No. 104-104, 110 Stat. 70 (the “1996 Act”), amending the Communications Act of 1934 and implementing regulations applicable to both wireless and wireline communications facilities for the purpose of removal of barriers to entry into the telecommunications market while preserving local government zoning authority except where specifically limited under the 1996 Act; and

WHEREAS, in the 1996 Act, Congress imposed substantive and procedural limitations on the traditional authority of state and local governments to regulate the location, construction, and modification of wireless facilities and incorporated those limitations into the Communications Act of 1934; and

WHEREAS, in September of 2018, the FCC adopted its Declaratory Ruling and Third Report and Order, concerning processing of applications by local governments for the deployments of small wireless facilities; and

WHEREAS, the City is adopting regulations establishing local requirements for the location, construction, and modification of small wireless facilities within the City rights-of-way and;

WHEREAS, the City wishes to manage the use of the Right of Way; and

WHEREAS, the City Council finds that the proposed regulations are reasonable, necessary, and in the public interest;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, DO ORDAIN as follows:

**Section 1. Adoption of New City Code Chapter 20.14.** Auburn City Code Chapter 20.14, Small Wireless Facilities in the Public Right of Way is adopted as shown in Exhibit A.

**Section 2. Implementation.** The Mayor is authorized to implement those administrative procedures necessary to carry out the directions of this legislation.

**Section 3. Severability.** The provisions of this ordinance are declared to be separate and severable. The invalidity of any clause, sentence,



paragraph, subdivision, section or portion of this ordinance, or the invalidity of the application of this ordinance to any person or circumstance will not affect the validity of the remainder of this ordinance, or the validity of its application to other persons or circumstances.

**Section 4.** **Effective date.** This Ordinance will take effect and be in force five days from and after its passage, approval and publication as provided by law.

INTRODUCED: \_\_\_\_\_

PASSED: \_\_\_\_\_

APPROVED: \_\_\_\_\_

\_\_\_\_\_  
NANCY BACKUS, MAYOR

ATTEST:

\_\_\_\_\_  
Shawn Campbell, MMC, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Steven L. Gross, City Attorney

Published: \_\_\_\_\_

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Ordinance No. 6707  
December 3, 2018  
Page 3 of 9

## **Exhibit A**

### **Chapter 20.14**

### **SMALL WIRELESS FACILITIES WITHIN THE PUBLIC RIGHTS-OF-WAY**

#### **Sections:**

- 20.14.010 Overview.**
- 20.14.020 Application for small wireless facilities permits.**
- 20.14.030 Implementation – Small wireless facilities permits.**
- 20.14.040 Small wireless facility permit review process.**
- 20.14.050 Deviations.**
- 20.14.060 Small wireless facility approvals and processes.**
- 20.14.070 Additional review procedures.**
- 20.14.080 Compliance with federal processing limitations.**
- 20.14.090 Design Standards.**
- 20.14.100 Non-interference.**
- 20.14.110 Facility Removal.**

#### **20.14.010 Overview.**

A. Service providers or any other persons or entities who seek to use the public right-of-way for small wireless facilities deployment to provide personal wireless service, data transmission, or other related services, must have a valid franchise under Chapter 20.06 ACC to use the right-of-way and a small wireless facility permit to deploy that technology at each proposed location. Entities with franchises who wish to use a small wireless facility deployment to upgrade or expand their existing services, will use the processes set forth in this chapter to obtain approval of specific installations. An entity without a franchise will apply for a franchise as well as a small wireless facility permit for its initial deployment, and the applications will be processed concurrently.

B. Nothing in this chapter revises or diminishes the rights and obligations of an existing franchise.

C. Small wireless facilities deployment elements that require SEPA review may use these processes only in conjunction with SEPA review.

D. For purposes of this chapter, “small wireless facilities” are defined as facilities that meet the following conditions:

1. The facilities:

i. are mounted on structures 50 feet or less in height, including their antennas as defined in 47 CFR 1.1320(d), or

ii. are mounted on structures no more than 10 percent taller than other adjacent structures, or

iii. do not extend existing structures on which they are located to a height of more than 50 feet or by more than 10 percent, whichever is greater; and

2. Each antenna associated with the deployment, excluding associated antenna equipment (as defined in the definition of antenna in 47 CFR 1.1320(d)) is no more than three cubic feet in volume; and

3. All other wireless equipment associated with the structure, (including the wireless equipment associated with the antenna and any pre-existing associated equipment on the structure), is no more than 28 cubic feet in volume; and

4. The facilities do not require antenna structure registration under Code of Federal Regulations, Title 47, Part 17; and

5. The facilities are not located on Tribal lands, as defined under 36 CFR 800.16(x); and

6. The facilities do not result in human exposure to radiofrequency radiation in excess of the applicable safety standards specified in 47 Code of Federal Regulations 1.1307(b); and

7. The facilities are currently located or are proposed to be located within the public right-of-way. For facilities currently located or proposed to be located on private property, please see ACC Chapter 18.31. For facilities currently located or proposed to be located on public property or facilities, please see ACC Chapter 20.08.

#### **20.14.020 Application for small wireless facilities permits.**

For locations in the public right-of-way, the Director of Public Works ("Director") is charged with administration of small wireless facilities deployments and other small wireless facilities permit review processes for use of public right-of-way established under this Chapter.

Unless previously provided with an application for a franchise, the following information will be provided by all applicants seeking to use small wireless facilities deployment:

A. Specific locational information, including GIS coordinates of all proposed facilities, and

B. Specific design information and plans, addressing poles or other support structures, attachments, conduit, and any ground-mounted equipment, and

C. A narrative addressing how the proposed plans are consistent with the franchise exhibit(s), if applicable, or otherwise meet the design requirements of this chapter, and otherwise as required within the ACC, and

D. A concealment plan demonstrating how the proposed small wireless facilities comply with the City of Auburn Engineering Design Standards, and

E. Provision of proof of Federal Communications Commission and other regulatory approvals required to provide the service(s) or use the technologies sought to be installed, and

F. Provision of proof that the proposed facilities will not interfere with the City's automated meter (AMI), telemetry (SCADA), automated light meter facilities, or other City communication facilities, and

G. Provision of proof from pole or structure owners that the additional load of small wireless facilities can be accommodated by the poles or structures or if the City is the pole or structure owner, proof of compliance with ACC Chapter 20.08, and

H. Any other information determined by the Director to be necessary for processing the application.

Permits issued under this Chapter will not supplant any other permits required under federal or state law, or the Auburn City Code, including but not limited to, ACC Chapter 12.24 and 13.32 A.

#### **20.14.030 Implementation – Small wireless facilities permits.**

The rights granted under a franchise are implemented through the issuance of small wireless facilities permits. The franchise application, required under Chapter 20.06 ACC, may be accompanied by one or more applications for a small wireless facilities permit to deploy small wireless facilities. An initial franchise and any related small wireless facilities permit applications will be processed concurrently.

A. Up to five (5) sites may be specified in one small wireless facilities permit application for processing.

B. Issuance of a small wireless facilities permit to install small wireless facilities will be contingent upon approval of a franchise under Chapter 20.06 ACC, or the possession of a valid franchise.

C. Any element of a deployment that qualifies as an eligible facilities request under 47 Code of Federal Regulations Section 1.40001 will be specifically designated by the applicant and may be addressed separately by the Director in order to comply with the shot clocks established by federal law.

D. The Director may approve, deny, or conditionally approve all or any portion of the sites proposed in a small wireless facilities permit application. Any denial of an application under this Chapter must be made in writing and be supported by substantial evidence.

E. Any application for a small wireless facilities permit that contains an element that is not exempt from SEPA review, will simultaneously submit a SEPA Environmental Checklist under Chapter 43.21C RCW and Chapter 16.06 ACC.

F. The City recognizes that the Federal Telecommunications Act of 1996 gives the Federal Communications Commission sole jurisdiction in the field of regulation of electromagnetic radio frequency emissions and small wireless facilities that meet Federal Communications Commission standards will not be conditioned or denied on the basis of radio frequency or electromagnetic frequency impacts. Applicants for small wireless facilities will be required to provide the City information on the projected power density of the facility and compliance with the Federal Communications Commission requirements.

#### **20.14.040 Small wireless facility permit review process.**

The following provisions relate to applications for a small wireless facility permit:

A. *Federal law.* Review of the site locations proposed by the applicant will be governed by the provisions of 47 U.S.C. § 253 and 47 U.S.C. § 332 and applicable regulations and case law. Applicants will be treated in a competitively neutral and nondiscriminatory manner with other service providers whose facilities are similarly situated in terms of structure, placement, or cumulative impacts. Small wireless facilities permit review under this chapter will neither prohibit nor have the effect of prohibiting the ability of an applicant to provide telecommunications services.

B. *Concealment.* The City will permit small wireless facility deployment on existing or replacement poles or structures conforming to the City's generally applicable pole design standards, the City's Engineering Design and Construction Standards, the concealment element plan approved as part of the small wireless facilities permit(s), and consistent with the relevant franchise exhibit (if applicable). Small wireless facilities may not be expanded unless the expansion does not defeat the facility's required concealment elements.

C. The Director will review applications for small wireless facilities permits for consistency with relevant franchise exhibits and design standards.

D. Small wireless facilities permits to install facilities will be processed within the time frames set by applicable federal regulations.

E. The decision of the Director to approve a small wireless facility permit will be final and is not subject to appeal under city code or further legislative review.

#### **20.14.050 Deviations.**

Any request for deviations from the approved small cell facilities design designated in the franchise, or any previously approved small wireless facility permit, will be considered a new small wireless facilities permit request. An applicant seeking approval of a deviation from an approved small wireless facilities permit will apply for a new small wireless facilities permit.

**20.14.060 Small wireless facility approvals and processes.**

Approval of a small wireless facility permit and/or other approval referenced in this chapter are conditioned on the following requirements:

- A. Satisfy applicable bulk requirements, such as noise and light regulations.
- B. Comply with adopted design and concealment standards as provided by the City's Engineering Design and Construction Standards.
- C. Obtain the written approval of the owner of any pole or structure for the installation of its facilities on such pole or structure. Approval of a franchise under Chapter 20.06 ACC does not authorize attachment to City-owned poles or other structures.
- D. Unless specifically provided for in a franchise, obtain a lease or other applicable authorization from the City to use City owned poles, ground space or infrastructure for the installation of any small wireless facility, or to locate any new ground-based structure, base station, or other attendant equipment on City right-of-way.
- E. Comply with all city construction standards and state and federal codes when operating in the right-of-way and obtain a required permit to enter the right-of-way for construction.

**20.14.070 Additional review procedures.**

Small wireless facilities in shorelines management zones or environmentally critical areas are subject to review as provided in Chapters 16.08 and/or 16.10 ACC.

**20.14.080 Compliance with federal processing limitations.**

Review of small wireless facilities permits will comply with the provisions of 47 CFR Part 1, subpart U, if applicable. Applications will be reviewed, completeness determined, and the time frame tolled as provided in this chapter and Chapter 20.06 ACC.

**20.14.090 Design Standards.**

All small wireless facilities will be constructed or installed according to applicable Federal Communications Commission (FCC), Federal Aviation Administration (FAA), state and city regulations and standards, including the City of Auburn Engineering Design and Construction Standards.

**20.14.100 Non-interference.**

Wireless facilities of any kind will not interfere with any emergency, communication, or utility infrastructure systems of the City.

A. If the City notifies service providers that their equipment is potentially interfering with public safety communications equipment, the providers will cooperate and coordinate with the City and among themselves to investigate and mitigate the interference, if any, utilizing the procedures set forth in the joint wireless industry – public safety “Best Practices Guide,” released by the FCC in February 2001, including the “Good Engineering Practices,” as may be amended or revised by the FCC from time to time.

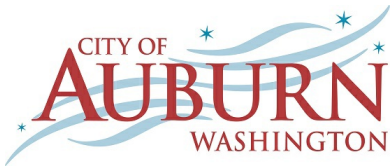
B. If any service provider or facility owner fails to cooperate with the City in complying with the owner’s obligations under this section or if the FCC makes a determination of radio frequency interference with the City communications equipment, the owner who fails to cooperate and/or the owner of the facility or facilities which caused the interference will be responsible, upon FCC determination of radio frequency interference, for reimbursing the City for all costs associated with ascertaining and resolving the interference, including but not limited to any engineering studies obtained by the City to determine the source of the interference. For the purposes of this subsection, failure to cooperate will include failure to initiate any response or action as described in the “Best Practices Guide” within 24 hours of the City’s notification.

#### **20.14.110 Facility Removal.**

A small wireless facility will be removed:

A. Within 180 days of the date the facility’s use is discontinued, it ceases to be operational, the permit is revoked; or if the facility falls into disrepair and is not maintained, within 90 days of a notice from the City to effect repairs and maintenance to the satisfaction of the City. The owner and/or operator of a facility will notify the City upon the discontinued use of a particular facility; however,

B. If the owner and/or operator fails to remove the facility as required then the facility is a nuisance and subject to appropriate legal proceeding.



## AGENDA BILL APPROVAL FORM

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**Agenda Subject:**

Gambling & Card Room Revenue (Coleman) (5 Minutes)

**Date:**

December 5, 2018

**Department:**

Finance

**Attachments:**

[Memo](#)

**Budget Impact:****Administrative Recommendation:**

For discussion only.

**Background Summary:**

Review of the most recent gambling tax code revisions and receipts from gambling and amusement activities, 2010 – 2018 YTD.

**Reviewed by Council Committees:****Councilmember:****Staff:**

Coleman

**Meeting Date:** December 10, 2018

Item Number:





## Finance Department Memorandum

**To:** Auburn City Council  
**From:** Shelley Coleman, Finance Director  
**CC:** Nancy Backus, Mayor  
**Date:** December 1, 2018  
**Re:** Gambling Tax History and Limits in Auburn

---

RCW 9.46.110 sets the maximum rates at which cities may levy on gambling activity conducted by commercial stimulant operators (i.e., for-profit businesses). The maximum allowable rates on gambling activities are as follows:

- Bingo—up to 5% of net receipts
- Raffles—up to 5% of net receipts
- Amusement games—up to 2% of net receipts
- Punchboard, pull-tabs—up to 5% of gross receipts or up to 10% of net receipts
- Social card rooms—up to 20% of gross receipts

Auburn City Code (ACC) 3.80.040 & 3.80.060 sets the following rates:

- Bingo – 5% of net receipts
- Raffles – 5% of net receipts
- Amusement games – 2% of gross receipts
- Punchboard, pull tabs – 10% of net receipts (1)
- Social card rooms – 4% of gross receipts (2)

(1) Ord. 6398 § 1, 2012 was passed after businesses approached Council to change calculation from 5% of gross receipts to 10% of net receipts.

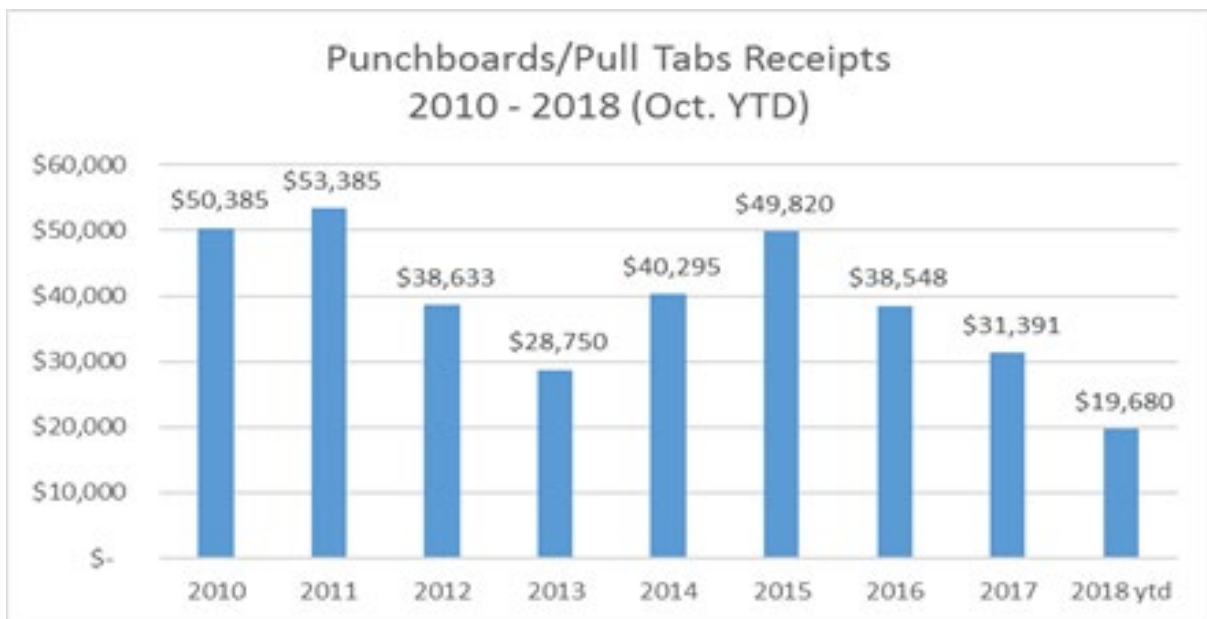
(2) The City Council via Ord. 6315 (2010) temporarily reduced the rate to 4% from 12% for 2 years. Ord. 6427 (2012) reduced the rate to 4% permanently after the temporary reduction lapsed.

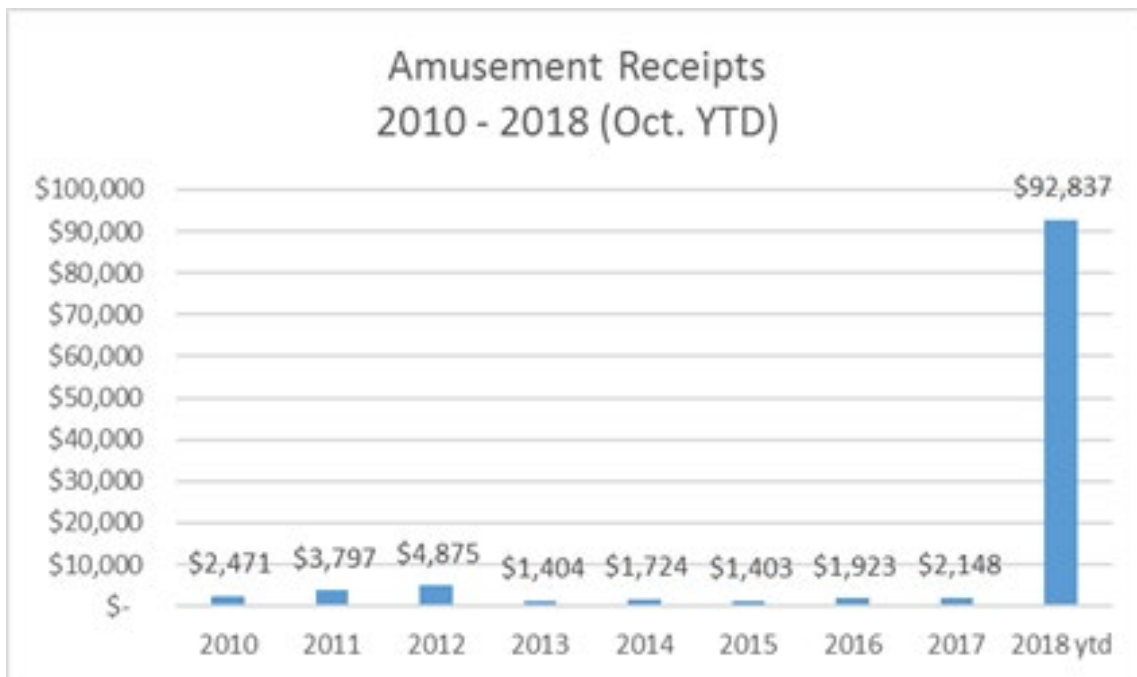
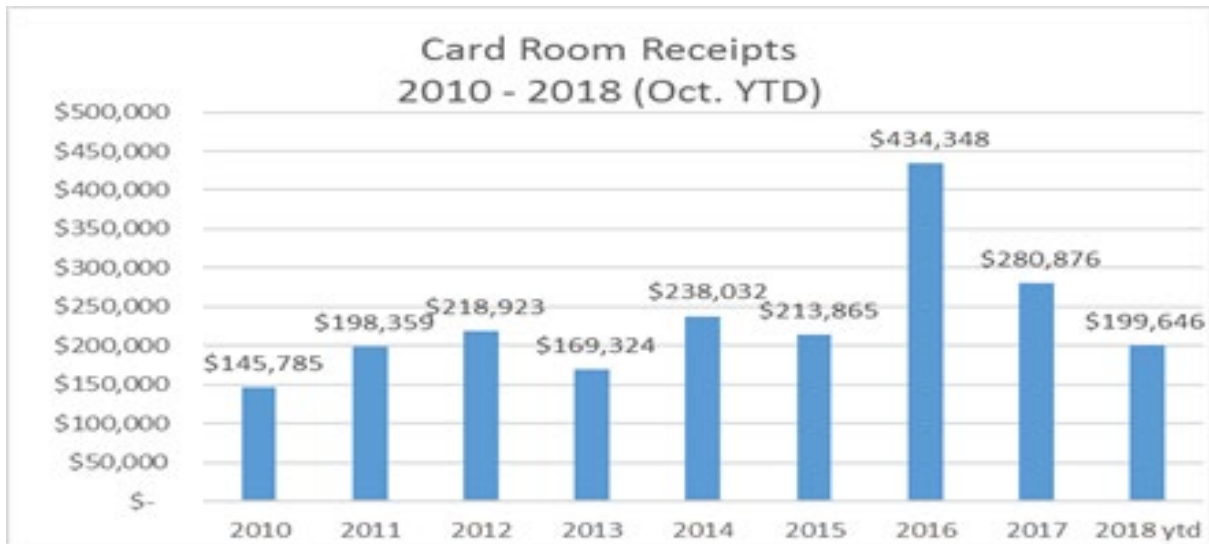
Currently the Iron Horse Casino has an outstanding promissory note of \$220,000. The payment is amortized over 30 years and the monthly payment for principle and interest is \$4,000. There is a balloon payment due on October 1, 2019 on the note balance. It is estimated to be

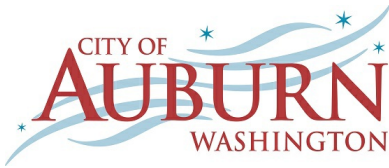
approximately \$187,500. The amount may vary and depends on any additional amounts that may be paid during the remaining term of the note.

The card room receipts spiked in 2016 because an additional \$120,000 was receipted on the note and there were payments made to capture past due amounts not captured in the note. The receipts in 2017 and 2018 include the scheduled monthly payments. Additionally, Emerald Downs began card room activities and receipts from those activities began first quarter 2017 and are continuing through present date.

The amusement receipts include a payment from a new vendor in the City for activities through June 30, 2018.







## AGENDA BILL APPROVAL FORM

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**Agenda Subject:**

3rd Quarter 2018 Financial Report (Coleman) (20 Minutes)

**Date:**

December 5, 2018

**Department:**

Finance

**Attachments:**

[Q3 Financial Report](#)

**Budget Impact:****Administrative Recommendation:**

For discussion only.

**Background Summary:**

The quarterly financial report summarizes the general state of Citywide financial affairs and highlights significant items or trends that the City Council should be aware of. The attachment provides the year to date through September 2018 status report based on financial data available as of October 24, 2018 for the period ending September 30, 2018 and sales tax information representing business activity that occurred through July 2018.

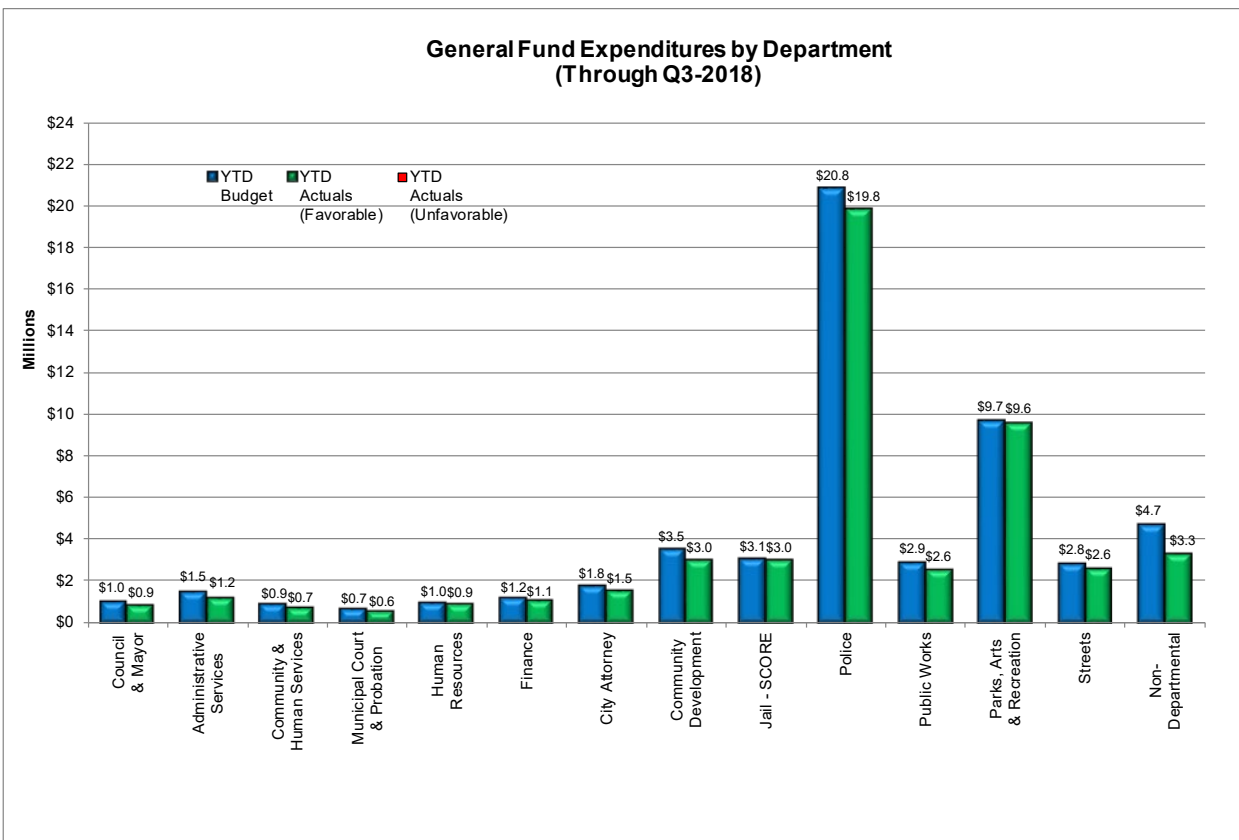
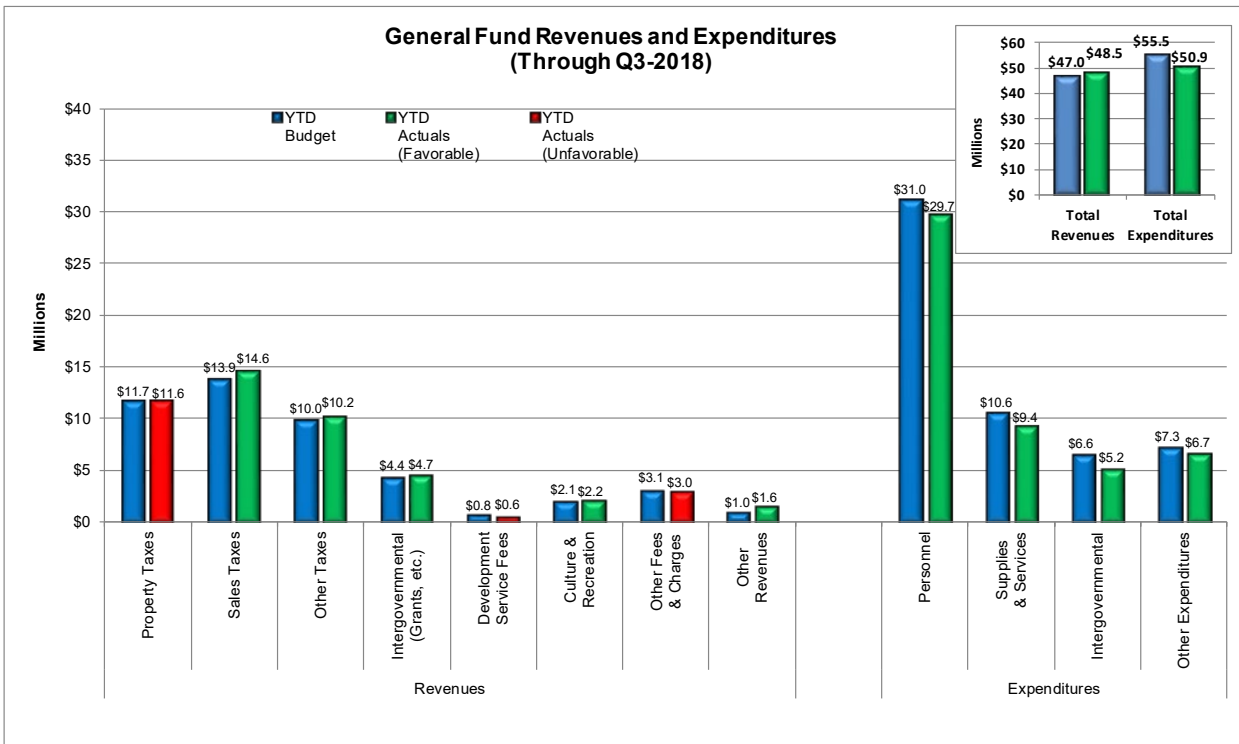
**Reviewed by Council Committees:****Councilmember:****Staff:**

Coleman

**Meeting Date:** December 10, 2018

Item Number:

## General Fund Summary



General Fund Summary of Sources and Uses	Page Ref	2018			2017	2018 YTD Budget vs. Actual	
		Annual Budget	YTD Budget	YTD Actual	YTD Actual	Favorable (Unfavorable) Amount	Percentage
<b>Operating Revenues</b>							
Property Tax	7	\$ 21,281,000	\$ 11,744,800	\$ 11,633,676	\$ 11,476,537	\$ (111,124)	(0.9) %
Sales Tax	8-9	14,893,500	11,169,900	11,825,112	11,054,167	655,212	5.9 %
Sales Tax - Pierce County Parks		77,250	57,200	76,824	70,929	19,624	34.3 %
Sales Tax - Annexation Credit		1,250,000	1,250,000	1,056,364	1,530,028	(193,636)	(15.5) %
Criminal Justice Sales Tax		1,908,300	1,406,600	1,664,826	1,499,435	258,226	18.4 %
Brokered Natural Gas Tax		353,600	275,100	126,785	134,037	(148,315)	(53.9) %
City Utilities Tax	10-11	3,991,000	2,942,000	2,851,226	2,884,928	(90,774)	(3.1) %
Admissions Tax		317,000	232,900	353,497	319,643	120,597	51.8 %
Electric Tax	10-11	3,577,800	2,767,100	2,890,368	2,850,764	123,268	4.5 %
Natural Gas Tax	10-11	1,006,200	894,000	912,333	960,214	18,333	2.1 %
Cable Franchise Fee	12	986,100	734,200	717,171	751,424	(17,029)	(2.3) %
Cable Utility Tax - New in 2017	13	1,000,000	750,000	763,586	527,616	13,586	1.8 %
Cable Franchise Fee - Capital		67,200	50,400	46,766	50,038	(3,634)	(7.2) %
Telephone Tax	10-11	1,408,200	1,078,100	966,456	1,055,709	(111,644)	(10.4) %
Garbage Tax (external)	10-11	-	-	102,313	96,104	102,313	N/A %
Leasehold Excise Tax		40,000	36,000	189,560	187,275	153,560	426.6 %
Gambling Excise Tax		303,180	227,700	313,817	251,094	86,117	37.8 %
<b>Taxes sub-total</b>		<b>\$ 52,460,330</b>	<b>\$ 35,616,000</b>	<b>\$ 36,490,680</b>	<b>\$ 35,699,942</b>	<b>\$ 874,680</b>	<b>2.5 %</b>
Business License Fees	14	\$ 223,200	\$ 133,100	\$ 209,934	\$ 125,142	\$ 76,834	57.7 %
Building Permits	15	1,653,750	1,289,000	738,697	1,063,045	(550,303)	(42.7) %
Other Licenses & Permits		543,000	425,400	452,625	437,296	27,225	6.4 %
Intergovernmental (Grants, etc.)	16	6,134,150	4,401,844	4,678,784	4,571,803	276,940	6.3 %
Charges for Services:	17-19						
General Government Services	17	61,300	49,600	59,408	58,880	9,808	19.8 %
Public Safety	17	756,000	533,875	775,086	719,522	241,211	45.2 %
Development Services Fees	18	1,019,100	782,300	613,617	705,323	(168,683)	(21.6) %
Culture and Recreation	19	2,366,680	2,075,700	2,155,549	2,039,089	79,849	3.8 %
Fines and Penalties	20-21	885,300	679,100	734,490	670,078	55,390	8.2 %
<b>Fees/Charges/Fines sub-total</b>		<b>\$ 13,642,480</b>	<b>\$ 10,369,919</b>	<b>\$ 10,418,190</b>	<b>\$ 10,390,180</b>	<b>\$ 48,271</b>	<b>0.5 %</b>
Interest and Investment Earnings	21	\$ 68,000	\$ 47,500	\$ 295,262	\$ 161,285	\$ 247,762	521.6 %
Rents and Leases	21	816,100	670,400	829,454	720,531	159,054	23.7 %
Contributions and Donations	21	35,000	28,400	46,595	38,345	18,195	64.1 %
Other Miscellaneous	21-22	236,800	193,300	250,421	257,127	57,121	29.6 %
Transfers In		144,300	77,500	77,500	76,500	0	0.0 %
Insurance Recoveries - Capital & Operating		105,000	18,750	84,434	106,886	65,684	350.3 %
<b>Other Revenues sub-total</b>		<b>\$ 1,405,200</b>	<b>\$ 1,035,850</b>	<b>\$ 1,583,666</b>	<b>\$ 1,360,674</b>	<b>\$ 547,816</b>	<b>52.9 %</b>
<b>Total Operating Revenues</b>		<b>\$ 67,508,010</b>	<b>\$ 47,021,769</b>	<b>\$ 48,492,536</b>	<b>\$ 47,450,796</b>	<b>\$ 1,470,768</b>	<b>3.1 %</b>
<b>Operating Expenditures</b>							
Council & Mayor		\$ 1,332,443	\$ 1,013,400	\$ 859,322	\$ 850,556	\$ 154,078	15.2 %
Administration		1,963,814	1,473,300	1,227,242	997,121	246,058	16.7 %
Community & Human Services		1,488,828	907,200	714,451	609,707	192,749	21.2 %
Municipal Court & Probation		2,644,145	692,741	578,985	537,946	113,756	16.4 %
Human Resources		1,315,663	977,600	895,187	973,575	82,413	8.4 %
Finance		1,565,731	1,204,400	1,118,092	1,103,843	86,308	7.2 %
City Attorney		2,398,550	1,766,400	1,531,784	1,478,386	234,616	13.3 %
Community Development		4,801,325	3,546,300	3,016,097	3,141,340	530,203	15.0 %
Jail - SCORE		4,099,465	3,074,599	2,998,253	2,846,154	76,346	2.5 %
Police		27,855,395	20,807,000	19,816,945	18,646,001	990,055	4.8 %
Public Works		3,864,132	2,878,700	2,569,827	2,135,901	308,873	10.7 %
Parks, Arts & Recreation		12,799,606	9,671,400	9,598,326	9,017,914	73,074	0.8 %
Streets		4,039,204	2,816,900	2,633,146	2,546,081	183,754	6.5 %
Non-Departmental		7,346,343	4,690,951	3,339,930	3,062,055	1,351,021	28.8 %
<b>Total Operating Expenditures</b>		<b>\$ 77,514,644</b>	<b>\$ 55,520,891</b>	<b>\$ 50,897,589</b>	<b>\$ 47,946,581</b>	<b>\$ 4,623,302</b>	<b>8.3 %</b>

**Executive Summary**

This Executive Summary provides an overview of the City's overall financial position for the fiscal period ending September 30, 2018, reflecting financial data available as of October 24, 2018.

**General Fund:**

Through September 2018, General Fund revenues totaled \$48.5 million compared to a budget of \$47.0 million, and were \$1.5 million (3.1%) higher than budget expectations. Some notable variances to budget year-to-date include:

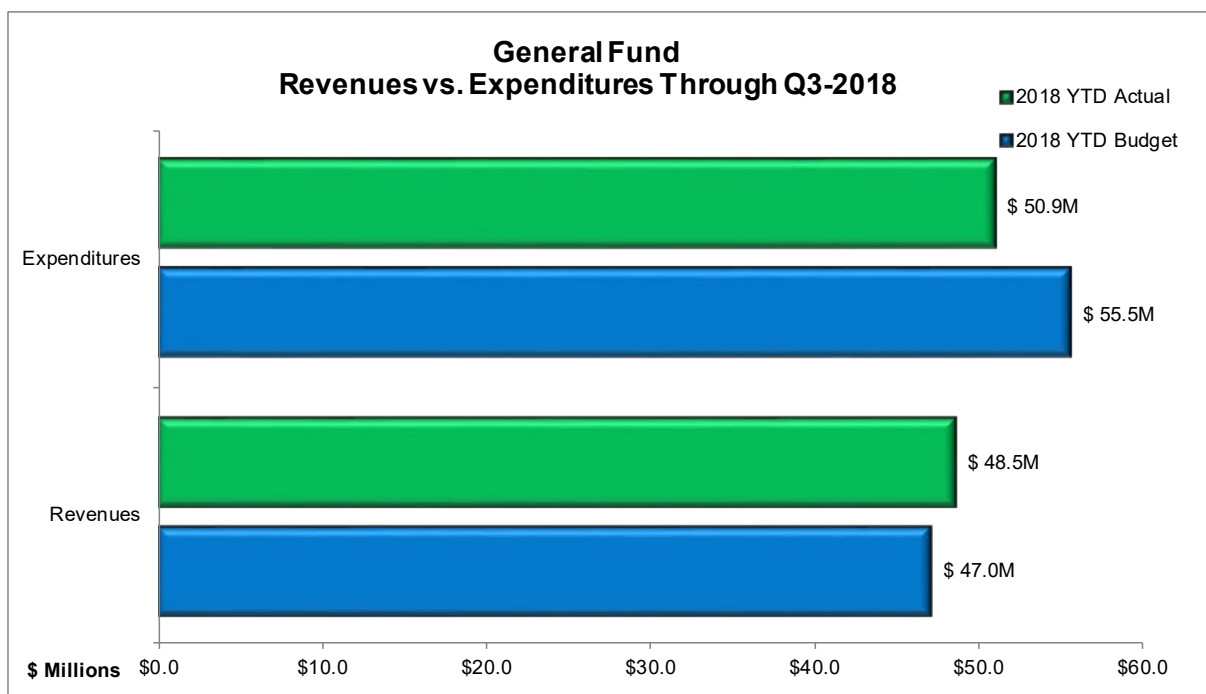
- Property tax collections through Q3-2018 totaled \$11.6 million, which was \$111,000 below budget expectations but \$157,000 more than was collected through Q3-2017. **[page 7]**
- General Fund retail sales tax revenues totaled \$11.8 million, exceeding budget by 5.9% or \$655,000 and exceeding Q3-2017 collections by \$771,000. Due to the Marketplace Fairness Act (MFA) which became effective on January 1, 2018, retail sales taxes collected year-to-date includes \$142,000 from retail sales taxes collected on internet sales. (Note: This is collected as retail sales tax revenue and is deducted from the amount the City receives for streamlined sales tax revenue.) Overall, the primary areas of significant increase in retail sales activity compared to collections through Q3-2017 were in the services and automotive categories. **[pages 8-9]**
- June 2018 was the last month in which the City received the sales tax annexation credit. The sales tax annexation credit is a way for cities to offset the municipal service costs to newly annexed areas if the cost to provide municipal services to the annexation area exceeds the projected general revenue that the city would otherwise receive from the annexation area. The City of Auburn received this sales tax credit monthly for 10 years as a way to offset the municipal service costs of annexing Lea Hill and West Hill in 2008. This revenue source was approximately \$2.0 million per year.
- The other taxes category performed favorably to budget through Q3-2018. Actual revenues collected through Q3-2018 were \$10.2 million, which was \$246,000, or 2.5% favorable to budget. Leasehold excise tax revenues collected through Q3-2018 exceeded budget by \$154,000 due to a one-time tax receipt for the Emerald Downs property. Electric tax revenues collected during the same period exceeded budget by \$123,000. Admission taxes exceeded budget by \$121,000 and gambling excise taxes exceeded budget by \$86,000 due to new revenues generated from amusement games at Dave and Busters. These revenues were somewhat offset by unfavorable variances in brokered natural gas tax revenues and telephone tax revenues in the amount of \$148,000 and \$112,000, respectively. **[pages 10-13]**
- Building permit revenue collected through Q3-2018 totaled \$739,000, compared to a budget of \$1.3 million, representing \$550,000 below budget expectations. The number of building permits issued through Q3-2018 was 403, which represents a 29% decline from the number of permits issued through Q3-2017. **[page 15]**

- Intergovernmental revenues through Q3-2018 totaled \$4.7 million compared to a budget of \$4.4 million. The bulk of this favorable variance was seen in the reimbursement for services provided to Muckleshoot, which exceeded budget expectations by \$257,000, and marijuana revenues, which exceeded budget expectations by \$143,000. These favorable variances to budget were somewhat offset by lower than budgeted collections from streamlined sales tax revenues, as this revenue was reduced by Marketplace Fairness Act (see explanation on the previous page). **[page 16]**
- Public safety revenues collected through Q3-2018 totaled \$775,000 compared to a budget of \$534,000. Revenues collected through the third quarter of 2018 were \$56,000 higher than what was collected through the third quarter of 2017. This increased revenue was due to additional contracted Police Officer extra duty security services (which are reimbursed by the hiring contractor) compared to the same period last year. **[page 17]**
- Development services revenues collected through Q3-2018 were \$169,000, or 22%, unfavorable to budget. This variance was predominately due to plan check revenues not meeting budget expectations. **[page 18]**

General Fund expenditures through the third quarter of 2018 totaled \$50.9 million compared to a budget of \$55.5 million, representing an 8.3% favorable variance to budget. All departments operated within their budget through Q3-2018. Due to the timing of the bimonthly payment to Valley Communications for 911 services, the year-to-date actuals for the Police Department does not yet include the \$535,000 payment for these services. While the expenditures in the Police Department are running favorable to budget, when factoring in this payment, the department ended the period \$455,000 (2.2%) favorable to budget.

Year-to-date General Fund expenditures ended the period \$3.0 million, or 6.2% higher than expenditures through Q3-2017. Salary and benefit costs increased by \$2.3 million, or 8.6%, compared to salary and benefit expenditures through Q3-2017. This year-over-year increase was due primarily to an increase in Council-approved FTEs (Full Time Equivalents), cost of living adjustments (COLAs), and increased costs associated with healthcare benefits. In addition, payments made to SCORE (South Correctional Entity) for correctional services increased by \$152,000 through Q3-2018 compared to the same period last year.





#### Street Funds:

The City's three street funds are special revenue funds wherein the revenue sources and expenditures are legally restricted. These funds are used for street capital construction projects, local street repair, and arterial street repair and preservation projects. Through the first three quarters of 2018, **Arterial Street Fund** revenues totaled \$2.7 million as compared to collections of \$5.4 million through Q3-2017, while expenditures totaled \$3.4 million as compared to expenditures of \$5.9 million spent during the same period last year. The Operator's Union strike began in August and lasted several weeks, delaying the schedule of many of the City's projects. This was especially impactful to street projects—many of the anticipated expenditures will move into Q4-2018, and some will move into the spring of 2019. [pages 25–26]

**Local Street Fund** revenues of \$2.0 million exceeded year-to-date budget expectations by \$562,000, or 40.2%, due to higher than anticipated sales tax revenues from local construction projects. Last year's collections through the third quarter also totaled \$2.0 million. 2018 expenditures through Q3 were \$1.2 million as compared with \$538,000 in Q3-2017. [pages 27–28]

Lastly, **Arterial Street Preservation Fund** revenues totaled \$2.3 million through Q3-2018, which was approximately \$31,000 higher than revenues through Q3-2017. Expenditures totaled \$2.3 million versus \$2.9 million through Q3-2017. Historically, the majority of expenditures in all three street funds occur during the second half of the year when weather conditions are optimal for pavement construction. [pages 29–30]

Enterprise Funds:

The City's enterprise funds account for operations with revenues primarily provided from user fees, charges or contracts for services.

Through September 30, 2018 the **Water Fund** experienced operating income before depreciation of \$4.4 million compared to \$4.1 million during the same period last year. The **Sewer Fund** ended the third quarter of 2018 with operating income before depreciation of \$1.6 million versus \$1.7 million through Q3-2017. The **Stormwater Fund** ended the third quarter with operating income before depreciation of \$2.0 million compared to \$2.1 million in Q3-2017. The **Solid Waste Fund** ended the quarter with operating income of \$485,000 compared to \$564,000 for the same period in 2017. **[pages 32–35]**

Internal Service Funds:

Internal service funds provide services to other City departments and include functions such as Insurance, Worker's Compensation, Facilities, Innovation and Technology, and Equipment Rental. All funds had sufficient revenues to cover year-end expenditures. **[page 35]**

Investment Portfolio:

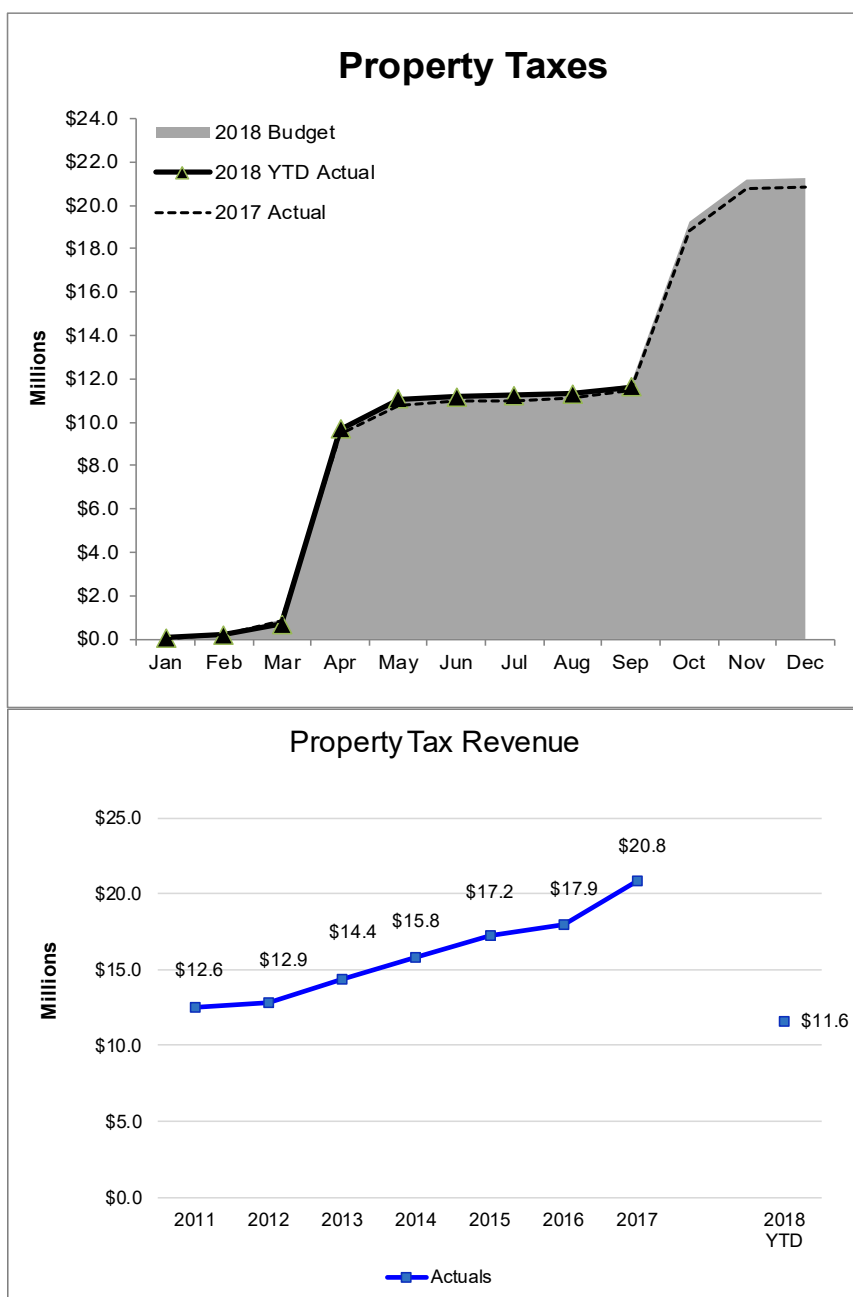
The City's total cash and investments at the end of the Q3-2018 totaled \$138.3 million, and compares to \$141.2 million at the end of Q2-2018. **[attachment]**

## General Fund

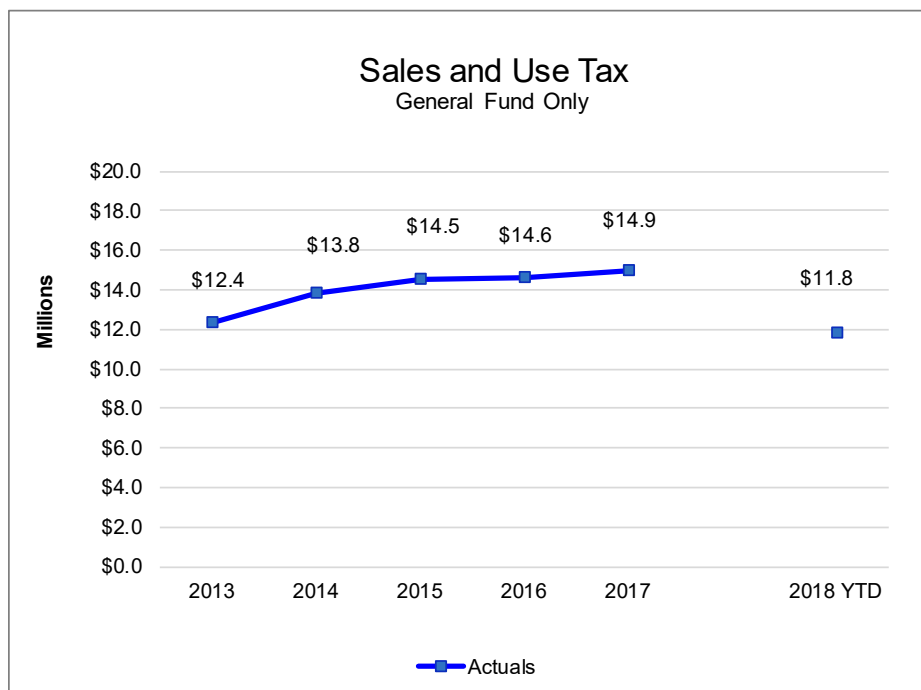
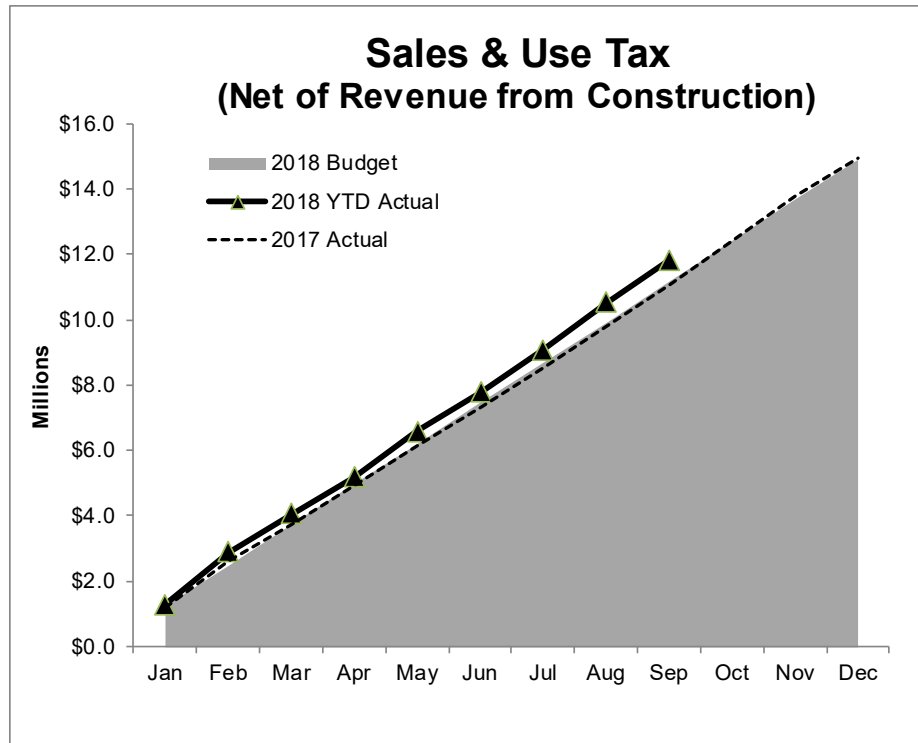
### Revenues

The combined total of property, sales/use, utility, gambling, and admissions taxes provides approximately 80% of all resources supporting general governmental activities. The following section provides additional information on these sources.

**Property Tax** collections through Q3-2018 totaled \$11.6 million and were \$111,000, or 0.9% below budget expectations. While year-to-date revenues fell slightly short of budget expectations in 2018, they were \$157,000, or 1.4% higher than revenues collected through Q3-2017. The majority of property taxes are collected during the months of April and October, coinciding with the due dates for the County property tax billings. Therefore, 2018 property tax receipts are on track to be close to the annual budget of \$21.3 million by year end.



**Sales tax** collections through Q3-2018 totaled \$13.6 million, of which \$11.8 million was distributed to the General Fund and \$1.8 million was distributed to the Local Street Fund (SOS) program as per current financial practice. Total sales tax revenue distributions to the General Fund through Q3-2018 exceeded budget expectations by \$655,000, or 5.9%, and were \$771,000 higher than what was collected through Q3-2017. Of the retail sales taxes collected year-to-date, \$142,000 represents new revenues collected on internet sales due to Marketplace Fairness Act legislation, which was effective January 1, 2018.

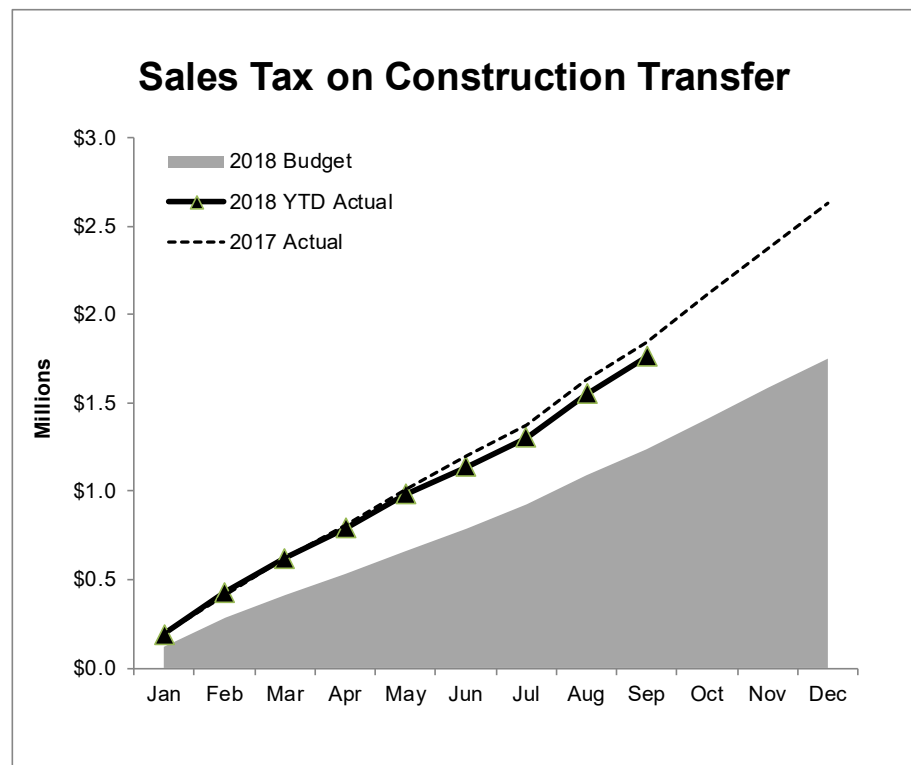


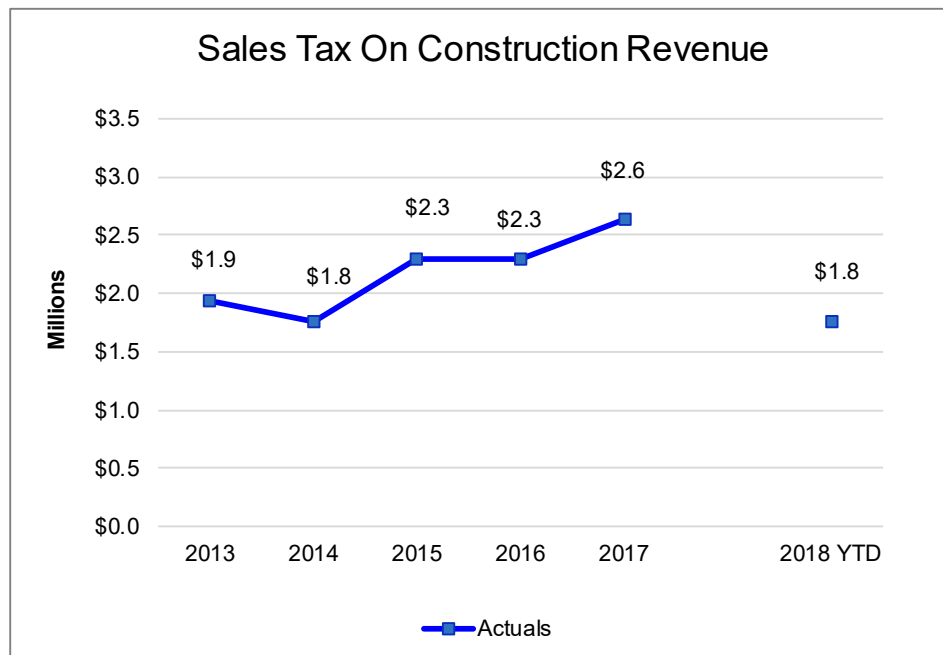
The following table breaks out the City's base sales taxes, excluding Pierce County Parks sales tax, Criminal Justice sales tax, and Annexation Credit sales tax, by major business sector.

Comparison of Sales Tax Collections by Group Through September				
Component Group	2017 Actual	2018 Actual	Change from 2017	
			Amount	Percentage
Construction	\$ 1,844,760	\$ 1,763,440	\$ (81,320)	(4.4) %
Manufacturing	523,810	556,018	32,208	6.1 %
Transportation & Warehousing	69,050	92,685	23,636	34.2 %
Wholesale Trade	985,731	1,100,407	114,676	11.6 %
Automotive	2,881,236	3,092,212	210,976	7.3 %
Retail Trade	3,651,905	3,756,570	104,665	2.9 %
Services	2,889,056	3,131,431	242,374	8.4 %
Miscellaneous	53,381	95,789	42,409	79.4 %
YTD Total	\$ 12,898,928	\$ 13,588,552	\$ 689,624	5.3 %

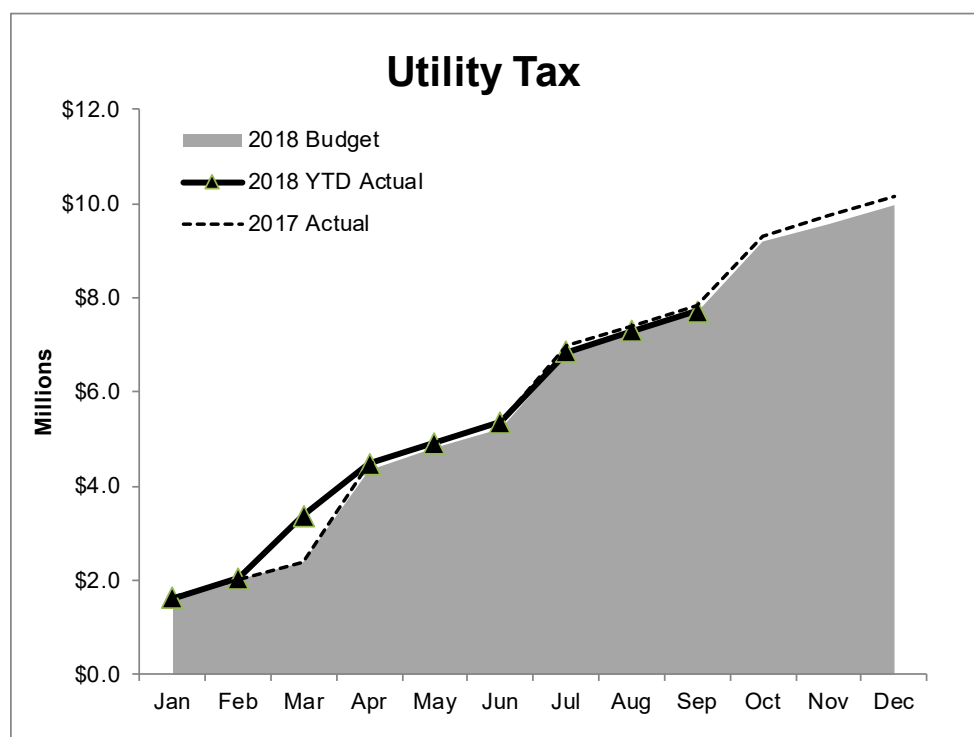
Total sales tax revenue collected through Q3-2018 exceeded prior year collections by \$690,000, or 5.3%. The business sectors showing the largest dollar increase in revenues compared to last year were the services and automotive industries.

Sales tax revenue on construction is transferred to the Local Street Fund (Fund 103) for local street repair and maintenance. Through the third quarter of 2018, this totaled \$1.8 million, which was \$521,000 higher than budget but \$81,000 less than collections through Q3-2017.



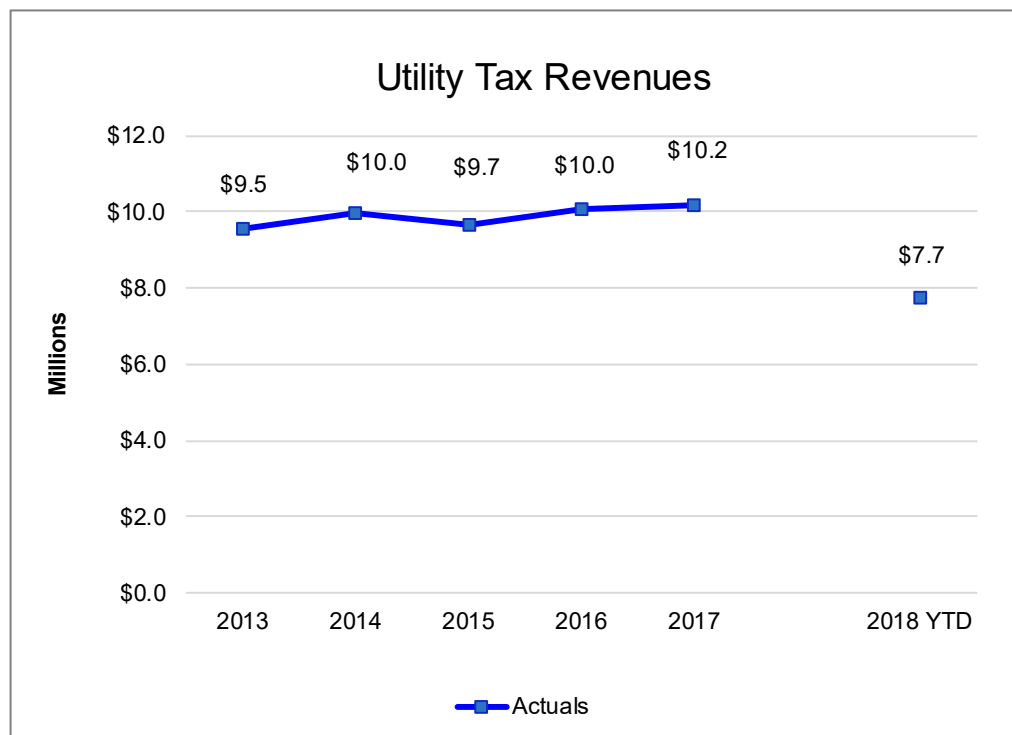


**Utility Taxes** consist of interfund taxes on City utilities (Water, Sewer, Storm and Solid Waste) and taxes on external utilities (Electric, Natural Gas, Telephone and Solid Waste). Utility taxes collected through Q3-2018 totaled \$7.7 million and exceeded year-to-date budget by \$41,000, or 0.5%.

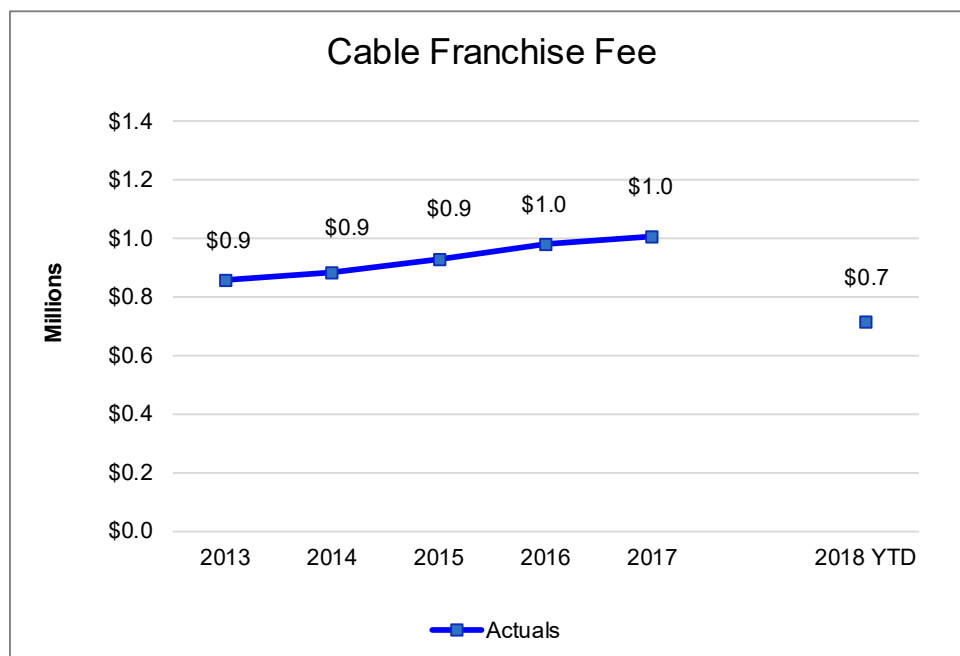
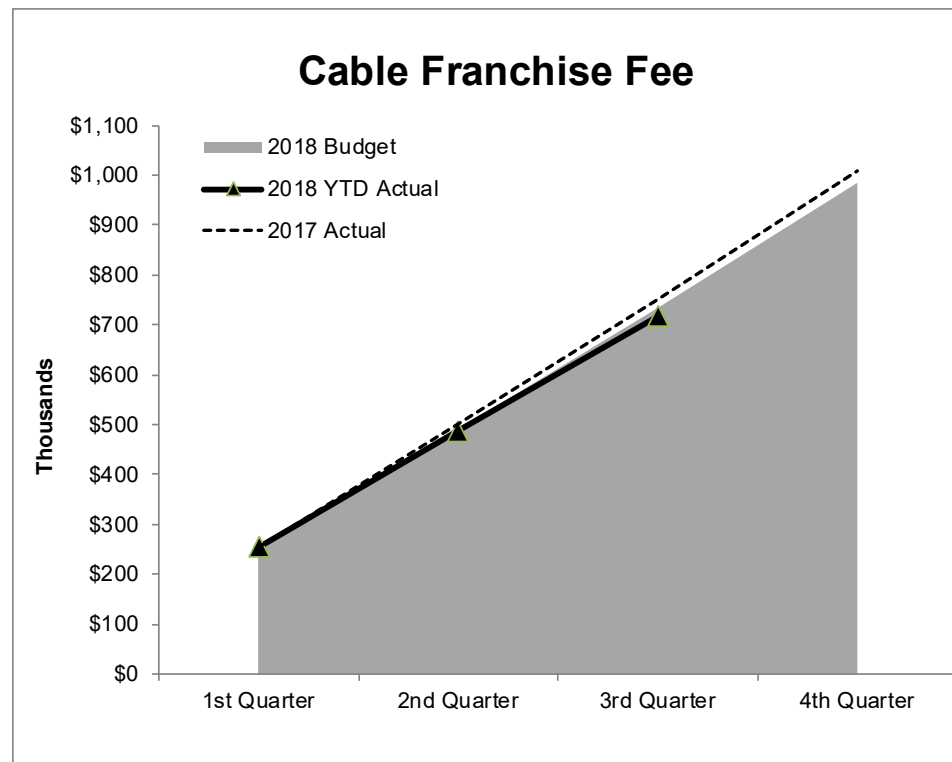


Favorable variances in electric and solid waste revenues offset lower collections in telephone and City utility taxes.

Utility Tax by Type Through September 2018							
Utility Tax Type	2017 YTD Actual	2018 YTD Budget	2018 YTD Actual	2018 vs. 2017 Actual		2018 vs. Budget	
				Amount	Percentage	Amount	Percentage
City Interfund Utility Taxes	\$ 2,884,928	\$ 2,942,000	\$ 2,851,226	\$ (33,702)	(1.2) %	\$ (90,774)	(3.1) %
Electric	2,850,764	2,767,100	2,890,368	39,604	1.4 %	123,268	4.5 %
Natural Gas	960,214	894,000	912,333	(47,881)	(5.0) %	18,333	2.1 %
Telephone	1,055,709	1,078,100	966,456	(89,254)	(8.5) %	(111,644)	(10.4) %
Solid Waste (external)	96,104	0	102,313	6,209	6.5 %	102,313	N/A %
YTD Total	\$ 7,847,719	\$ 7,681,200	\$ 7,722,696	\$ (125,023)	(1.6) %	\$ 41,496	0.5 %

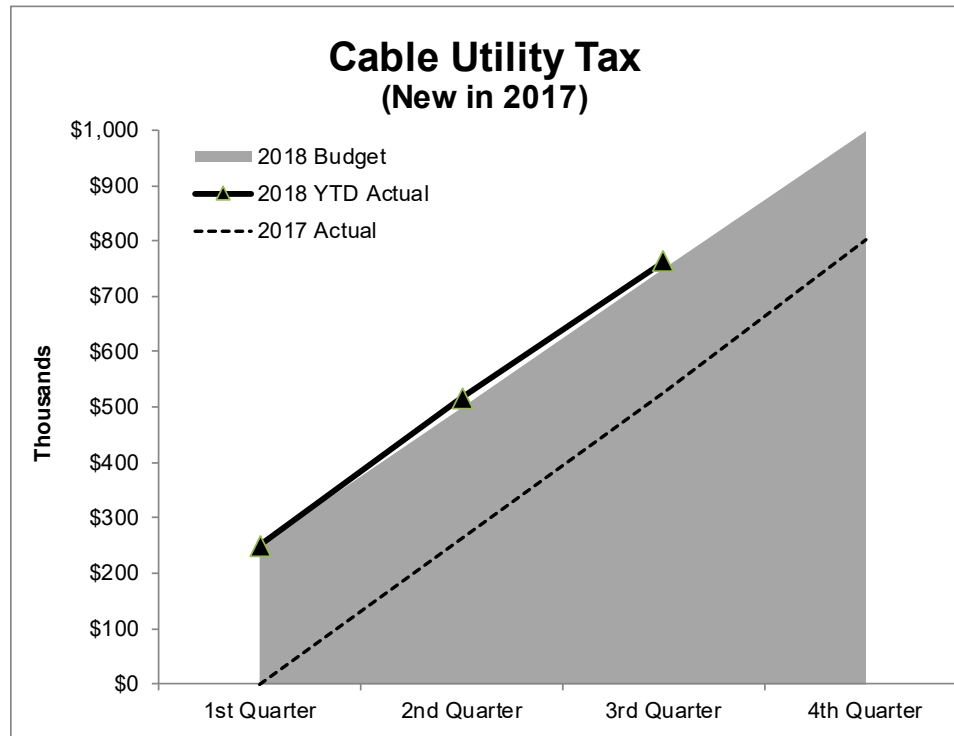


**Cable Franchise Fees**, which are collected quarterly, totaled \$717,000 and were \$17,000, or 2.3%, under budget through Q3-2018.



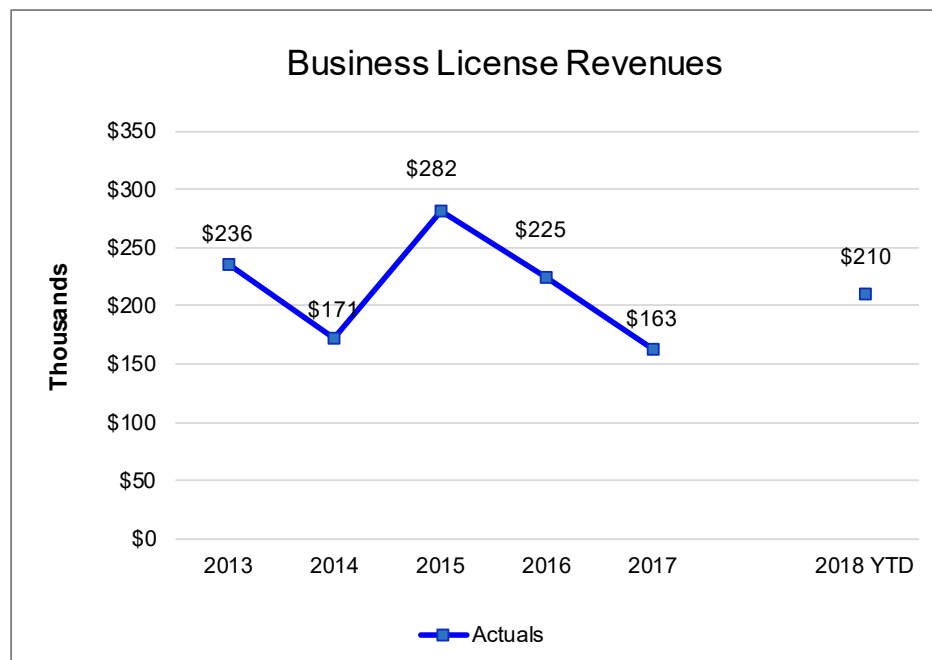
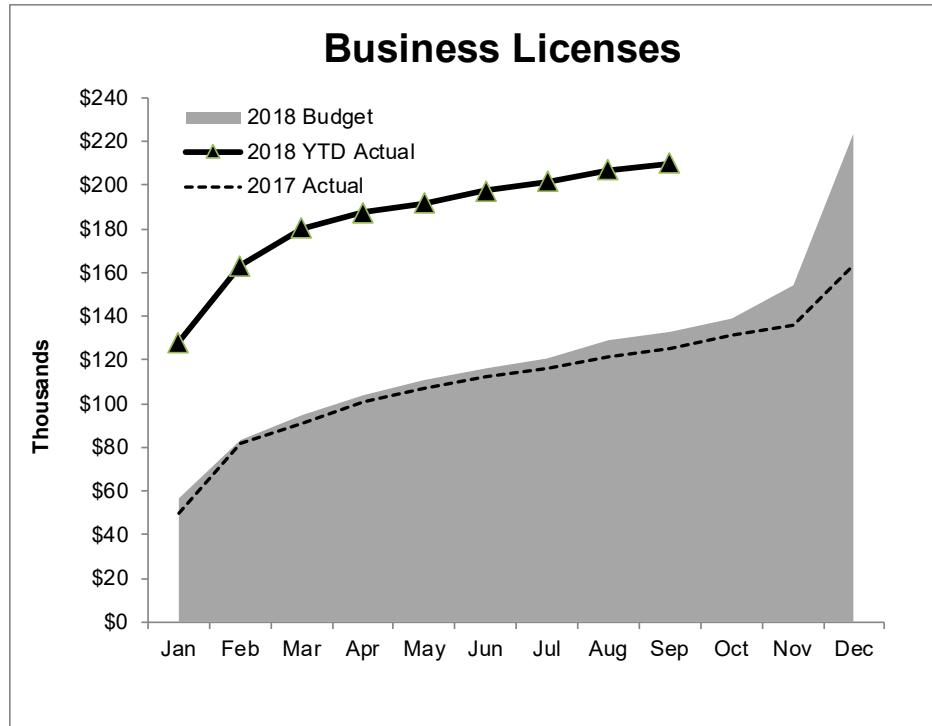


**Cable Utility Tax.** In September 2016, City Council increased the Cable Utility Tax from 1.0% to 6.0%, with the entirety of the new tax amount benefitting the General Fund. This tax became effective on January 1, 2017 and is collected quarterly. Total cable utility tax collections through Q3-2018 were \$764,000 and were favorable to budget by \$14,000, or 1.8%.



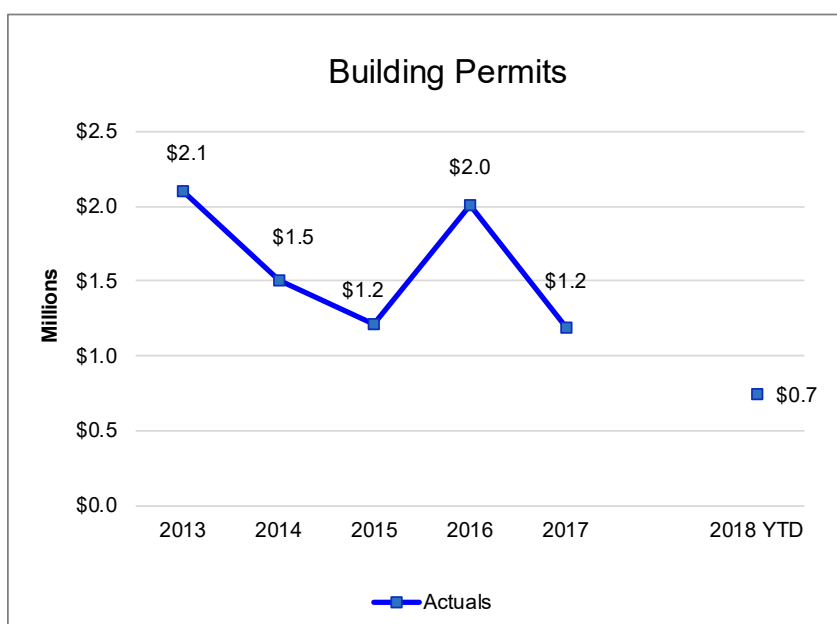
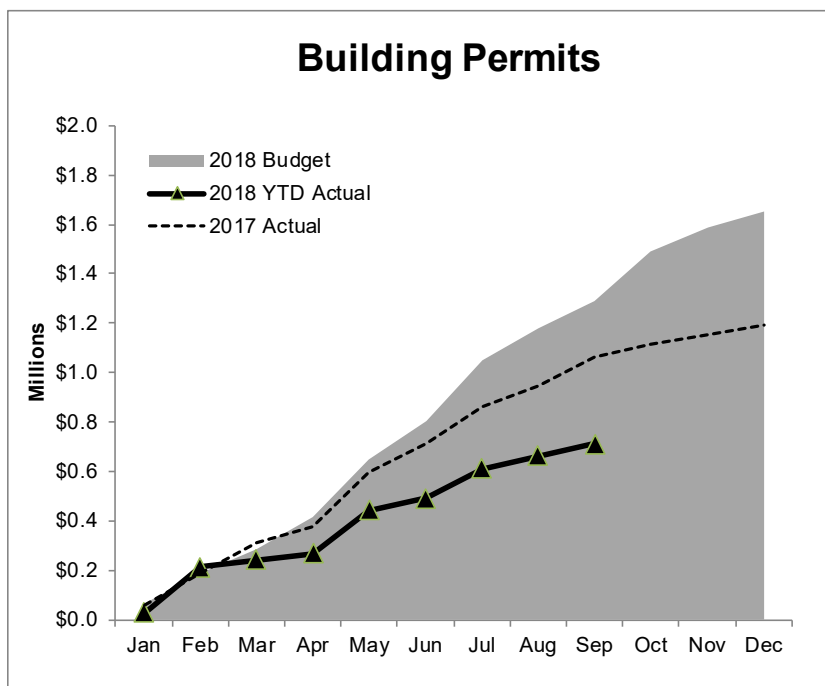
**Licenses and Permits** include business licenses, building permits, plumbing, electric and other licenses and permit fees. Building permit fees and business licenses make up about 70% of the annual budgeted revenue in this category.

Business license revenues collected through September 2018 totaled \$210,000 due to a large percentage of business owners having paid their 2018 annual business license fees early in the year.



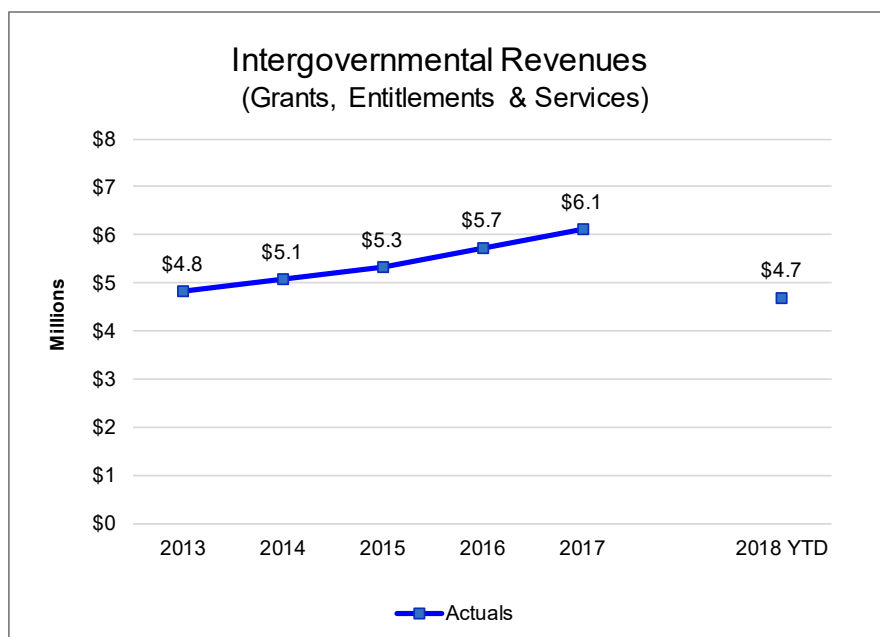
Building permit revenues collected through September 2018 totaled \$739,000, as compared to a year-to-date budget of \$1.3 million. A total of 403 building permits were issued through Q3-2018 compared to 565 building permits issued through Q3-2017, representing a 28.7% reduction year-over-year.

Major projects contributing to building permit revenues in Q3-2018 include projects at Boeing and the Outlet Collection – Seattle. These revenues also include revenues from over 25 building permits issued for single family houses in the Wyncrest II development, as well as permits in the Forest Glenn at Lakeland development. Of the building permit revenues collected this quarter, 20% was attributable to commercial projects and the remaining 80% was predominately single family housing permits.



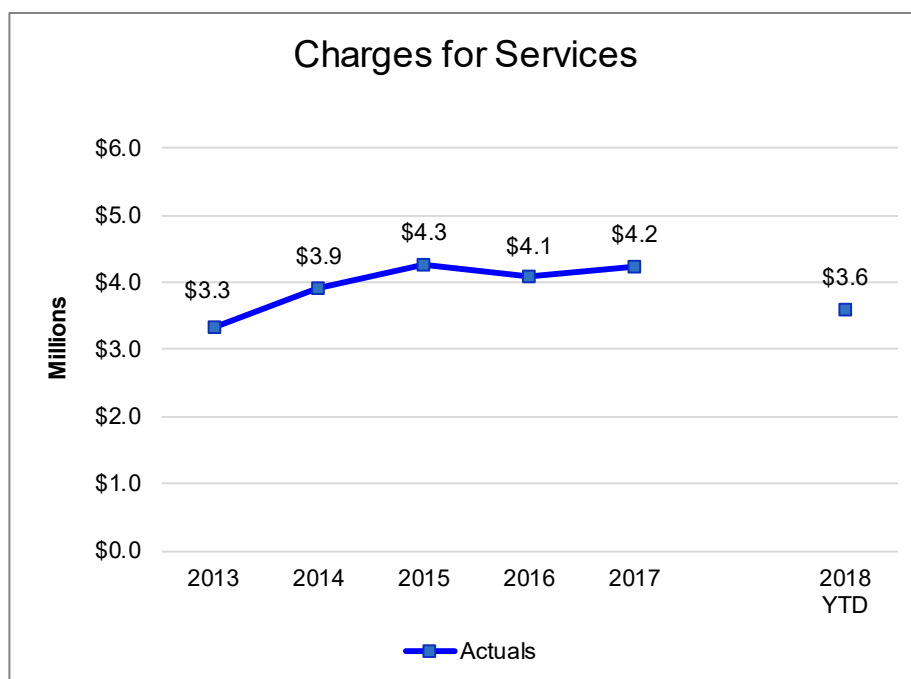
**Intergovernmental revenues** include grants (direct and indirect federal, state and local), compact revenue from the Muckleshoot Indian Tribe (MIT), intergovernmental service revenues, and state shared revenues. Collections through Q3-2018 totaled \$4.7 million and were \$277,000, or 6.3%, favorable to budget. The favorability to budget was mainly seen in revenues collected from Muckleshoot for reimbursement of services provided to the casino, as well as increases in marijuana excise tax revenues received from the state. These favorable variances to budget were somewhat offset by lower than budgeted collections from streamlined sales tax revenues, as this revenue was reduced by \$142,000 year-to-date due to the Marketplace Fairness Act. The Marketplace Fairness Act (MFA) was effective January 1, 2018, and is intended to capture the retail sales tax lost on internet sales. MFA revenues are collected as retail sales tax revenues and reduce the amount the City receives in streamlined sales tax revenues.

Intergovernmental Revenues (Grants, Entitlements & Services) Through September 2018							
Revenue	2017	2018	2018	2018 vs. 2017 Actual		2018 vs. Budget	
	YTD Actual	YTD Budget	YTD Actual	Amount	% Change	Amount	% Change
Federal Grants	\$ 152,712	\$ 215,000	\$ 229,475	\$ 76,764	50.3 %	\$ 14,475	6.7 %
State Grants	143,220	164,400	137,359	(5,861)	(4.1) %	(27,041)	(16.4) %
Interlocal Grants	74,136	40,000	47,255	(26,882)	0.0 %	7,255	18.1 %
Muckleshoot Casino Services	627,570	509,244	766,217	138,647	22.1 %	256,973	50.5 %
State Shared Revenues:							
Streamlined Sales Tax	1,432,078	1,416,450	1,304,831	(127,247)	(8.9) %	(111,619)	(7.9) %
Motor Vehicle Fuel Tax	844,363	943,900	891,422	47,059	5.6 %	(52,478)	(5.6) %
Criminal Justice - High Crime	338,764	144,000	161,902	(176,862)	(52.2) %	17,902	12.4 %
Criminal Justice - Population	16,226	18,600	17,043	817	5.0 %	(1,557)	(8.4) %
Criminal Justice - Special Prog.	58,940	61,500	61,647	2,707	4.6 %	147	0.2 %
Marijuana Revenues	37,871	48,750	191,463	153,591	405.6 %	142,713	292.7 %
State DUI	8,779	9,000	8,755	(24)	(0.3) %	(245)	(2.7) %
Fire Insurance Tax	78,078	75,000	79,798	1,720	2.2 %	4,798	6.4 %
Liquor Excise	270,965	270,000	290,903	19,938	7.4 %	20,903	7.7 %
Liquor Profit	488,101	486,000	490,715	2,615	0.5 %	4,715	1.0 %
Total State Shared:	3,574,166	3,473,200	3,498,479	(75,687)	(2.1) %	25,279	0.7 %
YTD Total	\$ 4,571,803	\$ 4,401,844	\$ 4,678,784	\$ 106,980	2.3 %	\$276,940	6.3 %



**Charges for Services** consist of general governmental service charges, public safety charges, development service fees, and cultural & recreation fees. Total charges for services collected through September 2018 totaled \$3.6 million, which was \$162,000 favorable to budget. While development services revenues year-to-date were 21.6% unfavorable to budget due to plan check revenues having declined year-over-year, this was more than offset by increased revenues in public safety and culture and recreation revenues as explained below.

Charges for Services by Type Through September 2018							
Revenue	2017 YTD Actual	2018 YTD Budget	2018 YTD Actual	2018 vs. 2016 Actual		2018 vs. Budget	
				Amount	Percentage	Amount	Percentage
General Government	\$ 58,880	\$ 49,600	\$ 59,408	\$ 529	0.9 %	\$ 9,808	19.8 %
Public Safety	719,522	533,875	775,086	55,563	7.7 %	241,211	45.2 %
Development Services	705,323	782,300	613,617	(91,706)	(13.0) %	(168,683)	(21.6) %
Culture & Recreation	2,039,089	2,075,700	2,155,549	116,460	5.7 %	79,849	3.8 %
YTD Total	\$ 3,522,815	\$ 3,441,475	\$ 3,603,661	\$ 80,846	2.3 %	\$ 162,186	4.7 %

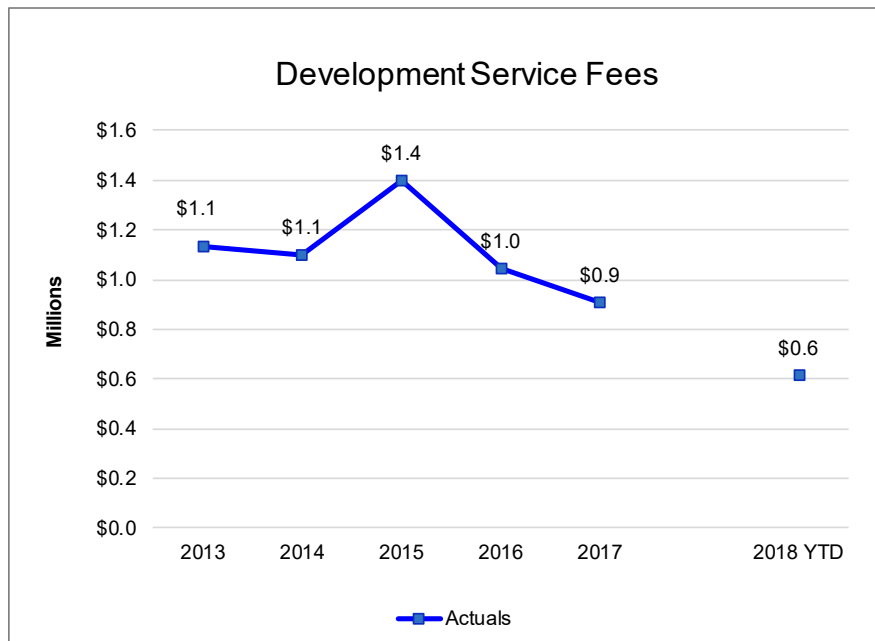
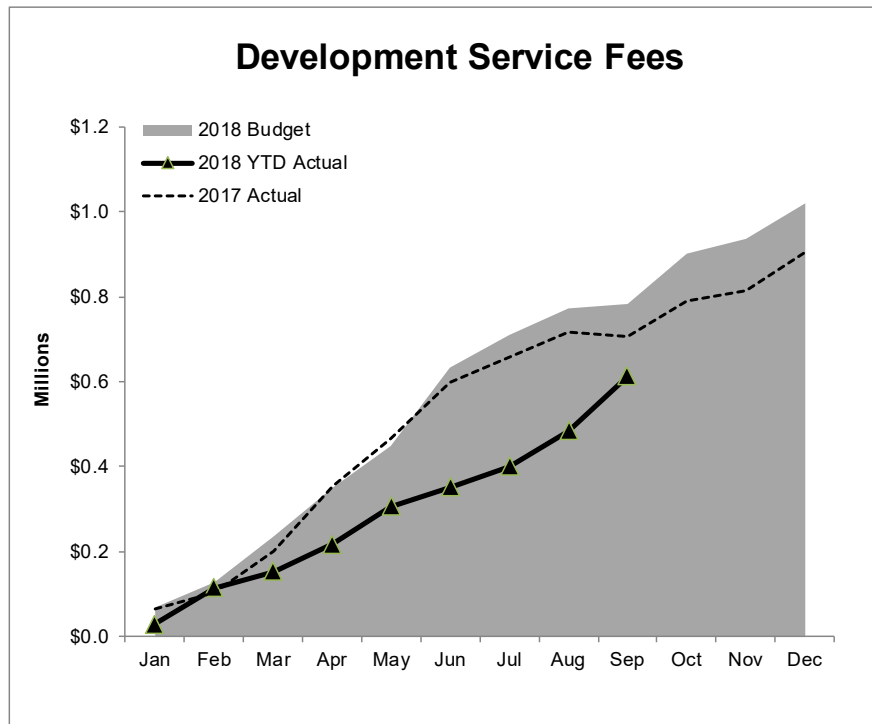


General governmental charges for service collected through Q3-2018 totaled \$59,000 and were \$10,000 above the YTD budget.

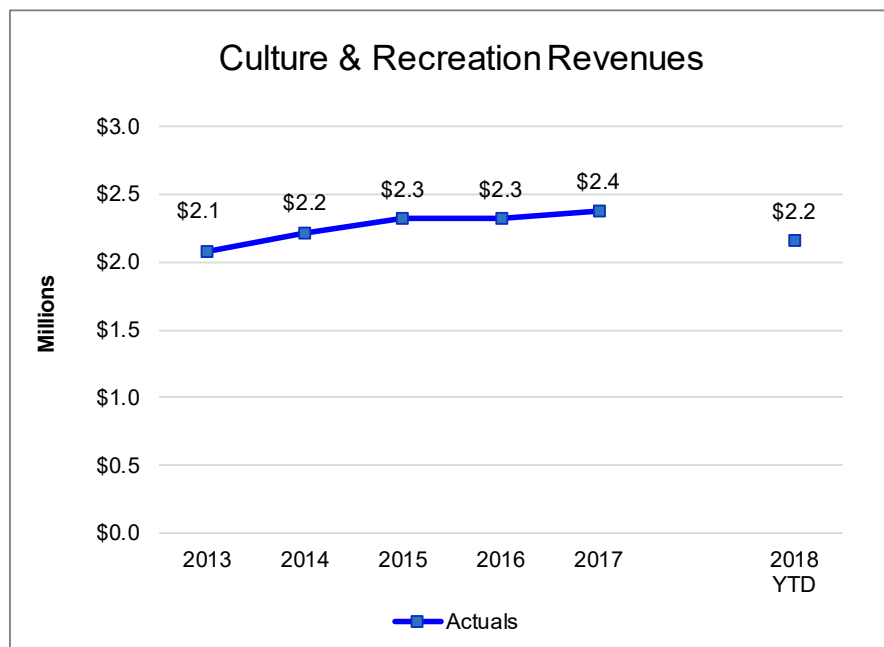
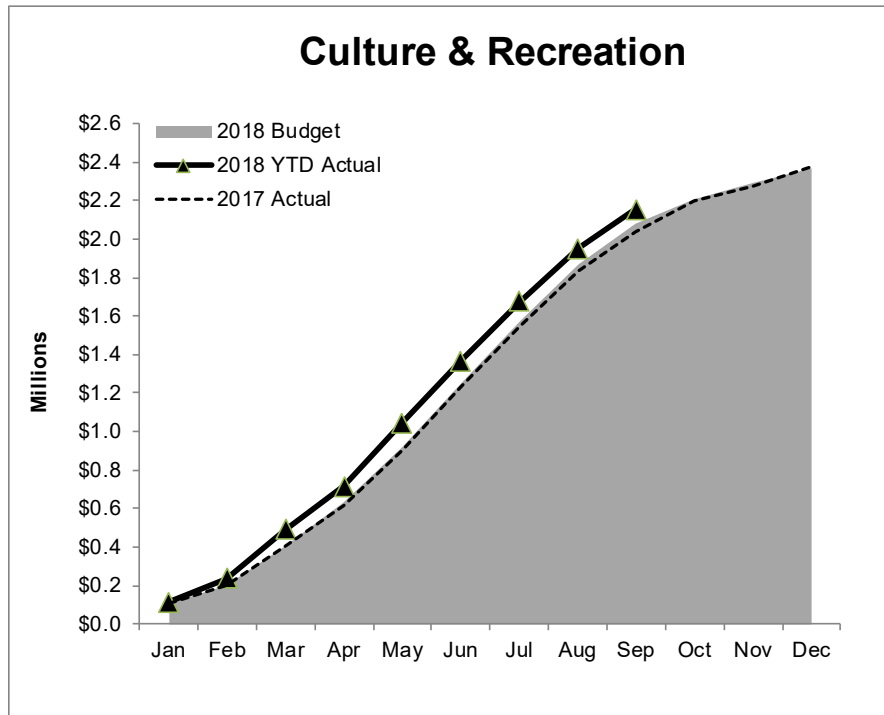
Public safety revenues consist of revenues received for police officer extra duty security services – whereby officers are contracted for and reimbursement is made by the hiring agency. This also includes reimbursements from the Muckleshoot Indian Tribe (MIT) for a full-time dedicated police officer and associated expenditures as well as monies collected from the Auburn School District and the Criminal Justice Training Commission (CJTC) for services rendered. Public safety revenues collected through Q3-2018 totaled \$775,000 and compare to a budget of \$534,000. The majority of the favorability seen in this revenue source is due to

extra duty overtime reimbursements exceeding budget expectations as a result of increased requests for police officer security services.

Development services fee collections, which primarily consist of plan check fees, totaled \$614,000 and ended the quarter \$169,000, or 21.6%, under budget expectations. Total plan check revenues collected through Q3-2018 totaled \$326,000 as compared to \$492,000 collected through Q3-2017. Plan check revenues collected in the third quarter of 2018 include both commercial and residential projects, including projects at Boeing and single family housing developments including Hastings, Wyncrest II, and Forest Glen at Lakeland.

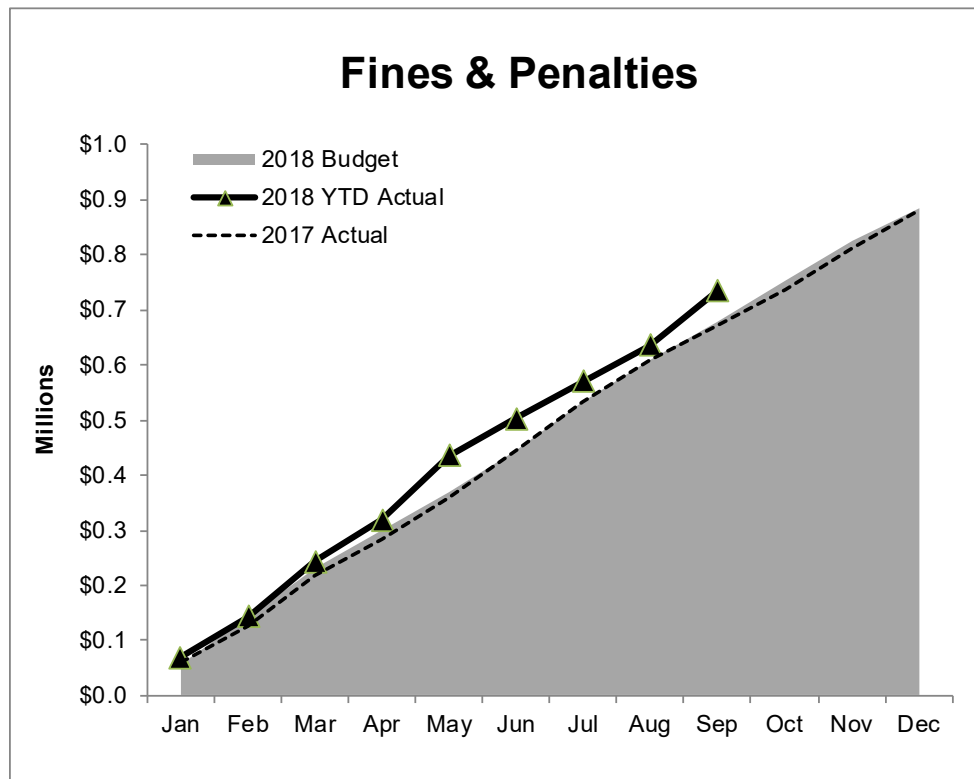


Culture and recreation revenues collected through Q3-2018 totaled \$2.2 million, exceeding collections in the same period last year by \$116,000 and exceeding Q3-2018 budget expectations by \$80,000. The majority of the year-over-year increase in revenues was seen in recreation class revenues and greens fee revenues at the Auburn Golf Course. The majority of culture and recreation revenues are derived from greens fees and pro shop sales at the Auburn Golf Course, recreational classes, athletic league fees, and special events.

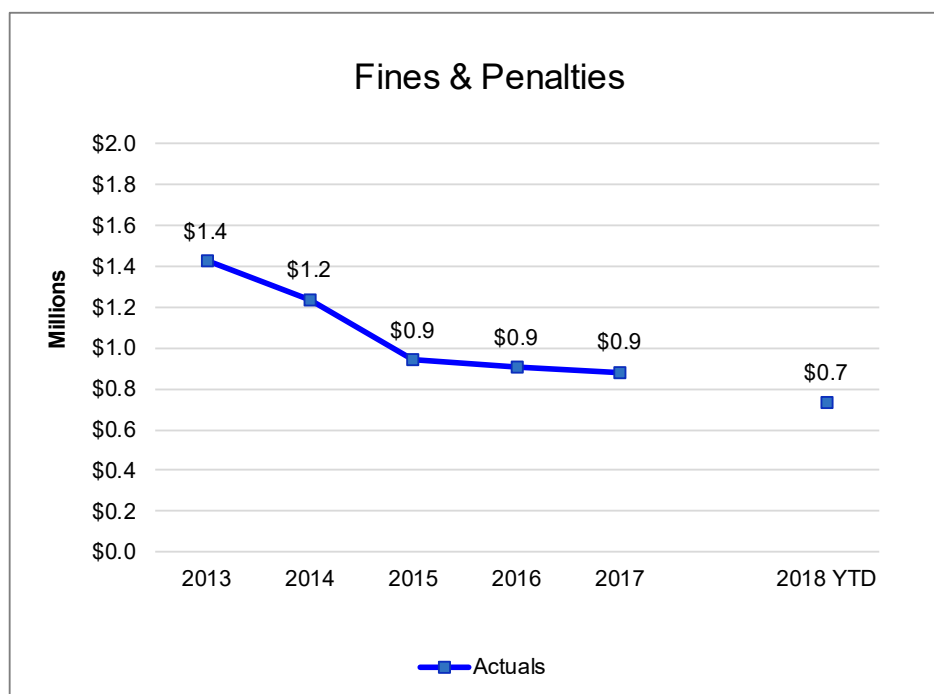


**Fines & Penalties** include traffic and parking infraction penalties, criminal fines (including criminal traffic, criminal non-traffic and other criminal offenses) as well as non-court fines such as false alarm fines. Total revenues collected through Q3-2018 totaled \$734,000 and ended the quarter \$55,000, or 8.2%, favorable to budget. As seen in the table below, civil penalty revenues collected through Q3-2018 exceed budget by \$88,000. This is due to revenues collected through September in the amount of \$88,000 for code compliance penalties, which are unbudgeted. These code compliance penalties are revenues collected from banks on vacant bank-owned properties that are neglected and in non-compliance with City code.

Fines & Penalties by Type Through September 2018							
Month	2017 YTD Actual	2018 YTD Budget	2018 YTD Actual	2018 vs. 2017 Actual		2018 vs. Budget	
				Amount	Percentage	Amount	Percentage
Civil Penalties	\$ 6,306	\$ 6,300	\$ 94,411	\$ 88,105	1,397.1 %	\$ 88,111	1,398.6 %
Civil Infraction Penalties	359,912	365,600	372,626	12,715	3.5 %	7,026	1.9 %
Redflex Photo Enforcement	7,793	0	6,613	(1,180)	(15.1) %	6,613	N/A
Parking Infractions	112,412	112,300	99,176	(13,236)	(11.8) %	(13,124)	(11.7) %
Criminal Traffic Misdemeanor	60,707	38,500	38,525	(22,182)	(36.5) %	25	0.1 %
Criminal Non-Traffic Fines	23,131	32,400	37,362	14,231	61.5 %	4,962	15.3 %
Criminal Costs	37,501	33,500	31,969	(5,532)	(14.8) %	(1,531)	(4.6) %
Non-Court Fines & Penalties	62,317	90,500	53,807	(8,511)	(13.7) %	(36,693)	(40.5) %
YTD Total	\$ 670,078	\$ 679,100	\$ 734,490	\$ 64,411	9.6 %	\$ 55,390	8.2 %







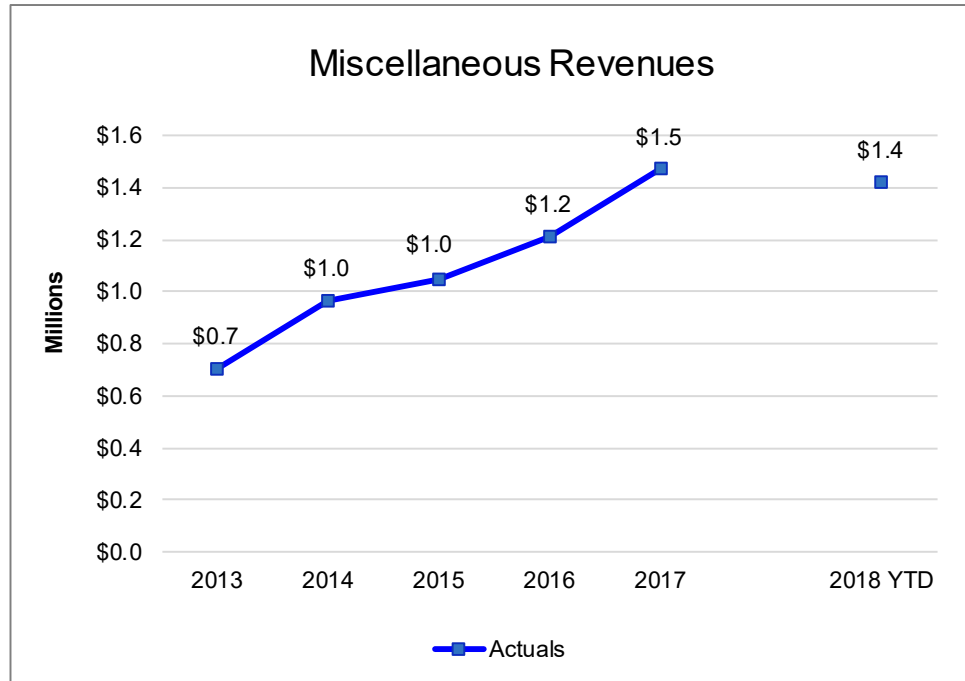
**Miscellaneous revenues** consist of investment earnings, income from facility rentals, contributions & donations, and other income including the quarterly purchasing card (P-card) rebate monies. Revenues collected in this category through Q3-2018 totaled \$1.4 million and exceeded budget expectations by \$482,000. The majority of the increase in revenues was seen in interest and investments as well as the rents and leases category.

Miscellaneous Revenues by Type Through September 2018							
Month	2017 YTD Actual	2018 YTD Budget	2018 YTD Actual	2018 vs. 2017		2018 vs. Budget	
				Amount	Percentage	Amount	Percentage
Interest & Investments	\$ 161,285	\$ 47,500	\$ 295,262	\$ 133,977	83.1 %	\$ 247,762	521.6 %
Rents & Leases	720,531	670,400	829,454	108,923	15.1 %	159,054	23.7 %
Contributions & Donations	38,345	28,400	46,595	8,250	21.5 %	18,195	64.1 %
Other Miscellaneous Revenue	257,127	193,300	250,421	(6,706)	(2.6) %	57,121	29.6 %
YTD Total	\$ 1,177,288	\$ 939,600	\$ 1,421,732	\$ 244,444	20.8 %	\$ 482,132	51.3 %

Interest and investments revenues collected through Q3-2018 exceeded budget expectations by \$248,000. This year-over-year increase in investment revenue is primarily due to the increase in the State Investment Pool interest rate.

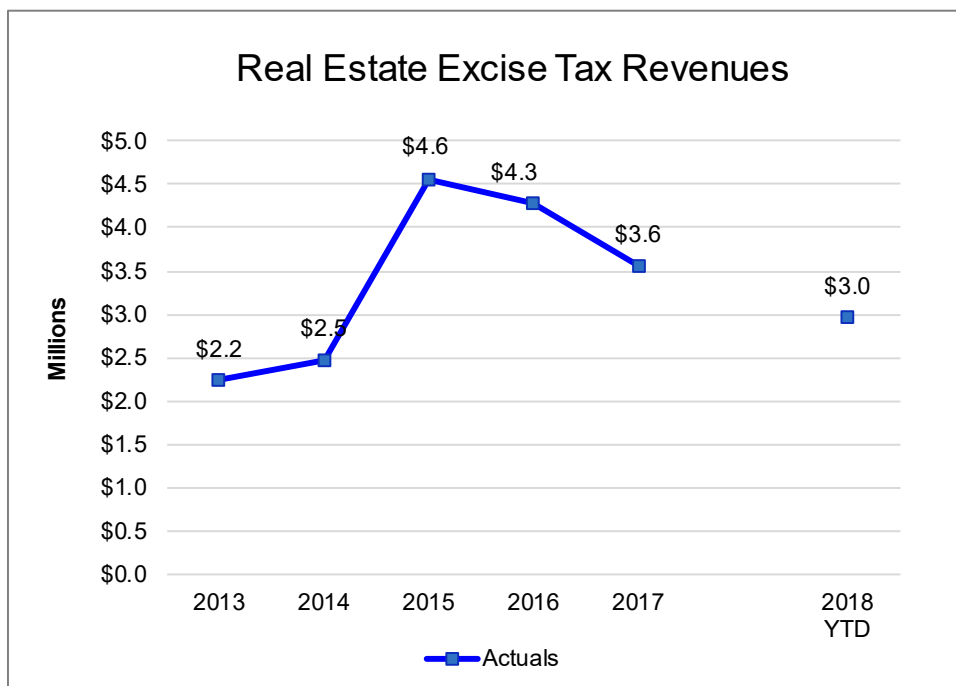
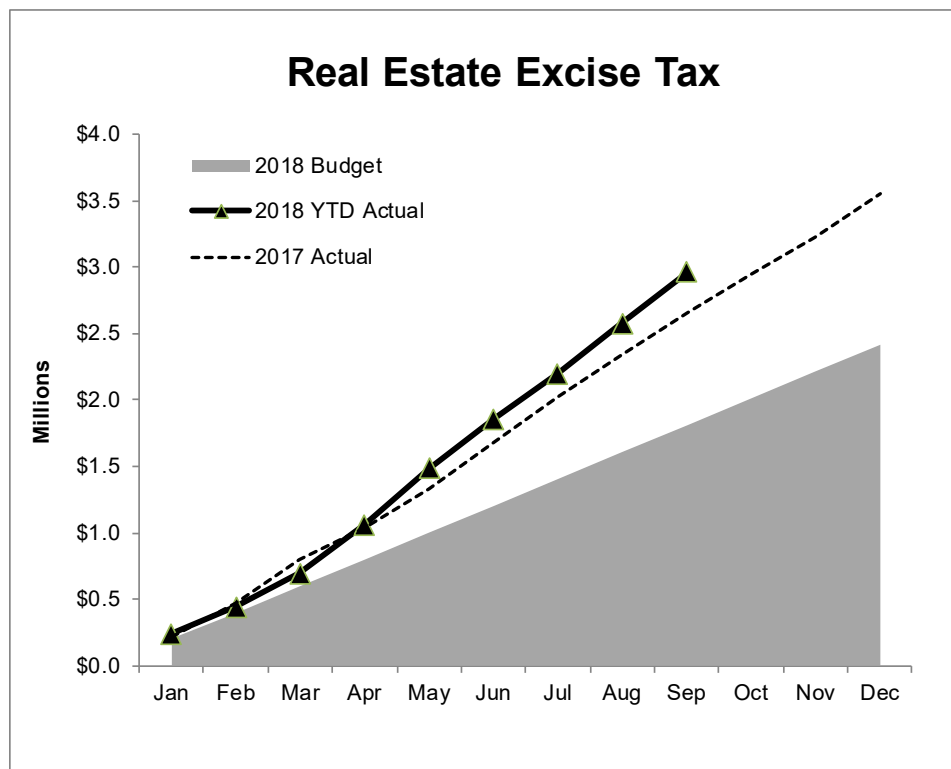
Rents and lease revenue collected through Q3-2018 totaled \$829,000 and was \$109,000 higher than what was collected through Q3-2017. The year-over-year increase in rents and leases was primarily seen in the facility rental revenues, miscellaneous parks unearned revenue (deposits), and golf cart rental revenues. Through the third quarter of 2018, facility rental revenues increased \$23,000 compared to revenues collected through Q3-2017. Golf cart revenues and miscellaneous parks unearned revenue (facility deposits) increased \$27,000 and \$45,000 respectively, over revenues collected through Q3-2017.

Lastly, other miscellaneous revenues exceeded budget expectations by \$57,000 mainly due to assessments for code compliance property abatements and sales of unclaimed property.



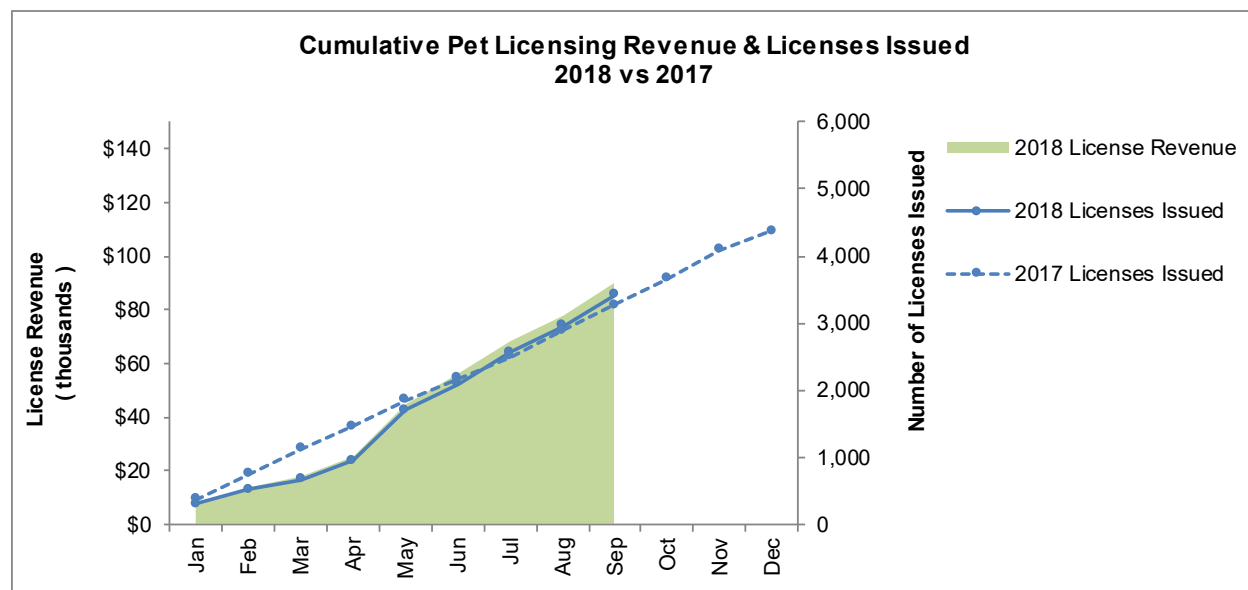
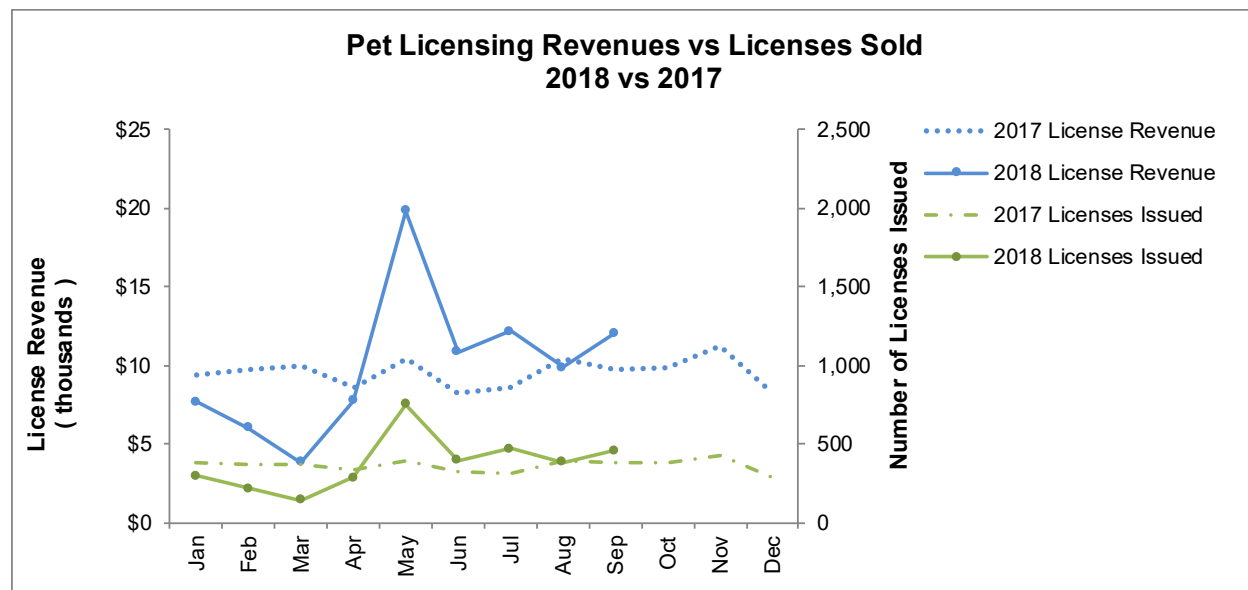
**Real Estate Excise Tax (REET)** revenue is receipted into the Capital Improvement Projects Fund and is used for governmental capital projects. REET revenues collected through Q3-2018 totaled \$3.0 million, exceeding budget expectations by \$1.2 million and exceeding prior year collections through Q3-2017 by \$308,000. Real estate sales in Q3-2018 represent the sale of both commercial properties and single family residences. Commercial sales in Q3-2018 included the sale of multi-family properties, vacant land, warehouse space and offices.

Real Estate Excise Tax Revenues September 2018							
Month	2017 Actual	2018 Budget	2018 Actual	2018 vs. 2017		2018 vs. Budget	
				Amount	Percentage	Amount	Percentage
Jan	\$ 224,044	\$ 200,800	\$ 240,414	\$ 16,371	7.3 %	\$ 39,614	19.7 %
Feb	249,683	200,800	200,783	(48,899)	(19.6) %	(17)	(0.0) %
Mar	326,044	200,800	255,218	(70,826)	(21.7) %	54,418	27.1 %
Apr	234,480	200,800	362,999	128,519	54.8 %	162,199	80.8 %
May	299,251	200,800	427,054	127,803	42.7 %	226,254	112.7 %
Jun	353,807	200,800	371,816	18,009	5.1 %	171,016	85.2 %
Jul	330,707	200,800	342,006	11,299	3.4 %	141,206	70.3 %
Aug	325,936	200,800	373,889	47,954	14.7 %	173,089	86.2 %
Sep	309,422	200,800	387,673	78,251	25.3 %	186,873	93.1 %
YTD Total	\$2,653,374	\$1,807,200	\$2,961,854	\$ 308,480	11.6 %	\$1,154,654	63.9 %



## Pet Licensing

Through the third quarter of 2018, 3,413 pet licenses were sold, resulting in \$90,165 in revenue. Through the third quarter of 2017, 3,271 licenses were sold, resulting in \$84,925 in revenue. As of March 2018, pet licensing services are provided by the Auburn Valley Humane Society. Previously, these services were provided by PetData.



## Street Funds

This section provides a financial overview of the City's three street funds for the quarter ending September 30, 2018. The City's three street funds include the Arterial Street Fund (Fund 102), the Local Street Fund (Fund 103), and the Arterial Street Preservation Fund (Fund 105).

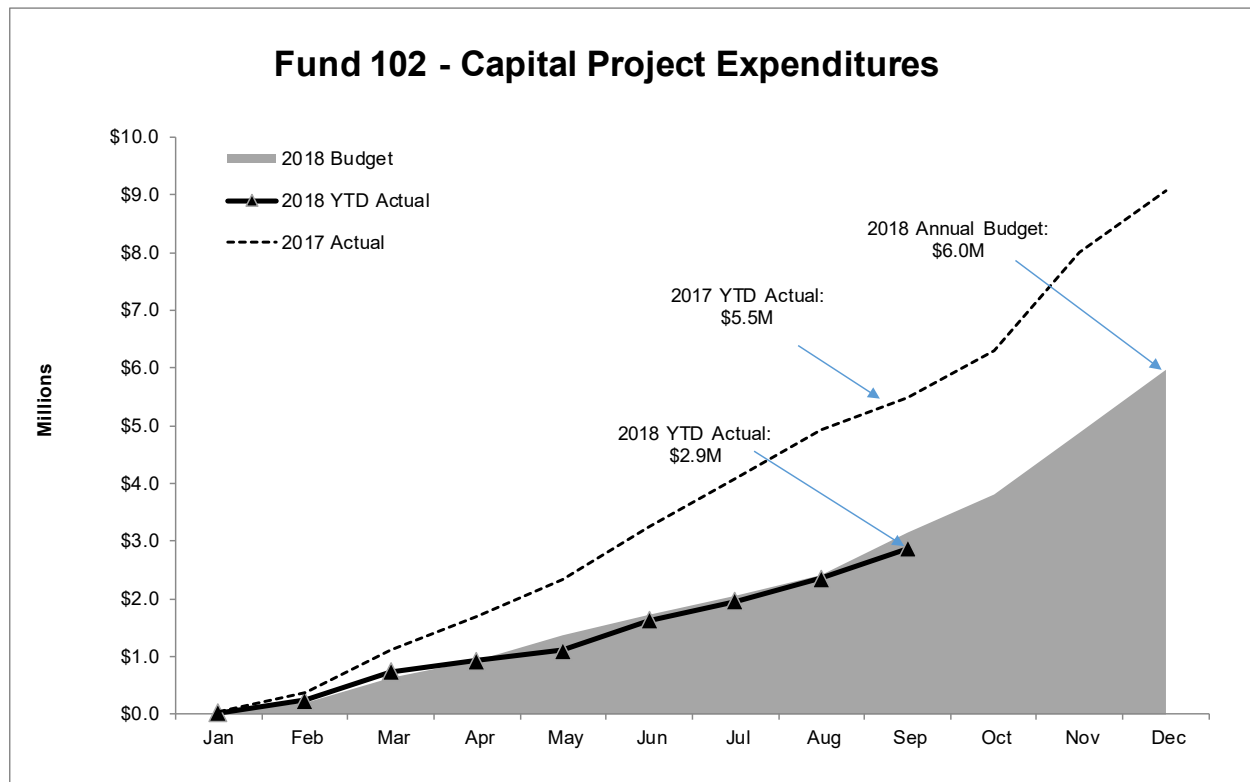
### Fund 102 – Arterial Street Fund

The Arterial Street Fund is a special revenue fund that is funded by transportation grants, traffic impact fees, a portion of the City's gas tax receipts, Public Works Trust Fund loans, developer contributions, and other sources. As of September 30, 2018 there were 26 separate street projects budgeted in this fund.

Through September, revenues collected totaled \$2.7 million as compared with collections of \$5.4 million through Q3-2017. Total expenditures through Q3-2018 were \$3.4 million as compared to \$5.9 million expended through Q3-2017. Variances in revenues and expenditures are largely due to the timing of capital expenditures and any subsequent reimbursement via federal grants. Expenditure timing is generally determined by the current phase of each individual capital project, and tends to increase as projects move from design phase into construction. Additionally, the Operator's Union strike impacted several projects and has delayed their anticipated expenditures during this quarter.

Fund 102 - Arterial Street  Summary of Sources and Uses  Report Period: September 2018	2018			2017	2018 YTD Budget vs. Actual	
	Annual Budget	YTD Budget	YTD Actual	YTD Actual	Favorable (Unfavorable)	
					Amount	Percentage
<b>Revenues</b>						
Federal Grants	\$ 2,247,600	\$ 1,506,945	\$ 711,936	\$ 2,893,962	\$ (795,009)	(52.8) %
State Grants	176,500	114,771	31,585	906,031	(83,187)	(72.5) %
Motor Vehicle Fuel and Multimodal Taxes	585,000	430,446	467,618	428,672	37,172	8.6 %
Developer Contributions	-	-	(0)	222,575	(0)	
Miscellaneous Revenue	466,200	310,800	498,885	-	188,085	60.5 %
Other Governmental Agencies	-	-	-	-	-	
Public Works Trust Fund Loans	-	-	-	-	-	
Operating Transfer In	1,833,417	1,238,930	933,729	977,326	(305,200)	(24.6) %
Investment Income	2,600	1,962	22,567	7,419	20,606	1050.5 %
<b>Total Revenues</b>	<b>\$ 5,311,317</b>	<b>\$ 3,603,854</b>	<b>\$ 2,666,321</b>	<b>\$ 5,435,984</b>	<b>\$ (937,533)</b>	<b>(26.0)</b>
<b>Expenditures</b>						
Salary and Benefits	\$ 551,000	\$ 414,901	\$ 307,635	\$ 485,008	\$ 107,267	25.9 %
Capital Outlay	5,418,300	3,440,607	2,566,494	4,999,122	874,113	25.4 %
Subtotal - Capital Project Expenditures	5,969,300	3,855,508	2,874,128	5,484,129	981,380	25.5 %
Services and Charges	405,200	261,123	215,782	149,753	45,341	17.4 %
Interfund Payments for Services	78,859	59,144	59,148	57,510	(4)	(0.0) %
Debt Service Principal and Interest	208,818	208,818	208,817	209,511	1	0.0 %
Operating Transfer Out	55,615	41,711	23,151	6,605	18,561	44.5 %
<b>Total Expenditures</b>	<b>\$ 6,717,792</b>	<b>\$ 4,426,305</b>	<b>\$ 3,381,025</b>	<b>\$ 5,907,508</b>	<b>\$ 1,045,279</b>	<b>23.6 %</b>
<b>Net Change in Fund Balance</b>	<b>\$ (1,406,475)</b>	<b>\$ (822,451)</b>	<b>\$ (714,705)</b>	<b>\$ (471,523)</b>	<b>\$ 107,746</b>	<b>(13.1) %</b>

Beg. Fund Balance, January 2018	\$ 2,584,136
Net Change in Fund Balance, September 2018	(714,705)
<b>Ending Fund Balance, September 2018</b>	<b>\$ 1,869,431</b>
2018 Budgeted Ending Fund Balance	\$ 1,177,661



This table presents the status of the projects with the most significant budget impact on the fund:

Fund 102 - Arterial Street			
Capital Projects Status *			
Name	Annual Budget	YTD Actual	Remaining
22nd St NE & I St NE Intersection	\$1.1M	\$1.0M	\$0.1M
AWS Corridor Safety Improvements	\$0.8M	\$0.6M	\$0.2M
A St SE & 37th St SE	\$0.8M	\$0.2M	\$0.5M
All Other Projects (23 Others Budgeted)	\$3.2M	\$1.0M	\$2.2M
Total	\$6.0M	\$2.9M	\$3.1M

\*Components may not sum to total due to rounding.

#### Notes:

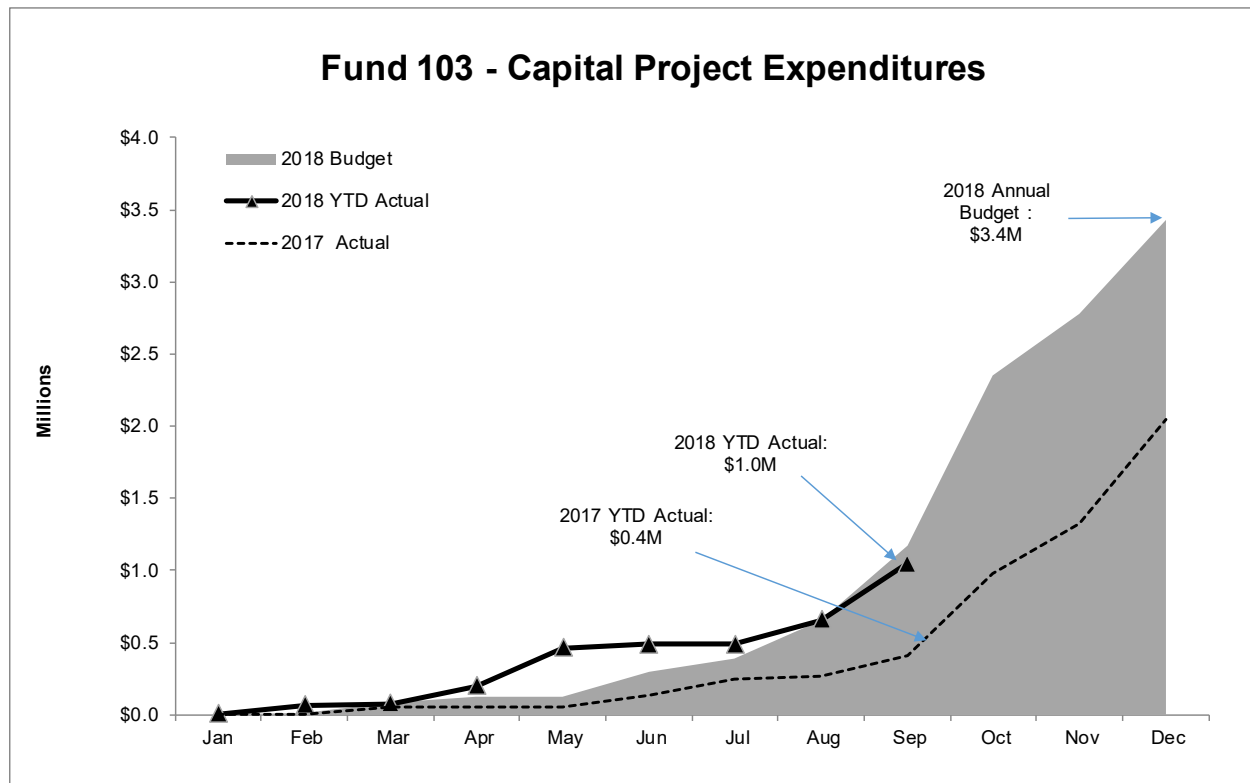
- Construction awards for several projects occurred in Q3-2018, with work completed for the City by the Auburn School District and by WSDOT during that quarter. It is anticipated that these expenditures will be reflected in Q4-2018.

## Fund 103 – Local Street Fund

The Local Street Fund is a special revenue fund where the revenues from sales taxes on construction are used for local street repair. Through September 30, 2018 revenues in this fund totaled \$2.0 million, exceeding year-to-date budget expectations by \$562,000 due to higher than anticipated sales tax revenues from local construction projects. This is consistent with collections of \$2.0 million through Q3-2017. Total expenditures through Q3-2018 were \$1.2 million and compare to expenditures of \$538,000 through Q3-2017. Historically, well over half of this fund's annual expenditures occur in the final four months of each year due to the weather sensitivity of pavement construction (this work needs to be done primarily in the summer and early fall). Highlighted in the table below and shown in the following graph are the fund's total expenditures related to capital projects.

Fund 103 - Local Street Fund  Summary of Sources and Uses  Report Period: September 2018	2018			2017	2018 YTD Budget vs. Actual	
	Annual Budget	YTD Budget	YTD Actual	YTD Actual	Favorable (Unfavorable)	
					Amount	Percentage
<b>Revenues</b>						
Sales Tax on Construction	\$ 1,750,000	\$ 1,242,400	\$ 1,763,440	\$ 1,844,760	\$ 521,040	41.9 %
Operating Transfer In	150,000	150,000	150,000	150,000	-	0.0 %
Interest Earnings	9,100	6,455	47,781	22,129	41,326	640.2 %
<b>Total Revenues</b>	<b>\$ 1,909,100</b>	<b>\$ 1,398,855</b>	<b>\$ 1,961,221</b>	<b>\$ 2,016,889</b>	<b>\$ 562,366</b>	<b>40.2 %</b>
<b>Expenditures</b>						
Salary and Benefits	\$ 148,817	\$ 110,245	\$ 101,947	\$ 92,810	\$ 8,298	7.5 %
Capital Project Expenditures	3,429,298	1,544,832	1,047,594	410,911	497,238	32.2 %
Services and Charges	700	555	2,414	19,791	(1,858)	(334.8) %
Interfund Payments for Services	12,239	9,179	9,180	8,937	(1)	(0.0) %
Operating Transfer Out	516	511	229	5,766	282	55.1 %
<b>Total Expenditures</b>	<b>\$ 3,591,570</b>	<b>\$ 1,665,323</b>	<b>\$ 1,161,364</b>	<b>\$ 538,216</b>	<b>\$ 503,958</b>	<b>30.3 %</b>
<b>Net Change in Fund Balance</b>	<b>\$ (1,682,470)</b>	<b>\$ (266,468)</b>	<b>\$ 799,856</b>	<b>\$ 1,478,674</b>	<b>\$ 1,066,324</b>	<b>(400.2) %</b>

Beg. Fund Balance, January 2018	\$	2,943,350
Net Change in Fund Balance, September 2018		799,856
Ending Fund Balance, September 2018	\$	3,743,206
2018 Budgeted Ending Fund Balance	\$	1,260,880



This table presents the status of the projects with the most significant budget impact on the fund:

Fund 103 - Local Street			
Capital Projects Status*			
Name	Annual Budget	YTD Actual	Remaining
2018 Local Street Pavement Reconstruction	\$1.8M	\$0.4M	\$1.4M
2018 Citywide Pavement Patching & Overlay	\$0.9M	\$0.3M	\$0.6M
2017 Local Street Reconstruction & Preservation	\$0.7M	\$0.4M	\$0.3M
All Other Projects (1 Other Budgeted)	\$0.1M	\$0.0M	\$0.1M
Total	\$3.4M	\$1.0M	\$2.4M

\*Components may not sum to total due to rounding.

#### Notes:

- 2018 Local Street Pavement Reconstruction was awarded by Council on 6/18/2018. Work on this project was impacted by the Operators Union strike in the 3<sup>rd</sup> quarter.
- 2018 Citywide Pavement Patching and Overlay was awarded by Council on 6/25/2018. Work on this project was impacted by the Operators Union strike in the 3<sup>rd</sup> quarter.



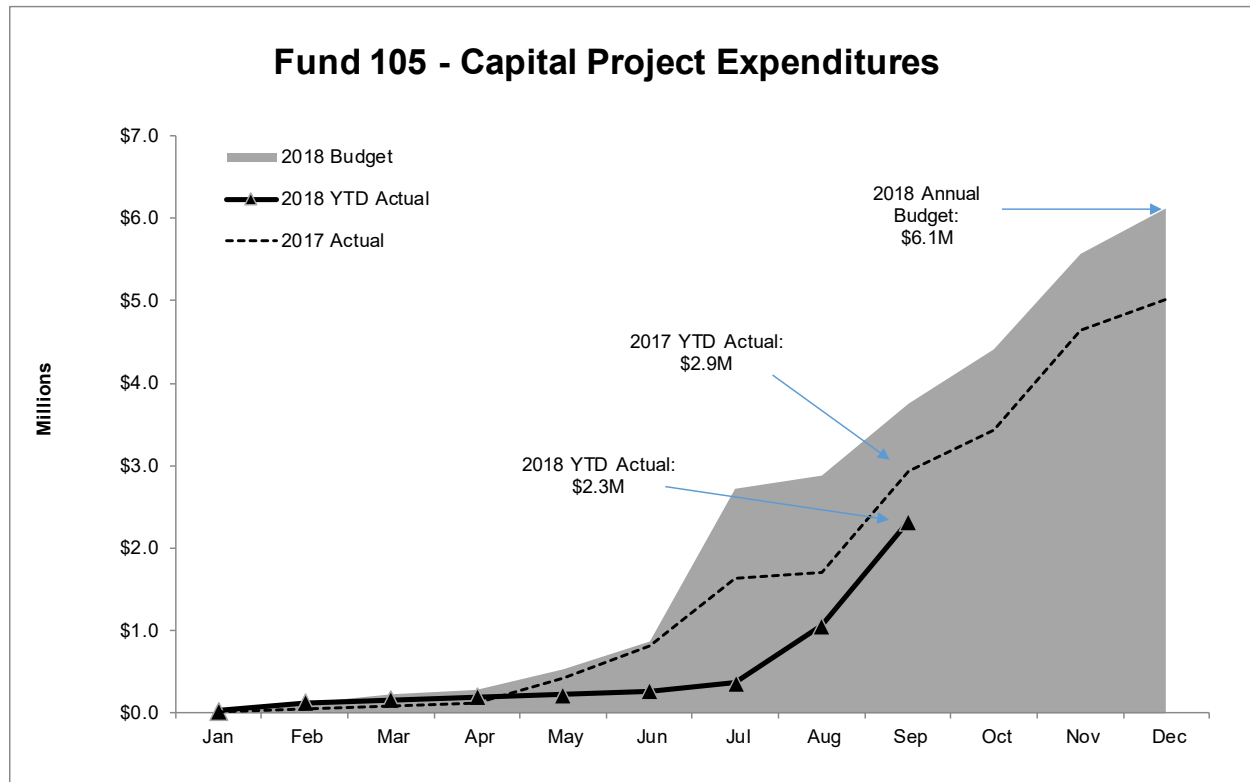
**Fund 105 – Arterial Street Preservation Fund**

The Arterial Street Preservation Fund is a special revenue fund that is primarily funded by a 1.0% utility tax that was adopted by Council in 2008; these utility tax revenues are restricted for arterial street repair and preservation projects. Major projects budgeted within the Arterial Street Preservation Fund in 2018 include 15<sup>th</sup> Street NE/NW Preservation, South 277<sup>th</sup> Street Preservation, and Citywide Pavement Patching and Overlay. Through Q3-2018, revenues totaled \$2.3 million, approximately \$31,000 higher than the same period last year.

Total expenditures through Q3-2018 were \$2.3 million, as compared to expenditures of \$2.9 million through Q3-2017. Historically, the majority of this fund's expenditures occur in the second half of each year due to the weather sensitivity of pavement construction (this work needs to be done primarily in the summer and early fall). Highlighted in the table below and shown in the following graph are the fund's total expenditures related to capital projects.

Fund 105 - Arterial Street Preservation  Summary of Sources and Uses  Report Period: September 2018	2018			2017	2018 YTD Budget vs. Actual	
	Annual Budget	YTD Budget	YTD Actual	YTD Actual	Favorable (Unfavorable)	
					Amount	Percentage
<b>Revenues</b>						
City Utility Tax	\$ 700,000	\$ 541,598	\$ 475,204	\$ 480,821	\$ (66,394)	(12.3) %
Electric Utility Tax	715,600	549,573	578,074	570,153	28,500	5.2 %
Natural Gas Utility Tax	201,200	178,583	182,467	192,043	3,883	2.2 %
Cable TV Tax	197,200	146,501	152,717	156,731	6,217	4.2 %
Telephone Utility Tax	281,600	215,584	181,330	211,142	(34,254)	(15.9) %
Garbage Utility Tax (External Haulers)	-	-	16,681	16,017	16,681	
Grants	1,511,840	612,710	106,627	508,325	(506,083)	(82.6) %
Developer Mitigation Fees	-	-	-	-	-	
Operating Transfer In	2,212,400	3,318,600	594,560	131,750	(2,724,040)	(82.1) %
Interest Earnings	4,900	3,675	30,658	20,536	26,983	734.2 %
<b>Total Revenues</b>	<b>\$ 5,824,740</b>	<b>\$ 5,566,824</b>	<b>\$ 2,318,317</b>	<b>\$ 2,287,518</b>	<b>\$ (3,248,507)</b>	<b>(58.4) %</b>
<b>Expenditures</b>						
Salary and Benefits	\$ 225,000	\$ 161,192	\$ 287,288	\$ 301,737	\$ (126,096)	(78.2) %
Capital Outlay	5,895,840	5,325,315	2,033,538	2,626,020	3,291,777	61.8 %
Subtotal - Capital Project Expenditures	6,120,840	5,486,507	2,320,826	2,927,757	3,165,681	57.7 %
Supplies	-	-	-	-	-	
Services and Charges	150,000	90,060	-	-	90,060	100.0 %
Operating Transfer Out	46,100	69,150	-	14,141	69,150	100.0 %
<b>Total Expenditures</b>	<b>\$ 6,316,940</b>	<b>\$ 5,645,717</b>	<b>\$ 2,320,826</b>	<b>\$ 2,941,899</b>	<b>\$ 3,324,891</b>	<b>58.9 %</b>
<b>Net Change in Fund Balance</b>	<b>\$ (492,200)</b>	<b>\$ (78,893)</b>	<b>\$ (2,509)</b>	<b>\$ (654,380)</b>	<b>\$ 76,384</b>	<b>(96.8) %</b>

Beg. Fund Balance, January 2018	\$ 2,039,837
Net Change in Fund Balance, September 2018	(2,509)
Ending Fund Balance, September 2018	\$ 2,037,328
2018 Budgeted Ending Fund Balance	\$ 1,547,637



This table presents the status of the projects with the most significant impacts on the fund:

Fund 105 - Arterial Street Preservation			
Capital Projects Status*			
Name	Annual Budget	YTD Actual	Remaining
15th St NE/NW Preservation	\$2.2M	\$1.5M	\$0.6M
S 277th Street Preservation	\$1.3M	\$0.1M	\$1.2M
2018 Citywide Pavement and Patching Overlay	\$1.7M	\$0.6M	\$1.1M
All Other Projects (6 Others Budgeted)	\$1.0M	\$0.2M	\$0.8M
<b>Total</b>	<b>\$6.1M</b>	<b>\$2.3M</b>	<b>\$3.8M</b>

\*Components may not sum to total due to rounding.

#### Notes:

- Construction on the 15<sup>th</sup> Street NE/NW Preservation project was underway in the 3<sup>rd</sup> quarter but was significantly impacted by the Operators Union strike.
- South 277<sup>th</sup> Street Preservation was awarded by Council on 7/16/2018; work on this project was impacted by the Operators Union strike.
- 2018 Citywide Pavement Patching and Overlay was awarded by Council on 6/25/2018; work on this project was impacted by the Operators Union strike.

**Fund 124 – Mitigation Fees**

The Mitigation Fees Fund is a special revenue fund funded from revenues from fees for new development that are assessed at the time applications are received for development activity. These funds are used to address costs associated with City growth.

The fund houses two types of revenues: mitigation fees and impact fees. Mitigation fees are variable charges collected as a result of State Environmental Policy Act (SEPA) reviews and the City's determination that a project must pay additional fees to compensate for a unique effect that it has on the community. Impact fees are set charges collected automatically for a variety of projects. These fees are adopted annually by the City Council based on projects anticipated in the Capital Facilities plan over the next six years.

Through Q3-2018, revenues were below budget expectations, at 41.9% of the annual budgeted amount. This variance is largely due to a decrease in single-family housing development, which is the source of parks impact fees and a significant source of transportation impact fees. Additionally, there is a budgeted transfer-in of \$400,000 from the Capital Improvement Projects fund that has not occurred; this is anticipated either in Q4-2018 or early 2019. This transfer is to pay for traffic impact fees associated with two multifamily development proposals: Auburn Apartments and Auburn Senior Living. Expenditures were also below budget due to the timing of capital projects funded by these revenues.

Fund 124 - Mitigation Fees Summary of Sources and Uses Report Period Through: September 2018	BUDGET			YTD ACTUALS		
			Ending			Ending
	Revenues	Expenditures	Fund Balance	Revenues	Expenditures	Fund Balance
Transportation Impact Fees	\$ 800,000	\$ 1,498,517	\$ 4,517,955	\$ 382,817	\$ 816,029	\$ 4,783,257
Transportation Mitigation Fees	-	188,800	45,505	-	117,700	116,605
Fire Impact Fees	100,000	50,000	136,373	119,483	-	205,856
Fire Mitigation Fees	-	-	81	-	-	81
Parks Impact Fees	600,000	967,000	4,963,136	154,000	201,985	5,282,152
Parks Mitigation Fees	-	-	335,302	-	-	335,302
School Impact Admin Fees	12,000	-	68,115	2,454	-	58,569
Wetland Mitigation Fees	-	31,600	38,061	-	-	69,661
Interest and Investment Income	8,200	-	8,200	145,448	-	145,448
Fees in Lieu of Improvements	-	-	123,313	-	-	123,313
Operating Transfers	400,000	100,000	300,000	-	-	-
Total	\$ 1,920,200	\$ 2,835,917	\$ 10,536,041	\$ 804,202	\$ 1,135,714	\$ 11,120,244

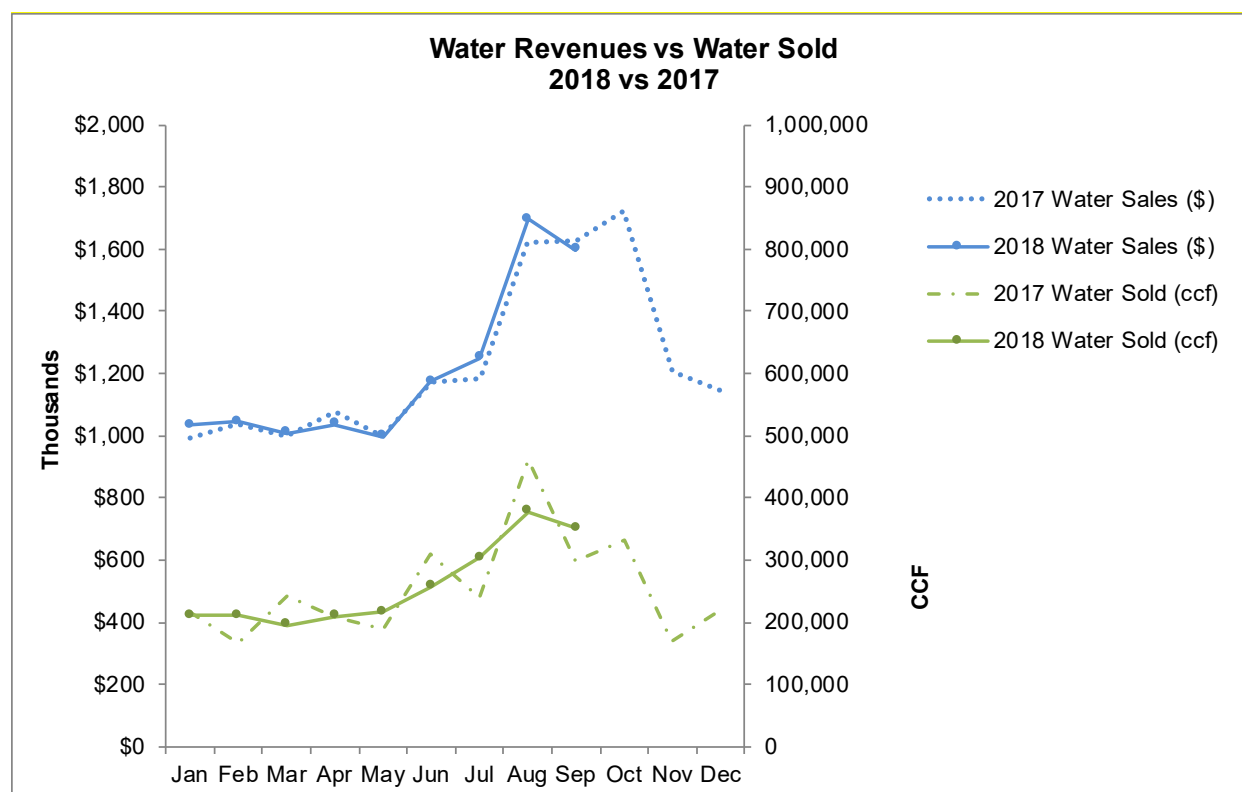
Beginning Fund Balance, January 2018	\$ 11,451,755
Net Change in Fund Balance, September 2018	(331,511)
Ending Fund Balance, September 2018	\$ 11,120,244
2018 Budgeted Ending Fund Balance	\$ 10,536,041

### Enterprise Funds

Detailed income and expense statements for Enterprise and Internal Service funds can be found in an attachment at the end of this report. The attachment provides operating and, as applicable, capital fund reports for these funds showing budget, actuals, and variances. Operating funds house all the operating costs along with debt service and financing obligations. Capital funds show costs associated with capital acquisition and construction. Both the operating and capital funds have a working capital balance. This approach isolates those funds available for capital and cash flow needs for daily operations, and project managers will know exactly how much working capital is available for current and planned projects.

Through September 30, 2018 the **Water Utility** had operating income before depreciation of \$4.4 million as compared with \$4.1 million during the same period last year. Revenues are slightly below budget expectations, mainly due to a budgeted \$1.1 million Drinking Water State Revolving Fund (DWSRF) Loan which has not yet been fully drawn down.

Water sales by volume through Q3-2018 totaled 2.33 million hundred cubic feet (ccf), which is nearly identical to the volume sold through Q3-2017. For many years, the Water utility has seen a general trend of decreased year-over-year consumption per account due largely to conservation efforts and appliance efficiency improvements. Additionally, the City has not provided water to Water District #111 since its take-or-pay agreement expired and the Interlocal Agreement was amended at the end of 2016. However, the overall volume of water consumption has increased due to City growth, offsetting lower per-account consumption.



The **Sewer Utility** finished Q3-2018 with operating income before depreciation of \$1.6 million as compared to operating income of \$1.7 million through Q3-2017. This decrease is due primarily to lower revenue from charges for service and slightly increased expenditures.

The **Stormwater Utility** ended Q3-2018 with operating income before depreciation of \$2.0 million compared with \$2.1 million through Q3-2017. This decrease is due primarily to increases in operating expenditures.

Through Q3-2018, the **Solid Waste Utility** Fund had \$11.7 million in operating revenues, compared to \$11.2 million in operating expenditures, resulting in an increase in Working Capital of \$485,000.

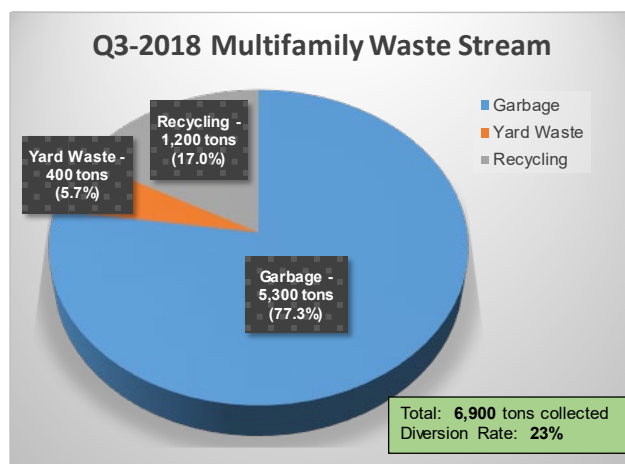
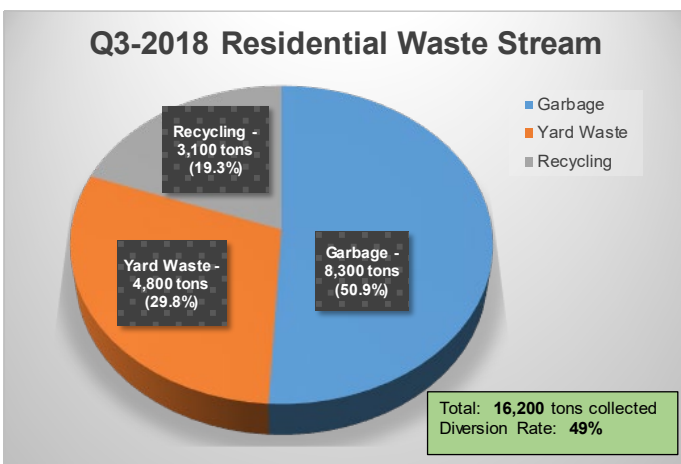
The City of Auburn's Solid Waste services are outsourced to Waste Management and to Republic Services, who manages the contract for the annexed areas. As of September 2018, Waste Management serviced 15,494 customers (79% of customers) and Republic Services serviced 4,060 customers (21% of customers).

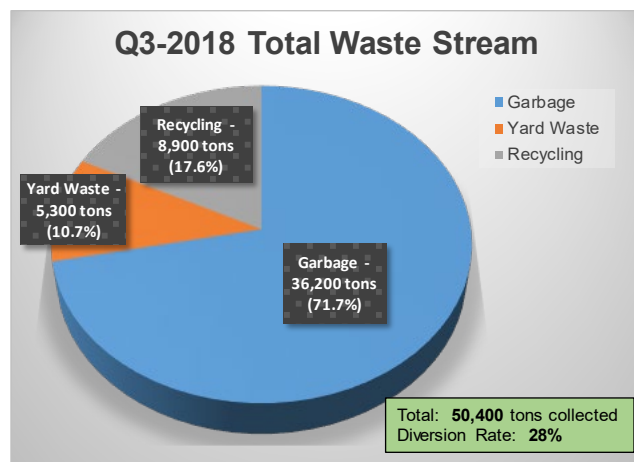
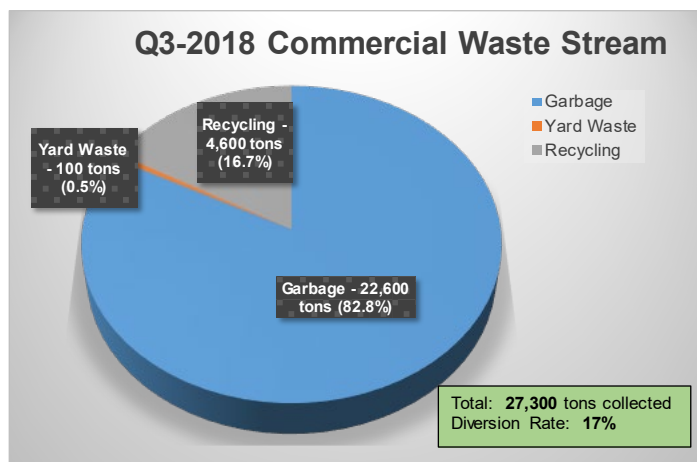
The current mix of customer account types is:

- 90% Residential
- 8% Commercial
- 2% Multifamily

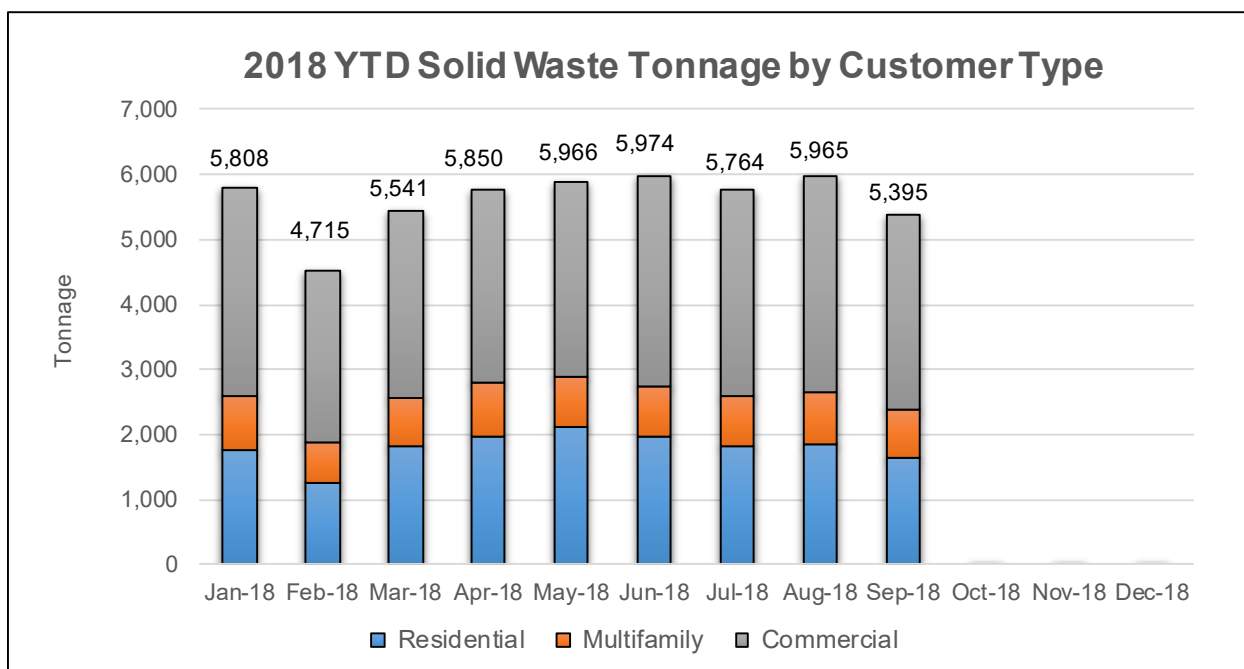
The "diversion rate" is a measure of how much generated waste is not sent to the landfill; i.e., waste that is either recycled or collected yard waste. Through Q3-2018, the total diversion rate was 28%, which represents a total of 14,200 tons of waste that was diverted from landfills.

### Q3-2018 Tons Collected and Diversion Rates:

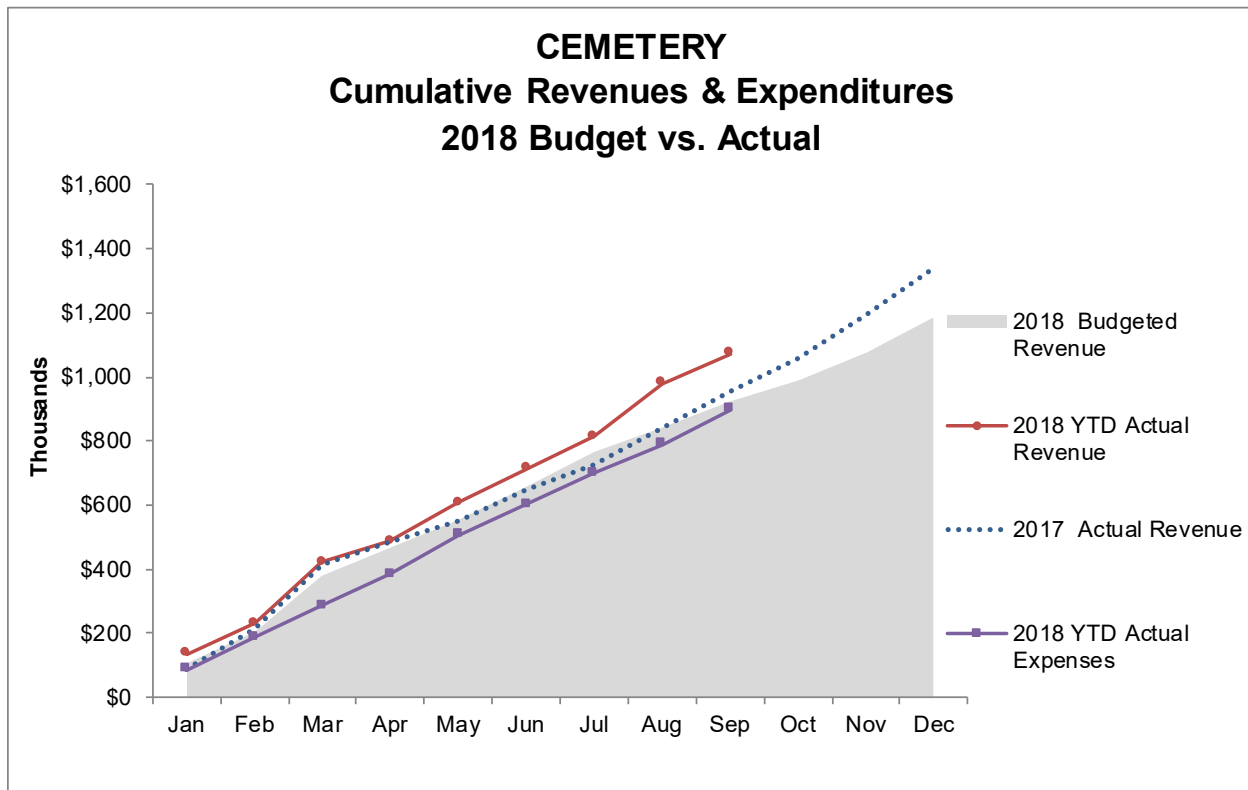




Of the total tonnage collected through Q3-2018, 32% was collected from residential customers, 14% from multifamily customers, and 54% from commercial customers, as shown in the following graph.



Through Q3-2018 the **Cemetery Fund** experienced operating income of \$174,000, as compared with an operating income of \$120,000 through Q3-2017. This variance is mainly due to increased revenue from lot sales.



### Internal Service Funds

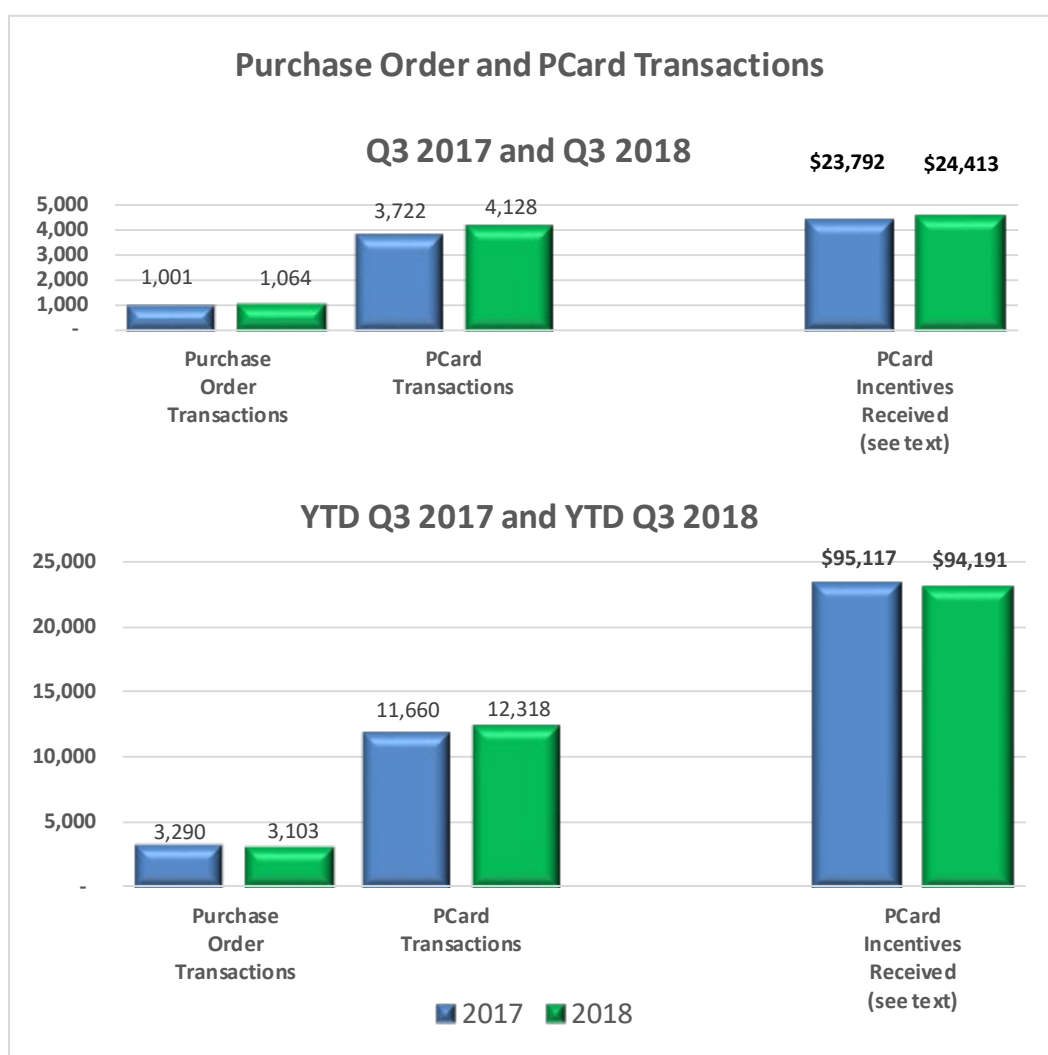
Operating expenditures within the **Insurance Fund** represent the premium cost pool that will be allocated monthly to other City funds over the course of 2018. As a result, the expenditure balance will gradually diminish each month throughout the year.

No significant variances are reported in the **Workers' Compensation, Facilities, Innovation & Technology**, or **Equipment Rental Funds**.

## P-Card Statistics

The City has been actively promoting the use of P-Cards in lieu of purchase orders to minimize effort and maximize incentive payments from the vendor and the State. In Q3-2018, 4,128 P-Card transactions were processed as compared with 1,064 purchase order transactions. A comparison of year-to-date transactions continues to show increasing use of P-Cards relative to purchase orders.

Total incentive payments received from US Bank in Q3-2018 totaled \$24,413. These are estimated payments since the quarterly rebate checks are not actually received until the next quarter. Additionally, there is an annual incentive payment from the State that is received in Q2 of each year. The annual State incentive payment for 2017 was \$24,693 and was received in April of 2018.



## Contact Information

This report is prepared by the Finance Department. Additional financial information can also be viewed at our website: <http://www.auburnwa.gov/>. For any questions about this report please contact Shelley Coleman at [scoleman@auburnwa.gov](mailto:scoleman@auburnwa.gov).



**City of Auburn  
Investment Portfolio Summary  
September 30, 2018**

Investment Type	Purchase Date	Purchase Price	Maturity Date	Yield to Maturity
State Investment Pool	Various	\$ 109,698,071	Various	2.06%
KeyBank Money Market	Various	5,629,710	Various	0.02%
OpusBank Public Interest Acct	Various	10,156,777	Various	2.11%
FNMA	3/11/2016	998,844	2/22/2019	1.20%
FHLB	2/28/2018	2,000,000	2/28/2023	2.65%
FFCB	5/21/2018	2,000,000	10/21/2019	2.48%
FAMCA	6/27/2018	2,000,000	7/16/2020	2.50%
FFCB	7/16/2018	2,000,000	7/16/2020	2.60%
TX ST-BABs-A	8/8/2018	1,769,425	4/1/2020	2.68%
FFCB	8/27/2018	1,999,360	2/23/2021	2.70%
Total Cash & Investments		<u><u>\$ 138,252,187</u></u>		<u><u>2.022%</u></u>

Investment Mix	% of Total	Summary	
State Investment Pool	79.3%	Current 6-month treasury rate	2.34%
KeyBank Money Market	4.1%	Current State Pool rate	2.06%
OpusBank Public Interest Acct	7.3%	KeyBank Money Market	0.02%
FNMA	0.7%	OpusBank Public Interest Acct	2.11%
FHLB	1.4%	Blended Auburn rate	2.02%
FFCB	4.3%		
FAMCA	1.4%		
TX ST-BABs-A	1.3%		
	<u><u>100.0%</u></u>		

SALES TAX SUMMARY

SEPTEMBER 2018 SALES TAX DISTRIBUTIONS (FOR JULY 2018 RETAIL ACTIVITY)

NAICS	CONSTRUCTION	2017 Annual Total (Nov '16-Oct '17)	2017 YTD (Nov '16-Jul '17)	2018 YTD (Nov '17-Jul '18)	YTD % Diff
236	Construction of Buildings	1,503,231	1,049,044	993,660	-5.3%
237	Heavy and Civil Construction	209,928	138,807	117,481	-15.4%
238	Specialty Trade Contractors	918,947	656,909	652,299	-0.7%
TOTAL CONSTRUCTION		\$ 2,632,107	\$ 1,844,760	\$ 1,763,440	-4.4%
Overall Change from Previous Year				\$ (81,320)	

NAICS	MANUFACTURING	2017 Annual Total (Nov '16-Oct '17)	2017 YTD (Nov '16-Jul '17)	2018 YTD (Nov '17-Jul '18)	YTD % Diff
311	Food Manufacturing	4,642	3,763	5,419	44.0%
312	Beverage and Tobacco Products	7,842	5,000	9,021	80.4%
313	Textile Mills	264	134	394	194.5%
314	Textile Product Mills	1,501	1,129	1,243	10.0%
315	Apparel Manufacturing	227	147	213	44.3%
316	Leather and Allied Products	46	31	136	341.2%
321	Wood Product Manufacturing	16,528	12,359	10,250	-17.1%
322	Paper Manufacturing	15,254	11,034	6,856	-37.9%
323	Printing and Related Support	54,391	41,083	36,400	-11.4%
324	Petroleum and Coal Products	1,040	777	7,682	888.6%
325	Chemical Manufacturing	15,982	12,473	9,407	-24.6%
326	Plastics and Rubber Products	8,856	6,468	7,269	12.4%
327	Nonmetallic Mineral Products	17,749	13,785	14,703	6.7%
331	Primary Metal Manufacturing	818	583	950	63.0%
332	Fabricated Metal Product Manuf	28,618	22,676	19,717	-13.0%
333	Machinery Manufacturing	18,216	14,409	19,631	36.2%
334	Computer and Electronic Product	32,957	16,958	4,858	-71.4%
335	Electric Equipment, Appliances	1,103	873	395	-54.8%
336	Transportation Equipment Man	385,842	322,157	363,573	12.9%
337	Furniture and Related Products	34,157	17,001	13,802	-18.8%
339	Miscellaneous Manufacturing	31,567	20,969	24,097	14.9%
TOTAL MANUFACTURING		\$ 677,596	\$ 523,810	\$ 556,018	6.1%
Overall Change from Previous Year				\$ 32,208	

NAICS	TRANSPORTATION AND WAREHOUSING	2017 Annual Total (Nov '16-Oct '17)	2017 YTD (Nov '16-Jul '17)	2018 YTD (Nov '17-Jul '18)	YTD % Diff
481	Air Transportation	2	2	3	27.1%
482	Rail Transportation	20,972	19,425	17,032	-12.3%
484	Truck Transportation	4,014	2,669	23,737	789.4%
485	Transit and Ground Passengers	-3,390	-3,390	44	-101.3%
488	Transportation Support	51,246	39,746	39,291	-1.1%
491	Postal Service	274	209	833	298.3%
492	Couriers and Messengers	1,859	1,125	1,233	9.6%
493	Warehousing and Storage	13,526	9,265	10,513	13.5%
TOTAL TRANSPORTATION		\$ 88,502	\$ 69,050	\$ 92,685	34.2%
Overall Change from Previous Year				\$ 23,636	

NAICS	WHOLESALE TRADE	2017 Annual Total (Nov '16-Oct '17)	2017 YTD (Nov '16-Jul '17)	2018 YTD (Nov '17-Jul '18)	YTD % Diff
423	Wholesale Trade, Durable Goods	1,080,558	782,910	864,620	10.4%
424	Wholesale Trade, Nondurable	278,097	198,873	232,167	16.7%
425	Wholesale Electronic Markets	4,428	3,948	3,620	-8.3%
TOTAL WHOLESALE		\$ 1,363,083	\$ 985,731	\$ 1,100,407	11.6%
Overall Change from Previous Year				\$ 114,676	

Includes Adjustments in excess of +/- \$10,000.

a. WA State Dept of Revenue audit adjustment to sales tax returns for period of April 2017 (adjustment: - \$29,746).

b. WA State Dept of Revenue audit adjustment to sales tax returns for period of October 2017 (adjustment: \$36,668).

NAICS	AUTOMOTIVE	2017 Annual Total (Nov '16-Oct '17)	2017 YTD (Nov '16-Jul '17)	2018 YTD (Nov '17-Jul '18)	YTD % Diff
441	Motor Vehicle and Parts Dealer	3,703,385 b	2,686,816	2,883,183	7.3%
447	Gasoline Stations	268,146	194,420	209,029	7.5%
TOTAL AUTOMOTIVE		\$ 3,971,531	\$ 2,881,236	\$ 3,092,212	7.3%
Overall Change from Previous Year				\$ 210,976	

NAICS	RETAIL TRADE	2017 Annual Total (Nov '16-Oct '17)	2017 YTD (Nov '16-Jul '17)	2018 YTD (Nov '17-Jul '18)	YTD % Diff
442	Furniture and Home Furnishings	197,226	148,394	152,512	2.8%
443	Electronics and Appliances	211,036	152,928	170,495	11.5%
444	Building Material and Garden	580,347	432,287	427,143	-1.2%
445	Food and Beverage Stores	368,971	277,210	285,107	2.8%
446	Health and Personal Care Store	368,699	278,053	312,578	12.4%
448	Clothing and Accessories	1,118,980	823,174 a	863,543	4.9%
451	Sporting Goods, Hobby, Books	199,717	147,826	160,584	8.6%
452	General Merchandise Stores	992,858	760,849	678,091	-10.9%
453	Miscellaneous Store Retailers	463,719	351,082	498,062	41.9%
454	Nonstore Retailers	370,027	280,101	208,455	-25.6%
TOTAL RETAIL TRADE		\$ 4,871,580	\$ 3,651,905	\$ 3,756,570	2.9%
Overall Change from Previous Year				\$ 104,665	

NAICS	SERVICES	2017 Annual Total (Nov '16-Oct '17)	2017 YTD (Nov '16-Jul '17)	2018 YTD (Nov '17-Jul '18)	YTD % Diff
51*	Information	662,460	498,272	487,341	-2.2%
52*	Finance and Insurance	122,200	88,190	105,510	19.6%
53*	Real Estate, Rental, Leasing	367,828	270,980	271,291	0.1%
541	Professional, Scientific, Tech	238,617	176,597	190,908	8.1%
551	Company Management	13	12	9	-24.9%
56*	Admin. Supp., Remed Svcs	276,380	206,016	303,074	47.1%
611	Educational Services	55,506	36,688	32,771	-10.7%
62*	Health Care Social Assistance	74,678	57,945	62,303	7.5%
71*	Arts and Entertainment	109,577	80,275	89,259	11.2%
72*	Accommodation and Food Svcs	1,276,310	940,434	1,062,325	13.0%
81*	Other Services	546,059	407,786	409,512	0.4%
92*	Public Administration	182,112	125,861	117,127	-6.9%
TOTAL SERVICES		\$ 3,911,740	\$ 2,889,056	\$ 3,131,431	8.4%
Overall Change from Previous Year				\$ 242,374	

NAICS	MISCELLANEOUS	2017 Annual Total (Nov '16-Oct '17)	2017 YTD (Nov '16-Jul '17)	2018 YTD (Nov '17-Jul '18)	YTD % Diff
000	Unknown	0	0	0	N/A
111-115	Agriculture, Forestry, Fishing	6,486	5,236	2,848	-45.6%
211-221	Mining & Utilities	26,023	19,077	19,400	1.7%
999	Unclassifiable Establishments	32,865	29,067	73,541	153.0%
TOTAL SERVICES		\$ 65,374	\$ 53,381	\$ 95,789	79.4%
Overall Change from Previous Year				\$ 42,409	

GRAND TOTAL	\$ 17,581,514	\$ 12,898,928	\$ 13,588,552	
Overall Change from Previous Year			\$ 689,624	5.3%

Total September 2018 Sales Tax Distributions	\$ 1,519,880
Dollar Increase from September 2017	\$ 75,640
Percent Increase from September 2017	5.2%

Comparisons:	
September 2017	\$ 1,444,240
September 2016	\$ 1,419,382

OPERATING & CAPITAL FUNDS	ENTERPRISE FUNDS											
Cash Basis through September 2018	WATER			SEWER			SEWER METRO			STORM		
	YTD			YTD			YTD			YTD		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
OPERATING FUND:												
OPERATING REVENUES												
Charges For Service	15,203,431	10,831,586	(4,371,845)	8,142,100	6,332,101	(1,809,999)	18,189,923	12,988,613	(5,201,310)	9,242,676	7,352,670	(1,890,006)
Grants			-			-			-			-
Interest Earnings	10,000	107,711	97,711	20,000	59,794	39,794	1,000	16,326	15,326	15,000	56,044	41,044
Rents, Leases, Concessions, & Other	219,024	163,294	(55,730)	75,570	35,517	(40,053)	-	-	-	63,226	50,997	(12,229)
TOTAL OPERATING REVENUES	15,432,455	11,102,590	(4,329,865)	8,237,670	6,427,412	(1,810,258)	18,190,923	13,004,939	(5,185,984)	9,320,902	7,459,711	(1,861,191)
OPERATING EXPENSES												
Salaries & Wages	2,799,131	1,952,174	846,957	1,808,531	1,337,817	470,714	-	-	-	2,716,743	1,989,054	727,689
Benefits	1,416,014	958,075	457,939	906,551	654,026	252,525	-	-	-	1,396,377	981,075	415,302
Supplies	334,244	221,093	113,151	136,550	115,702	20,848	-	-	-	94,550	105,144	(10,594)
Other Service Charges	5,285,350	2,133,612	3,151,738	2,990,471	1,822,428	1,168,043	-	-	-	1,847,779	1,092,994	754,785
Intergovernmental Services (Less Transfers Out)				9,500	12,482	(2,982)				83,000	66,596	16,404
Waste Management Payments												
Sewer Metro Services							18,250,200	13,053,674	5,196,526			
Debt Service Interest	1,313,575	395,512	918,063	264,928	138,410	126,518	-	-	-	350,697	175,348	175,349
Interfund Operating Rentals & Supplies	1,422,040	1,066,574	355,466	1,034,321	775,737	258,584	-	-	-	1,444,254	1,083,746	360,508
TOTAL OPERATING EXPENSES	12,570,354	6,727,039	5,843,315	7,150,852	4,856,601	2,294,251	18,250,200	13,053,674	5,196,526	7,933,400	5,493,956	2,439,444
OPERATING REVENUES LESS EXPENSES BEFORE DEPRECIATION	2,862,101	4,375,551	1,513,450	1,086,818	1,570,810	483,992	(59,277)	(48,735)	10,542	1,387,502	1,965,755	578,253
NON-OPERATING REVENUES												
Operating Transfers-in	-	-	-									
Intergovernmental Loan	1,196,600	60,494	1,136,106									
Other Non-Operating Revenues					22,500							
NON-OPERATING EXPENSES												
Transfer to Capital Subfund	2,446,600	1,311,409	1,135,191	-	-	-				1,200,000	-	1,200,000
Other Operating Transfers-out	279,291	51,364	227,927	253,020	34,367	218,653				369,192	145,759	223,433
Debt Service Principal	1,760,291	624,107	1,136,184	550,947	288,262	262,685				425,578	-	425,578
Net Change in Restricted Net Assets	-	391,749	391,749	-	119,494	119,494				-	190,931	190,931
Interfund Loan Repayment												
BEGINNING WORKING CAPITAL - January 1, 2018	5,574,972	5,574,972	-	3,609,377	3,609,377	-	3,033,467	3,033,467	-	2,910,117	2,910,117	-
ENDING WORKING CAPITAL - September 30, 2018	5,147,491	7,632,388	2,484,897	3,892,228	4,760,564	868,336	2,974,190	2,984,732	10,542	2,302,849	4,539,182	2,236,333
NET CHANGE IN WORKING CAPITAL (see Note)	(427,481)	2,057,416	2,484,897	282,851	1,151,188	868,336	(59,277)	(48,735)	10,542	(607,268)	1,629,065	2,236,333
CAPITAL FUND:												
CAPITAL REVENUES												
Interest Revenue	-	11,523	11,523	-	154,717	154,717				-	144,201	144,201
Grants	152,600	35,545	(117,055)							210,000	19,323	(190,677)
Other Non-Operating Revenue	-	-	-	-	-	-				-	-	-
Increase In Contributions - System Development	1,250,000	225,412	(1,024,588)	600,000	206,166	(393,834)				600,000	335,923	(264,077)
Interfund Revenues	-	-	-	-	-	-				-	-	-
Increase In Contributions - FAA	-	-	-	-	-	-				-	-	-
Proceeds of Debt Activity	2,500,000	-	(2,500,000)	-	-	-				-	-	-
Transfers In from Operating Sub-Fund	2,446,600	1,311,409	(1,135,191)	-	-	-				1,200,000	-	(1,200,000)
Transfer In from Other Funds	200,000	-	(200,000)	-	-	-				-	-	-
TOTAL CAPITAL REVENUES	6,549,200	1,583,889	(4,965,311)	600,000	360,884	(239,116)				2,010,000	499,446	(1,510,554)
CAPITAL EXPENSES												
Other Non-Operating Expense	-	-	-	-	13,751	(13,751)				-	-	-
Increase In Fixed Assets - Salaries	307,857	95,647	212,210	87,857	65,353	22,504				95,714	110,592	(14,878)
Increase In Fixed Assets - Benefits	123,143	43,127	80,016	35,143	29,047	6,096				38,286	47,748	(9,462)
Increase In Fixed Assets - Services	-	-	-	-	-	-				-	-	-
Increase In Fixed Assets - Site Improvements	-	38,099	(38,099)	-	-	-				-	-	-
Increase In Fixed Assets - Equipment	-	-	-	-	18,854	(18,854)				-	-	-
Increase In Fixed Assets - Construction	6,650,786	1,903,050	4,747,736	2,212,300	172,076	2,040,224				3,192,300	673,354	2,518,946
Operating Transfers Out	50,000	50,000	-	150,000	50,000	100,000				150,000	50,000	100,000
TOTAL CAPITAL EXPENSES	7,131,786	2,129,922	5,001,864	2,485,300	349,082	2,136,218				3,476,300	881,694	2,594,606
BEGINNING WORKING CAPITAL - January 1, 2018	1,485,010	1,485,010	-	12,467,191	12,467,191	-				13,194,888	13,194,888	-
ENDING WORKING CAPITAL - September 30, 2018	902,424	938,977	36,553	10,581,891	12,478,993	1,897,102				11,728,588	12,812,640	1,084,052
NET CHANGE IN WORKING CAPITAL (see Note)	(582,586)	(546,033)	36,553	(1,885,300)	11,802	1,897,102				(1,466,300)	(382,248)	1,084,052
Total Change in Working Capital	(1,010,067)	1,511,384	2,521,451	(1,602,449)	1,162,989	2,765,438	(59,277)	(48,735)	10,542	(2,073,568)	1,246,817	3,320,385
(*) Depreciation	3,250,000	2,561,164		2,430,000	1,676,905		-	-		2,210,000	1,555,034	
Working Capital = Current Assets minus Current Liabilities												

OPERATING & CAPITAL FUNDS	ENTERPRISE FUNDS						INTERNAL SERVICE FUNDS		
Cash Basis through September 2018	SOLID WASTE			AIRPORT			CEMETERY		
	YTD			YTD			YTD		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
OPERATING FUND:									
OPERATING REVENUES									
Charges For Service	14,955,350	11,614,818	(3,340,532)	843,300	702,357	(140,943)	933,000	1,062,913	129,913
Grants	88,600	15,862	(72,738)	-	-	-	-	-	-
Interest Earnings	9,000	65,166	56,166	2,500	10,974	8,474	800	8,845	8,045
Rents, Leases, Concessions, & Other	-	882	882	3,000	5,444	2,444	-	-	-
TOTAL OPERATING REVENUES	15,052,950	11,696,728	(3,356,222)	848,800	718,775	(130,025)	933,800	1,071,758	137,958
OPERATING EXPENSES									
Salaries & Wages	339,207	253,787	85,420	49,200	-	49,200	490,917	369,025	121,892
Benefits	159,496	117,606	41,890	33,700	-	33,700	277,863	196,786	81,077
Supplies	33,400	7,276	26,124	2,500	2,377	124	221,700	179,889	41,811
Other Service Charges	1,655,795	1,131,666	524,129	588,550	448,220	140,330	157,980	115,705	42,275
Intergovernmental Services (Less Transfers Out)	367,050	185,087	181,963	-	-	-	-	-	-
Waste Management Payments	12,301,000	9,430,842	2,870,158						
Sewer Metro Services									
Debt Service Interest	-	-	-	16,425	4,023	12,402	-	-	-
Interfund Operating Rentals & Supplies	114,279	85,707	28,572	1,500	1,125	375	48,898	36,675	12,223
TOTAL OPERATING EXPENSES	14,970,227	11,211,969	3,758,258	691,875	455,744	236,131	1,197,358	898,080	299,278
OPERATING REVENUES LESS EXPENSES BEFORE DEPRECIATION	82,723	484,759	402,036	156,925	263,030	106,105	(263,558)	173,678	437,236
NON-OPERATING REVENUES									
Operating Transfers-in							250,000	-	(250,000)
Intergovernmental Loan									
Other Non-Operating Revenues									
NON-OPERATING EXPENSES									
Transfer to Capital Subfund									
Other Operating Transfers-out	-	-	-	5,000	-	5,000	1,033	459	574
Debt Service Principal				175,000	-	175,000	-	-	-
Net Change in Restricted Net Assets				-	4,368	4,368	-	-	-
Interfund Loan Repayment				40,100	30,322	9,778			
BEGINNING WORKING CAPITAL - January 1, 2018	5,083,854	5,083,854	-	422,608	422,608	-	514,788	514,788	-
ENDING WORKING CAPITAL - September 30, 2018	5,166,577	5,568,614	402,037	359,433	650,947	291,514	500,197	688,007	187,810
NET CHANGE IN WORKING CAPITAL (see Note)	82,723	484,759	402,037	(63,175)	228,340	291,514	(14,591)	173,219	187,810
CAPITAL FUND:									
CAPITAL REVENUES									
Interest Revenue				-	3,107	3,107	-	3,363	3,363
Grants									
Other Non-Operating Revenue				-	-	-	-	-	-
Increase In Contributions - System Development				-	-	-	-	-	-
Interfund Revenues				-	-	-	-	-	-
Increase In Contributions - FAA				786,000	12,744	(773,256)	-	-	-
Proceeds of Debt Activity				-	-	-	-	-	-
Transfers In from Operating Sub-Fund				-	-	-	-	-	-
Transfer In from Other Funds				-	-	-	75,000	5,908	(69,092)
TOTAL CAPITAL REVENUES				830,467	15,851	(814,616)	75,000	9,271	(65,729)
CAPITAL EXPENSES									
Other Non-Operating Expense				-	-	-	-	-	-
Increase In Fixed Assets - Salaries				106,429	-	106,429	-	-	-
Increase In Fixed Assets - Benefits				42,571	-	42,571	-	-	-
Increase In Fixed Assets - Services				-	-	-	-	33	(33)
Increase In Fixed Assets - Site Improvements							-	-	-
Increase In Fixed Assets - Equipment							12,000	-	12,000
Increase In Fixed Assets - Construction				799,034	49,300	749,734	63,000	5,908	57,092
Operating Transfers Out				-	-	-	-	-	-
TOTAL CAPITAL EXPENSES				948,034	49,300	898,734	75,000	5,941	69,059
BEGINNING WORKING CAPITAL - January 1, 2018				260,972	260,972	-	259,037	259,037	-
ENDING WORKING CAPITAL - September 30, 2018				143,405	227,524	84,119	259,037	262,367	3,330
NET CHANGE IN WORKING CAPITAL (see Note)				(117,567)	(33,448)	84,119	-	3,330	3,330
Total Change in Working Capital	82,723	484,759		(180,742)	194,891	375,633	(14,591)	176,549	191,140

(\*) Depreciation

19,500

14,114

481,000

330,255

51,000

25,009

-

-

Working Capital = Current Assets  
minus Current Liabilities

OPERATING & CAPITAL FUNDS	INTERNAL SERVICE FUNDS											
Cash Basis through September 2018	WORKER'S COMPENSATION			FACILITIES			INNOVATION & TECHNOLOGY			EQUIPMENT RENTAL		
	YTD			YTD			YTD			YTD		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
OPERATING FUND:												
OPERATING REVENUES												
Charges For Service	1,008,100	772,711	(235,389)	3,463,200	2,705,594	(757,606)	6,212,031	4,653,882	(1,558,149)	2,260,325	1,700,851	(559,474)
Grants			-	49,000	-	(49,000)			-			-
Interest Earnings	2,600	23,678	21,078	8,800	27,898	19,098	5,500	26,432	20,932	-	43,256	43,256
Rents, Leases, Concessions, & Other	93,000	17,300	(75,700)	-	-	-	-	1,248	1,248	-	140,222	140,222
TOTAL OPERATING REVENUES	1,103,700	813,690	(290,010)	3,521,000	2,733,491	(787,509)	6,217,531	4,681,563	(1,535,968)	2,260,325	1,884,329	(375,996)
OPERATING EXPENSES												
Salaries & Wages	80,132	59,109	21,023	678,651	474,781	203,870	1,909,554	1,357,514	552,040	628,983	451,753	177,230
Benefits	367,336	146,563	220,773	383,710	260,690	123,020	887,603	608,405	279,198	331,116	232,094	99,022
Supplies	-	-	-	140,220	83,643	56,577	464,650	164,529	300,121	1,081,000	587,124	493,876
Other Service Charges	415,215	220,112	195,103	2,152,962	1,151,098	1,001,864	3,035,130	2,230,564	804,566	435,180	351,672	83,508
Intergovernmental Services (Less Transfers Out)	-	-	-	-	-	-	-	-	-	-	-	-
Waste Management Payments												
Sewer Metro Services												
Debt Service Interest	-	-	-	-	-	-	-	-	-	2,618	2,167	451
Interfund Operating Rentals & Supplies	-	-	-	143,811	107,856	35,955	190,795	143,100	47,695	220,212	165,279	54,933
TOTAL OPERATING EXPENSES	862,683	425,784	436,899	3,499,354	2,078,068	1,421,286	6,487,732	4,504,113	1,983,619	2,699,109	1,790,089	909,020
OPERATING REVENUES LESS EXPENSES BEFORE DEPRECIATION	241,017	387,905	146,888	21,646	655,423	633,777	(270,201)	177,450	447,651	(438,784)	94,240	533,024
NON-OPERATING REVENUES												
Operating Transfers-in				255,000	161,266	(93,734)	972,496	170,055	(802,441)	150,000	150,000	-
Intergovernmental Loan												
Other Non-Operating Revenues												
NON-OPERATING EXPENSES												
Transfer to Capital Subfund												
Other Operating Transfers-out				846,939	276,930	570,009	60,500	500	60,000	-	-	-
Debt Service Principal										-	-	-
Net Change in Restricted Net Assets				-	300	300	-	-	-	-	(160,242)	(160,242)
Interfund Loan Repayment												
BEGINNING WORKING CAPITAL - January 1, 2018	1,625,120	1,625,120	-	1,741,924	1,741,924	-	1,804,816	1,804,816	-	3,110,811	3,110,811	-
ENDING WORKING CAPITAL - September 30, 2018	1,866,137	2,013,025	146,888	1,171,631	2,281,383	1,109,752	2,446,611	2,151,821	(294,790)	2,822,027	3,515,293	693,266
NET CHANGE IN WORKING CAPITAL (see Note)	241,017	387,905	146,888	(570,293)	539,459	1,109,752	641,795	347,005	(294,790)	(288,784)	404,482	693,266
CAPITAL FUND:												
CAPITAL REVENUES												
Interest Revenue							-	21,324	21,324	-	47,636	47,636
Grants												
Other Non-Operating Revenue							-	-	-	-	-	-
Increase In Contributions - System Development							-	-	-	-	-	-
Interfund Revenues							-	-	-	1,703,631	1,277,721	(425,910)
Increase In Contributions - FAA							-	-	-	-	-	-
Proceeds of Debt Activity							-	-	-	-	-	-
Transfers In from Operating Sub-Fund							-	-	-	-	-	-
Transfer In from Other Funds							232,300	-	(232,300)	930,858	163,355	(767,503)
TOTAL CAPITAL REVENUES							232,300	21,324	(210,976)	2,634,489	1,488,712	(1,145,777)
CAPITAL EXPENSES												
Other Non-Operating Expense							-	-	-	-	-	-
Increase In Fixed Assets - Salaries							-	-	-	-	-	-
Increase In Fixed Assets - Benefits							-	-	-	-	-	-
Increase In Fixed Assets - Services							-	-	-	-	-	-
Increase In Fixed Assets - Site Improvements										-	-	-
Increase In Fixed Assets - Equipment							1,001,100	127,995	873,105	1,615,951	1,168,938	447,013
Increase In Fixed Assets - Construction							98,600	171,232	(72,632)	800,100	68,664	731,436
Operating Transfers Out							-	-	-	-	-	-
TOTAL CAPITAL EXPENSES							1,099,700	299,226	800,474	2,416,051	1,237,602	1,178,449
BEGINNING WORKING CAPITAL - January 1, 2018							1,837,285	1,837,285	-	3,453,808	3,453,808	-
ENDING WORKING CAPITAL - September 30, 2018							969,885	1,559,383	589,498	3,672,246	3,704,917	32,671
NET CHANGE IN WORKING CAPITAL (see Note)							(867,400)	(277,902)	589,498	218,438	251,109	32,671
Total Change in Working Capital	241,017	387,905	146,888	(570,293)	539,459	1,109,752	(225,605)	69,103	294,708	(70,346)	655,591	725,937

(\*) Depreciation

Working Capital = Current Assets  
minus Current Liabilities



## AGENDA BILL APPROVAL FORM

Agenda Subject:  
Matrix

Department:  
City Council

**Attachments:**

[Special Focus Areas Key](#)  
[Matrix](#)

Date:  
December 5, 2018

Budget Impact:  
Current Budget: \$0  
Proposed Revision: \$0  
Revised Budget: \$0

Administrative Recommendation:

Background Summary:

Reviewed by Council Committees:

Councilmember:

Meeting Date: December 10, 2018

Staff:

Item Number:

# SPECIAL FOCUS AREAS

HEALTH & HUMAN SERVICES	FINANCE & ECONOMIC DEVELOPMENT	PUBLIC WORKS & COMMUNITY DEVELOPMENT	MUNICIPAL SERVICES
HUMAN SERVICES FUNDING PUBLIC WELLNESS DOMESTIC VIOLENCE SERVICES HOMELESSNESS SERVICES AFFORDABLE HOUSING COMMUNITY SERVICES HUMAN RESOURCES MEDICAL COMMUNITY RELATIONS	CITY BUDGET & AMENDMENTS RISK MANAGEMENT EQUIPMENT RENTAL FACILITIES CITY REAL PROPERTY LEGAL DEVELOPMENT INCENTIVES BUSINESS DEVELOPMENT ECONOMIC DEVELOPMENT STRATEGIES	UTILITIES ZONING, CODES & PERMITS INNOVATION & TECHNOLOGY TRANSPORTATION STREETS ENGINEERING CAPITAL PROJECTS SUSTAINABILITY ENVIRONMENTAL PROTECTION CULTURAL ARTS & PUBLIC ARTS PLANNING	POLICE SCORE JAIL DISTRICT COURT PARKS & RECREATION ANIMAL CONTROL SOLID WASTE EMERGENCY PLANNING AIRPORT AIRPORT BUSINESSES SISTER CITIES MULTIMEDIA
Councilmember Trout-Manuel, Chair Councilmember Wales, Vice Chair	Councilmember Holman, Chair Councilmember Brown, Vice Chair	Councilmember DaCorsi, Chair Deputy Mayor Baggett, Vice Chair	Councilmember Brown, Chair Councilmember Pelozo, Vice Chair
2018 MEETING DATES January 22, 2018 March 26, 2018 May 29, 2018 July 23, 2018 September 24, 2018 November 26, 2018	2018 MEETING DATES February 12, 2018 April 9, 2018 June 11, 2018 August 13, 2018 October 8, 2018 December 10, 2018	2018 MEETING DATES February 26, 2018 April 23, 2018 June 25, 2018 August 27, 2018 October 22, 2018 December 24, 2018	2018 MEETING DATES January 8, 2018 March 12, 2018 May 14, 2018 July 9, 2018 September 10, 2018 November 13, 2018



## COUNCIL MATRIX

NO.	TOPIC	Chair	STAFF LEAD(S)	STUDY SESSION REVIEW DATE(S)	COUNCIL DISCUSSION SUMMARY	ACTION DATE
1	Capital Projects Update and Featured Capital Project Discussion	Chair DaCorsi Vice Chair Deputy Mayor Baggett	Director Gaub	1/14/2019		
2	Plastic Bag Ban	Chair DaCorsi Vice Chair Deputy Mayor Baggett	Director Tate	1/14/2019		
3	Tenant Protection Measures	Chair Trout-Manuel Vice Chair Wales	Director Hinman	2/11/2019		
4	Multifamily Housing Protections	Chair Trout-Manuel Vice Chair Wales	Director Hinman	2/11/2019		
5	Domestic Violence/Advocacy Report	Chair Trout-Manuel Vice Chair Wales	Director Hinman	TBD		
6	Identity Theft	Chair Holman Vice Chair Brown	City Attorney Gross	1/14/2019		