



CITY OF SNOHOMISH

P.O. BOX 1589 | SNOHOMISH, WASHINGTON 98291 | (360) 568-3115 | WWW.SNOHOMISHWA.GOV

NOTICE OF SPECIAL MEETING

SNOHOMISH CITY COUNCIL

**TUESDAY
June 2, 2020
5:00 p.m.**

WORKSHOP AGENDA ON NEXT PAGE

Remote On-Line/Phone Access ONLY Via "Zoom":

Pursuant to City of Snohomish's **Resolution 1408** adopting procedures for holding public meetings consistent with State law, and in accordance with the Governor's Proclamation 20-25, "Stay Home Stay Healthy" order to reduce the risk of exposure and the spread of contagious viruses through social interactions, the June 2, 2020 workshop and regular meeting of the City Council will be held utilizing remote access. The public is invited and encouraged to participate by calling in, and listening to the live meeting. Instructions for calling into the live meeting are provided below.

To access the ONLINE Zoom remote meeting, please use the following link (external/internal speakers required): <https://us02web.zoom.us/j/83960470391>

Meeting ID: 839 6047 0391

To PHONE-IN without a computer, or if your computer does not have an audio feature, dial:

+1 253 215 8782 or
+1 669 900 6833 or
+1 346 248 7799 or
+1 312 626 6799 or
+1 929 205 6099 or
+1 301 715 8592

YOU WILL BE PROMPTED TO ENTER THE MEETING ID# --

Meeting ID: 839 6047 0391

**THEN, YOU WILL BE PROMPTED TO ENTER A PARTICIPANT NUMBER --
ENTER THE # SYMBOL**



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NOTICE OF SPECIAL MEETING

SNOHOMISH CITY COUNCIL

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TUESDAY
June 2, 2020
5:00 p.m.

WORKSHOP AGENDA

- 5:00 1. **CALL TO ORDER**
2. **DISCUSSION ITEMS:**
- a. 2021-2022 Budget - Strategic Planning and Goal Setting (*P.3*)
 - b. Strategic Plan and Current Economic Approach (*following Regular Meeting*) (*P.7*)
- 5:55 3. **RECESS** Workshop and **CONVENE** into Regular Meeting
- 6:20 4. **RE-CONVENE** into Workshop
- 7:30 5. **ADJOURN**

NEXT MEETING: The next meeting is Tuesday, June 16, 2020, regular meeting at 6 p.m., at a location to be determined.

DISCUSSION ITEM 2a.

Date: June 2, 2020

To: City Council

From: Councilmembers Tom Merrill, Jason Sanders and Steve Dana

Subject: **2021-2022 Budget - Strategic Planning and Goal Setting**

Tonight's Agenda (Workshop No. 2):

The draft Council Goals from the May 19, 2020 Workshop are attached. In addition, proposed goal evaluation perspectives and categories were developed for further Council discussion at tonight's workshop.

ATTACHMENTS:

- A. Draft Council Goals from the May 19, 2020 Workshop
- B. Draft Goal Evaluation and Categories

ATTACHMENT A

DRAFT COUNCIL GOALS - Workshop (May 19, 2020)

- Boards and Commissions Review
- Annual Town Hall Meeting
- Neighborhood Meetings (Three Annual)
- Revisit and Review Strategic Plan - Including Short-Term Goals
- Schedule Additional Regular Meetings
- Continued Focus of Midtown Planning and Improvements
- Economic Diversity
- Business Support / Income Streams
- Business Revitalization - Sales Tax/Revenue Options
- Economic Wellness Plan
- Economic Development Committee Support of City's Economic-Related Goals
- Build Wastewater and Stormwater Utilities North - Eliminate Septic Tanks
- Carnegie Building Purpose and Plan
- Pandemic and Revenue Recovery Plan Review (Ordinances)
- Diversifying City Economy (Support Small Businesses/Work Sharing Spaces/Commercial Kitchens)
- Affordable Housing Initiatives - Remove Barriers (i.e., Pilchuck District)
- Bonneville Avenue - Location for Subsidized Housing
- Actively Pursue Annexing Property north of Snohomish to 32nd Street SE
- UGA Annex
- Hotel/Motel Development
- South Harvey Airfield Area Annex, including Mill (Bob Waltz/Kandace Harvey discussion)
- Increase Parking for Downtown First Street (Carnegie Site)
- Increase Parking West of Avenue D along First Street
- Increased Regional Partnerships and Engagement (Economic Recovery)
- Post COVID Housing Dynamics
- Alternate Meeting Formats During/After Pandemic (in lieu of face to face)
- Communal Spaces (Broadband capability)
- Regional Trail Connections

ATTACHMENT B

DRAFT COUNCIL GOALS FROM WORKSHOP (MAY 19, 2020) GOAL EVALUATION AND CATEGORIES

It is suggested the Council consider each goal from at least the following three perspectives:

1. **Effort:** Required expertise, availability, transparency, perspectives, etc.
 - a. Staff
 - b. Council
 - c. Commissions and Committees
 - d. Community
 - e. Consultants/Contractors
2. **Priority:**
 - a. Need
 - b. Urgency
 - c. Resource (\$, Effort, Involvement)
3. **Opportunity Cost** (if 'this' is done, then 'that' won't get done; if not done now, is future funding forfeited? If not done, are contracts breached? And so on)

The goals captured in the workshop appear to fall into 6 broad categories. Some fell into more than one category. Please review and add your thoughts. A few changes are noted in italics:

Categories:

Community Involvement

- Annual Town Hall Meeting
- Neighborhood Meetings (Three Annual)
- Alternate Meeting Formats During/After Pandemic (in lieu of face to face)
- Focus on Midtown Planning and Improvements
 - *Complete Midtown Planning District Task Force Activities.*
 - *Develop Zoning, Marketing Plan*
 - *Attract Development Continued*

Governance

- Review and Update Charters for Boards and Commissions
- Revisit and Review Strategic Plan - Including Short-Term Goals
 - *Update City of Snohomish Strategic Plan*
- Schedule Additional Regular Meetings
- Develop and Implement Economic Wellness Metrics (Economic Development Committee usage)
 - ~~Economic Development Committee Support of City's Economic-Related Goals~~
- Develop and Implement alternate Meeting Formats During/After Pandemic (in lieu of face to face)

DISCUSSION ITEM 2a.

Economics

- Focus on Midtown Planning and Improvements
 - *Complete Midtown Planning District Task Force Activities.*
 - *Develop Zoning, Marketing Plan*
- Pandemic and Revenue Recovery Plan Review (Ordinances)
 - Research and Incentivize Economic Diversity
 - Business Support / Income Streams
 - Business Revitalization – Sales Tax/Revenue Options
 - Diversify City Economy (Support Small Businesses/Work Sharing Spaces/Commercial Kitchens)
- Develop and Implement Economic Wellness Metrics (Economic Development Committee usage)
 - ~~Economic Development Committee Support of City's Economic-Related Goals~~
- Attract a Hotel/Motel

Infrastructure

- Build Wastewater and Stormwater Utilities North - Eliminate Septic Tanks
- Plan and Implement Carnegie Building Plan for Usage and Sustainability
- Increase Downtown Parking Options
 - Increase Parking for Downtown First Street (Carnegie Site)
 - Increase Parking West of Avenue D along First Street
- Communal Spaces (Broadband capability)
 - *Implement City Wide High Speed Internet for Business*
- Focus on Midtown Planning and Improvements
 - *Complete Midtown Planning District Task Force Activities.*
 - *Develop Zoning, Marketing Plan*
- Regional Trail Connection

Housing

- Focus on Midtown Planning and Improvements
 - *Complete Midtown Planning District Task Force Activities.*
 - *Develop Zoning, Marketing Plan*
- Remove barriers to Affordable Housing Initiatives (i.e., Pilchuck District)
- Assess Bonneville Avenue as location for Subsidized Housing
- Address Post COVID Housing Dynamics

Geographic Growth

- Actively Pursue Annexing Property north of Snohomish to 32nd Street SE
- UGA Annex
- Determine feasibility/desirability for the South Harvey Airfield Area Annex, including Mill (Bob Waltz/Kandace Harvey discussion)
- Focus on Midtown Planning and Improvements
 - *Complete Midtown Planning District Task Force Activities.*
 - *Develop Zoning, Marketing Plan*

DISCUSSION ITEM 2b.

Date: June 2, 2020
To: City Council
From: Steve Schuller, City Administrator & Utility General Manager
**Subject: Workshop Continued - 2021-2022 Budget
Strategic Plan and Current Economic Approach**

Strategic Plan: Updating the City's Strategic Plan was mentioned by several Councilmembers at the May 19 Workshop. It is important, therefore, to define what is meant by a Strategic Plan, and what level of effort is expected by the City Council to create one. In 2006, the City spent approximately \$87,000 for a Strategic Plan, and about \$50,000 in 2013 for an updated Plan. The most recent Strategic Plan, dated June 4, 2013, can be viewed here:
<https://www.snohomishwa.gov/DocumentCenter/View/285/Snohomish-Strategic-Plan-2013-2018>

The 2013 Plan starts with a "Community Vision" statement, moves to eight (8) Strategic Initiatives, and culminates in twenty-five (25) Strategic Goals. The latter is a list of actions interspersed with a number of desired results. While it identifies many important projects and ambitions, the City's current Strategic Plan would be better titled as a "Wish List." Unfortunately, all of it is entirely fruitless in terms of strategy.

As Councilmember Tom Merrill has stated previously, a Strategic Plan should be "controversial." Perseverance and anxiety are a critical part of creating a strategy. A Strategic Plan is about making hard choices, identifying what is a high priority and also what is not, what programs will receive funding and those that will not, and placing bets on an unknown future. The last step is to clearly communicate these hard choices--including the "why" behind the decisions--to the Snohomish community.

At tonight's Workshop, we will spend about ten (10) minutes touching base on what type of Strategic Plan the Council wants to pursue, expected timeframe to begin and complete, and initial expectations on budget. The Midtown Planning Area, about 225 acres in size, is the Council's first area of priority for 2020, and a key part of the City's economic strategy. We can expect more discussion at the Budget Workshop and into 2020.

Current Economic Approach: At tonight's meeting, we will review step by step the current economic approach to the projected revenue reductions from the COVID-19 crisis. This is to better ensure that City Hall is in close coordination with the priorities of the City Council, and to make sure all of us can communicate together the City's current economic approach to the Snohomish community. Presentation slides are attached. These are based on the email that was sent to Council on April 30, 2020, titled "City's Economic Strategy - Recommended Approach."

Budget Workshop (June 23, 2020): Lastly, we will ask the City Council to provide feedback to staff on what information and discussion items the Council would prefer to have at the Budget Workshop. The City will not have hard data on the COVID-19 revenue reductions and business shutdowns until approximately late August 2020. This assumes that Phase 4 of the State's business reopening plan is completed by mid-July. Actual sales tax receipts for the month of June will not be available until late August. Of course, after July, the Puget Sound area will begin to experience how quickly (or how slowly) business and tax revenues "return to normal."

ATTACHMENT: Current Economic Approach - Presentation (23 Slides)



Current Economic Approach

City Council Workshop
June 2, 2020

Snohomish *Washington*

Sales Tax

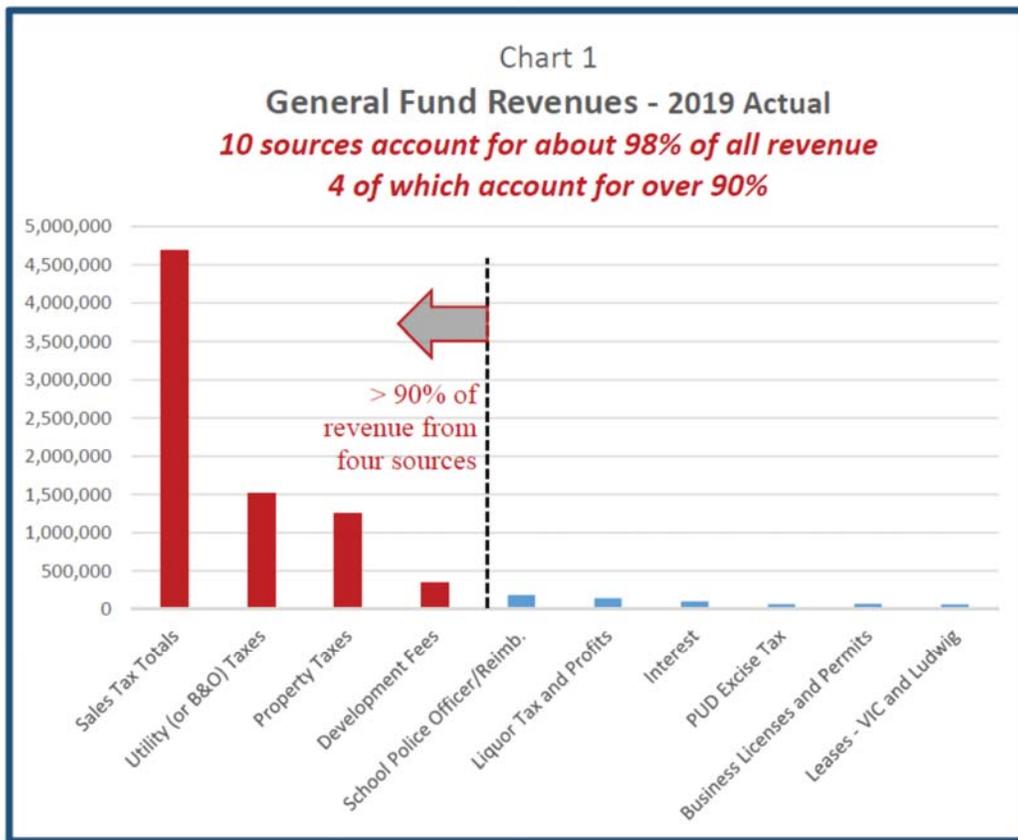
- Sales Tax is Largest Source of General Fund Revenue
- 54.6% in 2019
- Greater than all other Revenue Sources Combined

City of Snohomish

Serving and Receiving from the larger Snohomish Community



3

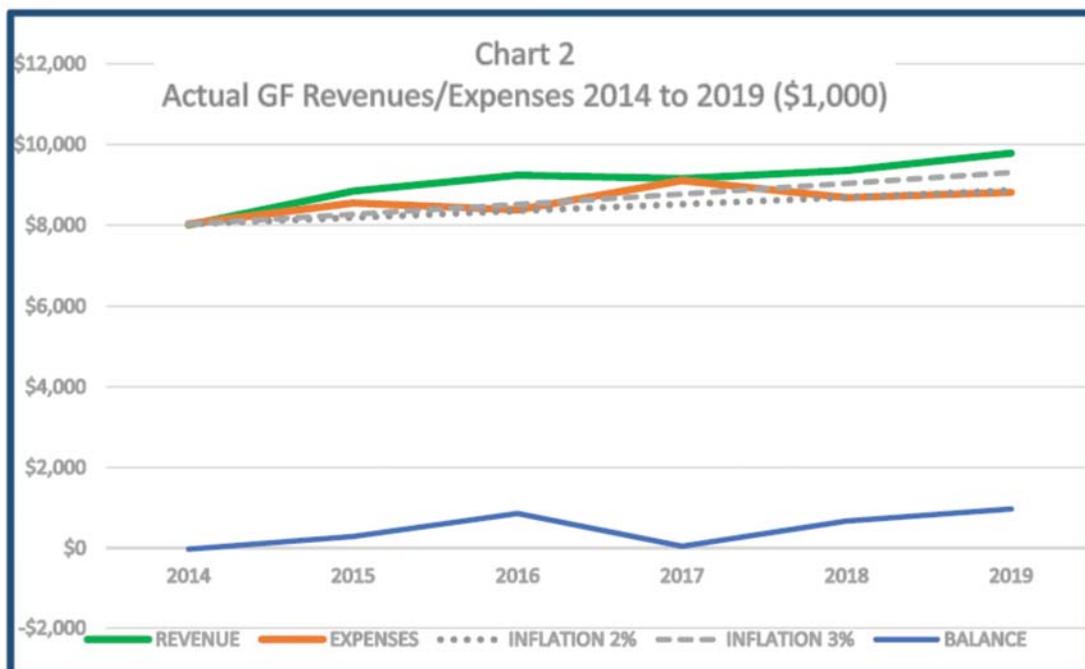


4

The City has kept total Expenses Flat and Increased Revenues

- From 2014-2019, positive economy
- General fund expenses – 2% annual growth rate.
- Largest G.F. expense, Law Enforcement - 3% annual rate.

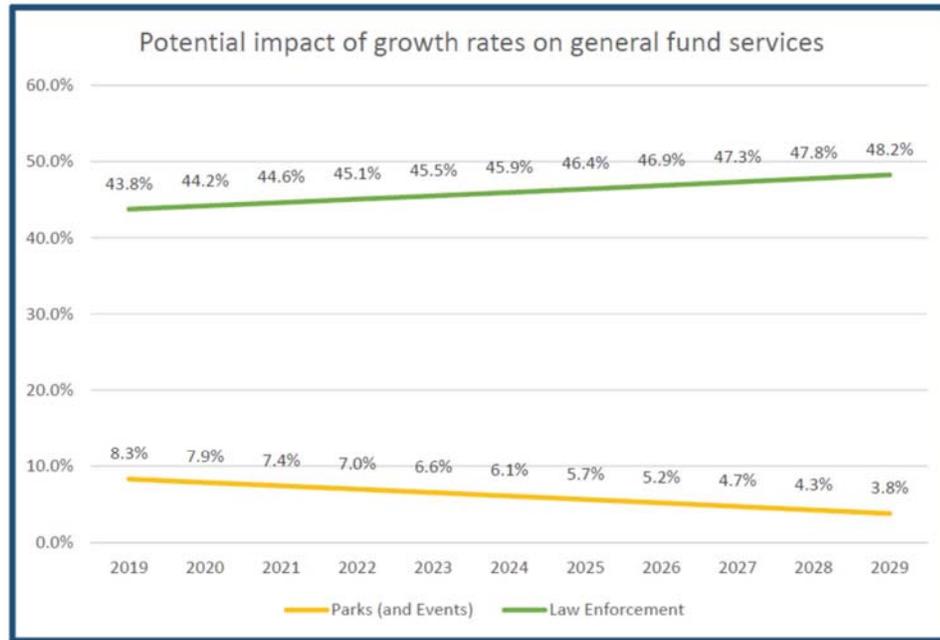
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6

DISCUSSION ITEM 2b.

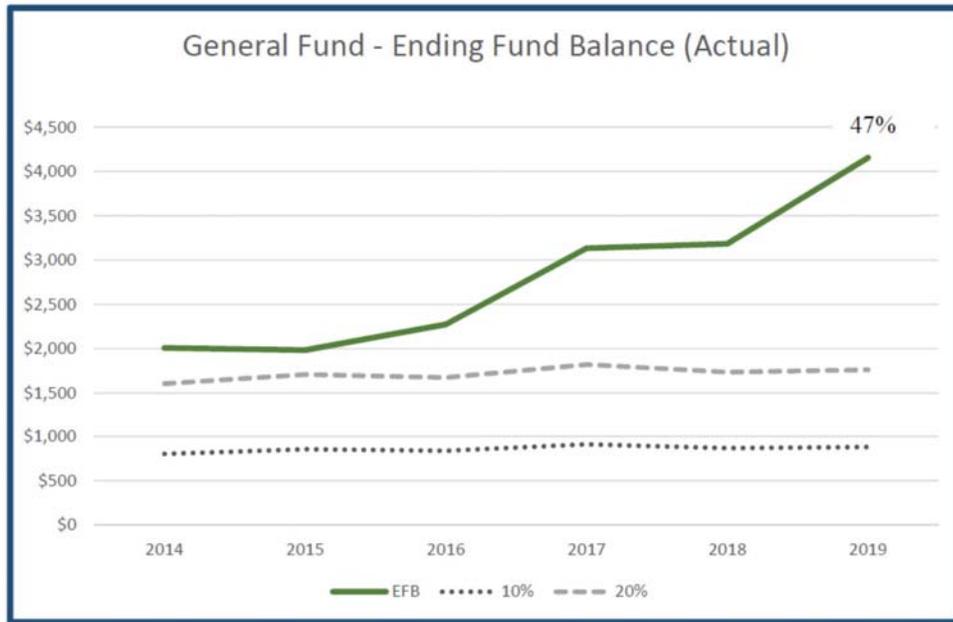
At Current Growth Rates, Law Enforcement will Continue to Consume Larger Portion



Fund Balance

- Increased Revenues ➡ Kept Expenses flat;
- Fund balance \$4.15 million (Dec. 31, 2019);
47% of annual expenses; and
- Increasing to \$4.33 million (March 31, 2020)

THE CITY HAS A VERY HEALTHY GF ENDING FUND BALANCE FOR ECONOMIC DOWNTURNS



9

Proposed Approach



10

Phased Strategy for 2020 and early 2021

- No New Staffing or New Operating Costs;
- Very Limited New General Fund or REET Capital Projects for 2020 and early 2021;
- When will Region be on Other Side of Financial Impacts (When in 2021?)

11

On-Hold

- Staffing: There is currently one open City position funded in the 2019/2020 budget;
- Streets, Parks and Facilities Temporary Staffing – Typically Dozen Staff in Late Spring and Summer
- Community “Spring Clean-Up in Snohomish” – Post COVID-19 Event?
- Park Maintenance – Put about \$65,000 On-Hold

12

Sheriff Positions – No Changes

- 12 Patrol (3 Officers over 4 shifts)
 - 2 Detectives
 - School Resource Officer (SRO) - 75% School District
 - Community Outreach Officer (COO)
 - Administrative Sergeant
 - Police Chief
 - 2 Clerks/Reception
-
- Community Outreach Officer unfilled since Sept.2019.
 - Re-fill position upon the Deputy's return

13

New Capital Projects

- 1) **Electric Vehicle Charging Stations** on First Street near Avenue E (Allocate about \$40,000);
- 2) **Veteran's Memorial** at Carnegie Site (Allocate up to \$40,000). Work with local groups for private funding; and
- 3) **Crosswalk Improvements** at Park Avenue and 22nd Street near *Cascade View Elementary* per Council's 2019/2020 priorities.

14

On-Hold

Proposed **Police Station Remodel Phase 2**

About \$120,000, proposed for REET funding.

Roof Repairs, Door Replacement, Landscape and Minor Maintenance planned for 2020

15

Capital Projects with Dedicated Funding

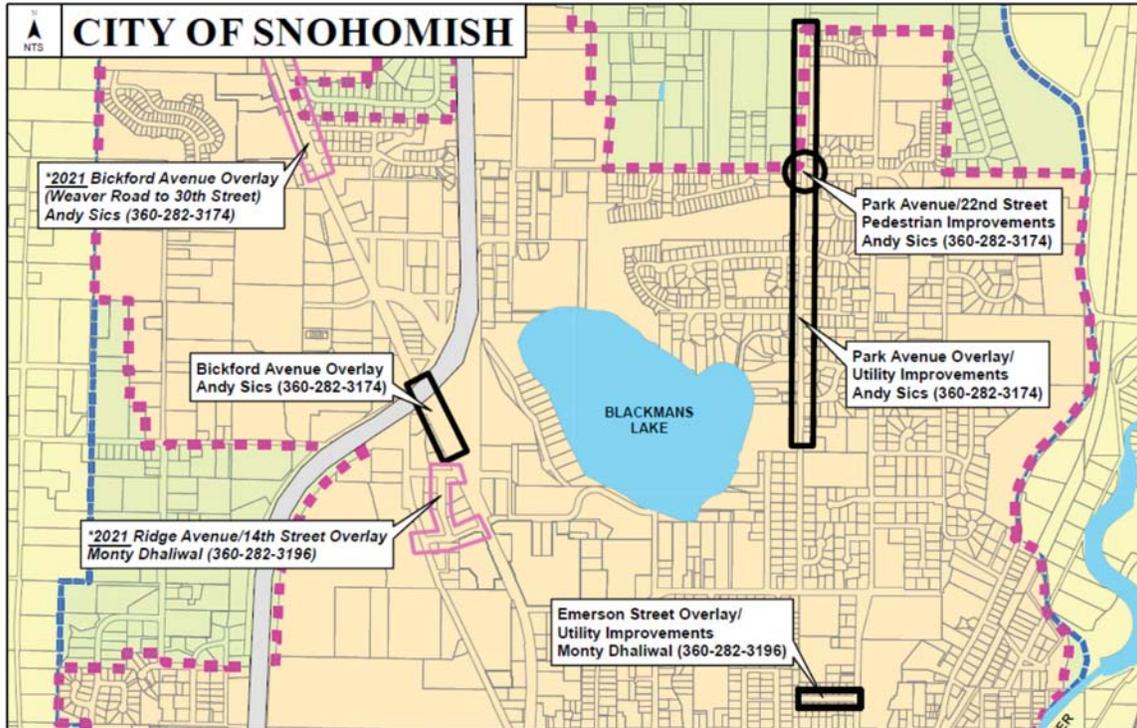
- Utility (Wastewater, Water and Stormwater)
- Transportation Benefit District (TBD)
- Traffic Impact Fees (TIF)
- Federal and State Grants



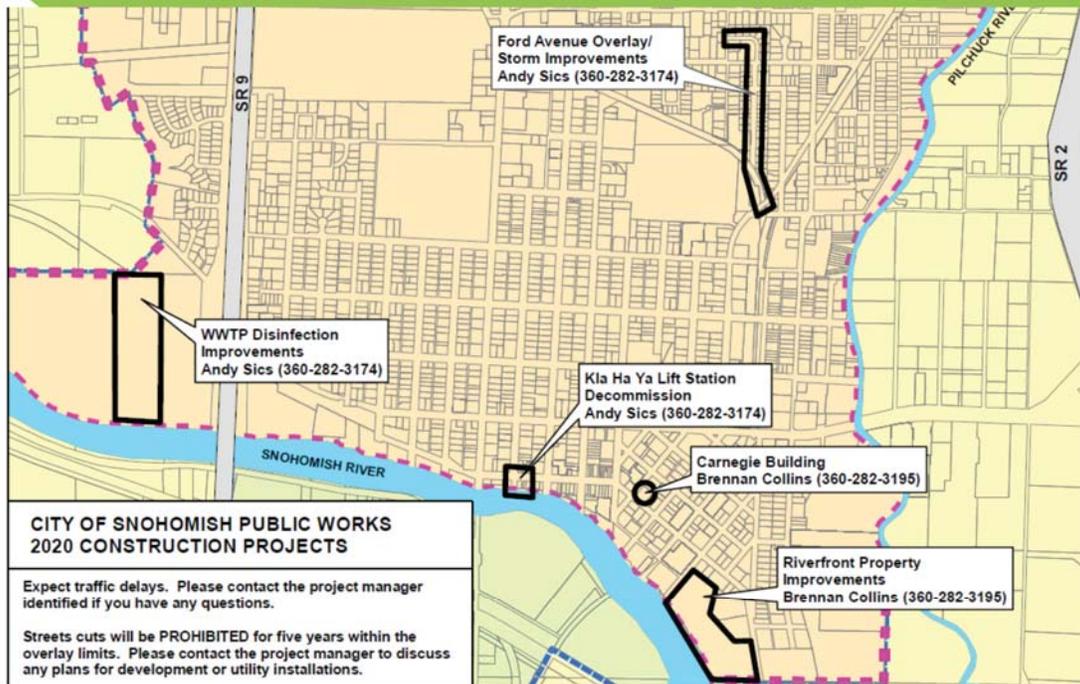
FULL
STEAM
AHEAD

16

DISCUSSION ITEM 2b.



17



18

Utility Design

- Request for Proposals (RFP) from Engineering Consultants, Interviews
- \$19 Million – Largest in the City’s History
- North Sewer Trunkline
- WWTP Filtration Upgrades
- Second Street
 - Storm Trunkline,
 - Sewer Force Main
- Rainier Lift Station

19

Park Impact Fees (PIF) – Move Ahead

- 1) Averill Field Park Master Plan and Construction
- 2) Connector Bridge at Cady and Pilchuck Julia Landing Parks
- 3) Homestead Park Master Plan and Phase 1?

20

Non-Department – No Change

- Flower Baskets (Historic Downtown) \$ 7,500
- Snohomish Health District \$19,250
- Food Bank Utilities \$ 3,068
- Senior Center (\$17,000) \$11,000
- Senior Center Utilities \$ 5,000
- Aquatic Center - Water/Sewer \$57,227
- Boys & Girls Club Utilities \$ 6,000

21

Alliance for Housing Affordability (AHA)

- 2019/2020 Budgeted \$20,000 for the Trust Fund
- \$0 requested from AHA Trust Fund in 2019
- Up to \$20,000 in 2020?
- \$0 for 2021/2022?

- Sales Tax – Previous projection was \$35,000
(For Affordable Housing, not necessarily to AHA)

22

Budget Workshop

- Tuesday, June 23, 2020?
- Council Feedback on Agenda

