THE SUMMIT’S CONTEXT

This summit continues the Covington City Council’s tradition of meeting on the last Saturday of January to chart a vision for the community’s long-term future and define the City’s role in bringing that vision to life. For the past four years, during the deepest recession in the United States since the Great Depression of the 1930s, the Council has chosen to articulate an ambitious vision. As Council members have asserted, this period of economic slowdown offers an opportunity to “take a deep breath,” reflect on what the City has achieved since it came into existence, and prepare for the day when conditions improve and the private, non-profit, and public sectors are “off and running again.”

Although the US economy shows signs of improving, governmental budgets are still weakened from the recession, resulting in reductions in programs, services, and the number of public employees. The Washington State Legislature is seriously considering closing another large budget deficit by redirecting or curtailing revenues that have traditionally funded local government operations. Such actions will exacerbate the difficulties that local governments face in maintaining their existing programs and services. Thus, many are preparing for further reductions.

In this challenging fiscal environment, Covington City Council members, the City Manager, and the Management Team see the need to be even more precise about what role the City will play in the life of the community. The Council is appointing a Budget Priorities Advisory Committee (BPAC) to voice its priorities for and expectations of City government. What public programs and services do residents favor? Has the City done everything it can to stimulate economic growth in the community? Are there additional revenues that voters would support the City raising to be able to maintain or expand programs and services? These are the questions the BPAC is expected to address when its report is submitted to the Council at the end of 2012.

In preparing for this summit, Council members expressed an interest in letting the citizen Committee fulfill its mission to reach agreement on recommendations for the Council. Yet they also see the need to use this meeting to begin discussing various scenarios that could play out over the next two to five years and how the City would respond in each case. What is the Council’s long-term vision for the community? Are current goals, programs, and services the right ones to achieve it? If the fiscal picture does not improve, what should be the City’s priorities? What tough choices and tradeoffs would the Council have to make? And what would be the guiding principles or criteria by which to make these difficult decisions?

These questions provide the central context of this year’s summit, and are where the Council will focus most of its time.
CITY OF COVINGTON CITY COUNCIL
Annual Strategic Planning Summit

Saturday, 28 January 2012  8:30 a.m. – 3:30 p.m.
Covington Christian Fellowship Church  26201 180th Ave. SE, Covington

FINAL AGENDA

THE GOALS OF THE SUMMIT:

1. Identify the accomplishments of 2011 that will have the most significant long-term benefits for Covington.

2. Anticipate possible scenarios that could confront the community, City, and Council in the 3-5 years, and discuss the choices and tradeoffs the Council could face in each case.

3. Agree on guiding principles or criteria the Council could use in the event of a “worst case scenario” that requires additional cutbacks.

4. Identify possible actions the City might take to continue to help stimulate economic growth in Town Center and the “northern gateway.”

NOTE: Refreshments will be served beginning at 8:15 so come early to enjoy them and be prepared to begin the meeting precisely at 8:30.

I.  8:30  Welcome! Review Today’s Purpose  Mayor Harto

II. 8:35  Review Agenda and Ground Rules  Jim Reid, Facilitator

III. 8:40  Identify Most Significant Accomplishments  Mayor/Council

• What were 1-3 accomplishments of the community, City, or Council during 2011 that you believe will have the greatest long-term benefits for Covington? Why? And why were they possible?

• What is one thing the community, City, or Council has not achieved that you believe it must? Why?
IV. 9:15 Review and Revise or Confirm Vision and Goals

- Is the vision statement still guiding the City and Council in the right direction? Why or why not? If not, what process should we use to revise it?

- Are our current Council goals still valid as the tools for achieving our vision? Why or why not? If not, what process should we use to revise them?

9:45 break

V. 10:00 Anticipating Potential Future Scenarios

- Given recent experiences and trends, the State’s current budget deficit and what may be done to close it, and other factors in our “environment,” what do we anticipate about the future? Will we be better off in 3-5 years, or about the same, or in a worse situation?

- If we are better off, what should the City be doing to advance our vision and goals? What might those priorities cost?

- If conditions are about the same, what would we want the City to be doing to serve the community (with basically the same level of resources available to use today)?

- If we are in a worse situation, what should be the City’s priorities? Given those priorities, what might the City consider reducing or eliminating?

- And if conditions were to have deteriorated, what guiding principles or criteria should the Council use to examine the tough choices and tradeoffs and to make difficult decisions?

12:00 Lunch

- Lunch will be provided.
VI. 12:45 The City's Role in Stimulating Growth

- Council members appear to share an interest in not sitting idly by as the recession lingers. Instead, the Council appears interested in helping stimulate growth and development to improve the quality of life for all Covington citizens.

  Council members voiced interest in two areas of town that might be key to a more secure economy and stable finances—downtown (Town Center) and the "Northern Gateway."

- Achieving the City's vision and goals for Town Center appears to be stalled by the recession. Is there any more that the City can do with its existing resources to help advance our vision and goals for Town Center? What actions might we take? Or what might we do to prompt others to act? If we were to focus more resources on Town Center, what would we not do?

- What might the City do to stimulate economic growth in the area we envision as our "Northern Gateway?" Are there lessons from the City's efforts in Town Center that we can apply to the north? Are there specific actions we should take in the near-term or do we prompt others to act?

2:00 break

VII. 2:15 Revise Council Rules

- Derek has been maintaining notes on rules that Council members have said during this past year may need to be revised. We will review this list and discuss which, if any, rules should be revised and how or to what intended outcome.

VIII. 2:45 Next Steps

- What should be the next steps to implement any decisions we have made today?
IX. 3:10 Other Issues on the Horizon

- Are there other issues of interest to us that should be considered possible topics for future Council discussions?

- Example: One issue mentioned was CDBG funding to support work of the Timberlane Home Owners' Association.

X. 3:25 Wrap-up: Final Thoughts

- What are we taking away from today's meeting?

3:30 adjourn
Session I
Welcome! Review Today’s Purpose

(No handouts)
Session II

Review Agenda and Ground Rules

(No handouts)
Session III

Identify Most Significant Accomplishments
January 29, 2011 Annual Strategic Planning Summit Final Summary
Approved: March 8, 2011

CITY OF COVINGTON CITY COUNCIL
ANNUAL STRATEGIC PLANNING SUMMIT
Saturday, 29 January 2011, 8:30 a.m. — 3:30 p.m., Tacoma Nature Center

FINAL SUMMARY
OF THE MEETING’S KEY DISCUSSIONS, DECISIONS, AND AGREEMENTS

Attending: Mayor Margaret Harto, Mayor Tom Jeff Wagner, Council members Mark Lanza, David Lucavish, Jim Scott, and Wayne Snoey; City Manager Derek Matheson; Management Team members Glenn Ackerman, Noreen Beaupre, Rob Hendrickson, Kevin Klassen, David Nemens, Sharon Scott, Karla Slate, and Scott Thomas; Planning Manager Richard Hart; facilitator Jim Reid.

Absent: Council member Marilla Mhoon was ill on the day of the retreat and could not attend.

THE MAJOR AGREEMENT OF THE SUMMIT AND FOLLOW-UP TASKS

The major agreement of the 2011 Summit was the City Council’s consensus decision to establish a public engagement process to: 1) consider the programs and projects needed to achieve the Council’s vision; 2) identify the resources needed to implement those programs and projects; and 3) recommend options for funding them.

As a result of today’s meeting, staff has three assignments:

1. After March 31st, present to the Council options for strengthening economic development opportunities in the city. Among the options mentioned today, which may be part of the staff’s analysis and report, were hire a full- or part-time economic development manager, hire a consultant to perform the duties and functions of an economic development position, or hire the Buxton Company or another similar firm to conduct a market analysis of retail opportunities within the city and to assist in identifying local and national retailers who would meet the criteria that results from the analysis.

2. Investigate and assess the shuttle bus services in Kent and Ellensburg, and, perhaps, elsewhere, to enable the Council to determine if such services should be provided in Covington’s Town Center as a means of stimulating economic growth. (No timeline was provided for staff to bring forward the findings of this research and analysis.)

3. Present to Council a proposal for forming the public engagement process that would advise it of options to fund the programs and projects needed to achieve the Council’s vision.

THE CITY’S MAJOR ACHIEVEMENTS OF 2010 AND THE PAST FIVE YEARS

We began the annual strategic planning summit by highlighting the accomplishments of 2010 of which we as Council and management team members are most proud. These are individual’s perspectives; there wasn’t any attempt or reason to reach consensus on them.
The ordinance addressing panhandling in the city and the process used to adopt it. “It was a message to the citizens that the Council listens to and responds to their concerns and needs.”

The Council’s and management team’s leadership on regional issues, including at the Suburban Cities’ Association (SCA), in dealings with the “triangle cities” (Covington, Maple Valley, and Black Diamond), and at the State level.

The City is building a positive working relationship with the business community.

The Parks, Recreation, and Open Space Plan, including the public involvement in developing and reviewing it.

Covington’s embrace of technology.

Town Center Plan, including zoning regulations, illustrates the city is positioning itself for the future.

Multi-Care Hospital, which the Council’s presence at the hearing helped to secure.

Highway 516 Corridor Study.

The work of the police force and the City’s relationship with the King County Sheriff’s Office.

Greater efficiencies, such as the move away from accepting cash and taking credit cards as the means of payment.

The increasing sophistication of our messaging. Examples: the new design of our website, which is both attractive and more user-friendly; our entry into the world of Facebook; and messages the City communicated to citizens through The Reporter.

Discussions we initiated with the Covington Water District, Soos Creek Water and Sewer District, Renton Technical College, and Green River Community College.

The Council has its “act” together. We are respectful of and civil to each other. Although we are certainly independent and “of our own minds,” we are not fractured and are united in terms of acting in the best interest of our community. This makes it a better environment for staff, too.

The creation of the Regional Fire Authority (RFA), which is now serving as a model for others.

Decisions to waive the banner fee and change roofing regulations were other illustrations of the Council listening to citizens.

Staff rallied to make improvements to parks despite the challenging economic and budgetary climates. And we received few complaints from citizens because of higher fees at the Aquatic Center because our customers understand what it requires of the City to offer the Center’s services.

Staff is doing more with less, but it is not easy. We lost many colleagues and friends to budget cuts in 2009, but we handled it well in 2010 by providing excellent customer service. Derek’s leadership was a key factor in how staff responded and in stabilizing the situation.

Departments work very effectively and easily with each other. No “functional silos” in evidence.

Staff supports the Council’s vision and is motivated to go well beyond our job descriptions to get the work done.

We have had no audit or budget findings. The Surface Water Management (SWM) audit went well.

The city is looking neat, clean, and better all the time.

More citizens are involved.

“We love our city and we like each other.”

Because this summit is taking a long look into the future, we also looked back to the past five years to answer the questions: “What has most excited us during the last five years?” and “What has frustrated us?” These are the responses:

The change in leadership in City Hall. The Council is much more collegial and providing higher quality leadership. Derek’s leadership and that of the management team are also making a difference. And the staff is maturing and growing professionally.

These improvements within City Hall are improving the City’s external relationships, one example of which is our leading role in coordinating the “triangle” cities.

We are making our vision “come around” (become reality). Examples: the “roundabout” at 256th, as well as other traffic projects that have come to fruition; and the downtown plan.

An outgrowth of these exciting developments of the past five years: The return of trust and respect by the community for City government. People are noticing that we are working hard, that the City looks better, and that our vision is coming to life.
We have weathered the economic storm. Because of the efforts of the past five years, Covington seems much more a “place.” Sidewalks have been built, roadways have been improved, and landscaping has been added. Together these things have started to make the City more pedestrian-friendly. And graffiti is being eliminated so that the City’s beauty is being maintained and enhanced.

We have faced these frustrations during the last five years:

- The downturn in the economy since Fall 2008 has thwarted some of our ambitions, including building a community center, creating a “community” park, and addressing some difficult transportation and traffic problems, such as the intersection of 240th at 180th.
- Police department is understaffed.
- We don’t have enough activities to engage youth.
- empty storefronts and QFC’s move
- The lack of family wage employment opportunities in the city.
- length of time to complete the downtown plan
- working as effectively as we would like with the Covington Water District
- Too few citizens attend Council meetings.
- A place as lively as Kent Station has not been developed in our town.
- The challenges faced by the Chamber of Commerce have prevented the Chamber and City from having as constructive a relationship as we would like.
- Perceptions of developers that Covington is a difficult place to do business persist despite our efforts. The City’s reputation may be affected by the work and culture of others, such as the Water District.

A SWOT ANALYSIS OF POLICY, RELATIONSHIPS, AND RESOURCES

To provide context and lay the foundation for our long-term look into the future, we conducted an analysis of the City’s strengths, weaknesses, opportunities, and threats in three areas: policy development; external relationships or the external environment; and operations, resources, and internal management. Here is what we found.

Policy Development: Strengths

- staff is excellent, continuously looks ahead, and discerns the Council’s policy preferences and needs
- the City is leading the way on a number of regional policy issues, which has strengthened our reputation
- Council members’ ability to work together has improved decision-making
- Council’s engagement with Commissions has placed us all on “the same track”

Policy Development: Weaknesses

- The primary weakness in the City’s policy development is that we are understaffed, and so it may take more time than any of us would like to advance policy initiatives.

External Environment: Strengths

- trust of citizens, which is partly a reflection of public education about City achievements, programs, and services
- relations with Maple Valley and Black Diamond, including the ability of our three cities to share and utilize information and resources, and to work together on such issues as public works and parks
- relationships with our delegation to the State Legislature and the effectiveness of our lobbyist in Olympia
- The Council’s and staff’s regional involvement has enhanced the City’s reputation
relationship with King County

External Environment: Weaknesses

- some differences with the Covington Water District
- relationship with King County: some challenges in trying to determine who is responsible for providing some services
- it is a difficult environment in which to obtain grant funding
- challenging to develop relationships with some national retailers and developers because they need to take orders from national headquarters far from here, and so they aren't as responsive to local interests and needs as we would like or need them to be
- funding for human services cannot meet the current need

Operations and Resources: Strengths

- Derek’s and the staff’s leadership
- efficiency of staff (“We have a staff that is ‘lean and mean’”)
- “resetting” of government has made us better poised for the improvement in the economy
- police contract with King County
- many policies and processes have been streamlined and improved in the last few years

Operations and Resources: Weaknesses

- understaffed and under great pressure to perform
- lack of funding for many worthy programs and projects
- still have a number of old systems needing improvement, so we are not as efficient as we could be

Policy, Relations, and Resources: Opportunities

- Multi-Care Hospital will bring daytime activity, “family” or “living” wage jobs, and other “high end” health care-related jobs to the community. This may also enable Covington to position itself as a center for research and teaching related to health care. We should look to establish partnerships with WSU, Eastern Washington, and Green River Community College to enhance local educational opportunities and education-related jobs.
- Growth in jobs in these sectors (which are “green jobs”) could also make our community more of a transportation “hub,” attract a hotel or motel to the Town Center, and fuel the growth of existing businesses. And that may strengthen the Chamber of Commerce, allowing the City and Chamber to forge the closer alliance we desire.
- We might also share staff with the Chamber.
- The quality of our Commissions continues to improve. We are grooming them to be the next leaders of the City.
- Because we’re building from the ground level, rather than rebuilding, we have a wider range of options and opportunities available to us.
- Up-to-date technology could help achieve our vision.

Policy, Relations, and Resources: Threats

- The economic recovery is proceeding at a snail’s pace and showing miniscule gains. This will create a threat to our ability to achieve the opportunities cited above.
- Lack of citizen support for a stable revenue stream would stymie our bold and ambitious agenda.
- Expenditures are continuing to grow faster than revenues. That creates a threat to being able to preserve what we have today.
• Changes in leadership at the Council or among the management team could set us back in achieving our vision. But over the long-term, change in both teams will prevent City government from stagnating.

OUR LONG-TERM VISION FOR COVINGTON’S FUTURE

After assessing the recent past and the present, and anticipating opportunities and threats on the horizon, we brainstormed what we want the city to be and to look like in ten years. This discussion both complemented and expanded on our current vision, mission, and goals.

• “Destination Covington” is a reality. The city is attracting people from near and far to offerings such as a performing arts center, a downtown plaza, a history museum focusing on steam engines, public art, holiday festivals, and unique shopping opportunities. One feature that attracts tourists is a train taking people from Covington to eastern Washington’s wine country.

• Covington has a thriving downtown with jobs related to healthcare, education, research and technology (“living wage jobs”) in the midst of it. Because downtown has more daytime activity, a higher density of development, and higher income jobs, transit services—buses, shuttles, trolleys, trains—are more prevalent. This growth and development has led to the redevelopment and refurbishment of older sections of downtown.

• We have a trail system that connects neighborhoods throughout the city, including downtown. This system, combined with an improved transit system, means that the people of Covington drive less often, which is leading to less road congestion and a cleaner environment. The trail system also connects Covington to its neighbors to the southeast, Maple Valley and Black Diamond, therefore allowing people to recreate without the need for a car.

• In addition to being a destination and a “green city,” Covington is known as a place that sustains healthy living.

• Jenkins Creek Park is Covington’s “Central Park.”

• Timberlane has been transformed into an area for smaller homes available to first-time buyers and “empty nesters.”

• Covington has a thriving community center.

• Police “walk the beat” through neighborhoods.

• There is a grocery store behind The Home Depot.

• The western gateway into the city has been developed, and in the area are soccer fields and a mix of commercial and multi-family housing.

• In the southwest portion of the city the sewer issues have been solved.

• The boundaries of the city are “squared off.”

• A roundabout has been constructed by Tahoma High School.

• The Covington School District exists.
January 29, 2011 Annual Strategic Planning Summit Final Summary  
Approved: March 8, 2011

- City government has created strong working relationships with the Chamber of Commerce, businesses, civic leaders. We are all working together for the betterment of Covington; the business community takes an even greater share of responsibility for the community’s vitality and growth. Public-private partnerships flourish, which also enables the community to be as strong and prosperous as possible.

- The City is also known as the “leader of southeast King County” because of its partnerships with other jurisdictions, organizations, and agencies throughout the area. One example: Covington is influencing decisions and policy-making at the Puget Sound Regional Council (PSRC). And this all means we do not need to rely so heavily on King County for certain services.

- Our police department is better staffed, thus providing the level of safety and security to Covington residents that we have long imagined and striven for.

- Utility service is provided efficiently and economically to all citizens and businesses.

- There is a steady, reliable revenue stream to fund needed programs and services that continue to raise the standard of living in our community.

As the discussion concluded, we noted that our vision is dependent on partnerships—partnerships between government and the citizens it serves, between the public, private, and non-profit sectors, and between a host of local (including special purpose districts), regional, state, and federal agencies. A second theme to emerge from this discussion is the importance of more stable funding sources for the programs and services that our citizens need and demand. We need to begin now to educate our residents about what the City of Covington has achieved since it incorporated, what it hopes to achieve in the next ten years and beyond, why it is so important that citizens become involved in civic affairs and engage with the City, why a steady, reliable source of funding is necessary to not slide backward and lose the gains we have made, and what options are available for funding our vision, goals, programs, and projects.

**IMPLEMENTING OUR VISION FOR DOWNTOWN**

The first discussion of the afternoon was a conversation about what it will take to implement our vision for downtown. Having articulated a vision for Town Center three years ago, and put into place the policy goals and zoning for downtown in the past two years, we are now ready to identify the specific action steps needed to achieve our vision and goals.

We focused on three areas for action: establishing partnerships, building the necessary infrastructure, and marketing Town Center to local and national audiences.

**Partnerships needed to implement the downtown visions:**

These are the significant partnerships the City needs to forge to implement the Council’s vision for downtown:

- Multi-Care Hospital and related medical, secondary educational, and research businesses or organizations
- commercial and residential developers
- current businesses in the area
- restaurants and arts and entertainment organizations and venues that will enhance the “night life” of Town Center and attract young and middle-aged professionals with disposable income
- aging “baby boomers” who may be looking for smaller homes after their children have grown
- tourists and travel-related businesses
- the Kent School District: We should coordinate with the District in marketing its property in Town Center. Furthermore, we should negotiate with the District: 1) the right of first refusal when the
January 29, 2011 Annual Strategic Planning Summit Final Summary
Approved: March 8, 2011

District sells the property; 2) the use of schools for community events; and 3) joint funding of the Buxton study.
- Puget Sound Regional Council regarding transportation projects and economic development opportunities
- Metro Transit regarding expanding transit options in Town Center
- the federal government for grants
- churches, for possibly sharing the costs of a shuttle

Infrastructure needs of Town Center:
- a wider variety of transportation modes, including trails, trains, trolleys, transit, shuttle buses, and sidewalks
- parks and open spaces
- conduits and fiber optics to increase technology “connectivity”
- additional parking spaces
- solutions to congestion on the Kent-Kangley Road: This is a State of Washington Department of Transportation problem that Covington and Maple Valley can help address. It is not our problem that WSDOT should assist us in addressing.

Marketing downtown:
- to baby boomers we could market the increasing health care services
- to younger adults we could market improving “night life”
- to “empty nesters” and senior citizens we could market smaller housing options within walking distance of key services and amenities
- to local and national retailers we could market opportunities to be part of a dynamic, bustling Town Center
- to all citizens throughout the city and region we need to market our ability to solve traffic congestion and other transportation-related problems
- to young people (ages 12-17) we should market a wider variety of entertainment and employment opportunities, and transit services upon which they can depend
- to the Chamber of Commerce we should market new growth opportunities, the attraction of new businesses, and new tourist attractions
- to people with an interest in art and history we should market public art, museums, and a performance center
- to restaurateurs we should market an increase in both daytime activity and “night life” to convince them to open establishments in Town Center that will cater to urban professionals
- to sports enthusiasts we could market Pacific Raceway and tournaments, such as soccer and “fast pitch”

IMPLEMENTING OUR VISION FOR PARKS, RECREATION, AND OPEN SPACE

Following the completion of the PROS (Parks, Recreation, and Open Space) Plan, the City needs to begin to implement it. A key theme of this conversation was the need to engage citizens in examining potential alternatives for funding the plan’s goals and strategies and for operations and maintenance.

One thing we will need to do is demonstrate to citizens (and voters) that what we have already done may not be sufficient to implement the plan. For example, our use of citizen volunteers helped reopen Jenkins Park. But can we always rely on volunteers to operate and maintain our parks? We have also been savvy and strategic about pursuing grants, but grant money is dwindling and such funding won’t be adequate to address the need. We can use partnerships with neighboring cities even more than we do currently, but at some point we must recognize that they have their own interests, needs, and limited capacity, and may not
be as willing to help serve our citizens. We might also create partnerships with private and non-profit organizations to provide services and maintain facilities, but from experience we know that these alliances cannot recoup all the costs of providing service.

We also mentioned the idea of creating a Metropolitan Parks District (MPD) as a means to get citizens to tax themselves for parks, recreation, and open space. We asked these questions during the conversation: What would the MPD pay for? What services, programs, and facilities would it include? What authority might the City of Covington give up by establishing an MPD? Would that contradict our vision?

We came to two conclusions as a result of this discussion: 1) We need citizens to champion parks, recreation, and open space, and to advocate for a stable, reliable, and continuous source of funding; and 2) the discussion of various alternatives for implementing the PROS Plan, including establishment of an MPD, needs to be folded into a larger discussion with citizens about how we sufficiently fund City services and programs across the board. The first step in engaging the public may need to be education of citizens about what we have already accomplished and what options we have or are currently pursuing.

**IMPLEMENTING OUR VISION FOR PUBLIC SAFETY**

Next we turned our attention to how we implement our vision of public safety in this challenging economic and budgetary environment. A major theme that emerged from this discussion was educating the public about the challenges of maintaining a level of service that citizens have come to expect when resources are declining and options may be fewer.

Washington State ranks 47th of fifty states in the ratio of police officers per 1000 citizens. Today there are .76 officers per 1000 people in Covington, or thirteen police officers for the 18,500 residents of the city. To be able to reach a ratio of 1/1000, the City of Covington would need to add three police officers to its workforce.

We are certain the public is not aware of Washington State’s national ranking and the ratio of officers to citizens in Covington. We also believe that the business community could be one of our strongest allies in advocating to increase police protection. The businesses in Town Center and across the community share an interest in preventing shoplifting, burglaries, assaults, graffiti, and gang activity because these crimes business prosperity. With the population of Covington expected to grow during the next ten years, operating at the current level of police service will likely mean that we won’t be able to prevent an increase in such crimes.

As the discussion illuminated, two of the Council’s interests in implementing its vision are: 1) Be more proactive than reactive in ensuring public safety. 2) Ensure that the level of police services contributes to enhancing economic development opportunities in Covington. One way to achieve these two interests is to improve the level of patrol response in neighborhoods, including downtown. Another strategy could be partnering with neighboring cities to make our investments go even further. An example: Work with Maple Valley and Black Diamond to provide programs for teens.

We also noted that a ramification of increased police services could be a higher number of criminals apprehended and prosecuted, which would affect the workloads and funding needs of prosecutors, public defenders, the Courts, and the jails.

**IMPLEMENTING OUR VISION FOR CAPITAL PROJECTS**

We briefly discussed the capital projects that will help implement our vision for the future. Three that seem most vital to the future of Town Center are the community center, performing arts center, and downtown plaza. These projects currently appear to be very expensive, and we acknowledged that they may not seem essential to the citizens. With state and federal funds that might help pay for these and other capital
January 29, 2011 Annual Strategic Planning Summit Final Summary
Approved: March 8, 2011

projects possibly declining, we may need to look more to private enterprises that want to work with the City to ensure our vision is achieved.

ENGAGING THE PUBLIC IN SECURING OUR FUTURE

As a result of this discussion, the Council reached agreement to establish a public engagement process to: 1) consider the programs and projects needed to achieve the Council’s vision; 2) identify the resources needed to implement those programs and projects; and 3) recommend options for funding them.

In reaching this agreement, we identified the following principles or interests:

1. We must be proactive in shaping our future, not just reactive.
2. Citizens must become the champions of the vision of the city’s future. We need to cultivate the public’s desire for the programs and services that fulfill or bring to life the vision.
3. Demonstrate that maintaining the status quo will result in us stepping backward.
4. Investments must be geared toward enhancing or strengthening the long-term quality of life in Covington.
5. Investments must also help stimulate additional resources.
6. Before we can expect citizens to provide more funding for City programs and services, we must be as creative and efficient as we can be in the use of existing resources (make existing resources go as far as they can go).
7. City government must be open and transparent about how it uses taxpayers’ money.
8. To make our vision reality, we must build partnerships between government and citizens, between the public, private, and non-profit sectors, and between governments or public agencies.

The public engagement process should address issues of public safety, parks, recreation, and open space, infrastructure, Town Center and neighborhoods, and the entire range of services, programs, and projects we envision will help us make Covington the community we want it to be in the future, and how they might be funded in a sustainable manner.

Staff will take this direction, develop a proposed approach, and present it to the Council in the not-too-distant-future.

ISSUES ON THE HORIZON FOR FUTURE DISCUSSION

We concluded the retreat by briefly listing issues we anticipate will face the Council in the future, and which could be topics for future Council discussion or summits. There wasn’t any effort to try to reach consensus on these topics; they were ideas offered by individual Council members.

- future annexation areas, including the “notch” and gravel pit
- affordable housing
- updating our brand
- City Hall—where it will be in the future
- engaging and building a working relationship with the Muckelshoot Tribe
- future delivery of utility services
Session IV

Review and Revise or Confirm Vision and Goals
CITY OF COVINGTON

Vision, Mission and Goals

VISION
Covington: Unmatched quality of life

MISSION
Covington is a place where community, business and civic leaders work together with citizens to preserve and foster a strong sense of community.

GOALS

Economic Development: Encourage and support a business community that is committed to Covington for the long-term and offers diverse products and services, family wage jobs, and a healthy tax base to support public services.

Downtown: Establish Downtown Covington as a vibrant residential, commercial, social, and cultural gathering place that is safe, pedestrian-friendly, well-designed, and well-maintained.

Youth and Families: Provide city services, programs and facilities such as parks and recreation and human services that emphasize and meet the needs of Covington's youth and families.

Neighborhoods: Establish and maintain neighborhoods that offer a variety of housing options that are diverse, safe, accessible, and well-designed.

Municipal Services: Plan, develop, implement, and maintain high quality capital infrastructure and services that reflect the needs of a growing community.

Customer Service: Recruit, support, and retain a professional team of employees, volunteers, and stakeholders who offer outstanding customer service, ensure stewardship of the public's money, and promote the City.
Session V

Anticipating Potential Future Scenarios
CITY OF COVINGTON
GENERAL FUND LONG RANGE FORECAST
2011-2017 Analysis in 000s

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<td>Meets 10%</td>
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Notes:
1) This worksheet makes no assumptions as to new programs and decision cards past 2012 other than ongoing costs.

Footnotes:
1) Sales tax is allocated at 84% of forecasted revenues to the General Fund and 16% to the Parks Fund.
2) This represents gross receipts for utility tax collections. Transfers are made to other funds.
3) Operating transfers go to Streets, Parks, SWM, and Long Term Debt.
CITY OF COVINGTON  
STREET FUND LONG RANGE FORECAST  
2011-2017 Analysis in 000s  
BASE BUDGET

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**Operating Surplus/Deficit by Year**
(5) (92) (106) (123) (142) (164) (197)

| ENDING FUND BALANCE | 587  | 244  | 139  | 16   | (127)| (290)| (478)|

**REET Payback**

| TOTAL ENDING FUND BALANCE | 336  | 244  | 139  | 16   | (127)| (290)| (478)|
| 10% fund balance target | $ 86 | $ 83 | $ 87 | $ 97 | $ 103| $ 109|
| Fund balance policy | Meets 10% | Meets 10% | Meets 10% | Under 10% | Under 10% | Under 10% | Under 10% |
| Margin above/below the 10% threshold | $ 250 | $ 162 | $ 51 | $ (77) | $ (224) | $ (360) | $ (586) |

Notes:
1) This worksheet makes no assumptions as to new programs and decision cards past 2012 other than ongoing costs.

Footnotes:
1) Funds borrowed from REET to maintain the Street Fund's positive cash flow are being repaid in 2011.
CITY OF COVINGTON
DEVELOPMENT SERVICES FUND LONG RANGE FORECAST
2011-2017 Analysis in 000s
BASE BUDGET

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<td>Meets 10%</td>
<td>Meets 10%</td>
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<td>Meets 10%</td>
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</tbody>
</table>

Notes:
1) This worksheet makes no assumptions as to new programs and decision cards past 2012 other than ongoing costs.

Footnotes:
1) Reflects all revenues related to Development Review.

Due to the nature of Development Services being a working capital fund where projects cross years and the source of revenue is based solidly on economic cycles, accurate forecasting becomes speculative beyond 2012.

![Graph showing Development Review Services Operations]

R:\hendrickson\Public\Forecast\2012 Forecast\2011 - 2017 Forecast 1A.xlsxDSF

1/17/2012
### CITY OF COVINGTON
#### PARKS & RECREATION SERVICES FUND LONG RANGE FORECAST
2011-2017 Analysis in 000s
BASE BUDGET

<table>
<thead>
<tr>
<th></th>
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<tbody>
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<td><strong>BEGINNING FUND BALANCE</strong></td>
<td>233</td>
<td>270</td>
<td>232</td>
<td>167</td>
<td>66</td>
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<td><strong>REVENUES</strong></td>
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<td>Aquatics Fees</td>
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<td>997</td>
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<td>1,082</td>
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<td>Operating Transfers In</td>
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<td>212</td>
<td>218</td>
<td>224</td>
<td>231</td>
<td>239</td>
<td>245</td>
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<td><strong>TOTAL REVENUES</strong></td>
<td>1,204</td>
<td>1,209</td>
<td>1,243</td>
<td>1,277</td>
<td>1,313</td>
<td>1,350</td>
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</table>

<table>
<thead>
<tr>
<th></th>
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<tbody>
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<td><strong>EXPENDITURES</strong></td>
<td></td>
<td></td>
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<td>599</td>
<td>623</td>
<td>648</td>
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<td>115</td>
<td>116</td>
<td>120</td>
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<td>Other Services and Charges</td>
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<td>-</td>
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<td>Operating Transfer</td>
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<td>27</td>
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<td>27</td>
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<td>27</td>
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<tr>
<td>Interfund Payment for Services</td>
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<td>122</td>
<td>128</td>
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<td>141</td>
<td>148</td>
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<tr>
<td><strong>BASE BUDGET SUBTOTAL</strong></td>
<td>1,167</td>
<td>1,246</td>
<td>1,308</td>
<td>1,378</td>
<td>1,452</td>
<td>1,534</td>
<td>1,622</td>
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<td>Decision Cards</td>
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<td>0</td>
<td>0</td>
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<tr>
<td>Budget Strategies</td>
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<td>-</td>
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<td>-</td>
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<tr>
<td><strong>TOTAL EXPENDITURES</strong></td>
<td>1,167</td>
<td>1,246</td>
<td>1,308</td>
<td>1,378</td>
<td>1,453</td>
<td>1,534</td>
<td>1,622</td>
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</table>

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Surplus/Deficit by Year</strong></td>
<td>37</td>
<td>(38)</td>
<td>(66)</td>
<td>(100)</td>
<td>(129)</td>
<td>(184)</td>
<td>(234)</td>
</tr>
<tr>
<td><strong>ENDING FUND BALANCE</strong></td>
<td>270</td>
<td>232</td>
<td>167</td>
<td>66</td>
<td>(73)</td>
<td>(257)</td>
<td>(490)</td>
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<tr>
<td>10% fund balance target</td>
<td>$117</td>
<td>$125</td>
<td>$131</td>
<td>$138</td>
<td>$145</td>
<td>$153</td>
<td>$162</td>
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<td>Fund balance policy</td>
<td>Meets 10%</td>
<td>Meets 10%</td>
<td>Meets 10%</td>
<td>Under 10%</td>
<td>Under 10%</td>
<td>Under 10%</td>
<td>Under 10%</td>
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<td>Margin above/below the 10% threshold</td>
<td>$153</td>
<td>$108</td>
<td>$36</td>
<td>(71)</td>
<td>$218</td>
<td>(410)</td>
<td>(652)</td>
</tr>
</tbody>
</table>

**Notes:**
1) This worksheet makes no assumptions as to new programs and decision cards past 2012 other than ongoing costs.

**Footnotes:**
1) Sales tax is allocated at 84% of forecasted revenues to the General Fund and 16% to the Parks Fund.

---

**Parks & Recreation Operations**

[Graph showing Parks & Recreation Operations with bars indicating transfers in, miscellaneous, aquatics fees, sales tax, and expenditures with decision cards, and ending fund balance over years 2011 to 2017.]
CITY OF COVINGTON
SURFACE WATER MANAGEMENT FUND LONG RANGE FORECAST
2011-2017 Analysis in 000s
BASE BUDGET

<table>
<thead>
<tr>
<th>Year</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
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<td>$1,605</td>
<td>$1,712</td>
<td>$1,782</td>
<td>$1,759</td>
<td>$1,634</td>
<td>$1,401</td>
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<td>Customer Charges</td>
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<td>150</td>
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<td>-</td>
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<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td>1,722</td>
<td>1,849</td>
<td>1,855</td>
<td>1,861</td>
<td>1,867</td>
<td>1,873</td>
<td>1,880</td>
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<tr>
<td><strong>Transfers In</strong></td>
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<td>-</td>
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<tr>
<td><strong>TOTAL SOURCES</strong></td>
<td>1,722</td>
<td>1,849</td>
<td>1,855</td>
<td>1,861</td>
<td>1,867</td>
<td>1,873</td>
<td>1,880</td>
</tr>
<tr>
<td><strong>EXPENDITURES</strong></td>
<td></td>
<td></td>
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<tr>
<td>Salaries and Wages</td>
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<td>560</td>
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<td>655</td>
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<tr>
<td>Personnel Benefits</td>
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<td>227</td>
<td>259</td>
<td>295</td>
<td>337</td>
<td>384</td>
</tr>
<tr>
<td>Supplies</td>
<td>24</td>
<td>44</td>
<td>46</td>
<td>48</td>
<td>51</td>
<td>53</td>
<td>66</td>
</tr>
<tr>
<td>Other Services and Charges</td>
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<td>339</td>
<td>356</td>
<td>374</td>
<td>392</td>
<td>412</td>
<td>433</td>
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<tr>
<td>Intergovernmental</td>
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<td>87</td>
<td>92</td>
<td>96</td>
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<td>4</td>
<td>4</td>
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<td>31</td>
<td>31</td>
<td>31</td>
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<td>Debt Service: Interest</td>
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<td>433</td>
<td>455</td>
<td>477</td>
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<td>1,635</td>
<td>1,728</td>
<td>1,828</td>
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<td>3</td>
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<td>Budget Strategies</td>
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<td>-</td>
<td>-</td>
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<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL EXPENDITURES</strong></td>
<td>1,414</td>
<td>1,635</td>
<td>1,731</td>
<td>1,830</td>
<td>1,938</td>
<td>2,053</td>
<td>2,178</td>
</tr>
<tr>
<td><strong>Operating Surplus/Deficit by Year</strong></td>
<td>308</td>
<td>214</td>
<td>124</td>
<td>30</td>
<td>(71)</td>
<td>(180)</td>
<td>(293)</td>
</tr>
<tr>
<td><strong>TOTAL ENDING FUND BALANCE</strong></td>
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<td>1,819</td>
<td>1,835</td>
<td>1,812</td>
<td>1,688</td>
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<td>Equipment Replacement Cost</td>
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<td>-</td>
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<tr>
<td>Operating Transfers Out</td>
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<td>107</td>
<td>54</td>
<td>54</td>
<td>54</td>
<td>54</td>
<td>54</td>
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<tr>
<td><strong>OPERATIONAL ENDING FUND BALANCE</strong></td>
<td>$1,605</td>
<td>$1,712</td>
<td>$1,782</td>
<td>$1,759</td>
<td>$1,634</td>
<td>$1,401</td>
<td>$1,049</td>
</tr>
<tr>
<td>10% fund balance target</td>
<td>$90</td>
<td>$121</td>
<td>$128</td>
<td>$136</td>
<td>$145</td>
<td>$154</td>
<td>$164</td>
</tr>
<tr>
<td>Meets 10%</td>
<td>Meets 10%</td>
<td>Meets 10%</td>
<td>Meets 10%</td>
<td>Meets 10%</td>
<td>Meets 10%</td>
<td>Meets 10%</td>
<td>Meets 10%</td>
</tr>
<tr>
<td>Margin above the 10% threshold</td>
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<td>$1,623</td>
<td>$1,490</td>
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Notes:
1) This worksheet makes no assumptions as to new programs and decision cards past 2012 other than ongoing costs.

Footnotes:
1) This reflects 3% increases after 2010.
City of Covington
Revenue Options

<table>
<thead>
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<th>Description</th>
<th>Current</th>
<th>Projected</th>
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<tbody>
<tr>
<td>Extend 6.0% utility tax to water and sewer via interlocal agreements</td>
<td>Variable</td>
<td></td>
</tr>
<tr>
<td>Extend a percentage (up to 6.0%) of utility tax to the City's storm water utility</td>
<td>up to $102,000</td>
<td></td>
</tr>
<tr>
<td>Interfund service payment from Development Services</td>
<td>Variable</td>
<td></td>
</tr>
<tr>
<td>Levy lid lift</td>
<td>Variable</td>
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</tr>
<tr>
<td>B&amp;O tax</td>
<td>Unknown</td>
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<tr>
<td>Business licenses/renewals - current fee is $60</td>
<td>$ 47,000</td>
<td>Variable</td>
</tr>
<tr>
<td>Transportation Benefit District (TBD) - up to $20 Vehicle License Fee (no voter approval needed)</td>
<td>-</td>
<td>180,000 - 280,000/yr</td>
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<tr>
<td>Transportation Benefit District (TBD) - up to 0.2% sales tax option (voter approved)</td>
<td>-</td>
<td>up to $670,000/yr</td>
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<tr>
<td>Metropolitan Parks District (MPD)</td>
<td>Variable</td>
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</tr>
<tr>
<td>Lodging tax</td>
<td>N/A</td>
<td>N/A</td>
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<tr>
<td>Gambling tax CMC 3.20 - 5% of gross revenues</td>
<td>Unknown</td>
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</tr>
<tr>
<td>Leasehold excise tax - the City does not currently collect leasehold excise tax</td>
<td>-</td>
<td>Unknown</td>
</tr>
<tr>
<td>Admission tax CMC 3.50 - 2.5% of admission charge</td>
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<td></td>
</tr>
<tr>
<td>Capital reserve</td>
<td>$ 73,432</td>
<td></td>
</tr>
<tr>
<td>This is <strong>one-time money</strong> in the CIP:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$34,093 for Street CIP</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$23,603 for Economic Development</td>
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<tr>
<td>$15,736 for the Maintenance Facility</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SWM rate increases²</td>
<td>$ 1,704,052</td>
<td>Variable</td>
</tr>
<tr>
<td>REET - available in CIP (<strong>one-time</strong>)</td>
<td>$ 40,764</td>
<td></td>
</tr>
</tbody>
</table>

This list represents revenue sources that are currently available either through councilmanic authority or voter approval.

**Notes:**
1) The additional revenue from the Park fee increase did not materialize as forecast.
2) The forfeiture revenue was used to offset payroll taxes in 2011.
3) Revenues previously available:
   a) Banked property tax The council opted to take the bank beginning in 2011.
   b) 0.5% of utility tax The council increased this tax in Nov 2011.

**Footnotes:**
1 Up to $100 annual fee with voter approval
2 No increases forecast through 2017
Transportation Benefit District Legislation in Effect

Through the cooperative efforts of the Association of Washington Cities (AWC) and the Washington State Associations of Counties (WSAC), significant legislation went into effect in 2007, which resulted in the most important local transportation tool for cities and counties in sixteen years – Transportation Benefit Districts (TBDs). Newly enacted 2010 legislation enhanced the TBD’s authority.

TBDs are independent taxing districts that can impose an array of taxes or fees either through a vote of the people or through district board action. TBDs are flexible— they allow cities and counties to work independently or cooperatively on addressing both local and regional transportation challenges.

Frequently Asked Questions

Background
In 1987, the Legislature created TBDs as an option for local governments to fund transportation improvements. In 2005, the Legislature amended the TBD statute to expand its uses and revenue authority. In 2007, the Legislature amended the TBD statute to authorize the imposition of vehicle fees and transportation impact fees without a public vote. In 2010, the Legislature amended the TBD statute again to clarify project eligibility, the use of impact fees, and sales tax expenditures, and make TBD governance more flexible.

What is a Transportation Benefit District (TBD)?
ATBD is a quasi-municipal corporation and independent taxing district created for the sole purpose of acquiring, constructing, improving, providing, and funding transportation improvements within the district.

Who may create a TBD?
The legislative authority of a county or city may create a TBD by ordinance following the procedures set forth in Chapter 36.73 RCW. The county or city proposing to create a TBD may include other counties, cities, port districts, or transit districts through interlocal agreements.

Who governs the TBD?
The members of the legislative authority (county or city) proposing to establish a TBD serves as the governing body of the TBD. The legislative authority is acting ex officio and independently as the TBD governing body. If a TBD includes additional jurisdictions through interlocal agreements, then the governing body must have at least five members, including at least one elected official from each of the participating jurisdictions, or may be the governing body of a metropolitan planning organization if the TBD boundaries are identical to the boundaries of the metropolitan planning organization serving the district.

What are the boundaries of a TBD?
The boundaries of a TBD may be less than the boundaries of those jurisdictions participating in the TBD. For example, a county or city may choose to have the TBD boundaries identical with the county or city, or it may choose just to include a portion of the county or city. However, if a TBD chooses to exercise the tax authority that does not require a public vote (e.g. vehicle and impact fees), the boundaries of the TBD must be countywide, citywide, or unincorporated countywide.

Why create a TBD if the county or city legislative authority is the governing board?
A TBD is an independent legal creature. Although a TBD has many of the powers of a county and city (impose taxes, eminent domain powers, can contract and accept gifts, etc.), it is a separate taxing district. Additionally, by being a separate legal and taxing entity, TBDs have more flexibility. For example, more than one type of jurisdiction can be part of a TBD and the boundaries can be less than countywide or citywide.

continued
Can a TBD be created without imposing fees or proposing voter approved revenue options?

Yes. A county or city takes legislative action through the ordinance process to create a TBD. The ordinance must include a finding that the creation of a TBD is in the public’s interest, describe the boundaries of the TBD, and specify the activities or functions to be implemented or funded by the district. The county or city ordinance creating the TBD may also specify and authorize what fees or revenues that the TBD may pursue. The TBD, acting in its own official capacity, has the authority to identify proposed fees or revenue options.

Are TBD revenues required to be spent as they are collected?

No. The governing body which creates a TBD must develop a plan that specifies the transportation improvements to be provided or funded by the TBD. As part of this plan, the TBD’s governing board can indicate if the funds will be used immediately, or if they will be collected for a specified period, prior to spending the accumulated funds. Typically, funds that are collected for a specified period before being expended are used to fully fund large projects, when bonding, or serve as a match for state or federal funds that may only become available in a specified time frame.

Does a TBD have to meet certain tests?

There are three threshold tests for transportation improvements in a TBD: 1) the type of transportation improvement contained within the boundaries of the TBD, 2) whether the improvements are identified in any existing state, regional, county, city or eligible TDB jurisdiction’s (port or transit) transportation plan and that the improvements are 3) necessitated by existing or reasonably foreseeable congestion levels. The definition of “congestion” does not have a set standard in law; each TBD has the discretion to tailor and make its own determination of congestion levels when implementing its TBD ordinance.

What transportation improvements can be funded by a TBD?

The definition of transportation improvements is broad. This can include maintenance and improvements to city streets, county roads, state highways, investments in high capacity transportation, public transportation, transportation demand management and other transportation projects identified in a regional transportation planning organization plan or state plan.

In developing criteria for a transportation improvement, it can include one or more of the following: reduced risk of transportation facility failure and improved safety; improved travel time; improved air quality; increases in daily and peak period trip capacity; improved modal connectivity; improved freight mobility; cost-effectiveness of the investment; optimal performance of the system through time; and other criteria, as adopted by the governing body.

Note: In 2010, cities within King County are specifically authorized to provide or contract for supplemental public transportation improvements to meet the mobility needs of the city, and may contract for such improvements with private and nonprofit entities and may also form public-private partnerships.

If a jurisdiction uses the SEPA process to collect impact fees, would this preclude a TBD from using impact fees?

No. However, the law requires the jurisdiction to provide a credit to commercial or industrial developments that are subject to SEPA, or transportation impact fees authorized under GMA. This is commonly called a “no double-dipping” provision.

continued
What revenue options do TBD’s have?

TBD’s have several revenue options subject to voter approval:

• Property taxes – a 1-year excess levy or an excess levy for capital purposes;
• Up to 0.2% sales and use tax;
• Up to $100 annual vehicle fee per vehicle registered in the district; and
• Vehicle tolls.

Please Note: There are exemptions or unique requirements when using the vehicle fee or vehicle tolls.

TBD’s have two revenue options that do not require voter approval, but are subject to additional conditions:

1. Annual vehicle fee up to $20. This fee is collected at the time of vehicle renewal and cannot be used to fund passenger-only ferry service improvements.

2. Transportation impact fees on commercial and industrial buildings. Residential buildings are excluded. In addition, a county or city must provide a credit for a commercial or industrial transportation impact if the respective county or city has already imposed a transportation impact fee.

Please Note: Foregoing a vote is an option only. A county or city still has the option of placing either the annual fee of up to $20 or the impact fees to the vote of the people as an advisory vote or an actual requirement of imposition.

What are the additional conditions required to impose revenue options not subject to voter approval?

To impose either fee, the TBD’s boundaries must be countywide or citywide, or if applicable, in the unincorporated county.

Vehicle Fees:

When the Legislature revised the TBD authority in 2007 to enable councilmanic vehicle fees, it was intended to ensure a county-wide or regional approach for first consideration of this new option. That is why counties had the exclusive authority of the $20 vehicle fee for the first six months after enactment of the 2007 legislation. Today, a county that creates a countywide TBD (incorporated and unincorporated areas) and proposes to impose up to a $20 non-voted vehicle fee should first attempt to impose a countywide fee to be shared with cities by interlocal agreement. Sixty percent (60%) of the cities representing seventy-five (75%) of the incorporated population must approve the interlocal agreement for it to be effective. The Legislative expectation is that if an interlocal agreement cannot be reached between a county and city or cities, the county is authorized to create a TBD and impose the fee only in the unincorporated area of the county.

Credits must be provided for previously imposed TBD vehicle fees. Credits are not required for voter approved vehicle fees.

Commercial and Industrial Transportation Impact Fees:

A TBD that is either countywide or citywide must provide a credit for a commercial or industrial transportation impact fee if the respective county or city has already imposed a transportation impact fee. This is commonly called a "no double-dipping" provision.

If we create a countywide TBD for the up to $20 vehicle fee, how is the revenue distributed to cities?

The revenue must be shared according to the interlocal agreement. The law does not prescribe what the interlocal agreement contains. Consequently, the revenue can be shared by population, number of vehicles within each jurisdiction, project list, a combination of these, or whatever the county and cities can reach agreement on.

What happens if a city imposes the up to $20 vehicle fee and then the county imposes a countywide fee without voter approval?

The law requires TBDs to provide a credit for vehicle fees previously imposed by a TBD.
For example, if a city was the first to create a TBD and impose a $20 vehicle fee and subsequently its county creates a countywide TBD imposing a $20 vehicle fee, the county TBD must provide a $20 credit against its fee for vehicles registered within the city. As a result, no fee would be collected by the county TBD from vehicles registered within the city. Additionally, the city would not be part of the interlocal agreement with the county or be included in the number/percentages needed for the interlocal agreement to be effective.

However, if in the same example, the city TBD imposed only $10 of the $20 vehicle fee and the county TBD imposed a countywide $20 vehicle fee, only a $10 credit would be provided for vehicles registered within the city. The county TBD would collect $10 from vehicles registered in the city. Consequently, the county TBD would need to include the city in the interlocal agreement discussions and the city is included in the number/percentages needed for the interlocal agreement to be effective.

What other requirements should I be aware of?
Revenue rates, once imposed, may not be increased, unless authorized by voter approval.

If project costs exceed original costs by more than 20 percent, a public hearing must be held to solicit public comment regarding how the cost change should be resolved. This is typically called a material change policy.

The TBD must issue an annual report to include the status of project costs, revenues, expenditures, and construction schedules.

The TBD must be dissolved upon completion of the project(s) and the payment of debt service.

Who has imposed a TBD?
The cities of Lake Forest Park, Edmonds, Des Moines, Olympia, Prosser, and Shoreline imposed the $20 vehicle fee. Ridgefield and Sequim passed the 2/10% sales tax. Point Roberts and Liberty Lake formed TBD’s prior to the legislative changes in 2005.

Checklist
For a checklist that highlights many of the important considerations when creating a Transportation Benefit District (TBD), please see www.awcnet.org/tbd.

Eligibility requirements vary. For additional questions on Transportation Districts, please contact AWC staff Ashley Probart at ashleyp@awcnet.org Sheri Sawyer at sheris@awcnet.org.
Session VI

The City’s Role in Stimulating Growth
Memo

To: City Council
From: Derek Matheson, City Manager
Date: January 12, 2013, for Council Summit on January 28, 2012
Re: Town Center Implementation Strategies and Status Report

• The City Council’s vision/mission/goals statement places downtown development and economic development among the city’s highest priorities. The city’s Comprehensive Plan identifies the town center concept as the city’s primary economic development focus.

• Council reviewed a town center strategies memo at its January 2011 summit and then directed staff to return in spring 2011 with "...options for strengthening economic development opportunities in the city [such as] hire a full- or part-time economic development manager, hire a consultant to perform the duties and functions of an economic development position, or hire the Buxton Company or another similar firm to conduct a market analysis of retail opportunities within the city..."

• Councilmembers reviewed their options at a May study session, but the deteriorating international economy and the corresponding deteriorating city revenue forecast made the options impossible. Several strategies, however, remain in play.

• Staff has updated the 2011 memo to add a status report to each strategy. Staff seeks Council discussion and direction on the following strategies:

<table>
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<tr>
<th>STRATEGY</th>
<th>STATUS</th>
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<td>Regulations</td>
<td>In progress. Council adopted ordinances 12/13/11 to allow farmers’ markets in the town center and to clarify sign standards, parking island standards, and impact fee exemptions. Need to discuss regulations and/or incentives for public and private art.</td>
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• Infrastructure i.e. funding for transportation and public spaces
  o Complete a Town Center Economic Impact and Infrastructure Cost Study to determine the town center's economic impact (including job creation and tax revenue generation) and infrastructure costs, and therefore position the city to seek the earmarks, grants, and participation in state tax increment financing programs necessary to fund town center infrastructure and catalyze private investment.
  o Requires appropriation. Council was unable to fund this in the 2012 budget but included it in the city's 2012 Legislative Agenda. Staff will look for opportunities to use a graduate student as well as highlight it during the Budget Priorities Advisory Committee (BPAC) process and 2013 budget process.

  o Incorporate town center transportation and public space infrastructure into the CIP and TIP and determine the relative priority of SR 516 improvements versus town center improvements.
  o Staff seeks Council direction whether to modify the CIP and TIP to emphasize town center infrastructure.

  o Apply for grants to buy land for and build town center transportation (street grid and Jenkins Creek Trail) infrastructure and public amenities (city hall, recreation center, public plaza / "Town Center Park", etc.).
  o Staff seeks Council direction per the bullet above. (Staff continues to apply for grants per CIP and TIP priorities like SR 516, but a change in priorities to emphasize town center infrastructure requires Council direction.)

  o Consider implementation of a Park Impact Fee to help fund the Jenkins Creek Trail and the Town Center Park
  o In progress. Staff is preparing a briefing for Council.

  o Provide city funds to buy land for and build town center transportation infrastructure and public amenities.
  o Requires appropriation of a magnitude that is not possible without a public vote. Staff will highlight during the BPAC process.

  o Work with strategic partners to pursue better transit service.
  o In progress. Key focus for SEATS Coalition (formerly DMU group).

  o Obtain a “right of first refusal” from the Kent School District and/or other property owners to
  o In progress. Will be discussed at a joint meeting of the Council and School Board in 2012.
purchase all or a portion of Covington Elementary and/or other properties for future public spaces.

- Determine whether it is feasible to locate certain events and activities in the future town center to create a sense of inevitability about a civic plaza, public spaces, and pedestrian facilities.

- Organize a joint meeting of the Council and utility district boards to bring all of our elected leaders up to speed on the city’s downtown plan and the district’s water and sewer plans, and discuss how we can work together to foster town center development.

  - Support the Soos Creek Water & Sewer District's emerging downtown sewer plan.

- Incentives

  - Ensure as timely as practicable permit processing for the hospital and two emergency departments.

  - Determine whether and when to expand the Traffic Impact Fee Funding Source Adjustment Program to desirable town center uses.

  - Determine whether and when to create a property tax exemption program for the residential component of mixed-use development as permitted by state law.

  - Identify other incentive programs used by cities.

- Staff recommends the town center be considered as a location for events and activities that otherwise would occur rather than create events and activities solely to support the town center concept.

- In progress. Council hosted a joint meeting 3/15/11. Council directed the formation of a city/water staff work group to address water rates/fees and standards. The group met throughout 2011. Results will be presented at a joint meeting of the Council and Water Board in 2012.

- In progress. Staff working on an agreement regarding permit fees for sewer projects.

- In progress. On Community Development work plan.

- Staff recommends this be addressed on a case-by-case basis as it was with Costco.

- In progress. Council provided initial direction 8/9/11. Scheduled for Council review 2/14/12.

- In progress. On CEDC’s work plan. Kirkland’s economic development manager attended CEDC 8/25/11 to share incentives used by Eastside
• Marketing
  o Organize a “Preview Covington”-like event to highlight economic development opportunities for businesses, property owners, and brokers.
  o Pursue a contract with Buxton (or the like) to determine which retail businesses are a fit for Covington’s market and create a strategy to recruit them.
  o Determine whether and when to reinstitute an economic development consultant or staff position. (This may overlap partially with the bullet above.)

• Partnering
  o Pursue partnerships with Green River Community College, Renton Technical College, MultiCare Health System, and/or Valley Medical Center to locate college programs – especially medical-related programs – in Covington as a first step toward a physical college presence in the town center.
  o Support the Chamber’s business retention efforts.
  o Complete. Destination Covington was held 10/6/11. Staff continues to follow up with interested parties, and CEDC is developing a plan to maintain relationships with all parties.
  o Requires appropriation. Council was unable to fund this in the 2012 budget. Staff will highlight during the BPAC process and 2013 budget process.
  o Requires appropriation. Council was unable to fund this in the 2012 budget. Staff will highlight during the BPAC process and 2013 budget process.
  o In progress. Staff hosted an initial meeting 2/28/11. Mayor and city manager serve on an ongoing MultiCare / Kent School District / Green River Community College team exploring a health care academy or health care magnet high school affiliated with Kentlake High School and housed at the Covington MultiCare facility.
  o In progress. As needed/requested.

• Some words of encouragement:
  o The city manager and community development director met with developer PJ Santos and his team in July to discuss Covington’s town center. Mr. Santos has done a number of town center-related projects around the state and was an excellent contributor to the city’s developer forum a few years ago. The discussion was very valuable and largely confirmed the city’s path.
Mr. Santos said the superior approach for Covington would be to buy land and then build a public amenity on it and/or sell it to a developer at a discount—either of which could make our vision pencil out for the development community.

Since Covington cannot afford the best approach, Mr. Santos said the next-best approaches are to tie up the Kent School District property to the greatest extent possible, seek grants for transportation infrastructure and public amenities, and excite our public about our town center vision in hopes they will support the vision with new revenue (i.e. the public engagement process).

\[1\] 2011 Council Summit Summary, adopted March 8, 2011
Downtown Plan Implementation Maps and Potential Economic Development Incentives

1.) Town Center Perspective Vision
2.) Town Center Concept Plan Map
3.) Downtown Street System Types Map
4.) Downtown Zoning Map
5.) Summary of Incentives for Downtown Economic Development (Presented to CEDC from Economic Development Director of Kirkland-August, 2011)
INCENTIVES FOR DOWNTOWN ECONOMIC DEVELOPMENT IN COVINGTON
(Presented to CEDC by Economic Development manager of Kirkland)

1. Delaying or suspending temporarily the change of use traffic impact fees (helps small businesses).

2. Using zoning as an encouragement for greater density, intensity, or for mixed-use.

3. Use public-private partnerships, i.e. leverage taxes for public infrastructure, such as TIFSA.

4. Use Developers Agreements for large projects or sub-area plans.

5. Seek "Seed" infrastructure money from available state and federal funding sources.

6. Establish business roundtable breakfasts several times a year and invite the owners of businesses to explore mutual interests and how the city can help business expansion and improvement.

7. Undertake "Green Business" Programs which offer tools for businesses to capitalize on their green practices. This in turn raises their profile and improves marketing of local businesses.

8. Establish a "Buy Covington First" Program which encourages local businesses to become a part of listings and marketing to business customers.

9. Spend public funds to create improved walkable business districts that encourage people to walk from one business to another.

10. Establish technical assistance programs for small businesses and foster ‘incubator’ business locations.

11. Undertake efforts to reduce utility costs for small businesses.

12. Focus on assisting with promotion and marketing of existing small businesses.
Northern Gateway Study Area: Scope, Timeline & Maps

1. Council Blue Sheet on Northern Gateway “Notch” Study Options (May 10, 2011)

2. Staff Proposed Outline, Scope & Timeline for Study of Northern Gateway Annexation

3. Aerial Photo Map of Northern Gateway Study Area

4. Potential Annexation Areas Map (figure 2.2 from Comprehensive Plan)

5. Letter to City of Covington from Anderson Baugh & Associates concerning Northern Notch Subarea Study 2012-2013

6. Four Letters of Past Communications between BranBar (Anderson Baugh & Associates) and King County related to moving the reclassification of the Northern Notch within the Urban Growth Area (UGA).
Agenda Item 6
Covington City Council Meeting
Date: May 10, 2011

SUBJECT: ANALYSIS OF NORTHERN NOTCH ADDITION TO THE UGA & POTENTIAL COMP PLAN AMENDMENT

RECOMMENDED BY: Richard Hart, Community Development Director

ATTACHMENTS:
1. Future Potential Annexation Areas Map, Figure 2.2, in Covington Comprehensive Plan
2. Community Development/Planning Commission 2011 Work Plan

PREPARED BY: Richard Hart, Community Development Director

EXPLANATION:

A. Potential Annexation Areas and the Northern Notch

The city’s current Land Use Element in Chapter 2 of the Comprehensive Plan identifies an area known as the “Northern Notch” or “The Jenkins Creek Notch” as Potential Annexation Area (PAA) #4. Figure 2.2 depicts the three PAA’s in our Comprehensive Plan: PAA #1 - the Teresa Hawk property with approximately eighty acres east of the Lakeside Industries gravel operations at 256th and Highway 18; PAA #2 - the remaining land devoted to the Tahoma High School site adjacent to the city’s Aquatic Center; and PAA #4 - the “Northern Notch” with approximately 250 acres, of which BranBar owns approximately eighty-five acres. PAA #3, the Covington Community Park site, was annexed into the city in 2008.

B. Proposed Request by Anderson Baugh/BranBar

Anderson Baugh & Associates (“Anderson Baugh”) and BranBar, LLC (“BranBar”) requested the following actions from the city during the city council’s April 12, 2011, meeting:

1) Provide a letter of support to the King County Council for the addition of the Northern Notch to the Urban Growth Area (UGA) as part of King County’s Comprehensive Plan Update. [This action was completed April 14, 2011]
2) Declare the request for a comprehensive plan amendment to include the Northern Notch as part of the city’s UGA as an emergency, resulting in amending our Comprehensive Plan goals, policies, and maps this year.
3) Undertake a land use study and analysis (sub-area plan) and future zoning analysis for the Northern Notch this year to facilitate immediate annexation of the Anderson Baugh property.
4) Assist Anderson Baugh in processing the annexation of their specific property within the Northern Notch into the city for future development as mixed-use with retail.
Item #1 has been accomplished. Items 2-4 require substantial time and resources from city staff and necessary tasks are outlined later in this report. Item #4 actually cannot occur until 2012 after King County acts on the addition of the Northern Notch to the UGA.

C. **Northern Notch Inclusion in the UGA**

Upon the request of Anderson Baugh, and upon consent of the council, on April 14, 2011, the City Council submitted a letter to the King County Council to voice their support for the inclusion of the Northern Notch PAA into the UGA. Past practice has dictated that the county is the responsible agency for determining whether land designated as a PAA should be brought into the UGA. To date, King County has not included the Northern Notch PAA within the UGA.

If and when the county adds the Northern Notch into the UGA, the city is then allowed, at our discretion, to follow with any detailed analysis of the area for potential future land uses and proposed zoning. If the area is large, a sub-area plan is generally required to determine appropriate land use, infrastructure needs and costs, and zoning options, all through an extensive public process. This process also requires amendments to the city’s Comprehensive Plan to account for any new land use designations. Zoning amendments and a new zoning map then follow the adoption of the Comprehensive Plan amendments and provide for the prescribed zoning requirements.

Should King County place the PAA within the UGA, the city should heavily involve King County in the sub-area planning process. In addition to Anderson Baugh’s request, the city has had some contact with Teresa Hawk, the owner of the gravel pit leased to Lakeside Industries and the adjacent eighty acres. Their family desires to annex into the city their eighty acres that have already been designated as a PAA and are within the UGA. This might present an opportunity to study the potential development of the Hawk property along with the adjacent Northern Notch property.

D. **Requested Comprehensive Plan Amendments**

Anderson Baugh also requested that the city include a comprehensive plan amendment to adopt the Northern Notch as part of the city’s UGA, and accordingly amending the city’s comprehensive plan goals, policies, and maps. Covington Municipal Code (CMC) 14.25 prescribes an annual process for submitting, docketing, and processing of annual Comprehensive Plan Amendments (CPA’s) and Development Regulation Amendments (DRA’s) in accordance with the state Growth Management Act (GMA). That process begins in December for the following year and allows sixty (60) days for submission of CPAs and DRAs by both the city and any private property owners or citizens. The deadline for the 2011 Comprehensive Plan Amendment Docket was February 1, 2011. Prior to that date Anderson Baugh did not submit a CPA or DRA request, nor did they contact the city about the potential of submitting a CPA for the Northern Notch. There were no submittals by any other private individuals prior to the February 1, 2011 deadline. The intent of the deadline to submit CPAs and DRAs is to allow the city staff, planning
commission and council to analyze the docketed items, conduct adequate review, hold public hearings for public input, and evaluate all of the proposed amendments together for any cumulative impact in accordance with the GMA statutes.

Though the city council has not yet adopted the city’s 2011 comprehensive plan amendments, the final docket of amendments has been approved by the council. The CMC is not expressly clear on the process for the addition of amendments to the docket after it has been finalized by council (staff will be updating the code to cure this ambiguity). However, even if using the CMC provision cited by Anderson Baugh, CMC 14.25.030(2)(a), stating that the community development director may declare that an emergency exists to allow for a derivation from the annual amendment process, I have determined that no such emergency exists. As the community development director I have reviewed the Northern Notch issue, Anderson Baugh’s facts and presented request, the current policies in the Covington Comprehensive Plan, and the ability of Anderson Baugh to submit their request in 2012 without inhibiting the timeline of their goals for eventually annexing the Northern Notch into Covington to determine that no emergency exists to allow for an exception to an additional CPA to the final docket already passed by the council.

E. Options Available for Council

1) Direct city staff to consider the Anderson Baugh request during the 2013 PC Work Plan Analysis and the 2013 city budget process that begins in the fall of 2012.
2) Direct city staff to consider the Anderson Baugh request during the 2012 PC Work Plan Analysis and the 2012 city budget process that begins in the fall of 2011.
3) Direct city staff to shift and delay the 2011 work program priorities currently agreed upon with the planning commission which would involve the following: a) delaying existing work plan items; b) developing a detailed process and timeline to undertake a sub area plan for the Northern Notch; c) developing a future land use designation and zoning scheme for the Northern Notch; and d) setting a strategy and timeline for making the necessary comprehensive plan amendments in 2012 after King County acts on the UGA change request.
4) Direct city staff to meet with Anderson Baugh and King County to develop a multi-year process and plan with specific tasks, milestones, timelines, needed resources and funding plan. This process and plan would include a collaborative public participation process and sub-area plan that culminates in developing new land use policies, proposed land uses, specific zoning regulations, and infrastructure plans that will be adopted through the city’s annual comprehensive plan amendment docketing process. City staff would bring the multi-year process and plan to the city council for review and endorsement.

F. Costs and Implications of Options for City Council on Studying the Northern Notch

If the city council chooses to study the Northern Notch as part of the 2011 work plan, then the community development department’s work plan and available funding for staff resources will need to be evaluated. Currently the council has determined that the priorities of the department are to implement the three state mandates, which include the shoreline master program, annual
comprehensive plan docketing process, code amendments such as required electric vehicle charging station regulations, and other tasks including improving the downtown infrastructure, development/building permit review and permit efficiency. These tasks were outlined at the study session with the planning commission and council, and staff indicated that with the current level of staffing, these items would actually exceed available staff hours in 2011. There is also the potential the state legislature will add another local government task to develop zoning regulations and standards for medical marijuana uses.

The community development department currently has six staff members including two planners (the Director and Senior Planner). The senior planner’s function in long range policy issues accounts for only 20% of her time. Currently staff is working on large development projects such as MultiCare, Valley Medical, and several other commercial developments and projects currently under construction; therefore, the time available for the senior planner to devote to long range policy issues cannot possibly exceed 20%. Due to budget restraints, the community development department will not have a replacement available for the former Planning Manager until August or September of this year.

In addition to the work plan items, staff is assisting the Covington Economic Development Council with Destination Covington, and the directors are working on the Public Engagement Process. These items will also require substantial segments of time from the community development staff.

Overall, staff is concerned with the availability of resources and managing this future comprehensive plan amendment, public outreach, impact analysis, and creation of a sub-area plan for the Northern Notch as part of the 2011 work plan. The request would require the time of at least one community development staff person for 50% of their time over a twelve to eighteen month time period. In addition to staff time, the city council will need to provide funding for hiring a consultant to assist with an impact analysis and drafting the sub-area plan for the Northern Notch once undertaken. Estimates of the total costs for the consultant and city staff, plus costs of advertising, mailing and printing would be approximately $55,000. It is not yet clear what the exact process and cost will be compared to the required application fees for such a request. Funding most likely will need to come from a combination of funds from the City of Covington, King County, & Anderson Baugh. Staffing an analysis of the Northern Notch area will probably involve at least two years of time, at a minimum.

The city’s standard fee for annexation and petition request by a private citizen is $12,451.00, plus $615.00 per acre. A comprehensive plan amendment is $3,717.00, plus pass-through consultant costs billed separately. The fee for the comprehensive plan amendment is collected at the time of application, and there is a non-refundable portion of $500.00 dollars. No fees have been collected on this proposal as the request was initiated after the docket deadline. Any work done during the rest of this year would be at the expense of the city, as there is no mechanism for collecting additional fees.
ALTERNATIVES:
The four options outlined above provide the most reasonable alternatives available for future study of the Northern Notch and any subsequent and necessary amendments to the Covington Comprehensive Plan and Zoning Code resulting from adding the area to the UGA.

FISCAL IMPACT:
Any future study and costs have been outlined above under Costs and Implications of Options for City Council. These costs could be substantial and can’t be precisely identified until further study of a “Northern Notch” Plan and Process.

CITY COUNCIL ACTION:  ___ Ordinance  ___ Resolution  ___ Motion  X Other

NO ACTION IS NECESSARY - DISCUSSION ITEM ONLY.

REVIEWED BY:  City Manager  
                City Attorney
Outline of Work Tasks for Covington’s Northern Gateway UGA Expansion Study

2012:

1. Develop Scoping Work Tasks for Covington’s Northern Gateway UGA Expansion/Potential Annexation Area (PAA) Study & Subarea Plan (PAA #4, may include PAA#1) for presentation to Council-December & January
2. Identify payment guarantee method from private party(s) for payment of consultant for UGA Expansion Study/ Subarea Plan (e.g. up-front lump-sum payment) - December & January
3. Write RFP with phased UGA expansion/Potential Annexation Study & Subarea Plan Tasks & Deliverables - December & January
4. Develop policy guidelines for study of PAA to guide development of Subarea Plans-January & February
5. Staff will develop the Public Participation Component of Subarea Plan for review with Planning Commission-February
6. Review RFP submittals & select consultant-February & March
7. Identify final study area. Council approval of consultant contract for UGA Expansion Study/Subarea Plan-February & March
8. Process any necessary Comprehensive Plan Policy amendments to guide criteria used by the City to analyze future annexations.-March through October
10. Evaluate consultant’s Site Analysis, findings, needs assessment and fiscal analysis to determine if the factors outlined by King County for evaluation of UGA amendments can be addressed-June/July
11. Host a community meeting to share the consultant’s findings and identified opportunities and constraints of future annexation of the study area. Follow up with community visioning component to guide development of the Subarea Plan supplemented with one-on-one interviews with key stakeholders (i.e. land owners in the study area). July/Aug
12. Present consultant’s Phase I findings to FC/Council for review-July/ Aug
13. Manage & guide consultant in preparation of a Subarea Plan (Phase II) based on Phase I findings, Planning Commission and City Council direction and public input. August-October
14. Present findings (alternatives) of the preliminary Subarea Plan to Council for review-October & November
15. Prepare submission to King County in support of adding the Northern Gateway study area to the UGA consistent with the Subarea Plan-November-December.

2013:

1. Docket Comprehensive Plan amendments for policies developed as part of the Covington Northern Gateway Subarea Plan (January-February)
2. Develop new Zoning District designations & development standards as part of the Subarea Plan for inclusion in Covington’s Municipal Code for property within Northern Gateway study area - January to March
3. Prepare Zoning District Guidelines and Text Amendments-February & April
4. Monitor UGA changes at King County-January through December
5. Process Comprehensive Plan amendments, Zoning District changes & text amendments for Covington’s Northern Gateway-February through November
6. Develop Interlocal Agreement with King County (If that method is selected ) to process annexation application for Covington’s Northern Gateway study area -May & June
8. Hold Council Hearings on Annexation Application-End of 2013
9. Development Applications may be submitted within annexed areas approved by Covington City Council and the Washington State Boundary Review Board 1- End of 2013

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1 No development applications will be accepted by the City until the annexation is completed and development regulations are adapted by the City Council.
January 12, 2012

Richard Hart, Community Development Director
Ann Mueller, Senior Planner
City of Covington
167 SE 271st St, # 100
Covington WA 98042

Re: Covington Northern Notch Subarea Study (CNNSS), 2012-2013

Dear Mr. Hart and Ms Mueller,

Our primary purpose today is to thank you for the recent meeting where in you detailed Covington’s proposal to study the Covington Northern Notch SubArea [CNNSS] as a precursor to annexation of that area into the City at the behest of affected property owners. Having had the opportunity as agent [Anderson, Baugh & Associates, LLC] for the partnership [BranBar / H & C Enterprises, Inc., a Washington State Co-Tenancy] to review this proposal with them, they understand now and agree in the wisdom and logic of this approach for achieving the Co-Tenancy’s long held goal for commercial development on their property.

Although there had been an expressed desire to complete this process in 2012 and coordinating that result with King County’s 2012 Comprehensive Plan Update, it is now clear the City’s timeline for a comprehensive and community-wide planning effort is the best approach for all concerned. We know the City will do its best to move the process as swiftly as possible.

Coupling this planning study with King County’s Comprehensive Plan Update is still possible, we believe, if specific reference details to that end are resolved and captured under an Interlocal Agreement, we have itemized below those detailed elements we feel should be included as a minimum.

Speaking as the Co-Tenancy’s agent, we whole heartedly accept the City’s proposal for studying the CNNS. We assume, that although the current work program we received from the City in December 2011 is comprehensive, we feel minor future interpretations and modifications should be possible when clarification becomes necessary. This is especially true for including a specific correlation between the CNNS study goals and previous King County correspondence received by the Co-Tenancy. Copies of that correspondence will be forward to you to insure that all of King County’s concerns regarding prerequisites to changing the CNNS to Urban
from Rural on their Comprehensive Plan have been addressed in this study. These "Essential Elements" are very important.

Further, we authorize the City to prepare and present us with a Developer Agreement concerning the proposed subarea work program. This document shall include developer responsibilities, including cost figures for the Co-Tenancy’s proportionate share of work, and payment schedules. We understand from earlier discussions with you, the City intends to include areas Northeast of Hwy 18 in the study area. We assume the total study costs will be apportioned appropriately between property owners and developers with details illustrated clearly in the Developer Agreement.

A second purpose for this letter is to put the City on notice that [this request may be a redundant but covers a Code submittal requirement] pursuant to City of Covington’s Municipal Code 14.25, we now seek before February 13, 2012 placement on the City’s 2012 work program CNNS’s [including properties owned by the Co-Tenancy] consideration for urban land use designations and zoning within the subarea. A separate application form (A-430), as specified by code, will be submitted on behalf of the Co-Tenancy before February 13, 2012, unless the City determines this letter to be sufficient for meeting all submittal code requirements. Please respond in writing or by email to this last point for the necessity of an additional application. This proposal includes also a request that the City negotiate an Interlocal Agreement with King County approving the conversion of the CNNS from Rural to Urban based on the City’s pending planning study not withstanding that study would be adopted by the City.

We assume as part of the CNNS study that the City will seek and execute an Interlocal Agreement with King County, [as noted above]. We believe this agreement should contain the following elements as a minimum:

- that King County accepts the CNNS study as the basis for meeting both the Growth Management Act and King County legal requirements for changing this area from Rural to Urban under the King County Comprehensive Plan;

- that King County supports Covington’s efforts to annex, by request of individual property owners, parcels within the CNNS; and

- that if challenges arise from whatever source attempting to de-rail Covington’s planning and annexation process for the CNNS, a cooperative effort will be joined by both King County and Covington to defend the integrity of the planning process.

While we accept and support the City’s effort expressed in the CNNS study outline, we trust the City understands the Co-Tenancy’s wishes to avoid any unnecessary delays in moving the study along to completion.
Again, thank you for understanding the importance of this planning request both for us and to Covington as well. We look forward to working with you, the community and the selected study consultant in the months ahead.

With warm regards,

Barry Anderson, Principal Partner
Anderson Baugh & Associates, LLC

cc: Dave Baugh
Brandon Anderson
BranBar/H & C, A Washington State Co-Tenancy

Attachments:

2012 – 2013 City Staff Outline of Work Tasks
January 12, 2012 Application for Comp Plan Amendment
November 14, 2011, John Starbard (KC DDES Dir) Letter
June 29, 2011 Docket Form, King County Comprehensive Plan
October 13, 2005 Stephanie Warden (KC DDES Dir) Letter
August 25, 2005 Larry Phillips (then Chair of the Metropolitan KC Council)
November 14, 2011

Barry Anderson
Anderson, Baugh, and Associates
P.O. Box 58792
Tukwila, WA 98138-1792

Dear Mr. Anderson:

Thank you for participating in this year's docketing process. We appreciate hearing from you on your proposed change to the King County Comprehensive Plan (KCCP).

In your docket you proposed a change in the King County Comprehensive Plan land use designation from Rural to Urban for several parcels near the State Route 18 – SE 256th Street interchange in an area known as the Jenkins Creek Notch. This proposal would require amending the Urban Growth Area (UGA) boundary to include these properties, and adding them to the Potential Annexation Area of the City of Covington.

The following King County Comprehensive Plan Policy R-203 and Countywide Planning Policies (CPP) apply to your request:

R-203 King County's Rural Area is considered to be permanent and shall not be redesignated to an Urban Growth Area until reviewed pursuant to the Growth Management Act (RCW 36.70A.130(3)) and Countywide Planning Policy FW-1

FW-1 STEP 8. The citizens and jurisdictions of King County are committed to maintaining a permanent Rural Area. The Growth Management Planning Council or its successor shall review all Urban Growth Areas ten years after the adoption and ratification of Phase II Amendments to the Countywide Planning Policies. The review shall be conducted utilizing monitoring reports and benchmark evaluation and be coordinated with evaluation and reporting requirements of state law. As a result of this review the Growth Management Planning Council or its successor may recommend to the Metropolitan King County Council amendments to the Urban Growth Area. Alternatively, King County may initiate consideration of Urban Growth Area amendments.
Amendments shall be based on an evaluation of the following factors:

- the criteria in policies LU-26 and LU-27;
- the sufficiency of vacant, developable land and redevelopable land to meet projected needs;
- the actual and projected rate of development and land consumption by category of land use including both development on vacant land and redevelopment projects;
- the capacity of appropriate jurisdictions to provide infrastructure and service to the Urban Growth Areas;
- the actual and projected progress of jurisdictions in meeting their adopted 20-year goals and targets of number of households and employees per acre;
- the actual and projected rate of population and employment growth compared to adopted 20-year goals and target ranges, and compared to revised projections from the Washington State Office of Financial Management;
- the actual and projected trend of economic development and affordable housing indicators, as reported annually through the adopted monitoring and benchmarks program;
- indicators of environmental conditions, such as air quality, water quality, wildlife habitat, and others.

DP-16 Allow expansion of the Urban Growth Area only if at least one of the following criteria is met:

a) A countywide analysis determines that the current Urban Growth Area is insufficient in size and additional land is needed to accommodate the housing and employment growth targets, including institutional and other non-residential uses, and there are no other reasonable measures, such as increasing density or rezoning existing urban land, that would avoid the need to expand the Urban Growth Area; or

b) A proposed expansion of the Urban Growth Area is accompanied by dedication of permanent open space to the King County Open Space System, where the acreage of the proposed open space
   1) is at least four times the acreage of the land added to the Urban Growth Area;
   2) is contiguous with the Urban Growth Area with at least a portion of the dedicated open space surrounding the proposed Urban Growth Area
   3) Preserves high quality habitat, critical areas, or unique features that contribute to the band of permanent open space along the edge of the Urban Growth Area; or

c) The area is currently a King County park being transferred to a city to be maintained as a park in perpetuity or is park land that has been owned by a city since 1994 and is less than thirty acres in size.
Note – Countywide Planning Policy DP-16 was approved by the Growth Management Planning Council on September 21, 2011. This policy has not been acted on by the King County Council or ratified by the cities of King County.

The City of Covington has no documented shortfall of development capacity within existing city limits to accommodate their growth targets. For this reason, it has not been necessary to initiate reasonable measures to avoid the need to expand the UGA. This request is not consistent with the King County Comprehensive Plan Policy, the current Countywide Planning Policy cited above, and the GMPC-approved revised CPPs, which we expect will be ratified in 2012. Therefore, your docketed request is not supported by this Department.

I understand the City of Covington will be initiating a planning process to address your proposed land use change. My staff will review the results of this effort for consistency with the Growth Management Act, Vision 2040, the Countywide Planning Policies, and applicable King County Comprehensive Plan policies.

If you wish to pursue an urban land use designation despite the recommendation of this Department, you may file a Site Specific Land Use Amendment. The fee for this review is $1,500.00. For information on this process, please visit our website at: http://www.kingcounty.gov/property/permits/codes/growth/CompPlan/amend.aspx#sitespecific

Please be aware that Site Specific Land Use Amendments must be reviewed by the King County Hearing Examiner, who must hold a hearing and produce a written report to the King County Council. The Council could then consider the Examiner’s recommendation in a subsequent update of the King County Comprehensive Plan.

In accordance with King County Code Title 20, a report of all docket items submitted to this Department by June 30, 2011 will be included in a report sent to the King County Council on December 1, 2011. If you have further questions or concerns, please contact Paul Reitenbach, Comprehensive Plan Manager, at 206-296-6705 or via email at Paul.Reitenbach@kingcounty.gov.

Again, thank you for participating in this year’s docketing process.

Sincerely,

John Starbard
Director

cc: Lauren Smith, Land Use and Unincorporated Area Relations Manager,
Office of the King County Executive
Paul Reitenbach, Comprehensive Plan Manager, Director's Office, Department of Development and Environmental Services (DDES)
June 29, 2011

TRANSMITTAL

Paul Reitenbach  
Comprehensive Planning Manager  
King County DDES  
900 Oaksdale Avenue SW  
Renton, Washington 98055-1219  

RE: Interchange Center Property  
Covington Notch  
Docket Request

Paul Reitenbach,  

Please find attached 2012 King County Docket Form [Comprehensive Plan] and two (2) page Docket Request Expanded Statement. We will, as studies, research and additional information become available through the year, continue to send KC DDES addendums, and updates.

Thank you in advance for the Staff's assistance with the Docket Process.

Anderson, Baugh & Associates, LLC.  
Barry Anderson, Partner
DATE OF SUBMITTAL:       June 30, 2011

NAME:              Anderson, Baugh and Associates, LLC

ADDRESS:  18215 72nd Ave South, Suite #127, Kent, WA 98032

PHONE (please include area code):  (206) 371-1378

KING COUNTY COUNCIL DISTRICT NO.:  9

TYPE (please check one):  COMPREHENSIVE PLAN  X

DEVELOPMENT REGULATION

DESCRIPTION OF DOCKETED ITEM:

Our proposal is to rezone approximately 60 acres, currently Rural “RA-5,” to Urban “UR”
to be completed in the 2012 King County Comprehensive plan 4-year cycle update. This
proposal would require a move of the Urban Growth Boundary line.

Parcels to be included:  192206-9039, 192206-9014, 192206-9199, 192206-9200, 192206-9201

192206-9202, 192206-9203

HAND CARRY DELIVERED & USPS CERTIFIED MAIL  # 70062760000316702829

*See Attached document for “Docket Request Expanded Statement.”

ALL COMPLETED FORMS RECEIVED BY THE COUNTY WILL BE SENT TO
THE DEPARTMENT OF DEVELOPMENT AND ENVIRONMENTAL SERVICES.
SEE THE FOLLOWING PAGE FOR ADDITIONAL INFORMATION & MAILING
ADDRESS. THIS DOCKET FORM CAN ALSO BE SUBMITTED
ELECTRONICALLY BY VISITING THE KING COUNTY WEB SITE AT:
http://www.metrokc.gov/ddes/compplan/

For Department Use only:
Docket No.
Response: Comprehensive Plan Amendment Required? Y/N
Preliminary Recommendation:

9/30/2002
Interchange Property Docket Request

Change the current Comprehensive Plan designation of the subject property from Rural to Urban. Support for this request is based on the following new and changed circumstances since initial adoption of the Rural/Urban boundary:

1. Completion of SR-18/SE 256th Street freeway interchange - 2002

2. Adoption of comprehensive Critical Areas code KCC 21A.24 serving as resource protection and development limiting tool in specific cases (modern era) as opposed to the 80s approach of massive overkill at resource protection with Rural zoning rather than the specific methods used today.

3. General population and employment growth for Covington ten years ahead of forecast.

4. Covington's recognition that the Covington Notch (including the subject site) should be part of the City with a Planned Annexation Area #4 designation on the revised Covington Comprehensive Plan (2010).

5. Covington's commitment to conduct land use/zoning study of Covington Notch area (including subject site) beginning fall 2011 by utilizing planning commission review. The City on May 10, 2011 voted 7-0 to move beyond the City's current designation for the Covington Notch of Proposed Annexation Area 4, for a collaborative effort between the City, King County and the public to develop specific tasks, milestones, timelines. Anderson, Baugh & Associates, LLC will be requesting of the City a 2012 Comp Plan Amendment which will be submitted in the fourth quarter of 2011.

6. Because the required depth of detail necessary to show sufficiently the subject request as either consistent or inconsistent with existing King County Comprehensive Plan policies to allow for a plan change to urban is nearly impossible without public agency assistance, we hope King County will share in Covington's Comprehensive Plan study effort (item 5) before judging the final merits of this request. At the conclusion of Covington's study in 2012, all affected jurisdictions,
Covington, King County and Washington State should be in a better position to decide if the urban boundary should be modified as requested and by how much. This is really the only practical approach for doing justice to the subject request. An added benefit to this approach would be the inclusive public involvement provided by Covington’s lead agency role.

7. The Property Owners are committed to working with the City of Covington and KCDDES to complete this 2012 Comp Plan Amendment.

8. Benefit to the public. As a result of the above noted conditions, the Covington Notch for all practical purposes currently portrays more urban features than rural; for example, high density neighborhoods, state hwy interchange, close proximity to urban services, bordered on three sides by City of Covington. Members of the City Council have commented that as the Northern Gateway to the City of Covington, the existing landscaping maintenance is a detraction to the City. The public would benefit by the City’s maintenance and enhancement. The Public and City would benefit by the City’s oversight to control development and zoning. And, the opportunity to expand jobs, retail services and parks and trails in the Jenkins Creek drainage.

9. Anderson, Baugh & Associates, LLC. will be adding supplemental addendums and updates throughout 2011 to more fully assist in expanding the understanding of this current docket request.
October 13, 2005

Barry Anderson Jr.
BranBar LLC.
PO Box 7157
Covington, WA 98042

Dear Mr. Anderson:

Thank you for participating in this year's docketing process. We appreciate hearing from you on your proposed change to the King County Comprehensive Plan (KCCP).

In your docket you requested that property owned by BranBar LLC (parcel 1922069200) be designated Urban. In a telephone conversation with my staff, you indicated you are authorized to represent the BranBar parcel, but you would contact H and C Enterprises for authorization to represent several additional parcels under that ownership. An email reminder was also sent to you regarding the H and C parcels.

The following KCCP policy is applicable to your request:

R- 103 King County's Rural Area is considered to be permanent and shall not be redesignated to an Urban Growth Area until reviewed pursuant to the Growth Management Act (RCW 36.70A.130(3) and Countywide Planning Policy FW-1.

In 2003, King County and the cities within the county completed a detailed assessment of the development capacity within our Urban Growth Area, as envisioned by the Growth Management Act and the Countywide Planning Policies. This assessment, known as the "Buildable Lands Report," indicates there is sufficient development capacity within our Urban Growth Area to accommodate forecast growth for at least the next 10 years. Additionally, King County Code Chapter 20.18.030 specifies that annual updates of the KCCP should address issues that are technical in nature. Proposals to amend the Urban Growth Area are to be considered in the comprehensive updates of the KCCP, which occur every four years. The next comprehensive update of the KCCP will take place in 2008. For these reasons, there is no justification to redesignate your Rural property to Urban at this time.
Your request to redesignate Rural land to Urban is therefore not consistent with the KCCP and not supported by this Department. If you wish to further pursue a land use redesignation for property you own, you may file a Site Specific Land Use Amendment. The fee for this review is $1,500.00. For information on this process, please visit our website at:

Please be aware that Site Specific Land Use Amendments must be reviewed by the King County Hearing Examiner, who must hold a hearing and produce a written report by January 15, 2006. For this reason, I suggest filing this application by November 1, 2005, to allow sufficient time for review and processing.

King County Code Chapter 20.18.050 requires a docket request from the property owner to initiate a site-specific land use request. H and C Enterprises has not indicated you are authorized to represent them on a docket request for a land use redesignation for parcels 1922069014, -9199, -9201, -9202, and -9203. Therefore, those parcels will not be included in our 2005 report to the King County Council. H and C Enterprises may submit a docket request for their property by September 30, 2006 for consideration in the 2006 docket report.

In accordance with King County Code Title 20, a report of all docket items submitted to this Department by September 30, 2005, will be included in a report to be sent to the King County Council on December 1, 2005.

If you have further questions or concerns, please contact Paul Reitenbach, Senior Policy Analyst at 206-296-6705 or by email at paul.reitenbach@metrokc.gov.

Again, thank you for participating in this year’s docketing process.

Sincerely,

[Signature]

Stephanie Warden
Director

cc: Paul Reitenbach, Senior Policy Analyst, Department of Development and Environmental Services (DDES)
August 25, 2005

Brent Carson
Buck and Gordon LLP
2025 – 1st Avenue, Suite 500
Seattle, WA 98121

RE: TRP Pacific LLC Request for Covington UGA Expansion

Dear Mr. Carson:

Thank you for inquiring about the possibility of an urban growth line amendment in 2006, affecting RA zoned lands in an unincorporated "nosh" of land bounded on several sides by the City of Covington. I understand you met with staff members from the King County Council and King County Prosecuting Attorney’s Office to provide information about your client’s interest and proposal.

Unfortunately, I cannot support your request at this time. There is code authority under KCC 20.18.030.C to consider a revision to the urban growth line before the next major King County Comprehensive Plan (KCCP) update in 2008, if an actual need for additional commercial land is clearly demonstrated. However, I do not believe you have clearly demonstrated such an actual need. I offer the following points to explain my decision:

Development Activity Map

- A 900-job shortage was cited in the 2003 Covington Comprehensive Plan. The significant level of development activity in the Covington commercial area during 2004 may have taken care of that shortage.
Possible City of Covington Steps to Address this Issue

- Possibility that the City of Covington can address this issue within existing commercial land located within its current boundaries.
- Potential for Covington to expand the supply of commercial lands within current city boundaries.
- Potential to redevelop currently under-utilized commercial lands within current city boundaries.

Timeline for Action by Other Local Agencies

- It could take the entirety of 2006 for the City of Covington to approach the Growth Management Planning Council and complete a revision in the Countywide Planning Policies (CPPs).
- Some of the proposed commercial areas are located outside the boundary of the Soos Creek Sewer and Water District. A request to the District for a boundary change could take a significant amount of time to complete.

While I cannot support your request at this time, I believe that you have raised compelling questions for the future of the unincorporated "notch" bounded by the City of Covington. I look forward to the consideration of this matter as part of the 2008 Update of the KCCP.

Thank you again for contacting me on this important issue.

Sincerely,

[- Signature -]

Larry Phillips, Chair
Metropolitan King County Council

cc: Jay P. Derr, Buck & Gordon LLP
Scott White, Chief of Staff, King County Council
Shelley Sutton, Policy Staff Director, King County Council
Megan Smith, GMUAC Lead Staff, King County Council
Rick Bautista, Senior Legislative Analyst, King County Council
Darren Carnell, Senior Deputy Prosecutor, PAO
Steve Hobbs, Deputy Prosecutor, PAO
Session VII

Revise Council Rules
SECTION 1. GENERAL.

These rules constitute the official rules of procedure for the Covington City Council. In all decisions arising from points of order, which are not covered by these rules, the Council shall be governed by Robert’s Rules of Order (newly revised 1990 edition, ninth edition), a copy of which is maintained in the office of the Covington City Clerk. The City attorney shall decide all questions of interpretations of these rules and other questions of a parliamentary nature that may arise at the Council meeting.

SECTION 2. ORGANIZATION.

A. Swearing in of New Council Members. New Council members shall be sworn in either:
   1. Up to ten days prior to the day they are scheduled to assume their office; or
   2. At the first meeting of the Council in January; or
   3. At any other time after their term of office is scheduled to begin.

B. Election of Officers. The Council shall elect a Mayor and Mayor Pro Tem for a term of two years and organize itself at the first Council Meeting during even-numbered years (effective January 1, 2000). The term of Mayor and Mayor Pro Tem shall run from the first meeting of the Council held in January to the first meeting of the Council held in January two years later. In the temporary absence of the Mayor, the Mayor Pro Tem shall perform the duties and responsibilities of the Mayor with regard to conduct of meetings and emergency business. In the event the Mayor is unable to serve the remainder of the term, a new Mayor shall be elected at the next Regular Meeting. In the event the Mayor Pro Tem is unable to serve the remainder of the term, a new Mayor Pro Tem shall be elected at the next Regular Meeting.

A supermajority vote (5) shall be required to approve a motion to remove the Mayor or Mayor Pro Tem from office for cause.

No one Council member may nominate more than one person for a given office until every member wishing to nominate a candidate has an opportunity to do so. Nominations do not require a second vote. The Chair will repeat each nomination until all nominations have been made. When it appears that no one else wishes to make any further nominations, the Chair will ask again for further nominations and if there are none, the Chair will declare the nominations closed. A motion to close the nominations is not necessary. After nominations have been closed, comments take place followed by voting for Mayor in the order nominations were made. Council members will be asked for a voice vote and a raise of hands. As soon as one of the nominees receives a majority vote of the whole City Council (four votes), then the Chair will declare him/her elected. No votes will be taken on the remaining nominees. If none of the nominees receives a majority vote, the Chair will call for nominations again and repeat the process until a single candidate receives a majority vote of the whole City Council before the office of Mayor Pro Tem is opened for nominations. A tie vote results in a failed nomination.

The Council members nominating and the nominees for Mayor will have an opportunity to make public comment before voting commences.

Adopted Pursuant to Covington Resolution No. 10-05
C. Quorum. At all Council Meetings, a majority of the whole City Council (four members) shall constitute a quorum for the transaction of business, but a lesser number may recess or adjourn from time to time and may request the attendance of absent members.

D. Voting. The votes during all Council Meetings shall be conducted as follows:

Unless otherwise provided for by statute, ordinance, or resolution, all votes shall be taken by voice, except that at the request of any Council member, a random roll call vote shall be taken by the Clerk (Robert's Rules of Order, Newly Revised, 1990 edition).

In case of a tie vote on any motion, the motion shall be considered lost.

All final actions on resolutions and ordinances must take place within the corporate limits of the city. Special meetings may be called by the mayor or any three members of the council by written notice delivered to each member of the council at least twenty-four hours before the time specified for the proposed meeting.

The passage of any ordinance, grant or revocation of franchise or license, and any resolution for the payment of money shall require the affirmative vote of at least a majority of the whole membership of the council.

The affirmative vote of the majority of those members present will be necessary for the adoption of any motion or other voting matter, unless otherwise specified in these Rules of Procedure but no proxy will be allowed.

Remote participation will be allowed only if prearranged and only if the Council member(s) is in communication for the entire meeting.

Each Council member shall vote on all questions put to the Council. If a Council member must recuse him or herself because of that Council member's perceived conflict of interest or an appearance of fairness on any item of business before the City Council, then that Council member shall remove him or herself from the chambers during discussion, deliberation and/or voting on that particular item of business. An abstention shall be recorded as a vote in favor of the question. A Council member's silence shall be recorded as an affirmative vote.

E. Attendance, Excused Absences. RCW 35A.12.060 provides that a Council member shall forfeit his or her office by failing to attend three consecutive Regular Meetings of the Council without being excused by the Council. Members of the Council may be so excused by complying with this section. The member shall contact the City Manager, City Clerk, or any Council Member prior to the meeting and state the reason for his or her inability to attend the meeting. The City Manager, City Clerk, or Council Member shall convey the message to the Council. Following roll call, the Presiding Officer shall inform the Council of the member's absence, and state the reason for such absence. This motion shall be non-debatable. Upon passage of such motion by a majority of members present, the absent member shall be considered excused and the Clerk will make an appropriate notation in the minutes. As a courtesy, Council members shall also notice their absence for Study Sessions in a similar manner as set forth for Regular Meetings.

Adopted Pursuant to Covington Resolution No. 10-05
F. **General Decorum.** While the Council is in session, the members must preserve order and decorum, and a member shall neither, by conversation or otherwise, delay or interrupt the proceedings or the peace of the Council, nor disrupt any member while speaking, nor refuse to obey the orders of the Council or the Presiding Officer, except as otherwise provided in these Rules.

Any person making personal or slanderous remarks or who becomes disorderly while addressing the Council or while in the Council Chamber while the Council is in session, shall be asked to leave by the Presiding Officer.

G. **Confidentiality.** Pursuant to RCW 42.23.070, *Prohibited Acts*, Council members shall keep confidential all written materials and verbal information provided to them during Executive Sessions, to ensure that the City's position is not compromised. Confidentiality also includes information provided to Council members outside of Executive Sessions when the information is considered to be exempt from disclosure under the Revised Code of Washington or under Public Disclosure Ordinance adopted by the Council.

If the Council, after Executive Session, has provided direction or consensus to City staff on proposed terms and conditions for any confidential or privileged issue, all contact with any other party shall be made by the designated City staff representative handling the issue. Council members should consult with the City Manager and/or City Attorney prior to discussing such information with anyone other than other Council members, the City Attorney, or City staff designated by the City Manager. Any Council member having any contact or discussion with any person other than those listed above on any such confidential or privileged issue shall make full disclosure to the City Manager and Council in a timely manner.

H. **City Clerk.** The Clerk or an authorized Deputy Clerk shall attend all Council Meetings. If the Clerk and the Deputy Clerk are absent from any Council Meeting, the City Manager shall appoint a Clerk Pro Tempore for that meeting only.

I. **Attendance of Officers or Employees.** Any City officer or employee shall have the duty when requested by the City Manager to attend Council Meetings and shall remain for such time as the City Manager may direct.

SECTION 3. **OFFICERS.**

A. **Presiding Officers.** The Mayor, or in his or her absence, the Mayor Pro Tem, shall be the Presiding Officer of the Council. In the absence of both the Mayor and the Mayor Pro Tem, the Council shall appoint one of the members of the Council to act as a temporary Presiding Officer.

B. **Presiding Officer's Duties.** It shall be the duty of the Presiding Officer to:

- Call the meeting to order
- Keep the meeting to its order of business
- Control discussion in an orderly manner
- Every Council member who wishes an opportunity to speak must be recognized by the Chair.

*Adopted Pursuant to Covington Resolution No. 10-05*
Permit audience participation at the appropriate times.
Require all speakers to speak to the question and to observe the rules of order.
State each motion before it is discussed and before it is voted upon.
Put motions to a vote and announce the outcome.

C. **Presiding Officer, Question or Order.** The Presiding Officer shall decide all questions of order, subject to the right of appeal to the Council by any member.

D. **Presiding Officer, Participation.** The Presiding Officer may at his or her discretion call the Mayor Pro Tem or, in his or her absence, any member to take the chair so the Presiding Officer may make a motion or for other good cause yield the Chair.

E. **Request for Written Motion.** Motions shall be reduced to writing when required by the Presiding Officer of the Council or any member of the Council. All resolutions and ordinances shall be in writing.

**SECTION 4. DUTIES AND PRIVILEGES OF COUNCIL MEMBERS.**

A. **Forms of Address.** The Mayor shall be addressed as “Mayor (surname),” “Your Honor,” or Mr./Madam Mayor. Members of the Council shall be addressed according to their preference as “Councilmember (surname),” “Councilor (surname),” or Mr./Mrs./Miss/Ms. (surname).

B. **Seating Arrangement at Regular Meetings.** The Mayor shall sit at the center of the Council, and the mayor Pro Tem shall sit adjacent to the Mayor. Other Council members are to be seated in a manner acceptable to the Council. If there is a dispute, seating shall be in position order.

C. **Dissents and Protests.** Any Council member shall have the right to express dissent from or protest against any ordinance or resolution of the Council and have the reason therefore entered in the minutes.

**SECTION 5. CITY ADVISORY COMMITTEES.**

A. **Establishment of Advisory Bodies.** The City of Covington’s Commissions, committees, and task forces provide an invaluable service to the City. Their advice on a wide variety of subjects aids the Council in the decision-making process. Effective citizen participation is an invaluable tool for local government.

All City Advisory Committees are advisory to the City Council and are not authorized to take independent action representing the city with other agencies or bodies.

These advisory bodies may be established by City Resolution or Ordinance if required by state statute.

The enacting resolution will set forth the size of each advisory group, which will be related to its duties and responsibilities, the term of office of its members; a statement of its purpose and function; and time lines, if relevant to the scope of work.

Adopted Pursuant to Covington Resolution No. 10-05
All Advisory Committee Meetings shall comply with the requirements of the Open Meetings Act (RCW Section 42.30).

The Council may dissolve any advisory body that, in their opinion, has completed its working function or for any other reason.

B. Appointment to Advisory Bodies. Vacancies shall be advertised unless otherwise directed by the City Council so that any interested citizen may submit an application. Applicants are urged to be citizens of the City of Covington, but applications from residents living outside of the corporate boundaries may be considered if authorized by the resolution or ordinance establishing the advisory body.

Appointments to advisory bodies will be made by the City Council during a regularly scheduled meeting. The Council shall interview applicants for reappointments unless otherwise determined by the City Council. Every effort shall be made to interview each applicant except when an applicant lacks the basic qualifications as set forth in the applicable resolution or ordinance or when the gross number of applicants is so large as to be an undue burden on the Council's schedule.

Newly appointed members will receive a briefing by the Commission, Committee, or Task Force Chairperson and/or City staff regarding duties and responsibilities of the members of the advisory body.

C. Removal of Appointees. Appointees to advisory bodies may be removed prior to the expiration of their term of office by a supermajority vote of the City Council.

SECTION 6. COUNCIL COMMITTEES/APPOINTMENTS.

A. Council Committees. Council committees are policy review and discussion arms of the City Council. Committees may study issues and develop recommendations for consideration by the City Council. Committees may not take binding action on behalf of the City.

The City Council may meet for study or special project purposes as a Committee of the Whole or may establish Council subcommittees with three or fewer members.

Council Committee structure shall be as determined by the City Council and may include:

Council Committee of the Whole – (Seven Council members)

Council Committees – Standing Committees established for special purposes, tasks, or time frames (three or fewer Council members)

Subcommittees of the City Council – Ad hoc and informal working or study group (three or fewer Council members)

Council Member Appointments – to task teams or City advisory boards, commissions and committees (three or fewer Council members)
Liaison/Representative Appointments – to other advisory bodies or groups.

All Council Committee Meetings shall comply with the requirements of the Open Meetings Act (RCW Section 42.30).

SECTION 7. MEETINGS.

The Mayor, or in the absence of the Mayor the Mayor Pro Tem, or any three members of Council may schedule or cancel a meeting, subject to the notice and call requirements prescribed by State Law or City Ordinance or rule.

All Council Meetings shall comply with the requirements of the Open Public Meetings Act (RCW Section 42.30). All Regular Meetings, Special Meetings and Study Sessions of the Council shall be open to the public.

The City Manager, or his or her designee, shall attend all meetings of the City Council including Regular Meetings, Special Meetings, Study Sessions, and Executive Sessions, except if council meets in Executive Session with the City Attorney on matters of potential conflict for the City Manager.

A. Council Meetings. The Council shall hold Regular Meetings on the second and fourth Tuesday of each month. The Council will not hold meetings on any other day of the month, unless otherwise noticed. All meetings will begin at 7:00 p.m., unless otherwise noticed. If an Executive Session is scheduled, it will be held at the end of the agenda distributed, unless otherwise noticed. Should any meeting occur on a legal holiday, the meeting shall be held at the same hour and place on the following business day. Should any meeting occur on a general or primary election day, or special election called within the City of Covington, the meeting shall be held at the same hour and place on the following business day.

B. Special Meetings. Special Meetings may be held by the Council.

C. Executive Sessions. The Council may hold Executive Sessions, from which the public may be excluded, for those purposes set forth in Chapter 42.30.110 RCW.

Before convening to an Executive Session, the Presiding Officer shall announce the purpose of the Session and the anticipated time when the Session will be concluded. No formal action or decision of the Council may be taken in Executive Session.

D. Annual Strategic Planning Summit. The Annual Strategic Planning Summit shall be held on the last Saturday in January of each year.

E. Emergency Meetings. If at any time there is a need for expedited action by the City Council to meet an emergency situation, the Council may hold an Emergency Meeting and the noticing requirements of Chapter 42 RCW or City Ordinance or rule may be waived.

F. Adjournment. Regular and Special Meetings shall adjourn at or before 10:00 p.m.; Study Sessions shall adjourn at or before 10:00 p.m. The adjournment times established hereunder may be extended to a
later time certain upon approval of a motion by a majority of the Council. During regular and special meetings, any Council member may call for a “Point of Order” at 9:30 p.m. to review agenda priorities.

G. Meeting Place. Council Meetings will be at a time and place as Council directs, except that Regular and/or Special meetings at which final actions on resolutions and ordinance will take place shall always be held within the boundaries of the City of Covington.

H. Public Notice. The City shall comply with the provisions of RCW 35A.12.160.

SECTION 8. COUNCIL ORDER OF BUSINESS.

A. Order of Business for Regular Meetings.

The suggested order of business for each Regular Meeting should be as follows:

- Regular Session
- Call to Order
- Roll Call, Flag Salute
- Approval of Agenda
- Public Communication
- Public Comment
- Approve Consent Agenda:
  - Approval of Minutes of Previous Meetings and Approval of Payroll/Claims
- Reports of Commissions
- Public Hearing
- Continued Business
- New Business
- Council/Staff Comments
- Public Comment
- Executive Session
- Adjournment

The suggested order of business for each Study Session should be as follows:

- Study Session
- Call to Order
- Roll Call, Flag Salute
- Approval of Agenda
- Public Comment
- Discussion
- Public Comment
- Executive Session
- Adjournment

B. Council Agenda. Pursuant to the authorities specified in RCW 35A.13.080, the City Manager shall set the Council agenda for the meeting, following the suggested order of business listed in Section 8.A

Adopted Pursuant to Covington Resolution No. 10-05
whenever practical. When necessary, the Mayor or other Council member, with the consent of the Council, may change the order of business. No legislative item not on the agenda shall be voted upon; a motion to suspend the rules would be necessary to add a legislative item to the agenda, in order to facilitate a vote on a legislative item not listed in the published agenda.

SECTION 9. CONDUCT OF BUSINESS.

A. Public Comment. During meetings of the Council, public comments will be invited during the Public Comment portion(s) of the agenda. The public is also invited to provide written comment on any non-quasi-judicial or legislative matter. It is encouraged that such written comments be filed with the City Clerk by Noon of the Thursday preceding the meeting. If written comments are given at the meeting, the presenter should provide seventeen copies for the Council and staff.

In addition, public oral testimony may be taken on other non-quasi-judicial or legislative matters as they arise during the course of the meeting agenda. However, once a motion is pending, debate is limited to Council members and no further public comment will be taken, unless a Council member requests further testimony.

Public comments should be limited to no more than four minutes per person. No person may donate time to another person. If additional time is needed, a person may request that the Council place an item on a future agenda as time allows.

B. Identification of Speakers. Persons testifying shall identify themselves for the record as to name, address, and organization.

C. Instructions for Speakers. An instruction notice and/or sign up sheet will be provided at the entrance to the Council chambers. Speakers will be advised by the Mayor that their testimony is being recorded. Persons testifying should address their comments to the City Council, not the audience or the staff.

D. Addressing Council Outside of a Public Hearing or Public Comments. No person shall be allowed to address the Council while it is in session without the recognition of the Presiding Officer.

SECTION 10. CONSENT CALENDAR.

The City Manager in consultation with the Presiding Officer, shall place matters on the Consent Calendar which: (a) have been previously discussed or policies have been set by the Council, or (b) based on the information delivered to members of the Council, by the administration, can be reviewed by a Council member without further explanation, or (c) are so routine or technical in nature that passage is likely. Ordinances, Resolutions, and Motions are all eligible to be placed on the Consent Calendar.

The motion to adopt the Consent Calendar shall be non-debatable and have the effect of moving to adopt all items on the Consent Calendar. Since adoption of any item on the Consent Calendar implies unanimous consent, any member of the Council shall have the right to remove any item from the Consent Calendar. If any matter is withdrawn, the Presiding Officer shall place the item at an appropriate place on the agenda for deliberation at the current or a future Council Meeting.
SECTION 11. PUBLIC HEARINGS.

The Public Hearing is a formal opportunity for citizens to give their views for consideration in the legislative or policy-decision-making process. In addition, public hearings are required on quasi-judicial actions, which determine the legal rights, duties, or privileges of specific parties. The following rules shall be observed during public hearings:

Legislative/Information Gathering Public Hearings:

A. Open Public Hearing – The Mayor will open the public hearing.

- Staff Presentation – For an initial presentation of background information from a City Department, a City Board, Commission, or Committee, no more than 20 minutes will be allowed, unless authorized by the Presiding Officer.

- Citizen Comments – Comments will be limited to four minutes. Any individual or group may request of the Council additional time to speak if such request is submitted in writing no later than the day prior to the subject meeting. Such request shall be subject to Council approval. The Presiding Officer may allow additional time for receipt of written testimony, when needed.

- Staff Comments – Additional staff comments may be requested by Council following citizen comments.

- Close Public Hearing – At the conclusion of Citizen or Staff Comments, the Presiding Officer will close the public hearing.

- Council Deliberation.

- Council Action

- Timekeeper – The City Clerk shall be the timekeeper.

B. Quasi-Judicial Public Hearings:

No Public oral testimony shall be given on quasi-judicial matters outside of a public hearing except on matters of procedure. If a quasi-judicial hearing is on the agenda, the public will be informed by the City Attorney as to what state law permits as to public comments. In addition, quasi-judicial hearings will be conducted in conformance to procedures outlined in other City ordinances such as the Hearings Examiner Ordinance and the Ordinance Adopting New Administrative Procedures for the Processing of Project Permit Applications as Required by the Regulatory Reform Act.
SECTION 12. AGENDA PREPARATION.

The City Manager shall direct the City Clerk to prepare a preliminary agenda for each Council meeting specifying the time and place of the meeting and setting forth a brief general description of each item to be considered by the Council.

An item for a Council meeting may be placed on the preliminary agenda for consideration by one of the following methods:

A majority vote by the Council;

Council consensus;

By any three Council members in writing or with phone confirmation, no later than Noon on the Wednesday before a Regular Meeting. The name of the requesting Council members will be set forth on the agenda;

By the City Manager;

Legally required advertised public hearings will have a higher priority over other agenda items scheduled for convenience rather than for statutory or other reasons.

Agenda items that are continued from one meeting to another will have preference on the agenda to the extent possible.

SECTION 13. EFFECT/WAIVER OF RULES.

It is the intent of the City Council that council procedures be periodically reviewed as needed, but no less than every two years. Accordingly, Council procedures should be considered in the month of January of every even-numbered year, and may be considered at any other time that Council shall choose to review them.

These rules of procedure are adopted for the sole benefit of the members of the City Council to assist in the orderly conduct of Council business. These rules of procedure do not grant rights or privileges to members of the public or third parties. Failure of the City Council to adhere to these rules shall not result in any liability to the City, its officers, agents, and employees, nor shall failure to adhere to these rules result in invalidation of any Council act. The City Council may, by a two-thirds vote of those members present and voting, determine to temporarily waive any of the provisions herein. A two-thirds vote is five of seven votes, four of six votes, four of five votes and three of four votes.

(Revised: February 8, 2000; July 9, 2002; January 21, 2003; March 14, 2006; February 12, 2008, May 12, 2009 and February 9, 2010.)

Adopted Pursuant to Covington Resolution No. 10-05
Session VIII

Next Steps

(No handouts)
Session IX

Other Issues on the Horizon

(No handouts)
Session X

Wrap-up: Final Thoughts

(No handouts)