

Kelso City Council Agenda

Regular Meeting, 6:00 pm
May 5, 2015
City Hall, Council Chambers
203 South Pacific
Kelso, WA 98626



**Special accommodations for the handicapped and hearing impaired are available
by special arrangement through the City Clerk's Office at 360-423-0900**

Invocation:

Pastor Vonda McFadden, Kelso First United Methodist Church

Roll Call to Council Members:

1. Approve Minutes:

1.1. April 21, 2015 – Regular Meeting

2. Proclamations:

- 2.1. National Salvation Army Week
- 2.2. National Transportation Week
- 2.3. National Law Enforcement Week

3. Presentation:

3.1. Police Department

4. Consent Items:

5. Citizen Business:

6. Council Business:

- 6.1. Contract – Anchor Point Industrial Feasibility Study Consultant
- 6.2. Contract –Wallis Engineering Annual Water/Sewer Replacement Design Consultant
- 6.3. 2015 HOME Project Allocations

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7. Action/Motion Items:

7.1. Ordinance, 2nd Reading

7.1.1. Amend KMC Chapter 17.45, Marijuana Land Use

7.2. Ordinance, 2nd Reading

7.2.1. Amend KMC Chapter 17.15, Wineries Land Use

Other Items:

- City Manager Report
- Staff/Dept Head Reports
- Council Reports
- Other Business
- Executive Session

Pastor Russ Jorgenson, Kelso Assembly of God, gave the invocation. Mayor David Futcher led the flag salute. The Regular Meeting of the Kelso City Council was called to order by Mayor Futcher. Councilmembers in attendance were: Rick Roberson, Dan Myers, David Futcher, Gary Archer, Gary Schimmel, Todd McDaniel and Jared Franklin.

Minutes: Upon motion by Councilmember Schimmel, seconded by Councilmember Roberson, 'Approve the Minutes of the 04/07/15 Regular Meeting,' motion carried, all voting yes.

PROCLAMATION:

Mayor Futcher read a proclamation declaring May 2015, as "**Mental Health Awareness Month**" in the City of Kelso. Lower Columbia Mental Health Representative David McClay accepted the proclamation.

Mayor Futcher read a proclamation declaring May 4th -10th, 2015, as "**Children's Book Week**" in the City of Kelso. Library Director Cindy Donaldson accepted the proclamation.

Mayor Futcher read a proclamation declaring May 3rd -9th, 2015, as "**National Drinking Water Week**" in the City of Kelso. Water Plant Supervisor Paul Reeb accepted the proclamation.

PRESENTATION:

Allen Street Bridge Landscaping Project. City Manager Steve Taylor acknowledged Rotary Representative Jessica Mickens. He thanked the Kelso Rotary for the volunteers and for the donation of \$1,000 towards the project. He also gave thanks to the Kelso Downtown Revitalization Association, Kelso School District, City Staff and other volunteers.

PUBLIC HEARING:

Mayor Futcher opened the public hearing at 6:09 p.m. City Manager Steve Taylor provided a presentation of the 2015 HOME Allocation requests. The City of Kelso had \$39,041.28 in available funding. The Foundation for the Challenged Program applied for \$46,718. Lower Columbia Action Council applied for \$46,335. There were no other applicants. The Consortium Community Housing Development Organization (CHDO) allocation, which will assist with operating costs, is 5% of the determined 2015 HOME allocation.

Life Works Representative Wendy Keegan discussed the application on behalf of the Foundation for the Challenged to develop a group home for four developmentally disabled residents.

Lower Columbia Action Council Program Development Director Michael Torres discussed the application to construct a 4-bedroom rental on the former Terry Salvage Yard property.

There being no further comments from the audience, Mayor Futcher closed the public hearing at 6:26 p.m.

CONSENT AGENDA:

1. **Auditing of Accounts:** \$1,584,261.77

Upon motion by Councilmember Myers, seconded by Councilmember Schimmel, 'Approve the Consent Agenda and the Auditing of Accounts in the amount of \$1,584,261.77.' Councilmembers Myers, Schimmel, Archer, McDaniel, Roberson and Futcher voting yes, Councilmember Franklin voting no. Motion passed, 6 to 1.

CITIZEN BUSINESS:

COUNCIL BUSINESS:

Joint Council/Planning Commission Workshop – Development Code Update:

The Council convened into a Joint Council/Planning Commission Workshop at 6:30 p.m. Gregg Dohrn provided a power point presentation on the development code update. Council reconvened into Regular Session at 7:12 p.m.

Contract Amendment – Waste Control:

Upon motion by Councilmember Schimmel, seconded by Councilmember Myers, 'Approve amendment to the Waste Control Agreement.' Discussion followed. Motion passed, all voting yes.

MOTION ITEMS:

Ordinance No. (1st Reading) Amend KMC Chapter 17.45, Marijuana Land Use:

The Deputy Clerk read the proposed ordinance by title only. Upon motion by Councilmember Roberson, seconded by Councilmember Myers, 'Pass on 1st reading, 'AN ORDINANCE OF THE CITY OF KELSO AMENDING KELSO MUNICIPAL CODE CHAPTER 17.45, MARIJUANA RELATED LAND USES, TO REMOVE RESTRICTIONS TO ALLOW MARIJUANA PRODUCTION AND PROCESSING FACILITIES TO LOCATE WITHIN 250 FEET OF RESIDENTIAL USES.' Discussion

followed. Councilmembers: Futchter, Archer, Roberson, Myers, McDaniel, Franklin voting yes, Councilmember Schimmel voting no. Motion passed, 6 to 1.

Ordinance No. (1st Reading) Amend KMC Chapter 17.15, Wineries Land Use: The Deputy Clerk read the proposed ordinance by title only. Upon motion by Councilmember McDaniel, seconded by Councilmember Myers, 'Pass on 1st reading 'AN ORDINANCE OF THE CITY OF KELSO AMENDING KELSO MUNICIPAL CODE CHAPTER 17.15 RELATED TO MICROBREWERIES AND MICROWINERIES TO EXPAND THE ZONES WHERE SUCH USES ARE ALLOWED.' Discussion followed. Motion passed, all voting yes.

Ordinance No. 15-3844 - 2015 Budget Revision No. 1: The Deputy Clerk read the proposed ordinance by title only. Upon motion by Councilmember McDaniel, seconded by Councilmember Myers, 'Adopt Ordinance No. 15-3844, 'AN ORDINANCE OF THE CITY OF KELSO RELATING TO PUBLIC EXPENDITURES AND DECLARING AN EMERGENCY UNDER THE PROVISIONS OF RCW35A.34.150, FIXING THE AMOUNT OF MONEY REQUIRED TO MEET SUCH EMERGENCIES AND AUTHORIZING THE EXPENDITURE OF MONEY NOT PROVIDED FOR IN THE 2015-2016 BIENNIAL BUDGET OF THE CITY.' Discussion followed. Councilmembers Roberson, Archer, McDaniel, Schimmel, Myers and Futchter voting yes, Councilmember Franklin voting no. Motion passed, 6 to 1.

MANAGER'S REPORT:

Steve Taylor: Commented that the Washington State Transportation Commission met here today to discuss the area's issues and needs.

STAFF REPORT:

Finance Director - Brian Butterfield: Commented that the State Auditors will be here for the next four weeks. He stated that there are two new options now available for paying utility bills. Customers can pay on line and by phone with credit or debit cards. They can also access, view and print utility bills.

COUNCIL REPORTS:

Jared Franklin: No report.

Rick Roberson: No report.

Dan Myers: No report.

Todd McDaniel: No report.

Gary Archer: Commented on the upcoming Flee Market at the fairgrounds.

Gary Schimmel: No report.

David Futcher: Commented on the 2015 Home presentation. He reminded Council of the goal to allocate funds to establish home ownership. He encouraged the Council to review the applications. He also commented that these allocations could be carried over for future projects.

There being no further business, Mayor Futcher adjourned the meeting at 7:40 p.m.

MAYOR

CITY CLERK

PROCLAMATION

N ational Salvation Army Week May 11-17, 2015

Whereas, since 1922, the Salvation Army's only business throughout the communities of Cowlitz County as everywhere, is 'human' business, undertaken with joy for the family of humankind to the great glory of God; and

Whereas, since the first pronouncement by President Dwight D. Eisenhower in 1954, the Salvation Army has celebrated National Salvation Army Week with various activities and events around the country; and

Whereas, the Salvation Army acts on behalf of all the residents of our county, with neither salvation nor any other condition prerequisite, nor expecting any thanks, yet nonetheless welcoming community support; and

Whereas, nearly 30 million Americans receive assistance from The Salvation Army each year through a broad array of social services that range from providing food for the hungry, relief for disaster victims, assistance for the disabled, outreach to the elderly and ill, clothing and shelter to the homeless and opportunities for underprivileged children.

N ow, Therefore, I, David Futcher, Mayor of the City of Kelso, do hereby declare May 11-17, 2015, as "N ational Salvation Army Week" in the City of Kelso.

In witness whereof, I have hereunto set my hand and caused the seal of the City of Kelso to be affixed this 5th day of May, 2015

David Futcher, Mayor

Proclamation

National Transportation Week May 10-16, 2015

WHEREAS, Kelso has a long history as a transportation provider since 1889; and

WHEREAS, Kelso owns 74 miles of streets and alleys and operates and maintains 4 bridges; and

WHEREAS, Transportation services provided in Kelso are an integral part of the everyday lives of its citizens, promoting clean, healthy neighborhoods and establishing vibrant communities; and

WHEREAS, The City's regional transportation infrastructure is essential in sustaining an economy which greatly impacts our livability, business, and commerce; and

WHEREAS, The importance and value of our nations' transportation system and those components built and maintained by Kelso including our city streets, bike and pedestrian facilities, culverts, rights-of-way, alleys, and bridges; and

WHEREAS, The quality and effectiveness of transportation projects and services enjoyed by citizens of Kelso are dependent upon the skills of the qualified and dedicated Public Works employees; and

WHEREAS, The contributions of the Public Works employees include regional and local planning and coordination with other jurisdictions; 24-hour service from road and bridge maintenance staff; road and bridge engineers designing and construction up-to-date facilities; traffic and sign staff installing and maintaining pavement markings and traffic signage; surveyors providing the necessary surveys for design and construction of road projects including topographic and right-of-way surveys and construction staking; right-of-way specialists ensuring safe and usable land for the transportation system; environmental compliance staff overseeing the County's compliance with local, State and Federal water quality rules; and administrative and financial support professionals that keep our offices running smoothly; and

NOW, THEREFORE, I, David Futcher, Mayor of the City of Kelso, do hereby proclaim May 10-16, 2015, as National Transportation Week in the City of Kelso.

In witness whereof, I have hereunto set my hand and caused the seal of the City of Kelso to be affixed this 5th day of May, 2015

David Futcher, Mayor

PROCLAMATION

POLICE WEEK *May 10-16, 2015*

WHEREAS, there are approximately 900,000 law enforcement officers serving in communities across the United States, including the dedicated members of the KELSO POLICE DEPARTMENT;

WHEREAS, nearly 60,000 assaults against law enforcement officers are reported each year, resulting in approximately 16,000 injuries;

WHEREAS, since the first recorded death in 1791, more than 20,000 law enforcement officers in the United States have made the ultimate sacrifice and been killed in the line of duty, including one (1) member of the KELSO POLICE DEPARTMENT Officer Francis Konen End of Watch (EOW) March 27, 1948;

WHEREAS, the names of these dedicated public servants are engraved on the walls of the National Law Enforcement Officers Memorial in Washington, D.C.;

WHEREAS, new names of fallen heroes are being added to the National Law Enforcement Officers Memorial this spring, including 116 officers killed in 2014 and 159 officers killed in previous years;

WHEREAS, the service and sacrifice of all officers killed in the line of duty will be honored during the National Law Enforcement Officers Memorial Fund's 27th Annual Candlelight Vigil, on the evening of May 13, 2015;

WHEREAS, the Candlelight Vigil is part of National Police Week, which takes place this year on May 10-16;

WHEREAS, May 15 is designated as Peace Officers Memorial Day, in honor of all fallen officers and their families and U.S. flags should be flown at half-staff;

THEREFORE, BE IT RESOLVED that the CITY OF KELSO formally designates May 10-16, 2015, as "*Police Week*" in CITY OF KELSO, and publicly salutes the service of law enforcement officers in our community and in communities across the nation.

*In witness whereof, I have hereunto
set my hand and caused the seal of
the City of Kelso to be affixed this
5th day of May, 2015*

David Futcher, Mayor

AGENDA SUMMARY SHEET

Business of the City Council City of Kelso, Washington

SUBJECT TITLE:

Anchor Point Industrial Site Feasibility/Economic
Impact Study Contract for Consultant Services

Agenda Item: _____

Dept. of Origin: Community Development/Eng

For Agenda of: May 5, 2015

PRESENTED BY:

Michael Kardas, P.E.
Community Development Director / City Engineer

Cost of Item: \$100,000

City Manager: Steve Taylor

AGENDA ITEM ATTACHMENTS:

Consultant Scope of Work
Professional Services Agreement

SUMMARY STATEMENT:

The City's recently received a \$50,000 planning grant from the State of Washington's Community Economic Revitalization Board (CERB) to study the feasibility and economic benefits of developing the City's industrial zoned property. Elements of this study will include concepts and planning level cost estimates for vehicle and rail access, providing utilities, and identifying environmental clearance requirements.

The main focus of the study is the 600 acre property located south SR 432 and west of the BNSF railroad yard. It is know as Anchor Point and is owned by the Winters family. The City is entering into a public private partnership with the owners and Cowlitz County to fund this study effort.

Five consulting firms were invited to submit proposals and three firms responded. All three firms were interviewed and David Evans and Associates, Inc. (DEA) was selected as the most qualified. Kelso is the grant recipient and will administer the contract. An agreement has been prepared that outlines responsibilities and obligations for each of the involved parties.

FINANCIAL IMPACT:

This project is funded by a combination of sources:

CERB Planning Grant	\$ 50,000
Private Contribution	\$ 25,000
City of Kelso	\$ 20,000
Cowlitz County	\$ 5,000
<u>Total</u>	<u>\$100,000</u>

Council has previously authorized the Kelso contribution and the Cowlitz County BOCC has approved the County's contribution. The private contribution will be made prior to the consultant beginning work.

RECOMMENDED ACTION:

Staff recommends council make a motion to authorize the City Manager to execute a professional service contract with DEA, Inc. in the amount of \$100,000.

PROFESSIONAL SERVICES AGREEMENT

This Agreement (“Agreement”) is dated effective this _____ day of _____, 2015. The parties (“Parties”) to this Agreement are the City of Kelso, a Washington municipal corporation (“City”), and David Evans and Associates, Inc (“Consultant”).

A. The City seeks the temporary professional services of a skilled independent consultant capable of working without direct supervision in the capacity of Civil Engineering and Economic Impact Analysis, and is familiar with the City’s municipal code, resolutions, regulations and policies.

B. The Consultant has the requisite skill and experience necessary to provide such services and has obtained a City of Kelso business license to perform these services.

NOW, THEREFORE, the Parties agree to the following terms and conditions:

1. SERVICES.

1.1 The Consultant agrees to furnish all personnel, materials, equipment and supervision and to otherwise do all things necessary for or incidental to the performance of the work set forth below and more particularly described in the City of Kelso Request for Proposals and the Consultants Proposal to prepare the Anchor Point Industrial Site Feasibility/Economic Impact Study “Exhibit A ”attached hereto and incorporated by this reference (“Services”).

1.2 Compliance With Laws. All duties of the Consultant or designees shall be performed in accordance with all applicable federal and state laws and city ordinances as now existing or hereafter adopted or amended.

1.3 The Consultant shall control and direct the performance of the work. The City reserves the right to inspect, review and approve the work to assure that it has been completed as specified prior to payment.

1.4 Performance Standard. All duties by the Consultant or his designees shall be performed in a manner consistent with accepted practices for other similar services, performed to the City’s satisfaction, within the time period prescribed by this Agreement and pursuant to the direction of the City Manager or designee.

2. TERM.

The Term of this Agreement shall commence on the effective noted above and shall continue until the completion of the Services, but in any event no later than December 31, 2015. This Agreement may be extended for additional periods of time upon the mutual written agreement of the City and the Consultant. During any term, this Agreement may be terminated, with or without cause by either Party, by giving ninety (90) days written notice to the other party.

3. COMPENSATION.

3.1 Total Compensation. In consideration of the Consultant performing the Services, the City agrees to pay an amount not to exceed \$100,000.

3.2 Compensation Rates. Compensation for Services shall be based on the attached compensation schedule not to exceed \$100,000

3.3 Method of Payment. Payment by the City for the Services will only be made after the Services have been performed and an itemized billing statement has been submitted in the form specified by the City and approved by the appropriate City representative, which shall specifically set forth the Services performed, the name of the person performing such Services, and the hourly labor charge rate for such person. Payment shall be made on a monthly basis thirty (30) days after receipt of such billing statement.

3.4 Consultant Responsible for Taxes. The Consultant shall be solely responsible for the payment of any taxes imposed by any lawful jurisdiction as a result of performance and payment under this Agreement.

4. REPRESENTATIONS.

4.1 The Consultant warrants that it has the requisite training, skill and experience necessary to provide the Services and is appropriately accredited and licensed by all applicable agencies and governmental entities.

5. INDEPENDENT CONSULTANT.

5.1 It is the intention and understanding of the Parties that the Consultant shall be an independent consultant. The Consultant or his or her employees or agents performing under this Agreement are not employees or agents of the City. The Consultant will not hold himself or herself out as nor claim to be an officer or employee of the City. The Consultant will not make any claim of right, privilege, or benefit which would accrue to an employee under law. The City shall neither be liable for nor obligated to pay sick leave, vacation pay or any other benefit of employment, nor to pay any social security or other tax which may arise as an incident of employment. The Consultant shall pay all income and other taxes as due. Industrial or any other insurance which is purchased for the benefit of the Consultant shall not be deemed to convert this Agreement to an employment contract.

5.2 It is recognized that the Consultant may or will be performing professional services during the term for other parties and that the City is not the exclusive user of the Consultant's services; provided, however, that the performance of other professional services shall not conflict with or interfere with the Consultant's ability to perform the Services. The Consultant agrees to resolve any conflict in favor of the City.

6. INDEMNIFICATION.

6.1 Consultant Indemnification. The Consultant shall defend, indemnify and hold the City, its officers, officials, employees and volunteers harmless from any and all claims,

injuries, damages, losses or suits including attorney fees, arising out of or in connection with the performance of this Agreement, except for injuries and damages caused by the sole negligence of the City.

6.2 Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Consultant and the City, its officers, officials, employees, and volunteers, the Consultant's liability hereunder shall be only to the extent of the Consultant's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Consultant's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

7. INSURANCE.

7.1 The Consultant shall procure and maintain for the duration of the Agreement, a the insurance policies described below against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Consultant, their agents, representatives, employees or subconsultants.

A. Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate and a \$2,000,000 products-completed operations aggregate limit and further shall be written on ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent consultants, products-completed operations, stop gap liability, personal injury and advertising injury, and liability assumed under an insured contract. The Commercial General Liability insurance shall be endorsed to provide the Aggregate Per Project Endorsement ISO form CG 25 03 05 09. There shall be no endorsement or modification of the Commercial General Liability insurance for liability arising from explosion, collapse or underground property damage. The City shall be named as an insured under the Consultant's Commercial General Liability insurance policy with respect to the work performed for the City using ISO Additional Insured endorsement CG 20 10 04 13 and Additional Insured-Completed Operations endorsement CG 20 37 04 13 or substitute endorsements providing equivalent coverage.

B. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.

7.2 Other Insurance Provisions. The insurance policies are to contain, or be endorsed to contain, the following provisions for Commercial General Liability insurance:

A. The Consultant's insurance coverage shall be primary insurance as respect the City. Any Insurance, self-insurance, or insurance pool coverage maintained by the City shall be excess of the Consultant's insurance and shall not contribute with it.

B. The Consultant's insurance shall be endorsed to state that coverage shall not be cancelled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

7.3 Verification of Coverage. Consultant shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Consultant before commencement of the work.

8. EQUAL OPPORTUNITY EMPLOYER.

In the performance of all Services under this Agreement, the Consultant, or its employees, agents, subconsultants or representatives, shall not discriminate against any person because of sex, age (except minimum age and retirement provisions), race, color, creed, national origin, marital status or the presence of any disability, including sensory, mental, or physical handicaps, based upon a bona fide occupational qualification in relationship to hiring and employment. The Consultant shall comply with the Washington Law Against Discrimination (Chapter 49.60 RCW) and with any other applicable federal or state law or local ordinance regarding non-discrimination. Any material violation of this provision shall be grounds for immediate termination of this Agreement by the City and, in the case of the Consultant's breach, may result in ineligibility for further City agreements.

9. INTELLECTUAL PROPERTY-- Warranty of Noninfringement

Consultant represents and warrants that the Consultant is either the author of all deliverables to be provided under this Agreement or has obtained and holds all rights necessary to carry out this Agreement. Consultant further represents and warrants that the Services to be provided under this Agreement do not and will not infringe any copyright, patent, trademark, trade secret or other intellectual property right of any third party.

10. CONFIDENTIALITY.

The Consultant agrees that all materials containing confidential information received pursuant to this Agreement shall not be disclosed without the City's express written consent unless such disclosures are required by law, rule, regulation, court order or government investigation which Consultant will provide notice to the City. Consultant agrees to provide the City with immediate written notification of any person seeking disclosure of any confidential information obtained for the City.

11. WORK PRODUCT.

All work product, including records, files, documents, plans, computer disks, magnetic media or material which may be produced or modified by the Consultant while performing the Services shall belong to the City. Upon written notice by the City during the Term of this Agreement or upon the termination or cancellation of this Agreement, the Consultant shall deliver all copies of any such work product remaining in the possession of the Consultant to the City. Any reuse or modification of the work product without the prior written consent of the Consultant shall be at the sole risk of the City.

12. BOOKS AND RECORDS.

The Consultant agrees to maintain books, records, and documents that sufficiently and properly reflect all direct and indirect costs related to the performance of the Services and maintain such accounting procedures and practices as may be deemed necessary by the City to assure proper accounting of all funds paid pursuant to this Agreement. These records shall be subject, at all reasonable times, to inspection, review, or audit by the City, its authorized representative, the State Auditor, or other governmental officials authorized by law to monitor this Agreement.

13. NON-APPROPRIATION OF FUNDS.

If sufficient funds are not appropriated or allocated for payment under this Agreement for any future fiscal period, the City will not be obligated to make payments for Services or amounts incurred after the end of the current fiscal period, and this Agreement will terminate upon completion of all remaining Services for which funds are allocated. No penalty or expense shall accrue to the City in the event this provision applies.

14. GENERAL PROVISIONS.

14.1 Entire Agreement. This Agreement contains all of the agreements of the Parties with respect to any matter covered or mentioned in this Agreement and no prior agreements shall be effective for any purpose.

14.2 Modification. No provisions of this Agreement may be amended or modified except by written agreement signed by the Parties.

14.3 Full Force and Effect. Any provision of this Agreement which is declared invalid or illegal shall in no way affect or invalidate any other provision hereof and such other provisions shall remain in full force and effect.

14.4 Assignment. Neither the Consultant nor the City shall have the right to transfer or assign, in whole or in part, any or all of its obligations and rights hereunder without the prior written consent of the other party.

14.5 Successors in Interest. Subject to the foregoing Subsection, the rights and obligations of the Parties shall inure to the benefit of and be binding upon their respective successors in interest, heirs and assigns.

14.6 Attorney Fees. In the event either party brings a lawsuit to enforce the terms of this Agreement, or arising from a breach of this Agreement, the prevailing party shall be entitled to its costs and attorneys' fees for bringing or defending against the action.

14.7 No Waiver. Failure or delay of the City to declare any breach or default immediately upon occurrence shall not waive such breach or default. Failure of the City to

declare one breach or default does not act as a waiver of the City's right to declare another breach or default.

14.8 Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Washington.

14.9 Venue. The venue for any dispute related to this Agreement or for any action to enforce any term of this Agreement shall be Cowlitz County, Washington.

14.10 Authority. Each individual executing this Agreement on behalf of the City and the Consultant represents and warrants that such individuals are duly authorized to execute and deliver this Agreement on behalf of the Consultant or the City.

14.11 Notices. Any notices required to be given by the Parties shall be delivered at the addresses set forth below. Any notices may be delivered personally or may be deposited in the United States mail, postage prepaid, to the address set forth below. Any notice so posted in the United States mail shall be deemed received three (3) days after the date of mailing.

14.12 Performance. Time is of the essence of this Agreement in each and all of its provisions in which performance is a factor.

14.13 Remedies Cumulative. Any remedies provided for under the terms of this Agreement are not intended to be exclusive, but shall be cumulative with all other remedies available to the City at law or in equity.

14.14 Counterparts. This Agreement may be executed in any number of counter-parts, which counterparts shall collectively constitute the entire Agreement.

Executed on the dates written below.

CONSULTANT

CITY OF KELSO

By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Address: _____

Address: _____

Date: _____

Date: _____

Approved as to form:

City Attorney

City Clerk

EXHIBIT A

Anchor Point Industrial Site Feasibility/Economic Impact Study

SCOPE OF SERVICES

April 29, 2015

I. PROJECT DESCRIPTION

The City of Kelso (CLIENT) has secured a grant from the Washington State Community and Economic Revitalization Board (CERB) to perform a conceptual site access/development and economic impact study for a 600-Acre property known as the “Anchor Point” property or “Winter’s Property”. CLIENT has selected a team lead by David Evans and Associates, Inc. (DEA) to prepare this report.

The report is intended to be completed in two phases: The first phase is the due diligence phase that analyzes conceptual designs, permitting requirements and planning-level costs for vehicular access, freight rail access, and utility extension to the property. The second phase of the project will be to utilize the scenarios determined in the first phase, and prepare the best use/economic impact/marketing plan portion of the study, and combine it with the information from Phase 1 to create the final report. Owner's representatives for the subject property have also contributed financially to the study and will be stakeholders in the process, but the City of Kelso will be the CLIENT for the purposes of this proposal.

II. SCOPE OF SERVICES

The following items describe the Specified Services which DEA shall perform for CLIENT under this Agreement for this project:

Phase 1: Site Investigations/Preliminary Design

The DEA team will provide weekly status updates to the CLIENT and owner’s representatives. The DEA team will meet at the city up to two additional times. DEA intends to make use of WEB-EX to convey information and reduce travel costs.

Task 1.1 Geotechnical Engineering

Objective: Provide a desktop review of available resources for subsurface conditions within the Winter’s property (Project Site) to support design assumptions for grade-separated access into the Project Site.

Subconsultant *Landau Associates Inc.* (Landau) will perform the following work:

Review readily available subsurface exploration logs available through local and state government sources.

Develop preliminary opinions about foundation depth and settlement risk as a basis to assist Consultant in developing preliminary cost estimates.

Provide miscellaneous consultation to Consultant on geotechnical related issues, upon request.

Task 1.1 Deliverables to be included in the Final Report:

DEA will provide a summary of the review findings, including preliminary opinions regarding foundation depth. DEA will incorporate this summary into our project deliverable.

Subconsultant will review pertinent portions of Consultant's deliverable prior to finalization.

Task 1.2 Hazardous Materials/Due Diligence

Objective: Review available information as a basis for identifying potentially contaminated locations within the Winter's property (Project Site).

Subconsultant *Landau Associates Inc.* (Landau) will perform the following work:

Review a regulatory database report, historical air photographs, and available previous investigation reports to identify known or potential contaminated locations within the Project Site.

Provide limited consultation to the design team related to potential contamination issues and associated investigative and/or cleanup costs.

Identify any additional documents or investigations that could be required to prior to ruling out hazardous material-related fatal flaws for the project.

Task 1.2 Deliverables:

1. A summary of the review findings, including a map or aerial photo showing any locations of potential concern and any pertinent hand notes. The map/photo will be in rough draft format and, if incorporated into the final project deliverable. DEA will incorporate the summary into the final report.

Task 1.3 Vehicular Access

Objective: Analyze four potential routes for vehicular access to the site and provide planning-level opinion of probable cost and general permitting requirements.

Proposed Structures:

There are four locations presently being considered. One is an at-grade crossing along the Cowlitz river and across the BNSF tracks at the north end of their yard. The second is a bridge across the Cowlitz River downstream from the Longview Switching rail bridge. The third is the extension of Talley Way at its current terminus inside Kelso Village (Segale Property) over the BNSF yard, over the wetlands and into property. The fourth is a modification of the existing, private truck underpass below Interstate 5 Highway and under the BNSF rail road tracks (coming from the old highway 99 on the East side of the freeway onto the Anchor Point site).The roadway (a private, one way road), will need to be lowered to create an increased clearance of 14' 6", from the existing 12'-6" and possibly widened for 2 way traffic or signalized for alternating one-lane traffic. An estimate of the Owl Creek 100-year water surface elevation from existing FEMA mapping will be analyzed to provide recommendations for dewatering and storm water conveyance needed to accommodate a new "U-Shaped" underpass "tunnel-like" structure designed to permit the maximum size

Public Safety Vehicle/Semi-truck/construction vehicles free access in and out of the site during the 100 year storm event.

Task 1.3 Deliverables: The product of the professional services requested will be a three “concept level” designs required to analyze the different ways to achieve the vehicle access into the site. Detailed design criteria (data) will be required as part of the report but only Concept Level Design Drawings and Opinion of Probable Cost will be required to show the General arrangement of the proposed solutions. A vertical section to illustrate the required type of foundations and retaining structures, if needed, will be shown. A narrative for each of the three solutions and general permitting requirements will be produced. All deliverables will be contained within the Final Report, Task 2.2.

Task 1.4 Rail Access

Objective: Analyze rail access options to the site including separate arrival and departure routes/structures, and a single structure/spur track option. Turnouts (switches) site locations have been established on a preliminary basis that has received a very concept level “New Business Review” by the BNSF railroad company. These are to be “assumed” locations for this task. Determine planning-level opinion of probable cost and general permitting requirements.

Task 1.4 Deliverables: The product of the professional services requested will be a preliminary design for each rail access option, plus a narrative description, opinion of probable cost, and general permitting requirements for each option. All deliverables will be contained within the Final Report, Task 2.2.

Task 1.5 Utilities

Objective: Analyze options to extend utilities to the site including power, water, sewer, natural gas, phone and CATV.

Task 1.5 Deliverables: DEA will contact the various utility providers and determine options for serving the site with power, water, sewer, natural gas, phone, and CATV. A composite drawing showing the general arrangement of the proposed services will be produced, as well as a narrative for each of the utilities, opinion of probable cost, and general permitting requirements. All deliverables will be contained within the Final Report, Task 2.2.

Phase 1 Schedule: The information resulting from the Phase 1 work will be conveyed to the CLIENT within 45 days from the execution of our contract with the CLIENT.

Phase 2: Economic Study / Final Report

Task 2.1 Economic Analysis

DEA’s subconsultant, J Robertson and Co., will complete the following scope items. Additional tasks may be added for a separate fee. The approach to the marketing strategy will be refined as additional information about “best and highest” use is determined through earlier task work. Scope and budget assume up to two additional in-person meetings with the CLIENT and stakeholders.

Scenario-Building and Economic Impact Assessment

Coordinate with Anchor Point owner representatives to identify a preferred development scenario. Based on the agreed-upon scenario, J. Robertson and Co. will establish a development program identifying specific types of land uses/activities, size and amount of those developments and anticipated costs (site work, buildings, permit fees, contingency). This information, in-turn, will be used to generate the economic impact assessment. In addition to a net present value estimate, impacts to be assessed include:

Construction and Ongoing Impacts

- On-Site Employment (FTEs and estimated wages)
- Total Payroll
- Average Annual Wage
- Business Revenue

Tax Revenue by Jurisdiction

- State of Washington
- City
- County
- Schools
- Other Special Districts

Additional Market Analysis

Per CERB grant requirements, J. Robertson and Co. will also prepare a supplemental economic “snapshot” to include:

- Identified targeted industries (Cowlitz-wide view pulled from proprietary data)
- Product market analysis (targeted with input from owner’s reps)
- Analysis of project’s impact on economic diversification

Marketing Strategy Approach

Develop marketing strategy including identification of key site features and opportunities, relative value compared to other available (vacant) industrial land in vicinity of project and an action list with implementation steps and proposed assignments. A GIS-based parcel map of available/vacant light industrial properties in Kelso will be produced based on readily available existing information.

Task 2.2 Final Report

DEA will incorporate the information developed in the preceding tasks and combine the information into a final report that illustrates:

- Parcel Map
- Existing mapping for critical areas
- Conceptual designs for vehicular access, rail access, marine access (incorporate from work of others into final report), and utilities with narratives of each scheme considered.

All designs will be large scale aerial views, with general arrangement/layout and typical sections.

- Planning-level opinions of probable cost for proposed accesses and utilities
- General Permitting Requirement matrix for all systems above
- Economic Study/Market Analysis/Site Marketing Strategy.

DEA will route a draft report to the CLIENT and stakeholders for review. DEA will then make one round of revisions based on minor comments from CLIENT and will then produce the final draft of the report.

DEA will provide the report to the CLIENT in pdf format for distribution/reproduction as they wish.

Phase II Schedule: Phase II will be complete by September 30, 2015 or sooner.

III. Fee

DEA will complete the above tasks for a Lump Sum Fee of \$97,500 plus reimbursable expenses (mileage, postage, and outside reprographics) not to exceed \$2,500.

AGENDA SUMMARY SHEET

Business of the City Council City of Kelso, Washington

SUBJECT TITLE:

Annual Water/Sewer Replacement Program
Contract for Consultant Design Services

Agenda Item: _____

Dept. of Origin: Community Development/Eng

For Agenda of: May 5, 2015

PRESENTED BY:

Michael Kardas, P.E.
Community Development Director / City Engineer

Cost of Item: \$71,679

City Manager: Steve Taylor

AGENDA ITEM ATTACHMENTS:

Consultant Scope of Work and Fee Estimate

SUMMARY STATEMENT:

The City budgets annually to replace aging, damaged or undersized water and sewer pipes. This contract will provide the necessary engineering design services to prepare contract documents for this year's program. Wallis Engineering was selected from the consultant roster to prepare a scope of work and fee estimate. Design will be completed over the summer with a later summer early fall construction.

FINANCIAL IMPACT:

Funds for this contract are currently budgeted from the Water and Sewer Capital Funds.

RECOMMENDED ACTION:

Staff recommends council make a motion to authorize the City Manager to execute a professional service contract with Wallis Engineering, Inc. in the amount of \$71,679.

WALLIS ENGINEERING
EXHIBIT A - SCOPE OF WORK

City of Kelso
Jones Road Water Main & Lord Street Sewer Main Replacement Projects
April 28, 2015
WE #1397A

INTRODUCTION

The City of Kelso (City) has identified two utility replacement projects to be completed in 2015; a water main replacement project and a sanitary sewer main replacement project. Brief descriptions of each of the proposed projects are as follows:

Jones Road Water Main Replacement – This project consists of extending a new water main (either 6- or 8-inch in size) of approximately 1,200 linear feet north along Jones Road, beginning at the intersection with Sunrise Street. Doing so would eliminate an existing aging 2-inch water main located on private property, and would allow the City to relocate several water meters from private property into City right-of-way. Work will include design of the water main, water services, and appurtenances.

Lord Street Sanitary Sewer Replacement – This project consists of replacing roughly 500 linear feet of existing 8-inch concrete sanitary sewer. Starting at 12th Avenue North, the pipe to be replaced runs South along 12th Avenue North approximately 500 feet from Manhole K2:15 to Manhole K2:20. Work will include design of a new 8-inch PVC sewer main and connections for approximately 10 sanitary sewer laterals.

In addition to the above mentioned projects, the City has also requested that Wallis Engineering (Wallis) analyze a section of sanitary sewer main roughly 350 linear feet in length which runs between Lord Street and Harris Street along 12th Avenue North (note that a portion of this sewer is currently located within an existing utility easement). The City would like Wallis to develop possible design alternatives for the repair or replacement of this section of sewer main.

Based on our rough estimation of the project schedule, expected milestones include:

- Surveying Complete – Beginning of May
- 50% Design Submittal – Early June
- 100% Design Submittal – Late July / Early August
- Bid Opening – Late August
- Construction – September thru November
- Project Closeout – November

SPECIFIC SCOPE OF WORK

Task 1 Project Management

Wallis will provide comprehensive project management to ensure the project scope, schedule, and budget, are satisfied. Project management tasks shall include coordination with City staff, preparation and ongoing maintenance of a project schedule, preparation of monthly invoices that

detail staff hours/dollars charged and remaining budget by task, and a general project overview in order to ensure the project is successfully completed. Invoices will include expenditures to date, remaining budget, and a summary of tasks completed.

Deliverables:

- Meeting Agenda and Minutes
- Monthly Invoices
- Monthly Status Reports

Assumptions:

The project kick-off meeting will be held at City offices

Task 2 Data Collection

This task includes surveying, base mapping, and reviewing existing data prior to design.

- 2.1 Base Topographic Survey.** Minister & Glaeser will complete the topographic and utility survey for both the water main and sanitary sewer projects within the City right-of-way, as well as a property survey for the parcels west of Jones Road for the water main project. Survey will include the establishment of temporary benchmarks for horizontal and vertical control, edge of pavement, street centerline, curbs, gutters, sidewalks, driveways, ditches, utility locates, existing trees (with diameters noted) existing utility structures, and property lines for the aforementioned parcels. Work will also include filing pre- and post-monument surveys with the Washington State Department of Natural Resources as required. The approximate survey area is shown in Exhibit C. This survey information will be provided to Wallis in the form of an AutoCAD file which will be updated by Wallis to ensure Wallis CAD standards are maintained.
- 2.2 Lord Street Property Survey.** Minister & Glaeser will conduct a property survey in order to define the property limits of several parcels located adjacent to the sanitary sewer to be analyzed in Task 3.3. Work would include researching existing deeds and surveys of record, and establishing property lines for the parcels shown in Exhibit D.
- 2.3 Data Review.** Wallis will analyze existing information provided by the City which is expected to include sewer investigation videos, system modeling reports, asbuilts, manhole inverts, meter locations, and GIS data.

Deliverables:

- CAD format topographic survey
- Lord street boundary survey

Assumptions:

- No topographic or property survey will be conducted for services across private property to the west of Jones Road. Any utility work across private property will be at the discretion of the City and field-fit to existing conditions.
- No topographic or property survey is required for work East of Jones road. Lines assumed to be abandoned in place.
- Any utility pothole investigations, if required, will be completed by the City.

- Wallis Engineering CAD standards will be used in all of the CAD files.
- Existing meter locations will be marked by City, including those located on private property, prior to the survey.
- Topographic survey on private property to be limited to meter locations, utility locate marks, and trees and structures within 15 feet of the existing 2-inch water main alignment.
- City will be responsible for acquiring utility easements

Task 3 Design Phase Services

Using the information gathered Task 2, Wallis will prepare Contract Documents for the City to publicly bid the projects. Plan and profile drawings will be prepared on 22” x 34” sheets with 1” = 20’ horizontal and 1” = 5’ vertical scales. Drawings will be provided to the City at each stage of design review as described in the following subtasks. Anticipated plan sheets include:

Cover Sheet with Vicinity Map and Index	1 Sheet
General Notes and Legend	1 Sheet
Erosion Control and Demolition Plan	1 Sheet
Jones Road Water Main Plan and Profile	4 Sheets
Lord Street Sanitary Sewer Main Plan and Profile	2 Sheets
Project Specific Details	2 Sheets
Standard Details	2 Sheets
Total	13 Sheets

Technical specifications will be developed by Wallis in the form of special provisions to the Washington State Department of Transportation’s *Standard Specifications for Road, Bridge, and Municipal Construction* 2014 edition. Cost estimates will also be developed at each phase of the design. Upon acceptance of the final plans and specifications by the City, Wallis will compile the contract documents and assist the City in the bidding and construction process. Additionally, Wallis will analyze a section of sanitary sewer described below in Task 3.3 and provide recommendations to the City for possible future replacement alternatives.

3.1 50% Design. This submittal will include plan sheets showing the proposed utility alignments, connections to the existing systems, hydrant locations (if any), and proposed water meter locations. While specifications will not be submitted with this package, a 50% construction cost estimate and bid item list will be included. A review meeting will be held with City staff to discuss review comments. Additionally, Wallis Engineering will submit 50% plans to existing utility owners in the area for review of possible conflicts.

Deliverables:

50% plans (.pdf), 50% Cost Estimate (.pdf), and 50% Design Review Meeting Minutes (.pdf).

Assumptions:

- No private utility relocation will be required.
- 50% submittal review meeting will be held at City offices.
- No project-specific traffic control sheets will be required for this project.

- Proposed utility sizing will be provided by the City.
- No water system modeling will be required.
- Wallis Engineering CAD standards will be used.
- All existing water mains within private property are covered under a utility easement.

3.2 Final Design. Based on 50% design review comments from the City, a final design submittal package will be completed. The final design submittal package shall include final signed plans, final specifications, an engineer's opinion of cost, and a copy of the electronic AutoCAD files used to create the plan sheets. Assuming the City is satisfied with the submittal, Wallis Engineering will proceed to compile the final contract documents for bid as discussed in Task 4.1 below.

Deliverables:

Final signed plans (.pdf), final specifications (.pdf and .docx), Engineer's Opinion of Cost (.pdf), AutoCAD eTransmit Package (2013 Format)

Assumptions:

- No 100% submittal review meeting will be held
- The City will complete all necessary permitting and easement requirements

3.3 12th Avenue North Preliminary Design Report. In addition to the contract documents described above, Wallis will analyze a section of sanitary sewer located on 12th Avenue North between Harris Street and Lord Street and suggest possible rehabilitation or replacement alternatives in the form of a preliminary design report. Final design for this section of sanitary sewer will be performed at a later date and is not included in this scope of work.

Deliverables:

Preliminary Design Report (.pdf)

Assumptions:

- Two alternatives will be considered in depth and included in the report
- Two preliminary cost estimates will be prepared for said alternatives

Task 4 Bid Phase Services

This task includes assisting the City with any bidding phase services as necessary to bid the project.

4.1 Prepare Bid Package. Wallis will prepare bid ready contract documents and provide to the City for advertisement. Contract documents shall include: front end documents (to be supplied by the City except for bid schedule), final specifications, and final stamped plans.

Deliverables:

Bid Package (.pdf): Front End Documents (to be supplied by the City) with Bid Schedule, Final Specifications, and Final Signed Plans.

Assumptions:

- Current City front end documents will be provided in electronic Microsoft Word format
- The City will be in charge of advertising

4.2 Questions / Addenda. Wallis will be available via phone and e-mail for any bidder questions which may arise during the bidding period and will prepare and post addenda as required during the bidding period.

Deliverables:

Addenda (one assumed)

4.3 Bid Opening / Recommendations. Wallis will be present at the bid opening, prepare bid tabulations, and review the lowest bid for errors and responsiveness. Based on the bid results, Wallis Engineering will make a recommendation of award to the City.

Deliverables:

Recommendation of Award (.pdf)

Task 5 Construction Phase Services

Wallis Engineering will provide construction services support, as requested, to support City construction management efforts.

5.1 Pre-Construction Conference. Wallis will attend the pre-construction conference at City offices. Four print copies of the contract documents (with reduced size plans), and two sets of the full-size plan copies will be provided.

Deliverables:

Contract Documents with half-size plans (four copies), final signed full-size plans on bond paper (two copies).

Assumptions:

The City will be responsible for preparing meeting agenda and minutes

5.2 Requests for Information / Construction Observation. While it is assumed that the City will manage general correspondence with the contractor, Wallis will be available to respond to requests for information (RFI). It is also assumed that a City inspector will be responsible for the day-to-day oversight of construction activities, with Wallis assisting as needed. For the purposes of this scope of work, an allowance of 20 hours is assumed for this task.

Deliverables:

RFI Responses (10 assumed), daily inspection reports (1 per day as needed)

5.3 Final Inspection. Wallis will participate in the final walk-through with City staff and prepare a final punch list, substantial completion letter, and final acceptance letter.

Deliverables:

Final punch list (.pdf), substantial completion letter (.pdf), and final acceptance letter (.pdf)

5.4 Record Drawings. Wallis will prepare as-built drawings incorporating any field changes related to alignment, change orders, and other project modifications as noted by the contractor and City inspector on a redlined set of plans.

Deliverables:

Asbuilt drawings (.pdf), and AutoCAD eTransmit package (2013 format)

Assumptions:

- A record survey will not be performed
- All submittal review work shall be performed by City forces.

Task 6 Additional Services

An additional budget shall be held in reserve for out of scope work encountered during the design process.

6.1 Management Reserve. The management reserve budget shall only be utilized if authorized by the client.

COST

The total estimated not-to-exceed fee for this scope is \$71,679 which will be only billed for actual hours and expensed incurred. See Exhibit B for additional details.

Exhibit B - Fee Estimate
Jones Road Water Main & Lord Street Sewer Main Replacement Projects
WE #1397A
April 2015

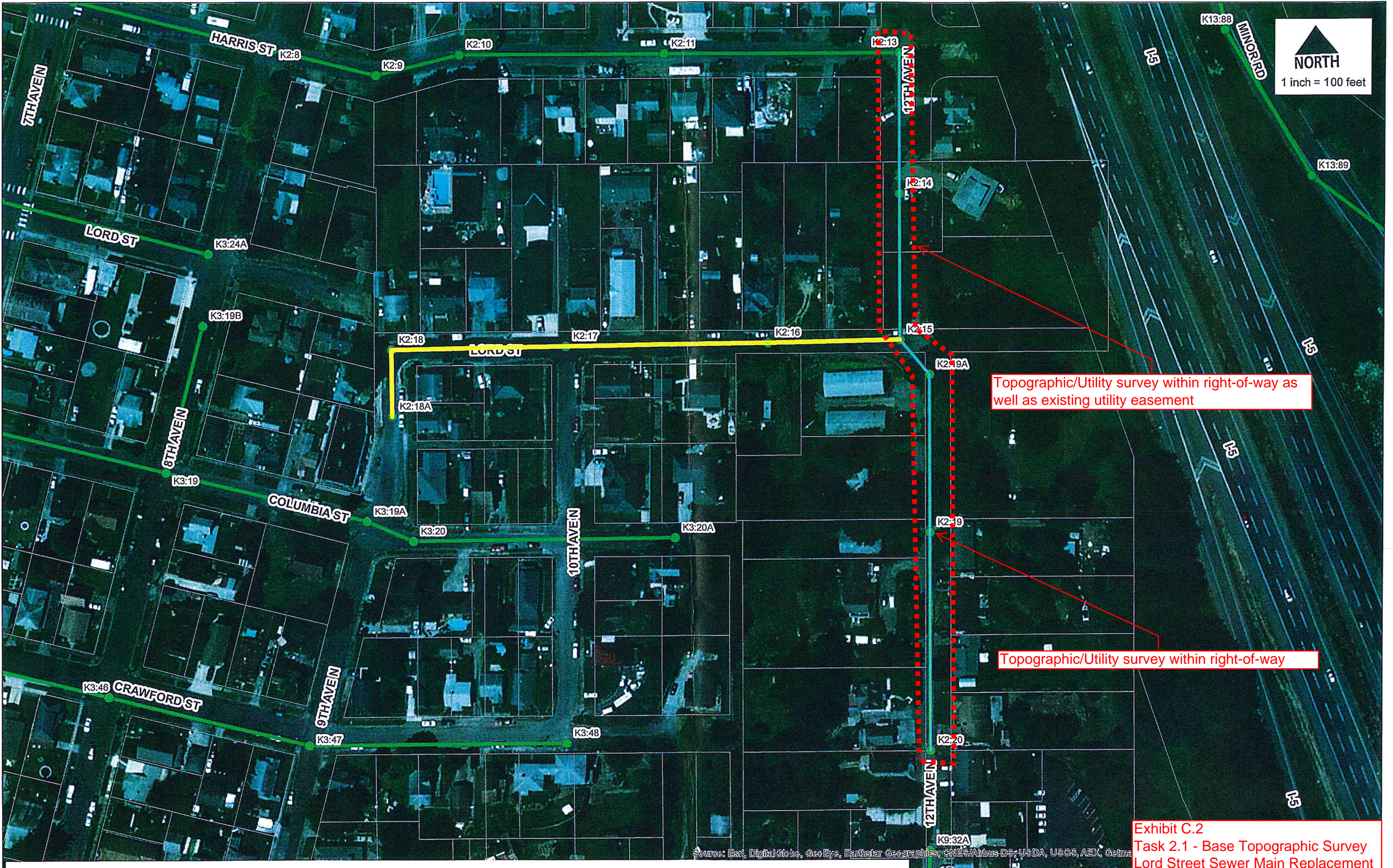
	Wallis Engineering Staff Estimated Hours								Staff Cost	Expenses	Subconsultants Minister	Total Cost
	QC	E1	E2	E4	E6	T1	C1					
Task 1 Project Management												
Project Management		20					4		\$3,164			\$3,164
Task 1 Subtotal	0	20	0	0	0	0	4		\$3,164	\$0	\$0	\$3,164
Task 2 Data Collection												
2.1 Base Topographic Survey							4		\$360		\$13,068	\$13,428
2.2 Lord Street Property Survey							1		\$90		\$4,070	\$4,160
2.3 Data Review		2	6	8	16		4		\$3,508			\$3,508
Task 2 Subtotal	0	2	6	8	16		9	0	\$3,958	\$0	\$17,138	\$21,096
Task 3 Design Phase Services												
3.1 50% Design	2	8	12	30	56	32	2		\$13,522	\$45 (M)		\$13,567
3.2 Final Design	2	8	12	32	56	32	4		\$13,846	\$45 (M)		\$13,891
3.3 12th Avenue North Preliminary Design Report	1	4	4	8	16	4	2		\$3,845			\$3,845
Task 3 Subtotal	5	20	28	70	128	68	8		\$31,213	\$90	\$0	\$31,303
Task 4 Bid Phase Services												
4.1 Prepare Bid Package		4		6	8	4	4		\$2,420			\$2,420
4.2 Questions / Addenda		4		8	8		4		\$2,252			\$2,252
4.3 Bid Opening / Recommendations		2		4					\$674	\$45 (M)		\$719
Task 4 Subtotal	0	10	0	18	16	4	8		\$5,346	\$45	\$0	\$5,391
Task 5 Construction Phase Services												
5.1 Pre-Construction Conference		4				4			\$940	\$222 (M,P)		\$1,162
5.2 Requests for Information / Construction Observation		4		6	10				\$1,956	\$180 (M)		\$2,136
5.3 Final inspection		4		8					\$1,348	\$45 (M)		\$1,393
5.4 Record Drawings		2		4	8	8			\$2,034			\$2,034
Task 5 Subtotal	0	14	0	18	18	12	0		\$6,278	\$447	\$0	\$6,725
Task 6 Additional Services												
6.1 Management Reserve									\$4,000			\$4,000
GRAND TOTAL	5	66	34	114	178	93	20		\$53,959	\$582	\$17,138	\$71,679

FEE SUMMARY			
Staff	Hours	Rate	Fees
QC - Quality Control	5	\$185	\$925
E1 - Engineer 1 (PM)	66	\$145	\$9,570
E2 - Engineer 2	34	\$135	\$4,590
E4 - Engineer 4	114	\$96	\$10,944
E6 - Engineer 6	178	\$80	\$14,240
T1 - Technician 1	93	\$90	\$8,370
C1 - Clerical 1	20	\$66	\$1,320
Additional Services			\$4,000
Total Fees from Staff			\$53,959
Subconsultant	Fees		
Minister- Minister Glaeser Surveying Inc.			\$17,138
Total Fees from Subconsultants			\$17,138
<i>NOTE: Fee includes 10% markup</i>			
Expenses	Cost		
Printing (P)			\$177
Mileage (M)			\$405
Total Fees from Expenses			\$582
TOTAL BUDGET			\$71,679

1 inch = 120 feet



Exhibit C.1
Task 2.1 - Base Topographic Survey
Jones Road Water Main Replacement



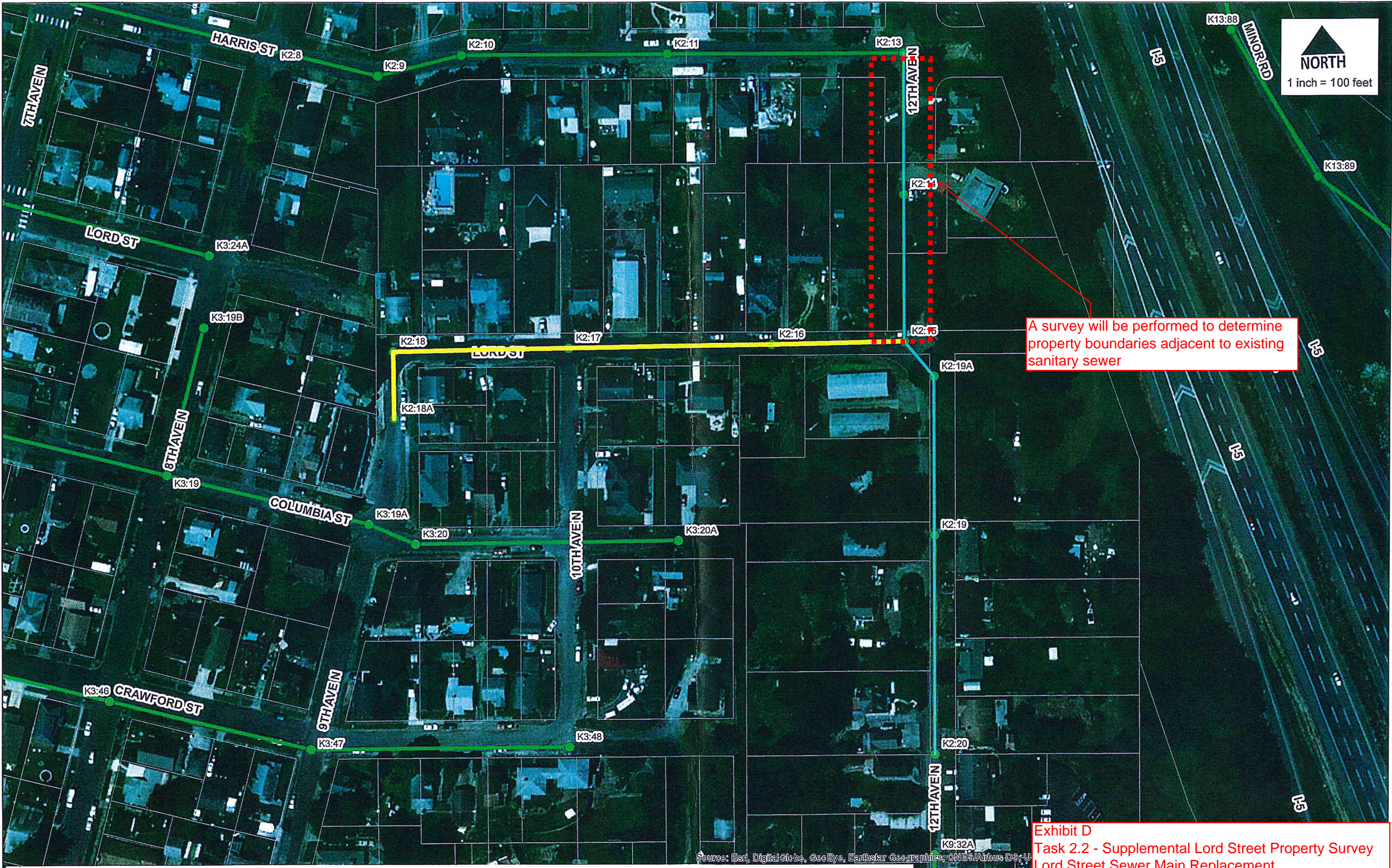
NORTH
1 inch = 100 feet

Topographic/Utility survey within right-of-way as well as existing utility easement

Topographic/Utility survey within right-of-way

Exhibit C.2
Task 2.1 - Base Topographic Survey
Lord Street Sewer Main Replacement

Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AEX, Getma



A survey will be performed to determine property boundaries adjacent to existing sanitary sewer

Exhibit D
Task 2.2 - Supplemental Lord Street Property Survey
Lord Street Sewer Main Replacement



2015 RATE SCHEDULE

<u>Staff</u>	<u>Rate</u>
Quality Control Manager	\$185.00/hour
Principal Engineer	\$175.00/hour
Engineer 1	\$145.00/hour
Engineer 2	\$135.00/hour
Engineer 3	\$118.00/hour
Engineer 4	\$96.00/hour
Engineer 5	\$90.00/hour
Engineer 6	\$80.00/hour
Inspector	\$90.00/hour
Senior Designer	\$115.00/hour
Technician 1	\$90.00/hour
Technical Writer	\$80.00/hour
Clerical 1	\$66.00/hour

- These hourly rates include in-house office expenses, photocopying, and other incidental items. Mileage will be reimbursed at the current standard IRS rate. Outside expenses will be billed at cost plus 10%.

AGENDA SUMMARY SHEET

Business of the City Council City of Kelso, Washington

SUBJECT TITLE:

Kelso HOME 2015 Project allocation

Agenda Item: _____

Dept. of Origin: Community Development

For Agenda of: May 5, 2015

PRESENTED BY:

Steve Taylor

Cost of Item: _____

City Manager: Steve Taylor

AGENDA ITEM ATTACHMENTS:

2015 HOME Project Summary and Applications
Council requested to revisit allocation at this meeting.

SUMMARY STATEMENT:

This Public Hearing was held to review and consider HOME Program affordable housing projects submitted for funding and received public comment for allocations. HOME funding is provided through the Federal Department of Housing and Urban Development (HUD) annually to the Longview-Kelso HOME Consortium. The City of Longview acts as the lead agency for the Consortium.

Two (2) HOME project applications have been received.

2015 Kelso HOME Project Summaries Amount Available: \$39,041.28 Amount Requested: \$93,053

Affordable Rental – Construct a 4-bedroom rental on the former Terry Salvage Yard property. Lower Columbia Action Council. **\$46,335**

Foundation for the Challenged Kelso – Develop one group home for four (4) developmentally disabled residents. Sponsored through Life Works. **\$46,718**

RECOMMENDED ACTION:

**Public Hearings for Affordable Housing
April 21 Kelso & April 23 Longview**

**Longview-Kelso HOME Consortium
2015 Project Design Allocations**

Speak in Support of Selecting One or More of the Projects Below

The purpose of the Public Hearings is to provide information on the HOME Program and Document Recording Fee Program, to identify housing needs and project designs eligible for funding, hear public comment particularly from low and moderate-income persons regarding proposed projects, ensure broad-based community support for a project, and select projects for funding.

The HOME Investment Partnerships Program

This program provides funding to agency and business “partners” to increase and maintain affordable housing in Longview and Kelso. Projects must target persons with incomes less than 80% of the Cowlitz County Median Income based on family size. Funded by the U.S. Department of Housing and Urban Development.

Document Recording Fee

This program provides for a variety of housing projects, including shelters, for persons with incomes below 50% of the Median Income for Cowlitz County based on family size. Funded by the Cowlitz County Document Recording Fee Surcharge.

Project Design Proposals are available for review on the web at

**<http://www.mylongview.com/index.aspx?page=498> or at the Community Development Department
for each City: Longview City Hall, M-TH. 7 AM-6PM (1525 Broadway, Longview) and
Kelso City Hall, M-F, 8 AM-5PM (203 S. Pacific, Kelso**

2015 Longview HOME Project Summaries

Amount Available: \$117,123.83 Amount Requested: \$204,000

Affordable Rental - Reconstruct a substandard building into a triplex rental located at 205 Carolina Street.

Lower Columbia Action Council **\$120,000**

Foundation for the Challenged Longview – Develop one group home for 4 developmentally disabled residents.

Life Works sponsored through Foundation for the Challenged **\$45,000**

Homeless Recovery Rental Assistance – Provide tenant based rental assistance for up to 6 households

Community House on Broadway **\$39,000**

2015 Kelso HOME Project Summaries

Amount Available: \$39,041.28 Amount Requested: \$93,053

Affordable Rental - Construct a 4-bedroom rental on the former Terry Salvage Yard property.
Lower Columbia Action Council **\$46,335**

Foundation for the Challenged Kelso– Develop one group home for 4 developmentally disabled residents. Life Works sponsored through Foundation for the Challenged **\$46,718**

2015 Document Recording Fee Project Summaries (Longview Only)

Amount Available: \$30,000 Estimated

Amount Requested: \$32,500

Community House on Broadway – Pay for 2015-2016 operating costs of the homeless recovery program. Community House on Broadway **\$23,500**

Emergency Support Shelter – Pay for 2015-2016 operating costs for domestic violence victims at the Emergency Support Shelter. Emergency Support Shelter **\$9,000**

Public Hearing Dates & Times

Kelso

Longview

**Tuesday, April 21, 2015 at 6:00 PM
Kelso City Hall Council Chambers
203 S. Pacific Ave., Kelso WA**

**Thursday, April 23, 2015 at 7:00 PM
Longview City Hall Council Chamber
1525 Broadway, Longview WA**

Anyone interested may appear and be heard in regard to this public hearing. The Longview and Kelso City Halls are accessible for persons with disabilities. Please let us know 24 hours in advance if you will need any special accommodations to attend the meeting or an interpreter. If you are unable to attend, you may direct written correspondence the respective City Clerk's Office: Kelso City Clerk, PO 819, Kelso, WA 98626 or the Longview City Clerk, PO Box 128, Longview, WA 98632 For further information, contact Julie Hourcle' at 442.5081

Longview-Kelso Consortium HOME Entitlement Funding
2015 Final

2015

HOME Federal Allocation		\$223,093.00
Consortium Administration Consortium A	22,309.30	22,309.30
CHDO Set-Aside 15%		33,463.95
CHDO Operating Funds 5%		11,154.65
Longview Program Allocation Base Allocatic	\$117,123.83	117,123.83
Kelso Program Allocation Base Allocatic	\$39,041.28	39,041.28

Unobligated

Longview Projects 2014 (Public Hearing - April 24, 2014)	Available	Requested	Approved	
	117,123.83			\$-
Affordable Rental			120,000.00	
Foundation for the Challenged		\$ 45,000.00		
Tenant Based Rental Assistance		\$ 39,000.00		
Total		\$ 204,000.00	\$ -	\$ 117,123.83

Kelso Projects 2014 (Public Hearing - April 15, 2014)	Available	Requested	Approved	Unobligated
	39,041.28			
Affordable Rental		\$ 46,335.00		\$-
Foundation for the Challenged		\$ 46,718.00		
Total		\$ 46,718.00	\$ -	\$ 39,041.28



HOME Participating Jurisdiction Project Design Proposal – 2015

Applicant: Lower Columbia CAP **Contact Person:** Michael Torres
Title: Programs Director **Title:** Same
Address: 1526 Commerce Avenue **Address:** Same
Longview, WA 98632

Phone: 360-425-3430 x 242 **Phone:** Same
Fax: 360-575-1664 **Fax:** Same
E-mail: michaelt@lowercolumbiacap.org **E-mail:** Same

Non-Profit Status: NO **Yes** **IRS Tax Identification Number** 91-0814141

Location: Longview Kelso

Project Title: Affordable Rental, 4 Bedroom, Single-Family Home on site of former Terry Salvage Yard

HOME Funding Requested: \$ 46,335

Project Description

1. Give a *brief* summary of your project (under 101 words):

This proposed Affordable Housing (Rental) Project will consist of new construction of a 4 bedroom, 1270 square ft., single-family unit, at the site of the former Terry Salvage Yard (Parcel # 20489), in North Kelso. The rental unit will be occupied by a household making 80% Area Median Income, and paying HUD reasonable rent limits.

2. Describe the project noting the problem(s) or opportunity(s) that will be addressed.

This project will produce a modern and functional 4 bedroom, single-family home for rent, affordable to households making up to 80% of Area Median Income in the North Kelso Neighborhood.

There is a documented need for affordable private-market housing in the Longview-Kelso area. According to the needs assessment in the Longview-Kelso HOME Consortia 2014-2018 Consolidated Plan (see "Needs Assessment" section, pages 9-13), there are approximately 2,540 renting households in Longview and Kelso with a housing cost burden that exceeds 50% of their monthly income. Overall, 63.6% of all low income renters face a cost-burden of greater than 30% of their income, an estimated 4,555 households in the Longview/Kelso market. In addition, there are approximately 300 households living in overcrowded units, meaning the household accommodates more than one person in each room



of the unit they live in. In addition to the overcrowding, housing conditions for this cost-burdened population are characterized by lacking one or more plumbing or kitchen facilities.

This project increases this critically-needed affordable housing. As can be seen in the provided ProForma, this HOME Project ensures rental housing is affordable to a Low and Very Low Income household.

3. List the specific HOME objective information from the “5 year Strategic Plan” within the 2014-2018 Longview-Kelso Consolidated Plan. (See website information under Instructions).

Objective Code and Number: SP-10

Objective Title: Geographic Priorities

Objective Proposed Accomplishments & Outcomes: 4. North Kelso Neighborhood. Housing Rehabilitation. (Consolidated Plan, pages 6-7).

Objective Code and Number: SP-25

Objective Title: Priority Needs

Objective Proposed Accomplishments & Outcomes: 1. Improve quality of housing Stock; 2. Reduce extreme cost burdens & increase housing. (Consolidated Plan, pages 13, 14).

Objective Code and Number: SP-45

Objective Title: Goals

Objective Proposed Accomplishments & Outcomes: 1. Stabilize and revitalize neighborhoods. (consolidated Plan, page 30).

Project Readiness

4. Describe what specific steps need to be completed before the project will be ready to proceed? (Projects must be under construction within 12 months of signing your HOME Contract or funding will be deobligated.)

Following approval of the this project by the City of Kelso, this project is Shovel Ready.

1. Approval by the City of Kelso
2. Complete project design & obtain permits.
3. Perform outreach to potential low income occupants.

5. Please list start and completion date by Month, Day and Year:

Complete the “Project Timeline” (included at the end of this application) detailing project tasks and dates. This will be a part of your contract goals should your project be selected.

Project Start Date (mm-dd-yyyy) 04-04-2016



Project Completion Date (mm-dd-yyyy) 07-11-2016

Problem Impact and Severity

6. How will this project increase housing affordability for rentals or home ownership? What reductions in cost of rent or a mortgage would be realized? What rents will you charge for each one, two, and three bedroom when the project is complete? (Please detail from your attached ProForma.)

This project ensures low income households can afford to rent and live in a quality home. The cost burden will be significantly reduced by this HOME subsidy. The HUD Rent Limits for Kelso which apply to this project would have a 4 Bedroom Unit renting between \$857-\$1056.

By comparison, average rents in the Longview-Kelso market for 2013 of a single unit was \$652, and a 2 bedroom apartment was \$669 for an average size of 788 square ft. (Consolidated Plan, "Needs", page 3).

7. How does this housing project create a better living environment for residents? Have local, county, or state authorities noted the severity of the problem? Note building, public health or/and safety issues.

This project creates safe, high-quality, affordable rental units in North Kelso Neighborhood, a prioritized and targeted area in the 2014-2018 Consolidated Plan.

This has been identified as a need in the Longview-Kelso 2014-2018 Consolidated Plan, which describes the Housing characteristics in the area as ("Needs", page 11):

-“By far the overwhelming message from community meetings was that affordable rentals are difficult to find, creating hardship on these very low income families. Affordable housing for low income seniors and those with disabilities was also a high priority. Programs to assist low income homeowners with maintaining structural soundness and reasonable energy costs have been identified as a priority.”

-It is estimated that 40% of renters in Kelso are cost-burdened.

8. List similar projects or programs your agency has, and other agencies have, in place to address this problem in the community. List agencies, funding sources and amounts. List the number of families housed under each of these programs.

Lower Columbia CAP has several affordable housing programs:



-Self Help Housing, funded for the period 2013-2015 by USDA Rural Development at \$742,000, has built over 402 homes for affordable homeownership in rural areas of Cowlitz, Wahkiakum, Lewis, and Clark Counties over the past 20 years.

-Weatherization Program, funded by WA Department of Commerce at approximately 250,000 per year, has made Weatherization repairs and upgrades for approximately 100 households per year.

-1412 N 1st - Lease Option

Funding source(s); amount(s); contract period(s)

Annual Rental Income \$4,200 with another \$4,800 into an escrow account for tenant to purchase (homeownership loan currently being processed).

Solution

Project Development

9. Did you attempt to collaborate the development of this project with other agencies? Which agencies were contacted and what was the outcome?

CAP is not partnering with other organizations or businesses on this project.

10. How do you propose to solve the problem? Please be specific, itemizing the various tasks you will undertake.

This project increases the stock of quality affordable housing in the community.

Lower Columbia CAP will construct a modern and functional 4 bedroom, single-family home for rent, affordable to households making up to 80% of Area Median Income in the North Kelso Neighborhood. HUD Rent Limits will apply.

11. List all persons who would be involved during the development of this project and describe their project responsibilities. (Include names, titles, phone and e-mail.) (Responsibilities should include grant administration, project manager, developing partnerships, acquisition, overseeing construction, maintaining records, client intake and eligibility, etc.)



Michael Torres, Programs Director; 360-425-330 x242; michaelt@lowercolumbiacap.org. Michael provides the administration and direct oversight of grants, contracts, programs, and staff related to this project. He has been with CAP since 2009, during which time, he has led implementation of the Homeless Prevention and Rapid Rehousing Program (HPRP) for Cowlitz County, served as a key member of the "Ten Year plan to End Homelessness Update Committee", and its "Project Review Criteria Committee". Prior to CAP, Michael previously served as Executive Director of Northwest Service Academy, at the time one of the largest AmeriCorps programs in the country; and also served 12 years in the U.S. Navy. Michael will supervise the hiring of any program staff required for this project.

Marie Robbins, Administrative Manager; 360-425-3430 x221. marier@lowercolumbiacap.org. Marie will oversee the staff that will market the rentals and screen/qualify applicants, as well as the Construction Supervisor and timely submission of permits/certifications. She has been with CAP since 1990, and has extensive experience in Program Management, and administering projects related to housing.

Paul Pasmore, Construction Supervisor; 360-425-3430 x221. marier@lowercolumbiacap.org (contact via Marie Robbins e-mail). Paul will oversee all aspects of construction. Paul has been with CAP since 2005, and has over 40 years of experience in construction and carpentry.

Project Operation

12. Are you partnering with other organizations or businesses in this project? Will you have contracts for supportive services? What roles will each organization or business play after the project is completed? Please submit letters from partnering agencies and/or businesses as supporting documentation.

CAP is not partnering with other organizations or businesses on this project, and supportive services are not provided.

13. List all persons involved in the operation of this project when completed and describe their responsibilities. (Include names, titles, phone and e-mail.) (Responsibilities should include case management, day-to-day management, rent schedules for units, annual renter income review, partnerships in serving renters, etc., apartment management, and project owner.)

Juanita Burnham, Housing Projects Coordinator; 360-425-3430 x222. juanitab@lowercolumbiacap.org. Juanita will order materials for the project, obtain bids and prepare contracts for sub-contractors. She will also have the critical role of outreach, screening, and qualification for an eligible household to rent the units. Finally, Juanita will ensure the units meet HUD Affordability Requirements. She is a Certified Educator in Personal Finance; teaches Pre and Post Homeownership training, 1st Time Home Owners class and Asset Building Skills classes.



14. Complete the Rental or Ownership Proforma and Marketing Plan for 5 units or over (provided separately.)

Summarize your marketing/public outreach that you will provide to inform the general community of this project? (Review the Marketing Plan information under the Underwriting Policies)

Lower Columbia Community Action Council utilizes the HOME affirmative marketing list in implementing its Fair Housing Marketing Plan which is designed to ensure that outreach activities inform all segments of the community, including very-low-income households. The plan identifies:

- ♦ Commercial media used to advertise the availability of the Affordable Housing Program;
- ♦ Community contacts from which referrals are sought; and
- ♦ Plans for information meetings to inform potential participants in the local area about the program.

This marketing approach is used by LCCAC's Housing Programs, and has worked successfully to date. In addition to the venues identified in the Fair Housing Marketing Plan, LCCAC has incorporated additional strategies to reach its low income and very-low-income target population.

- ♦ The program distributes brochures about the program through area businesses, churches and service clubs for redistribution to their employees, members and contacts.
- ♦ The Weatherization and Energy Assistance Programs run by LCCAC serve residents of Cowlitz County. These programs provide names and addresses to Housing Program, which mails information about the program directly to very low income and low income families in the general area of the building projects..
- ♦ Word-of-mouth advertising results in inquiries from families who know others who have participated in the program.

Families who request information about the program receive a brochure and are asked to complete a Pre-Screening form. Credit checks are submitted for those who appear to qualify. The rating system used to select participants includes additional points for applicants who live in sub-standard housing.

15. Describe your selection process for applicants to participate? How will disabled applicants be able to participate?

This will be a first-come-first serve application process. The applicant must meet income eligibility criteria described below; and credit requirements, as set by the bank making the mortgage loan.

Following the marketing approach described above, LCCAC will identify an interested household whose total gross annual household income for all persons aged 18 or older to reside in the home as identified by IRS Form 1040, Definition of Adjusted Gross Income, must equal to or be less than 80 percent of median adjusted for household size within six months of loan closing, and as established annually by HUD.

Gross annual household income will be determined based on a projection of total household income for the next 12 month period per HOME Program Guidelines prior to final eligibility approval. Gross



annual income will be recalculated if more than six months have elapsed since the household was first determined to be income eligible for participation in the program.

Disabled applicants are eligible to participate.

16. What other short-term and long-term outcomes will result from the project?

Short-term, the participating household will better their living conditions by residing in a home that meets HUD Housing Quality Standards with an affordable rent; and they will have low utility costs from their home being built to Washington State Energy Code requirements. This reduces their cost burden and overcrowding in substandard housing.

Long-term, this directly contributes to the stability and revitalization of the North Kelso Neighborhood by directly addressing some of the most compelling issues identified in the Longview-Kelso 2014-2018 Consolidated Plan. Specifically, this project supports Consolidated Plan Goals and Objectives: SP-10, 4; SP-25, 1-2; SP-45, 1.

17. What activities would still need to be undertaken after the project is completed in order for the problem to be fully addressed? Quantify where possible.

The broader problem of resolving the problem this community faces with insufficient affordable housing stock for homeownership or rental is beyond the scale of this project. However, as noted, this project directly supports goals and the accomplishment of outcomes identified in the 2014-2018 Consolidated Plan.

Specifically, it produces a 4 bedroom quality affordable rental units in the North Kelso Neighborhood in Kelso, reducing the cost-burden, and increasing new-construction housing stock.

Households Benefiting

18. What is the number of low-income households that will benefit from this project?

Use current year HUD Income Limits for family size.

At or below 80% of Median Income: 1

At or below 50% of Median Income:

At or below 30% of Median Income:

TOTAL Number of Households: 1



Budget

19. Explain why HOME funds are appropriate for your project. If this application is for a program currently receiving HOME funding, discuss what action you have taken and what other funding sources have been investigated in the last 12 months to reduce your organization's dependence on City of Longview (or City of Kelso) HOME funds.

HOME funds are appropriate because this project expands the supply of decent, safe, sanitary, and affordable housing in the community.

20. What agency funding will you commit to this project? If none, why not? (A 25% match of non-federal funding is desired.)

Lower Columbia CAP is utilizing \$59,231.69 in unrestricted funds, and is requesting that the Kelso City Council approve re-purposing the \$50,433.32 approved from HOME 2014 that were to be used on this same site for Cowlitz Cottages, be used for this project. There are no additional funds available at this time.

21. If one or more funding sources listed below is not realized, what impact would this have on your project? Explain what changes would be considered to its scope or design, including the number of families housed, structure(s) constructed, delays in construction start date, etc. and whether your project would exist without HOME funding.

This project is not feasible without the requested HOME funding. Other funding listed is currently available and ready.

22. Complete and attach the separate HOME Budget Form.

Complete the budget form showing all sources and uses of funds related to your project.

23. Sources and Uses Fund Statement / Budget Form Narrative

a. Please list all funding sources, intended uses, and amounts from your budget form. Identify each source as Federal, State, Local, or Private.

HOME 2015 (Federal) \$46,335
HOME 2014 (Federal) \$50,433.32
CAP (Private) \$59,231.68



b. Identify which sources are proposed and which sources are committed.

All sources are proposed. As soon as approval of this proposal occurs, CAP can commit the \$59,231.68 it is proposing.

c. Supporting Documentation: List and attach "Sources of Funds" supporting documentation noted under Question #25.

-Certification Letter

d. Supporting Documentation: List and attach "Uses of Funds" supporting documentation noted under Question #25.

-Construction Cost Estimate/Drawdown schedule

24. Please list the amount of private, local, and State (non-federal) matching funds which will be designated towards the 25% match per HOME categories below:

- \$59,231.68 A. Cash Contributions
- \$ _____ B. Forgone, Taxes, Fees and Charge
- \$ _____ C. Donated Land or Other Real Property
- \$ _____ D. On Site and Off-Site Infrastructure
- \$ _____ E 1 Donated Site Preparation
- \$ _____ E 2 Donated Construction Material
- \$ _____ E 3 Donated Labor (other than homeowner): Number or hours _____ times \$10 per hour
- \$ _____ E1 Sweat Equity (homeowner only): Number or hours _____ times \$10 per hour
- \$ _____ F. Proceeds from Affordable Housing Bonds
- \$ _____ G. Supportive Services – Type _____
- \$ _____ G1 Homebuyer Counseling Services
- \$ _____ Estimated/Unknown at this time. Type : _____



Exhibit A

Project Timeline

Detail Tasks for Project	Start Date	Completion Date
	Month Day Year	Month Day Year
Submit full description		
Market for residents	1-1-2016	7-11-2016
Submit plans to city for review	11-1-2015	4-4-2016
Submit for right-of-way-permit	11-1-2015	4-4-2016
Receive building and right-of-way permits	4-2-2016	4-2-2016
Excavation	4-4-2016	4-4-2016
Foundation	4-5-2016	4-13-2016
Lumber drop & framing	4-14-2016	5-3-2016
Trusses and roof sheathing	5-4-2016	5-10-2016
Roofing	5-11-2016	5-13-2016
Rough plumbing	5-16-2016	5-16-2016
Rough HVAC	5-17-2016	5-17-2016
Rough electrical	5-18-2016	5-19-2016
Quality Assurance: Inspect/correct	5-20-2016	5-20-2016
Insulation	5-23-2016	5-24-2016
Inspect Insulation	5-25-2016	5-25-2016
Drywall	5-26-10-2106	6-10-2016
Interior trim	6-13-2016	6-14-2016
Interior paint	6-15-2016	6-17-2016
Underlayment	6-20-2016	6-20-2016
Vinyl	6-21-2016	6-22-2016
Cabinets	6-23-2016	6-24-2016
Plumbing trim	6-27-2016	6-27-2016
HVAC trim	6-28-2016	6-28-2016
Electrical trim	6-29-2016	6-30-2016
Countertops	7-1-2016	7-1-2016
Hardware installation/blue tape	7-5-2016	7-6-2016
Touch-up	7-7-2016	7-7-2016
Carpet installation	7-8-2016	7-8-2016
Final inspection	7-11-2016	7-11-2016
Move-in/rent up	7-12-2016	7-12-2016

HOME Program Longview- Kelso HOME Consortium
 Questions? Technical Assistance? Contact Julie Hourcle' at 360.442.5081, or by e-mail at: julie.hourcle@mylongview.com



Exhibit B

Project Budget and Funding Sources (Please use Excel Template provided by Longview/Kelso.)



Longview/Kelso Home Consortium
Exhibit B - PROJECT BUDGET AND FUNDING SOURCES

	Lv/Kelso Home Source 1	Lv/Kelso Home Source 2	CAP		Total Cost	How costs determined (bid, est.)
Commitment Dates	2015	2014				
ACQUISITION						
Purchase Price - Land						\$0.00
Purchase Price - Bldg.						\$0.00
Transaction Taxes						\$0.00
Closing/Recording Fees						\$0.00
Title Insurance/Binder Fees						\$0.00
Appraisal						\$0.00
Other:						\$0.00
Subtotal	0.00	0.00	0.00	0.00	0.00	\$0.00
PREDEVELOPMENT						
Architect	2,000					\$2,000.00
Engineering						\$0.00
Legal Fees						\$0.00
Environmental Review						\$0.00
Preconstruction Inspection						\$0.00
Other: Debris Removal	750					\$750.00
Subtotal	2,750.00	0.00	0.00	0.00	0.00	\$2,750.00
CONSTRUCTION COSTS						
New Construction	18,685	50,433	46,232			\$115,350.00
Rehabilitation						\$0.00
Infrastructure on site	5,000					\$5,000.00
Energy Related Improvemts						\$0.00
Repair/Replace Major Syst.						\$0.00
Lead Based Paint /Haz Mat						\$0.00
Access for Disabled						\$0.00
Securing of Bullidng						\$0.00
Demolition						\$0.00
Utility Connections	7,500					\$7,500.00
Permits & Fees	4,000					\$4,000.00
Construction Loan Fees						\$0.00
Construction Inspections						\$0.00
Sales Tax						\$0.00
Insurance/Bond/Surely Fees						\$0.00
Contingency			3,900			\$3,900.00
Other: NW Energy Star			500			\$500.00
Subtotal	35,185.00	50,433.32	50,631.68	0.00	0.00	\$136,250.00
OTHER						
Home Buyer Counseling						\$0.00
Credit Report Fees						\$0.00
Operating Deficit Reserves						\$0.00
Relocallon Costs						\$0.00
Loan Fees						\$0.00
Tenant Rental Assistance						\$0.00
Affirmative Marketing						\$0.00
Project Management			8,600			\$8,600.00
Developer Fees	8,400					\$8,400.00
Other:						\$0.00
Other:						\$0.00
Subtotal	8,400.00	0.00	8,600.00	0.00	0.00	\$17,000.00
HOME TOTAL	\$46,335.00	\$50,433.32	\$59,231.68	\$0.00	\$0.00	\$156,000.00

Date: 2-26-2015

Sponsor: Lower Columbia CAP

Project Address: Parcel # 20489, Kelso WA



City of Longview/City of Kelso

HOME Participating Jurisdiction Project Design Proposal - 2015

Applicant: <u>Foundation For the Challenged</u>	Contact Person: <u>Michael Pollowitz</u>
Title: <u>Kathy Streblo, Executive Director</u>	Title: <u>Development Consultant</u>
Address: <u>5970 Wilcox Pl., Suite E</u>	Address: <u>P.O. Box 65206</u>
<u>Dublin, OH 43016-6808</u>	<u>Shoreline, WA 98155</u>
Phone: <u>614-389-4501</u>	Phone: <u>206-228-7275</u>
Fax: <u>614-389-4503</u>	Fax: <u>N/A</u>
E-mail: <u>kstreblo@ffcoho.org</u>	E-mail: <u>mpollowitz@gmail.com</u>

Non-Profit Status: NO Yes **IRS Tax Identification Number** 01-0619670

Location: Longview Kelso

Project Title: FFC Homes X

HOME Funding Requested: \$ \$46,718

Project Description

1. Give a *brief* summary of your project (under 101 words):

The Foundation For the Challenged (FFC) is proposing to purchase a four-bedroom house to rent to (4) extremely low-income individuals with a developmental disability. The house will have accessibility features that meet or exceed ADA requirements. The 24/7 support services will be provided by Life Works and funded by the Developmental Disabilities Administration (DDA).

2. Describe the project noting the problem(s) or opportunity(s) that will be addressed.

This project will reduce the burdensome rent that each of the proposed tenants currently pay for their market-rate housing. The proposed group home will set rent according to HOME rules for group home settings. This will be a substantial reduction in rent then what they are currently paying and will provide extra money for other essential living expenses.

3. List the specific HOME objective information from the "5 year Strategic Plan" within the 2004-2018 Longview-Kelso Consolidated Plan. (See website information under Instructions).

Consolidated Plan Objective Code and Number: 2

Consolidated Plan Objective Title: Stabilize and revitalize neighborhoods

Consolidated Plan Objective Proposed Accomplishments & Outcomes: (1) rental unit rehabilitated



Project Readiness

4. Describe what specific steps need to be completed before the project will be ready to proceed? (Projects must be under construction within 12 months of signing your HOME Contract or funding will be deobligated.)

FFC submitted a Stage 1 application on 12/15/2014 to the State Housing Trust Fund (HTF) requesting funding for this project. FFC anticipates that in May the HTF will invite FFC to submit a Stage 2 application due in early September. HTF will make a funding decision in early December 2015. FFC has been working closely with DDA on this project and it is one of DDA's highest priorities. The initial tenants have already been identified by Life Works.

5. Please list start and completion date by Month, Day and Year:

Complete the "Project Timeline" (included at the end of this application) detailing project tasks and dates. This will be a part of your contract goals should your project be selected.

Project Start Date after Nov. 1st (mm-dd-yyyy) as soon as 01/15/2016
Project Completion Date (mm-dd-yyyy) 3/2/2016

Problem Impact and Severity

6. How will this project increase housing affordability for rentals or home ownership? What reductions in cost of rent or a mortgage would be realized? What rents will you charge for each one, two, and three bedroom when the project is complete? (Please detail from your attached ProForma.)

FFC will either purchase a vacant or owner-occupied house. FFC will be making a 40-year commitment to renting to extremely low-income individuals with a developmental disability whose income is at or below 30% of the area median. Rent will be set according to HOME rules for group home settings.

7. How does this housing project create a better living environment for residents? Have local, county, or state authorities noted the severity of the problem? Note building, public health or/and safety issues.

The house will be remodeled to meet the health and safety needs of the tenants. This will include the necessary accessibility features and reinforced building materials. Given the tenants limited monthly income, the affordable rents will provide them more of an opportunity to personalize their home and enjoy more community outings with their remaining income.

One of the safety features will be the installation of a fire retardant sprinkler system that will be monitored 24/7 and is dialed into the fire department.

DDA has identified the Kelso area and this project in particular as one of their highest priorities for the development of affordable, accessible housing.



8. List similar projects or programs your agency has, and other agencies have, in place to address this problem in the community. List agencies, funding sources and amounts. List the number of families housed under each of these programs.

FFC owns over (90) homes providing affordable, accessible housing to people with developmental disabilities. Currently, FFC is in the process of purchasing (2) group homes in Kelso, which should be occupied by November 2015.

Life Works owns and operates the Kelso Group Home at 922 Cedar Street that serves 9 adults with developmental disabilities who need housing and service supports. This home was originally developed by Cowlitz County in 1980. The initial funding of \$60,390 was from a State Referendum 29 grant. Extensive remodeling was completed using a State Housing Trust Fund grant in 2006 for \$358,106.

Life Works also provides supported living services to four clients in a group home located at 1111 11th Ave in Kelso that is owned by the Lower Columbia Action Program. The home did receive HOME funding from the City of Kelso for an ADA bathroom.

Solution

Project Development

9. Did you attempt to collaborate the development of this project with other agencies? Which agencies were contacted and what was the outcome?

FFC is collaborating with DDA and Life Works in the development of this project. FFC is acting in the capacity of developer, owner, and property manager. Life Works will continue to provide the tenants their 24/7 services and DDA will continue to fund these services.

10. How do you propose to solve the problem? Please be specific, itemizing the various tasks you will undertake.

FFC will enter into one-year leases with each tenant, track their income annually, submit rent and utility information for each home, and ensure that the pro-rated rent payment per tenant does not exceed the HOME High Rent as set annually by HUD.

11. List all persons who would be involved during the development of this project and describe their project responsibilities. (Include names, titles, phone and e-mail.) (Responsibilities should include grant administration, project manager, developing partnerships, acquisition, overseeing construction, maintaining records, client intake and eligibility, etc.)

Kathy Streblo, Executive Director of FFC, 614-389-4501, kstreblo@ffcohio.org
Kathy will have oversight of the entire project and will be executing all project related documents.



Michael Pollowitz, Development Consultant, 206-228-7275, mpollowitz@gmail.com
Michael will have the lead in writing the funding applications, coordinating with funders and Life Works, searching for a property, supporting the bid process for contractors, overseeing the remodeling, and ensuring the project is completed on-time and within budget.

David Scheiber, Property Manager, 206-852-5000, david-scheiber@comcast.net
David will be doing the initial tenant eligibility reviews, putting together the leases, and addressing any initial tenant or house-related problems at rent-up.

Carolyn Anson, Finance Director of FFC, 614-389-4501, canson@ffcoho.org
Carolyn will be responsible for the fiscal management of the project including vouchering for funding, maintaining records, and the final close-out of grants.

Project Operation

12. Are you partnering with other organizations or businesses in this project? Will you have contracts for supportive services? What roles will each organization or business play after the project is completed? Please submit letters from partnering agencies and/or businesses as supporting documentation.

FFC is just acting in the capacity of developer, owner, and property manager. FFC is working with Life Works on this project. They currently are funded for and provide the 24/7 support and training services to the tenants identified for this project. They will maintain this role when the tenants move into the house. A Letter of Support from Life Works is in attachment.

13. List all persons involved in the operation of this project when completed and describe their responsibilities. (Include names, titles, phone and e-mail.) (Responsibilities should include case management, day-to-day management, rent schedules for units, annual renter income review, partnerships in serving renters, etc., apartment management, and project owner.)

Kathy Streblo, Executive Director of FFC, 614-923-6020, kstreblo@ffcoho.org
Kathy will have on-going oversight of the house and will execute documents as needed.

Michael Pollowitz, Asset Manager, 206-228-7275, mpollowitz@gmail.com
Michael will be completing all funder related reports, be the liaison between the tenants and FFC, and supervise David Scheiber, the Property Manager.

David Scheiber, Property Manager, 206-852-5000, david-scheiber@comcast.net
David will be the direct interface with tenants and Life Works around leases, repairs, responding to questions and problems, and overseeing the overall maintenance of the house.

Carolyn Anson, Finance Director of FFC, 614-389-4501, cason@ffcoho.org
Carolyn will be responsible for the fiscal management of the house including budgeting, vouchering for funding, maintaining records, and reconciling the income & expenses.



14. Complete the Rental or Ownership Proforma and Marketing Plan (provided separately.) Summarize your marketing/public outreach that you will provide to inform the general community of this project? (Review the Marketing Plan information under the Underwriting Policies)

There is no Marketing Plan. One of the HTF contractual requirements is that DDA will be the referral entity for this house. Given the complexity of service funding and the importance of roommate matching, Life Works will work directly with DDA on future tenant referrals. FFC will enter into a Referral Agreement with DDA once this project is fully funded. These Referral Agreements are standard practice and FFC already has an existing Agreement with DDA Region 2.

15. Describe your selection process for applicants to participate? How will disabled applicants be able to participate?

DDA and Life Works will refer an eligible tenant(s) as vacancies occur. FFC will review tenants based on their rental application and funder eligibility requirements.

DDA and Life Works both incorporate philosophies that maximize the rights and responsibilities of people with developmental disabilities to participate in and make decisions about events that affect their lives. This housing opportunity will be another extension of this philosophy.

16. What other short-term and long-term outcomes will result from the project?

This project offers tenants long-term, stable housing that is both affordable and accessible. The specific health and safety needs of the tenants will be addressed in developing any remodeling scope of work. The affordable rents will provide opportunities for the tenants to use their additional income to improve their quality of life.

17. What activities would still need to be undertaken after the project is completed in order for the problem to be fully addressed? Quantify where possible.

FFC believes that the problem of affordable, accessible housing will be addressed for the initial tenants once the project is completed and the tenants move in. Longer term, this home will continue to be an affordable, accessible housing resource for 40 years.

Households Benefiting

18. What is the number of low-income households that will benefit from this project? Use current year HUD Income Limits for family size.

At or below 30% of Median Income: 4

At or below 50% of Median Income: _____

At or below 80% of Median Income: _____

TOTAL Number of Households: 4



Budget

19. Explain why HOME funds are appropriate for your project. If this application is for a program currently receiving HOME funding, discuss what action you have taken and what other funding sources have been investigated in the last 12 months to reduce your organization's dependence on City of Longview (or City of Kelso) HOME funds.

In a discussion about this project with Julie Hourcle' of CDD and Marti Johnson of Life Works, the suggestion was that HOME funding was the most appropriate match for this project.

20. What agency funding will you commit to this project? If none, why not? (A 25% match of non-federal funding is desired.)

FFC is committing \$3,000 to the project for the Operating Reserves.

21. If one or more funding sources listed below is not realized, what impact would this have on your project? Explain what changes would be considered to its scope or design, including the number of families housed, structure(s) constructed, delays in construction start date, etc. and whether your project would exist without HOME funding.

With approximately 90% of the budget coming from the HTF, this project cannot move forward without their funding support. FFC has already submitted a Stage 1 application to the HTF on December 15, 2014. The anticipated submittal of the Stage 2 application will be in early September 2015 with a funding decision made in early December 2015.

22. Complete and attach the separate HOME Budget Form.
See attached.

23. Sources and Uses Fund Statement / Budget Form Narrative

a. Please list all funding sources, intended uses, and amounts from your budget form. Identify each source as Federal, State, Local, or Private.

- The funding request to the State Housing Trust Fund is for \$365,000 of state bond derived dollars. The funding will be used for every aspect of the project's development with the exception of the Operating Reserves.
- The funding request to the City of Kelso is for \$46,719 in federal HOME dollars to be used to assist with the costs of Acquisition and the Developer Fee.
- FFC will be providing \$3,000 of private funding that will be used for Operating Reserves.

b. Identify which sources are proposed and which sources are committed.

The HTF and City of Kelso funding is proposed. The FFC funding is committed.

c. Supporting Documentation: List and attach "Sources of Funds" supporting documentation noted under Question #25.



d. Supporting Documentation: List and attach “Uses of Funds” supporting documentation noted under Question #25.

24. Please list the amount of private, local, and State (non-federal) matching funds which will be designated towards the 25% match per HOME categories below:

- \$ _____ A. Cash Contributions
- \$ _____ B. Forgone, Taxes, Fees and Charge
- \$ _____ C. Donated Land or Other Real Property
- \$ _____ D. On Site and Off-Site Infrastructure
- \$ _____ E 1 Donated Site Preparation
- \$ _____ E 2 Donated Construction Material
- \$ _____ E 3 Donated Labor (other than homeowner): Number or hours _____ times \$10 per hour
- \$ _____ E1 Sweat Equity (homeowner only): Number or hours _____ times \$10 per hour
- \$ 365,000 F. Proceeds from Affordable Housing Bonds
- \$ _____ G. Supportive Services – Type _____
- \$ _____ G1 Homebuyer Counseling Services
- \$ _____ Estimated/Unknown at this time. Type : _____

Attachments

25. Required Attachments

- Project Timeline** (Note: Funding is available in November following project submittal. Please plan accordingly.)
- Project Budget** (Note: Show all funding sources and note if they are committed or not committed. List date when commitment will be confirmed.)
- Detailed Cost Estimates** (Specific costs for project itemized to show project cost analysis.)
- Project Documentation** (See below)
- HOME Performa: Rental or Homeowner Affordability**
- Market Analysis** (separate form)
- Marketing Plan** (as described in the Underwriting Policies and Procedures.)
- Developer Development Capacity Certification**
- Agency Financial Audit by e-mail** (Most current independent audit.)

Project Documentation to support your project. (Provide in order listed. Staff may limit the number of documents to the most important for Council to base its decision.)

- **Sources of Funds**
 1. Include commitment letters with all terms and conditions for all mortgages, loans, grants, subordination agreements, private fundraising, bridge (interim) loans and investment tax credits (historical low-income, if applicable);
N/A
 2. Provide a formal Certification letter signed by the Agency Director or Owner listing the amounts and type of all governmental assistance (Federal, State, and Local) which will be used in this project.
In attachment



3. If you (the applicant) are a partnership, or will enter into a partnership to undertake this project (including services) provide a copy of the partnership agreement, which will indicate the cash contributions by the general partner(s) and/or limited partner(s).

N/A

- **Uses of Funds N/A**

1. Earnest money agreement, option or closing statement for land and/or building(s);
2. Construction cost estimate
3. Construction contract or preliminary (bids)
4. Agreements governing the various reserves which are capitalized at closing (to verify that the reserves cannot be withdrawn later as fees or distributions.)
5. Appraisal (to substantiate the value of the land and the value of the property after rehabilitation or the structure being built)
6. If low-income tax credits are utilized, provide documentation on the syndication costs (legal, accounting, tax opinion, etc.) from the organization/individuals who will syndicate and sell the offering to ensure that the project can support the fees necessary to syndicate/fund the project. All assumptions should be verified in the supporting documentation.

- Maps, architectural renderings and elevations, floor plans N/A

- Surveys and other professional reports N/A

- Letters from local, state, or federal agencies directing the repair or creation of a specific housing project N/A

- Letters attesting to the subject problem N/A

- Letters of support

- **In attachment from Life Works**

- Current news articles N/A

- Engineering, soils, or environmental reports N/A



Marketing Plan: A marketing plan shall be completed to show how the project will be marketed publically to Longview and/or Kelso residents through the public media, professional realtor or/and real estate marketing staff for at least 90 days or until the unit(s) are fully sold/rented. The advertising methods used to reach buyers/renters, both paid and free, and direct promotion through local organizations, stakeholders and social media can be used. The message to buyers should note that the value/sales or rental price is competitive and the home's features fit the target buyer or renter. The agency must follow its marketing plan and provide documentation of its public marketing effort prior to selecting its recipient(s.)

DDA provides the essential funding for and contracts with Life Works to provide the necessary 24/7 residential support services. Given this partnership, Life Works and DDA will work jointly to implement a Tenant Selection Process that includes:

- identifying potential tenants that have a developmental disability;
- through a tenant application and/or screening process, ensure that tenants qualify for the housing based on funder eligibility criteria;
- ensure that each tenant has sufficient service funding for their health and safety; and
- where appropriate, there is a reasonable expectation of house-mate compatibility.



Longview/Kelso Home Consortium							
PROJECT BUDGET AND FUNDING SOURCES							
	Kelso HOME Source 1	HTF Source 2	FFC Source 3	Source 4	Source 5	Total Cost	How costs determined (bid, est.)
Commitment Dates	2015						
ACQUISITION							
Purchase Price - Land						\$0.00	
Purchase Price - Bldg.	42,218	232,782				\$275,000.00	Market Study
Transaction Taxes						\$0.00	
Closing/Recording Fees		1,045				\$1,045.00	prior projects
Title Insurance/Binder Fees		1,200				\$1,200.00	prior projects
Appraisal		500				\$500.00	prior projects
Other:						\$0.00	
Subtotal	42,218.00	235,527.00	0.00	0.00	0.00	\$277,745.00	
PREDEVELOPMENT							
Architect		7,718				\$7,718.00	prior projects
Engineering						\$0.00	
Legal Fees						\$0.00	
Environmental Review		2,000				\$2,000.00	prior projects
Preconstruction Inspection		600				\$600.00	prior projects
Other:						\$0.00	
Subtotal	0.00	10,318.00	0.00	0.00	0.00	\$10,318.00	
CONSTRUCTION COSTS							
New Construction						\$0.00	
Rehabilitation		55,000				\$55,000.00	prior projects
Infrastructure on site						\$0.00	
Energy Related Improvemts						\$0.00	
Repair/Replace Major Syst.						\$0.00	
Lead Based Paint /Haz Mat						\$0.00	
Access for Disabled						\$0.00	
Securing of Building						\$0.00	
Demolition						\$0.00	
Utility Connections						\$0.00	
Permits & Fees						\$0.00	
Construction Loan Fees						\$0.00	
Construction Inspections						\$0.00	
Sales Tax						\$0.00	
Insurance/Bond/Surety Fees		300				\$300.00	prior projects
Contingency		8,250				\$8,250.00	HTF requirement
Other: Utilities		600				\$600.00	prior projects
Subtotal	0.00	64,150.00	0.00	0.00	0.00	\$64,150.00	
OTHER							
Home Buyer Counseling						\$0.00	
Credit Report Fees						\$0.00	
Operating Deficit Reserves						\$0.00	
Relocation Costs						\$0.00	
Operating Reserves			3,000			\$3,000.00	prior projects
Loan Fees		7,005				\$7,005.00	2% HTF fee
Tenant Rental Assistance						\$0.00	
Affirmative Marketing						\$0.00	
Project Management		10,000				\$10,000.00	prior projects
Developer Fees	4,500	35,000				\$39,500.00	10% of award
Other: Accounting/Audit		1,000				\$1,000.00	prior projects
Other: Real Estate Tax		2,000				\$2,000.00	Market Study
Subtotal	4,500.00	55,005.00	3,000.00	0.00	0.00	\$62,505.00	
HOME TOTAL	\$46,718.00	\$365,000.00	\$3,000.00	\$0.00	\$0.00	\$414,718.00	
Date: 2-23-2015							
Sponsor: Foundation For the Challenged				Project Address: TBD			

Development Capacity Certification

List your Project: FFC Homes X

Project Name: FFC Homes X

Address: TBD

City: Kelso

Owner, Developer, Sponsor (circle or bold all that apply)

Rental, Homeownership, Lease-to-Own, Self-Help (circle or bold one)

New Construction or Rehabilitation (circle or bold one)

Pre-development Start Date: January 15, 2016

Construction Start Date: May 31, 2016

Expected Construction Completion Date: August 31, 2016

Total Project Units: 4

Financial Capacity

Project Budget from all sources: \$ 414,718 Are all sources committed? Yes No X

HOME dollars \$ 46,718

Do you have funds available for pre-development expenses, capital advances required for development, and to cover internal costs until fees are earned? Yes X No

Note additional project information here: No additional Information to provide at this time.

Current Projects which will be underway at the same time: FFC Homes VIII and IX will be completed prior to starting this project.

I certify that the Foundation For the Challenged has the personnel and financial capacity to develop this project as noted on these forms:

Signed Kathy Stille, Executive Director.

Date: February 23, 2015

Developer Staff Capacity

List all Staff and contracted employees who will be involved in this project:

Name and job title: Michael Pollowitz, Development Consultant

Full-time or part-time employee (circle or bold one)

Number weekly hours to be dedicated to this project: As many as necessary to complete each stage of the project on-time and within budget.

(If new staff member under 1 year attach resume, or experience, skill or training of tasks to be fulfilled.)

Responsibilities/capacity for project: Michael will have the lead in developing the project from funding award to rent-up. This project will receive Michael's full attention and effort to develop and complete.

Name and job title: _____

Full-time or part-time employee (circle or bold one)

Number weekly hours to be dedicated to this project: _____

(If new staff member under 1 year attach resume, or experience, skill or training of tasks to be fulfilled.)

Responsibilities/capacity for project:

Name and job title: _____

Full-time or part-time employee (circle or bold one)

Number weekly hours to be dedicated to this project: _____

(If new staff member under 1 year attach resume, or experience, skill or training of tasks to be fulfilled.)

Responsibilities/capacity for project:

Name and job title: _____

Full-time or part-time employee (circle or bold one)

Number weekly hours to be dedicated to this project: _____

(If new staff member under 1 year attach resume, or experience, skill or training of tasks to be fulfilled.)

Responsibilities/capacity for project:

Complete additional staff sheets as needed.

AGENDA SUMMARY SHEET

Business of the City Council City of Kelso, Washington

SUBJECT TITLE: AN ORDINANCE OF THE CITY OF KELSO, WASHINGTON AMENDING KELSO MUNICIPAL CODE CHAPTER 17.45, MARIJUANA RELATED LAND USES, TO REMOVE RESTRICTIONS TO ALLOW MARIJUANA PRODUCTION AND PROCESSING FACILITIES TO LOCATE WITHIN 250 FEET OF RESIDENTIAL USES.

Agenda Item:_____

Dept. of Origin: Community Development

For Agenda of: May 5, 2015

Originator: Steve Taylor

City Attorney: **Janean Parker**

City Manager: **Steve Taylor**

PRESENTED BY:

Steve Taylor

Agenda Item Attachments:

Proposed Ordinance

SUMMARY STATEMENT:

In 2014, the City Council adopted Ordinance No. 3821 permitting and regulating marijuana related land uses within certain land use zones of the City and prohibiting such uses within 250 feet of any residential zone or mobile home or RV park.

City staff has been evaluating the impacts of production, processing, and retail sales of marijuana throughout the state as this emerging land use has been developing. The City has determined that the impacts of state licensed indoor facilities for the production and processing of marijuana are minimized by the state regulatory requirements and that there appear to be no outward impacts to the surrounding properties. The location of the City's industrial zones and properties within that zone appropriate for such marijuana production and processing uses are in proximity to the surrounding residential uses.

The City wishes to allow marijuana production and processing facilities within a greater area of its industrial zones by removing the prohibition of such uses within 250 feet of residential uses

On April 14, 2015 the Planning Commission held a public hearing on the proposed changes and provided a recommendation that Council adopt the proposed changes.

RECOMMENDED ACTION:

Make a motion to approve the ordinance amending KMC 17.45 on first reading.

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY OF KELSO, WASHINGTON
AMENDING KELSO MUNICIPAL CODE CHAPTER 17.45, MARIJUANA
RELATED LAND USES, TO REMOVE RESTRICTIONS TO ALLOW
MARIJUANA PRODUCTION AND PROCESSING FACILITIES TO
LOCATE WITHIN 250 FEET OF RESIDENTIAL USES**

WHEREAS, in 2014, the City Council adopted Ordinance No. 3821 permitting and regulating marijuana related land uses within certain land use zones of the City and prohibiting such uses within 250 feet of any residential zone or mobile home or RV park; and

WHEREAS, City staff has been evaluating the impacts of production, processing, and retail sales of marijuana throughout the state as this emerging land use has been developing; and

WHEREAS, the City has determined that the impacts of state licensed indoor facilities for the production and processing of marijuana are minimized by the state regulatory requirements and that there appear to be no outward impacts to the surrounding properties; and

WHEREAS, the location of the City's industrial zones and properties within that zone appropriate for such marijuana production and processing uses are in proximity to the surrounding residential uses; and

WHEREAS, the City wishes to allow marijuana production and processing facilities within a greater area of its industrial zones by removing the prohibition of such uses within 250 feet of residential uses;

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

SECTION 1. That Chapter 17.45 of the Kelso Municipal Code is hereby amended to provide as follows:

17.45.020 Location criteria for recreational marijuana land uses.

A. No recreational marijuana producer, processor or retail outlet may be located within one thousand feet of any of the following:

1. Elementary or secondary school;
2. Playground;
3. Recreation center or facility;
4. Child care center;
5. Public park;
6. Public transit center;
7. Library; or
8. Any game arcade (where admission is not restricted to persons age twenty-one or older).

The distances described above shall be computed by direct measurement as follows: the distance shall be measured as the shortest straight line distance from the property line of the licensed premises to the property line of the above listed facility or facilities.

B. No recreational marijuana ~~producer, processor or~~ retail outlet may locate within two hundred fifty feet of any of the following:

1. Any residential zone.
2. Any mobile home or RV park.

C. The distances described in subsections A and B of this section shall be computed by direct measurement as follows: the distance shall be measured as the shortest straight line distance from the property line of the licensed premises to the property line of the above listed facility or facilities.

D. No recreational marijuana producer, processor or retail outlet may locate within any residential unit in the city and such uses are expressly prohibited in all zones except those specifically designated in Section 17.45.040.

SECTION 2. SEVERABILITY. The provisions of this Ordinance are declared to be severable. If any provision, clause, sentence, or paragraph of this Ordinance or the application thereof to any person, establishment, or circumstances shall be held invalid, such invalidity shall not affect the other provisions or application of this Ordinance.

SECTION 4. EFFECTIVE DATE. This Ordinance shall be in full force and effect 5 days after its passage and publication of summary as required by law.

ADOPTED by the City Council and **SIGNED** by the Mayor this ____ day of _____
_____, 2015.

ATTEST/AUTHENTICATION:

MAYOR

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

PUBLISHED:_____

AGENDA SUMMARY SHEET

Business of the City Council City of Kelso, Washington

SUBJECT TITLE: AN ORDINANCE OF THE CITY OF KELSO AMENDING THE KELSO MUNICIPAL CODE CHAPTER 17.15 RELATED TO MICROBREWERIES AND MICROWINERIES TO EXPAND THE ZONES WHERE SUCH USES ARE ALLOWED.

Agenda Item: _____

Dept. of Origin: Community Development

For Agenda of: May 5, 2015

Originator: Steve Taylor

City Attorney: **Janean Parker**

City Manager: **Steve Taylor**

PRESENTED BY:
Steve Taylor

Agenda Item Attachments:

Proposed Ordinance
Exhibit A – Proposed Land Use Table

SUMMARY STATEMENT:

The City's current land use table allows a microbrewery use within certain commercial areas within the City and not within others and further restricts that use from the ground floor in certain areas in the Commercial Town Center zone; the table is silent as to microwinery use.

City staff finds that the land use impacts of microwineries are similar to the impacts of microbreweries and these uses are combined elsewhere in the code, so that both uses should be allowed in compatible areas.

Microbreweries and microwineries are defined terms within the code and describe a much smaller manufacturing use that of larger facilities; these uses are commonly associated with the retail sales of wine and beer and accessory items and often have restaurant and tasting areas so that there is a commercial element to the facilities that make them compatible with a commercial and retail environment.

The City would like to expand the commercial areas that allow these type of uses to promote a mix of commercial and retail uses within the City's commercial areas in order to promote economic development and the retail shopping experience in the City's commercial areas.

On April 14, 2015 the Planning Commission held a public hearing on the proposed changes and provided a recommendation that Council adopt the proposed changes.

RECOMMENDED ACTION:

Make a motion to approve the ordinance amending KMC 17.15 on first reading.

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY OF KELSO AMENDING THE
KELSO MUNICIPAL CODE CHAPTER 17.15 RELATED TO
MICROBREWERIES AND MICROWINERIES TO EXPAND THE
ZONES WHERE SUCH USES ARE ALLOWED**

WHEREAS, the City's current land use table allows a microbrewery use within certain commercial areas within the City and not within others and further restricts that use from the ground floor in certain areas in the Commercial Town Center zone; the table is silent as to microwinery use; and

WHEREAS, the City Council finds that the land use impacts of microwineries are similar to the impacts of microbreweries and these uses are combined elsewhere in the code, so that both uses should be allowed in compatible areas; and

WHEREAS, microbreweries and microwineries are defined terms within the code and describe a much smaller manufacturing use than that of larger facilities; these uses are commonly associated with the retail sales of wine and beer and accessory items and often have restaurant and tasting areas so that there is a commercial element to the facilities that make them compatible with a commercial and retail environment; and

WHEREAS, the City would like to expand the commercial areas that allow these type of uses to promote a mix of commercial and retail uses within the City's commercial areas in order to promote economic development and the retail shopping experience in the City's commercial areas; and

WHEREAS, the City finds that the health safety and welfare of the community is served by these amendments to the City's Zoning Code; and

WHEREAS, the SEPA Responsible Official issued a threshold decision for this draft ordinance on April 8, 2015, which was not appealed; and

WHEREAS, the Planning Commission has considered these uses and on April 14,

2015, the Planning Commission held a public hearing on the proposed zoning amendments; and

WHEREAS, the Planning Commission recommended adoption of the proposed zoning amendments to the Council; and

WHEREAS, on April 21, 2015, the City Council considered the proposed zoning amendments during its regular meeting; and

NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF KELSO DO ORDAIN AS FOLLOWS:

SECTION 1. That the MANUFACTURING section of the City’s land use table at Section 17.15.020 of the Kelso Municipal Code is hereby amended as set forth in Exhibit A attached hereto and incorporated fully by this reference.

SECTION 2. SEVERABILITY. The provisions of this Ordinance are declared to be severable. If any provision, clause, sentence, or paragraph of this Ordinance or the application thereof to any person, establishment, or circumstances shall be held invalid, such invalidity shall not affect the other provisions or application of this Ordinance.

SECTION 3. EFFECTIVE DATE. This Ordinance shall be in full force and effect 5 days after its passage and publication of summary as required by law.

ADOPTED by the City Council and **SIGNED** by the Mayor this ____ day of _____, 2015.

ATTEST/AUTHENTICATION:

MAYOR

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

PUBLISHED:_____

Table 17.15

Table 17.15 Allowable Land Uses	Residential Single-Family	Residential Multifamily	Open Space	Commercial Town Center	Commercial West Kelso	Commercial Neighborhood Service Center	Commercial Specialty Retail and Services	Commercial Major Retail	Industrial Light Manufacturing	Industrial General Manufacturing
	RSF	RMF	OPN	CTC	CWK	CNH	CSR	CMR	ILM	IGM
...										
MANUFACTURING										
Agriculture* including agricultural processing									II	I
Fabrication, manufacture, assembly, processing, packaging, repair, servicing of goods									I ₉	I ₉
Any principally permitted use whose operations are predominantly out-of-doors rather than completely enclosed within a building									II	I

Table 17.15

Table 17.15 Allowable Land Uses	Residential Single-Family	Residential Multifamily	Open Space	Commercial Town Center	Commercial West Kelso	Commercial Neighborhood Service Center	Commercial Specialty Retail and Services	Commercial Major Retail	Industrial Light Manufacturing	Industrial General Manufacturing
	RSF	RMF	OPN	CTC	CWK	CNH	CSR	CMR	ILM	IGM
Aquaculture			II							
Commercial indoor storage									I	I
Commercial moving and freight terminals									II	I
Computer and electronic equipment and products									I	I
Food products									I	I
Furniture and fixtures									I	I
Junk or salvage yards										I
Laboratories for scientific research, testing and experimental development									I	I

Table 17.15

Table 17.15 Allowable Land Uses	Residential Single-Family	Residential Multifamily	Open Space	Commercial—Town Center	Commercial—West Kelso	Commercial Neighborhood Service Center	Commercial Specialty Retail and Services	Commercial—Major Retail	Industrial Light Manufacturing	Industrial General Manufacturing
	RSF	RMF	OPN	CTC	CWK	CNH	CSR	CMR	ILM	IGM
that can be performed with minimal adverse impact on, and pose no special hazard to, the environment and the community										
Marijuana producer, processor									I ₂₀	I ₂₀
Mechanical, automotive, trucking, agricultural/forestry and contractors' or builders' equipment and supplies									I	I
Marine-oriented commercial and industrial activities									II ₁₀	II ₁₀

Table 17.15

Table 17.15 Allowable Land Uses	Residential Single-Family	Residential Multifamily	Open Space	Commercial—Town Center	Commercial—West Kelso	Commercial Neighborhood Service Center	Commercial Specialty Retail and Services	Commercial—Major Retail	Industrial Light Manufacturing	Industrial General Manufacturing
	RSF	RMF	OPN	CTC	CWK	CNH	CSR	CMR	ILM	IGM
Microbrewery <u>or</u> <u>Microwinery</u> *				II _{5, 7}	II	II	II	II	II	II
Printing and publishing									I	I
Recycling centers						II	II		I	I
Sales of items manufactured on site									II	II
Skating rink—indoor								II	III	III
Vehicle towing and storage services									II	II
Vocational schools									I	I
Winery/brewery									I	I
Wood products									I	I

Table 17.15

Table 17.15 Allowable Land Uses	Residential Single-Family	Residential Multifamily	Open Space	Commercial—Town Center	Commercial—West Kelso	Commercial Neighborhood Service Center	Commercial Specialty Retail and Services	Commercial—Major Retail	Industrial Light Manufacturing	Industrial General Manufacturing
	RSF	RMF	OPN	CTC	CWK	CNH	CSR	CMR	ILM	IGM
RETAIL TRADE AND SERVICE										
Automobile sales—new or used					I		I	I	II	
Bed and breakfast*	II	II		II ₁	I	I	I	I		
Brewpub				I	I	I	I	I		
Cart vendors				I	II	II	II	I	I	II
Cemeteries, mausoleums and columbaria	III	III								
Convenience stores including gasoline sales and/or a car wash facility					II	II	I			
Crematorium	III	III								

Table 17.15

Table 17.15 Allowable Land Uses	Residential Single-Family	Residential Multifamily	Open Space	Commercial—Town Center	Commercial—West Kelso	Commercial Neighborhood Service Center	Commercial Specialty Retail and Services	Commercial—Major Retail	Industrial Light Manufacturing	Industrial General Manufacturing
	RSF	RMF	OPN	CTC	CWK	CNH	CSR	CMR	ILM	IGM
Entertainment (e.g., theaters, video game arcades, etc., except adult motion picture theaters and other uses as described in Section 17.30.040 , Adult oriented business (AOB) overlay zone)				I ₇	I	II	I	I		
Farmer's market				I ₁₇	I ₁₇	I ₁₇	I ₁₇	I ₁₇		
Fitness center/sports club				II	II	II	I	I	II	
Formula take-out food restaurant with drive-through					I		I	I		
Formula take-out food				I ₇	I		I	I		

Table 17.15

Table 17.15 Allowable Land Uses	Residential Single-Family	Residential Multifamily	Open Space	Commercial—Town Center	Commercial—West Kelso	Commercial Neighborhood Service Center	Commercial Specialty Retail and Services	Commercial—Major Retail	Industrial Light Manufacturing	Industrial General Manufacturing
	RSF	RMF	OPN	CTC	CWK	CNH	CSR	CMR	ILM	IGM
restaurant without drive-through										
Hotels, motels, inns*				I ₇	I		I	I		
Home occupation, major* (G, H)	II	II								
Home occupation, minor* (F, H)	I	I								
Kennels* (V)					II		II	II	II	
Minor vessel repair shop						I	I		I	I
Mixed commercial/residential		III		I _{4, 7}	I ₄	I ₄	I ₄	I ₄		
Mortuaries, funeral homes	III	III		II _{5, 7}	II		II			

Table 17.15

Table 17.15 Allowable Land Uses	Residential Single-Family	Residential Multifamily	Open Space	Commercial—Town Center	Commercial—West Kelso	Commercial Neighborhood Service Center	Commercial Specialty Retail and Services	Commercial—Major Retail	Industrial Light Manufacturing	Industrial General Manufacturing
	RSF	RMF	OPN	CTC	CWK	CNH	CSR	CMR	ILM	IGM
and funeral chapels										
Personal services*				I _{5, 7}	I	I	I	I		
Pet shop*				I	I	I	I	I		
Professional offices		III		I ₇	I	I	I	I	II ₈	I ₈
Restaurants				I ₇	I		I	I	II ₁₁	II ₁₁
Retail sales marijuana									I ₂₀	I ₂₀
Retail sales and services with drive-through businesses* (I)					I		I	I	II	
Retail sales and services without drive-through businesses				I _{7, 12}	I	I ₇	I	I		

Table 17.15

Table 17.15 Allowable Land Uses	Residential Single-Family	Residential Multifamily	Open Space	Commercial—Town Center	Commercial—West Kelso	Commercial Neighborhood Service Center	Commercial Specialty Retail and Services	Commercial—Major Retail	Industrial Light Manufacturing	Industrial General Manufacturing
	RSF	RMF	OPN	CTC	CWK	CNH	CSR	CMR	ILM	IGM
Retail sales and services with screened outdoor storage				II _{5, 7}	II		II	II	I	I
Roadside stands				I ₁₇	I ₁₇	I ₁₇	I ₁₇	I ₁₇		
RV sales, storage and repair									I	I
Secondhand/consignment stores				I _{7, 12}	I	I ₇	I	I		
Sexually oriented business* (E)										
Small engine repair						I	I		I	
Taverns				I ₇	I		I	I		
Uses which service the					II	I ₁₃	I	I	I	

Table 17.15

Table 17.15 Allowable Land Uses	Residential Single-Family	Residential Multifamily	Open Space	Commercial—Town Center	Commercial—West Kelso	Commercial Neighborhood Service Center	Commercial Specialty Retail and Services	Commercial—Major Retail	Industrial Light Manufacturing	Industrial General Manufacturing
	RSF	RMF	OPN	CTC	CWK	CNH	CSR	CMR	ILM	IGM
automobile (e.g., gasoline service station, car wash, minor/major vehicle repair shops)										
Veterinarian clinics* (V)						I ₇	II	II		
Caretaker residence (K)									I	I
Temporary uses (S)	I ₁₇	I ₁₇	I ₁₇	I ₁₇	I ₁₇	I ₁₇	I ₁₇	I ₁₇	I ₁₇	I ₁₇
Wholesale sales with limited retail sales							II	II	II	
TRANSPORTATION										
Park and ride lots*					II	II	I	II		
Park and ride lots, shared	II	II							II	I

Table 17.15

Table 17.15 Allowable Land Uses	Residential Single-Family	Residential Multifamily	Open Space	Commercial Town Center	Commercial West Kelso	Commercial Neighborhood Service Center	Commercial Specialty Retail and Services	Commercial Major Retail	Industrial Light Manufacturing	Industrial General Manufacturing
	RSF	RMF	OPN	CTC	CWK	CNH	CSR	CMR	ILM	IGM
use*										
Parking as principal use										
Transit facilities				I ₁₄						
UTILITIES										
Public and private utility buildings and structures (L)										
Communication antennas, category 1 (N)										
Communication antennas, category 2 (O)										
Communication antennas, category 3 (P)										

Table 17.15

Table 17.15 Allowable Land Uses	Residential Single-Family	Residential Multifamily	Open Space	Commercial—Town Center	Commercial—West Kelso	Commercial Neighborhood Service Center	Commercial Specialty Retail and Services	Commercial—Major Retail	Industrial Light Manufacturing	Industrial General Manufacturing
	RSF	RMF	OPN	CTC	CWK	CNH	CSR	CMR	ILM	IGM
Communication towers and monopoles (Q)			II ₁₉		II ₁₉		II ₁₉	II ₁₉	II ₁₉	II ₁₉
WHOLESALE TRADE—STORAGE										
Self-service storage facilities; provided, that no outside storage is visible from adjoining properties and public rights-of-way						III			I	
Warehousing (wholesale, bulk retail and trade)								III		

I = Type I Permitted Use

II = Type II Administrative Use

III = Type III Conditional Use

* = Defined Term

Letters and numbers refer to footnotes and regulatory notes within Sections [17.15.030](#) and [17.15.040](#).

(Ord. 3828 § 4 (Exh. B), 2014; Ord. 3821 § 4 (Exh. B), 2014; Ord. 3799 § 1 (Att. B), 2013; Ord. 3771 § 1 (Exh. A), 2012; Ord. 3745 § 1 (Att. B), 2011; Ord. 3699 § 1 (Att. B), 2009)