



Date: April 8, 2019
Time: 4:00 p.m.
Place: Chambers East
Attending: Bill Boyce, Committee Chair
Satwinder Kaur, Councilmember
Marli Larimer, Councilmember

Agenda:

- 1. **Call to Order 4:02 p.m.**
- 2. **Roll Call**

Attendee Name	Title	Status	Arrived
Bill Boyce	Committee Chair	Present	
Satwinder Kaur	Councilmember	Late	4:08 PM
Marli Larimer	Councilmember	Present	

- 3. **Changes to the Agenda**
- 4. **Approval of Minutes dated March 11, 2019**
MOTION: Move to approve the Minutes dated March 11, 2019

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Marli Larimer, Councilmember
SECONDER:	Bill Boyce, Committee Chair
AYES:	Boyce, Larimer
ABSENT:	Kaur

5. **Economic Development Update**

Bill Ellis Economic Development Update. Of primary note the full council hearing on Interim Zoning for M1 and M1C has been moved back and will occur at the May 7th full council meeting. The Kent Reporter has already been informed of this change.

The KDP has been interviewing candidates for their executive Director spot in light of Barbara Smith's impending retirement, though she has agreed to stay on for some period of time as Director Emeritus to help get the new Director up to speed. Two promising candidates have emerged and one should be confirmed for the position before the month is out.

6. Consultant Services Agreement with Mackenzie Engineering, Inc, for the Kent Industrial Valley Area Subarea Plan - "Rally the Valley" - Authorize

Presented by Danielle, Butsick, Sr. Long Range Planner - Consultant selection process included participation from our partner cities. 4 firms were interviewed, and McKenzie/EcoNW was the top choice for all the panelists. The group was very impressed with McKenzie/EcoNW grasp of market based realities coupled with their equal grasp of the tools available to municipalities that can influence development outcomes.

The first step McKenzie/EcoNW will take is stakeholder outreach from which will come vision and goals for Rally the Valley, which will be vetted before the full council when achieved, probably this summer. The 150K 2 year budget will likely be weighted more heavily to 2019, with the end product being in essence a sub-area plan for the KIV to inform future zoning, policy changes, and creation of new policy.

McKenzie/EcoNW along with some sub-consultants will also provide strategic advice based on the desired outcomes at the conclusion of the project.

MOTION: Authorize the Mayor to sign a Consultant Services Agreement with Mackenzie Engineering, Inc for the Kent Industrial Valley Subarea Plan - "Rally the Valley," subject to final terms and conditions acceptable to the Economic and Community Development Director and City Attorney.

RESULT:	RECOMMENDED TO COUNCIL [UNANIMOUS]	Next: 4/16/2019
	7:00 PM	
MOVER:	Satwinder Kaur, Councilmember	
SECONDER:	Marli Larimer, Councilmember	
AYES:	Boyce, Kaur, Larimer	

7. Multifamily Tax Exemption Discussion

Presented by Matt Gilbert Deputy Director of ECD. Matt explains that the Multifamily Tax Exemption (MFTE) provides an 8 year break on the taxes paid on the value of improvements (e.g. structures, utilities, amenities) for the owners of new multifamily construction. The thought was for municipalities to provide incentive for developers of such housing to build in the areas the city wants to increase density. Originally implemented in 2009, it was extended for another 5 year period in 2014 and is now due to sunset in June of this year.

Two projects have taken advantage of this incentive, the Dwell@Kent Station and Marquis on Meeker, currently under construction. Other projects have been completed which did not make use of this available tax break.

Noting that offering this incentive did not exactly open the flood gates of multifamily development, Committee Chair Boyce asked if there are any projects in the hopper planning to avail themselves of this incentive. MG is not aware of any.

Committee member Kaur asked Matt if there were any hard numbers to report about the impact of the tax break - either the savings realized by the property owners or the impact to city revenues. Bill Boyce supported Ms. Kaur's idea that this would be useful information. MG promised to get back to all committee members with an estimate prior to the sunset date.

Committee Chair Boyce indicated that due the light utilization of the incentive he was inclined to let it sunset. Committee member Larimer stated she was inclined to agree especially because several new pieces of legislation at the state level have the potential to impact decisions made locally around housing policy generally and around affordable housing specifically. It may be that an entirely new policy would make more sense, but if not, MFTE could always be voted back if a need arose.

8. Bridges Verdana deAnnexation Udpate

Verdana/Bridges was orginally an island of land in King County purchased by the City of Kent for purposes of building a new reservoir for our water system. Eventually the city found a cheaper alternative for additional provision of water service and the land was sold to a developer who ultimately put in 379 fairly dense single family housing units, which have a mix of Kent and Auburn addresses. This has resulted in significant confusion, primarily for the residents of the community, as Kent Police must respond to the Kent Island, and Auburn police must respond to the surrounding homes, and this is just one example. All three committee members attested to the confusion felt by residents and even expressed that those in the Kent island wished to become Auburn residents.

Matt outlined the process:

One of the affected cities would need to pass a resolution indicating that annexation/deannexation was of interest.

Outreach to residents and other affected parties (police/fire/utilites etc.) would need to be conducted, and public hearings held.

Assuming a positive response, the annexing city would need to make application to the State's Boundary Adjustment Board.

An enumeration or mini-census would need to be conducted to determine the exact impact to resident numbers.

A few new Interlocal Agreements would likely be needed for provision of services.

Finally the other affected city would need to resolve to allow the annexation/deannexion.

Chair Boyce again requested a specific number of residents and an estimate of lost revenue, but acknowledged that letting the Kent island join Auburn seems sensible, and asked how quickly it could be completed.

MG indicated that with the enthusiastic participation of our counterparts in Auburn, that the process could likely be completed within this calendar year.

9. Adjournment 4:32 p.m.

Rhonda Bylin

Committee Secretary