



MINUTES
RICHLAND CITY COUNCIL WORKSHOP MEETING
Tuesday, January 23, 2024
Richland City Hall ~ Council Chambers
625 Swift Boulevard

City Council Workshop - 6:00 p.m.

Mayor Richardson called the Council workshop to order at 6:00 p.m.

Attendance: Mayor Richardson	Present
Mayor Pro Tem Kent	Present
Councilmember Jones	Present
Councilmember Lukson	Present
Councilmember Maier	Present
Councilmember VanDyke	Present
Councilmember Whitten	Present

Also present were City Manager Amundson, Deputy City Manager Schiessl, Assistant City Manager Florence, City Attorney Kintzley, Interim Chief of Police Neher, Fire Chief Huntington, Development Services Director Jensen, Public Works Director Rogalsky, Energy Services Director Whitney, Finance Director Allen, Human Resources Director Paulsen, and City Clerk Rogers.

Agenda Items

1. Fire Permit Fees - Rate Structure Discussion

Fire Chief Huntington provided background information leading to the discussion of the topic, and stated the primary goal of this discussion is to gain Council’s feedback and perspective on instituting a fire permit fee structure.

Fire Chief Huntington turned the floor over to Fire Battalion Chief VanBeek, who oversees the Fire Prevention Division. Fire Battalion Chief VanBeek reported that the division is staffed by 2.5 Full-Time Equivalent (FTE), and is responsible for a broad range of activities including commercial and residential plan reviews, new construction plan reviews, fire alarm and sprinkler system reviews, fire investigations, fire code enforcement, and public education designed to reduce hazard and risks throughout the community.

It was noted that since 2019, the division has had to scale back on core mission work due to an increase in commercial and residential construction. As a result, the main focus has shifted to prioritize economic development and customer service for developers and contractors. In 2021, the division halted fire and life safety inspections for existing businesses due to capacity constraints. Other reductions included public education initiatives and pre-incident planning.

The shift in focus also affected the division’s Washington Surveying Rating Bureau

(WSRB) score, which influences fire insurance rates in the city. The score for fire prevention activities dropped significantly, further emphasizing the division's focus on maintaining economic development and resulting in a significant reduction in services provided to the existing business community.

The anticipated retirement of the Assistant Fire Marshal and the difficulty in finding a suitable replacement were discussed. The current hiring and employment profile for uniformed staff does not align with the needs of plan review functions. To address these issues, negotiations with the International Association of Fire Fighters (IAFF) have led to the transition of some prevention work to civilian positions, such as a fire plan reviewer and a Community Risk Reduction Specialist with a focus on inspections for existing businesses.

The general fund currently subsidizes a portion of the division's work, which predominantly supports economic development. In 2019, a Cost-of-Service study recommended a cost-recovery model for economic development work. A subsequent matrix audit in 2023 also recommended implementing a cost-recovery model.

Staff sought Council's support to bring forth a proposal to fund civilian positions. Additionally, feedback on the proposed rate structures for cost recovery was sought, with options including:

- Aligning with local costs, even if it does not fully fund positions
- Full cost recovery, including overhead and general cost allocation
- Scaled cost recovery for the new positions
- A weighted model focusing on business over residential plan reviews
- A combination of the above

Council provided comments and engaged in a question-and-answer session with staff throughout the presentation. Fire Chief Huntington sought Council's feedback on the proposals. After Council offered comments and suggestions, Fire Chief Huntington replied that staff will present conduct additional research and share findings with Council at a future meeting.

2. Attainable Housing Strategy

Deputy City Manager Schiessl introduced the topic then turned the floor over to Development Services Director Jensen. Development Services Director Jensen presented information pertaining to Focused Development, one of the priorities adopted in the City's 2024-2026 Strategic Plan. This strategic priority addresses a pressing need of availability and affordability of housing.

With the aid of a PowerPoint Presentation, Development Services Director Jensen began his presentation by providing local, statewide, and national statistics relating to housing costs, the Affordable Median Income (AMI), the national housing crisis, the most affordable metro areas in the country, interest rates, and housing costs. Development Services

Director Jensen presented proposals to address the housing affordability and availability crisis. The proposals to encourage more affordable/attainable housing in Richland included options within the areas of regulations, incentives, and investments.

Regulations

- Upzoning – Ability to create more housing, especially middle housing
- Accessory dwelling units – Already allowed in all residential zones
- Eliminate medium dwelling unit size
- Inclusionary zoning
- Reduce parking requirements
- Minimize design standards – No design standards in residential districts
- BMS Harvest Ridge – Potential conversion of low-density zoning to high-density zoning working with a land trust
- Legislature
 - HB2308 – Property tax exemption by converting existing commercial buildings into affordable housing units
 - HB2003 – Leaseholders exempt from tax on public lands for affordable housing

Incentives

- Waive permit fees
- City construct and provide infrastructure
- Expedited or preferential plan review
- Pre-approved building plans
- Multi-family tax incentives
- Create density bonuses

Investments

- Sell city-owned property
- Financial Investments (CDBG & HOME funds)
- Partnership with non-profit organizations
- Support community land trusts (CLT)

Development Services Director Jensen sought feedback from Council on the options presented. Council provided comments, offered suggestions, and engaged in a question-and-answer session with staff throughout the presentation.

Mayor Richardson announced the Washington Department of Commerce reported a historic allocation of \$320 million throughout Washington state to address the affordable housing crisis. However, only \$38 million will be invested in homeownership opportunities. Of the \$38 million, only \$5 million was allocated for eastern Washington communities. As a result, Mayor Richardson encouraged staff to build partnerships with organizations to combat the housing crisis.

Mayor Richardson inquired of the average cost of rental property. Development Services Director Jensen replied that he will research this matter and will provide Council information in the near future.

3. Legislative Update

Deputy City Manager Schiessl provided an update on several senate and house bills that align with the City's legislative priorities. Deputy City Manager Schiessl shared that he has worked with Mayor Richardson and Mayor Pro Tem Kent on several legislative updates to reserve testimony opportunities at upcoming committee hearings.

- HB2158 – An act relating to expanding urban growth area boundaries for residential development. The legislature intends to direct cities and counties to expand urban growth area boundaries so that any parcel that shares a common boundary with, or is located across the road from, a residential parcel with access to urban services can be developed for residential purposes.

There is only one area within the City of Richland where this bill would apply, and the County has designated this land as a land of long-term agricultural significance, which is a term intended to preserve agriculture land. Staff recommends that Council support this bill.

Mayor Richardson is scheduled to provide remote testimony in support of this bill on Thursday, January 25, 2024 at 8:00 a.m.

- HB 1981 – Incentives qualifying businesses to apply for a preferential business and occupation tax rate for clean advanced nuclear producers. Local businesses and the City of Richland have submitted support for this bill.
- HB 2120 – Creates tax incentives for Targeted Urban Areas (TUA).

Mayor Richardson is scheduled to provide remote testimony in support of this legislation on Thursday, January 24, 2024 at 1:30 p.m.

- SB5059 – Proposes a requirement for jurisdictions to pay interest on claims from the time an injury is sustained until the judgement is awarded. Washington Cities Insurance Authority (WCIA), the City's insurance risk pool agency, is lobbying against the bill. Likewise, the City will oppose the bill.
- SB2051 – Prohibits the sale of gas-powered engines of 40 horsepower and under as of January 2027.

The legislation will provide grant opportunities for early compliance.

City Manager Amundson announced that he received an email from Pasco City Manager Adam Lincoln, stating the Pasco City Council has directed their staff to draft a letter to urge legislature and Governor Inslee to address fentanyl during this legislative session. City Manager Amundson sought Council's input and stated Council will have an opportunity to review the draft letter before deciding to sign with the City of Pasco.

- HB1860 - Prohibits entities from requiring a team or participants of an

extracurricular activity to stay at a specific lodging accommodation as a requirement for participation in an event or tournament. Visit Tri-Cities does not support this bill.

- SB5770 – Authorizes authorities to increase property tax by up to three (3) percent maximum, or inflation, whichever is less. The City of Richland has not had to increase property tax beyond one (1) percent. This bill is supported by Association of Washington Cities (AWC).

Council offered comments on this bill.

- HB2117 – Adds an Energy Facility Site Evaluation Council (EFSEC) permit requirement for aerial firefighting around utility scale wind turbines. This bill is supported by Tri-City C.A.R.E.S.

In conclusion, Deputy City Manager Schiessl reported that the City submitted funding requests for two (2) capital requests:

- regional submittal for \$4 million of microwave infrastructure for emergency communications backbone.
- \$1 million transportation budget for the SR240/Aaron Drive Intersection

Closing Comments

Mayor Richardson shared that in a collaborative effort, the Mayors of the cities of Richland, Pasco, Kennewick, and West Richland will meet each month to discuss the microwave infrastructure project to ensure that decisions made will benefit communities collectively.

In conclusion, Mayor Richardson announced that City Manager Amundson will be out of town attending a conference January 24-26, 2024, and will be one of the conference speakers.

Adjournment

Mayor Richardson adjourned the meeting at 8: 00 p.m.

APPROVED:



Theresa Richardson, Mayor

ATTEST:



Jennifer Rogers, City Clerk

Date Approved: February 6, 2024

Date Published February 8, 2024