REGULAR MEETING DES MOINES CITY COUNCIL

MINUTES September 2, 1999

The regular study session of the Des Moines City Council was called to order by Mayor Thomasson at 6:20 p.m. in the Council Chambers, 21630 11th Avenue South.

ROLL CALL - Present: Mayor Scott Thomasson, Mayor Pro Tem Terry Brazil, Councilmembers Dave Kaplan, Bob Sheckler, Dan Sherman, Gary Towe and Don Wasson. Also present were City Manager Bob Olander, Assistant City Manager Tony Piasecki, City Attorney Gary McLean, Finance Director Scott McCarty, Budget Accountant Peggy Watson, Planning Manager Corbitt Loch, and Deputy City Clerk Angela Chaufty.

DISCUSSION ITEMS:

Pacific Ridge Update

Planning Manager Loch informed Council that the public hearing for Ramada Inn's Interim Conditional Use Permit was scheduled for September 9, 1999. As the hearing would be a quasi-judicial matter, specific information regarding the project would be provided during the hearing. He noted that staff had completed their third revision to the draft zoning regulations and had compiled a land use and building inventory summary for the area. Planning Manager Loch stated that the results of the multi-jurisdictional market study grant request were due in October. He also noted that staff had conducted two consultant interviews for the Neighborhood Improvement Plan project and references were currently being checked.

Planning Manager Loch distributed the land use and building inventory summary to Council. He informed Council that staff had been contacted by various land owners and developers to discuss potential options for specific properties. Upon questioning from Councilmember Kaplan, Planning Manager Loch stated that State law allowed for an extension of the moratorium through April 1, 2000.

City Attorney McLean stated that various moratorium related options would be presented to Council at a later meeting.

Upon questioning, Planning Manager Loch confirmed that Renaissance Project personnel were participating in the market study as well as attending the Planning Directors' meetings.

City Manager Olander reiterated that staff's work was still in initial draft form. He stated that after Council had reviewed it and the information became more solid, staff would begin to actively work with the public regarding the project.

Councilmember Wasson voiced concern that it might be too late for input at that point.

Planning Manager Loch noted that public comments received from the Highway Improvement project have proved useful.

Upon questioning from City Manager Olander, Council confirmed that a letter voicing Council's opposition to the possible elimination of the South King County routing of the light rail should be sent to King County Executive Ron Sims.

Congressional Report

Mayor Thomasson welcomed Congressman Adam Smith.

Congressman Smith introduced his field representative Milt Reimers and encouraged Council to contact him with their concerns.

Congressman Smith stated that his goal was to balance the budget while paying off debt. He stated that his federal budget priorities included health care and pension security while his primary local concerns were focused on transportation and fish issues.

Upon Councilmember Kaplan's questioning, Congressman Smith stated that the FAA Reauthorization Bill was still in conference committee.

Councilmember Kaplan voiced concern with the bill, particularly in regards to increasing the passenger facility charge, and asked Congressman Smith to lend his efforts to defeating the bill.

In regard to Mayor Pro Tem Brazil's questions regarding potential internet taxation, Congressman Smith stated that the issue was being studied but that no solutions had yet been identified. He stated that it was difficult to identify the point of sale and easy for internet sales companies to relocate off-shore. Congressman Smith suggested that the method for sharing revenue be re-examined.

In regard to potential CDBG grant cutbacks, Congressman Smith stated that he was interested in protecting the program as it allowed for local control and flexibility. He noted that no decision had yet been made regarding the reauthorization of policing grant funding. Congressman Smith stated that he was interested in receiving more information concerning the loss of local authorities' ability to manage their rights-of-ways.

In closing, Congressman Smith encouraged Council to contact him with their concerns at any time.

Year 2000-2001 General Government Revenue Forecast

Finance Director McCarty reviewed the fiscal year 2000 and 2001 revenue estimates for the following revenue sources:

- Property Tax
- Retail Sales Tax
- Local Criminal Justice Tax
- Cable Television Franchise
- Solid Waste Franchise
- Utility Tax
- Real Estate Excise Tax
- Permits and Fees

City Manager Olander confirmed that the Cable Television and Solid Waste Franchise agreements would expire in 2000.

Finance Director McCarty noted that an increase in utility tax revenues could be realized due to an audit of cell phone and pager companies. He also noted that the revenue estimates for building permits and fees were based upon a 5% fee increase.

City Manager Olander stated that the 5% permit and fee increase would keep the city's fees in line with the surrounding communities' rates and also aid in balancing the budget.

Councilmember Kaplan asked staff to research when the last increase to permits and fees occurred.

Budget Accountant Watson reviewed the revenue assumptions for the following state-shared revenues:

- Motor Vehicle Excise Tax
- Liquor Excise Tax
- Liquor Board Profits
- Motor Vehicle Fuel Tax

Budget Accountant Watson explained that the state-shared revenues were based upon population. She noted that the State Office of Financial Management had set the April, 1999 population figures for Des Moines at 27,160 which reflected a decrease of 40 from last year's figures. The reduction was due to an assumed decrease in household size.

Finance Director McCarty stated that expected growth in Court revenues were due to an increase in fines and penalties, an improved collection rate and an increase recoupment of court costs. He noted that the Park and Recreation revenue figures were based upon maximum participation and a 3% fee increase per year.

In conclusion, City Manager Olander stated that the finance staff sought to be realistic and conservative in their projections.

Executive Session

At 7:32 p.m., Council recessed to executive session to consider the acquisition of real estate by purchase and about which public knowledge would cause a likelihood of increased price.

At 7:47 p.m., Mayor Thomasson reconvened the meeting in open session and announced that no formal action had been taken.

NEXT MEETING DATE

Mayor Thomasson announced the next regular meeting would be September 9, 1999.

ADJOURNMENT

The meeting adjourned at 7:48 p.m.

Respectfully submitted,

Angela M. Chaufty
Deputy City Clerk