

7:45 pm **13. COUNCIL COMMENTS/REPORTS**

RECESS TO STUDY SESSION – (At this time, Council will have the opportunity to study and discuss business issues with staff prior to its consideration. Citizen comment is not taken at this time; however, citizens will have the opportunity to comment on the following item(s) at future Council meetings.)

8:00 pm **14. COMMUNITY CONNECTION PLACE LEASE AGREEMENT**

9:00 pm **15. ADJOURNMENT**

***PRELIMINARY CITY COUNCIL AGENDA**

November 21, 2016
Regular Council Meeting

December 5, 2016
Regular Council Meeting

December 19, 2016
Regular Council Meeting

January 2, 2017
HOLIDAY – New Year's Day

January 3, 2017
Regular Council Meeting

Preliminary City Council Agenda subject to change without notice*
Complete Agendas will be available 24 hours prior to scheduled meeting.
To obtain Council Agendas, please visit www.cityofup.com.

**American Disability Act (ADA) Accommodations Provided Upon Advance Request
Call the City Clerk at 253-566-5656**

APPROVAL OF MINUTES

**CITY OF UNIVERSITY PLACE
DRAFT MINUTES
Regular Meeting of the City Council
Monday, October 17, 2016
City Hall, Windmill Village**

1. CALL REGULAR MEETING TO ORDER

Mayor Figueroa called the Regular Meeting to order at 6:30 p.m.

2. ROLL CALL

Roll call was taken by the City Clerk as follows:

Councilmember Belleci	Present
Councilmember Grassi	Present
Councilmember McCluskey	Present
Councilmember Nye	Present
Councilmember Worthington	Present
Mayor Pro Tem Keel	Excused
Mayor Figueroa	Present

Staff Present: City Manager Sugg, City Attorney Victor, Executive Director/ACM Faison, Executive Director/ACM Craig, Deputy Finance Director Blaisdell, Public Works, Parks & Facilities Director Cooper, Police Chief Blair, Finance Operations Manager Lewis, Paralegal Grover, and City Clerk Genetia.

MOTION: By Councilmember Grassi, seconded by Councilmember McCluskey, to excuse the absence of Mayor Pro Tem Keel.

The motion carried.

3. PLEDGE OF ALLEGIANCE

Councilmember McCluskey led the Pledge of Allegiance.

4. APPROVAL OF MINUTES

MOTION: By Councilmember Grassi, seconded by Councilmember McCluskey, to approve the minutes of October 3, 2016 as submitted.

The motion carried.

5. APPROVAL OF AGENDA

MOTION: By Councilmember Belleci, seconded by Councilmember McCluskey, to approved the agenda.

The motion carried.

6. PUBLIC COMMENTS – The following individuals provided public comment: *David Harrowe, 4616 79th Avenue Court West; and Nate Angelo, 4628 Bellview Street West.*

7. CONSENT AGENDA

MOTION: By Councilmember Belleci, seconded by Councilmember McCluskey, to approve the Consent Agenda as follows:

- A. Receive and File: Payroll for the period ending 09/30/16, dated 10/05/16, in the total amount of Two Hundred Seventy-Five Thousand Three Hundred Twenty-Four and 29/100 Dollars (\$275,324.29); Claims dated 10/14/16, check nos. 51978832 through 51978888, and wire no. 19045674, in the total amount of Three Hundred Ninety-Eight Thousand Nine Hundred Eighty-One and 09/100 Dollars (\$398,981.09).

The motion carried.

8. PUBLIC HEARING: PROPOSED 2017-2018 BIENNIAL BUDGET

Staff Report - Deputy Finance Director Blaisdell provided a summary of the City's 2017-2018 revenue estimates and proposed biennial budget. A contingency amount of \$150,000 has been included in the 2017 budget for Council goals and priorities to be discussed and allocated during the Council retreat in January 2017. City reserves are 35% in 2017 and 48% in 2018 when calculated using the total operating budget – those numbers exceed the Council adopted range of between 5 to 15%. She indicated that the 2017-2018 proposed biennial budget is balanced and fits the conservative financial assumptions for the City's operating and capital budgets, Town Center, and debt management that supports a continuation of the 2016 core level of service to the community.

Public Comment – The following individuals provided comment on the matter: *Steve Gregorich, 6515 46th Street Court West; and Nate Angelo, 4628 Bellview Street West.*

A second and final public hearing for the proposed 2017-2018 Biennial Budget is scheduled on November 7, 2016.

City Manager Sugg gave a brief history behind the funding decision for recreation services.

9. CITY MANAGER'S REPORT

City Manager Sugg provided an update on the Regional Growth Center Subarea Planning work program, a detailed report of which was included in the Council packet. He also informed the Council and the public that the League of Women Voters will hold a candidate forum for Pierce County Council District No. 4 at the City's Town Hall tomorrow evening.

10. COUNCIL COMMENTS/REPORTS

Councilmember Belleci announced UP for Arts' fall art and concert event on the evening of October 28, 2016 at the Civic Building. She also commended the Public Works staff for their hard work and effort in preparing the City for the anticipated storm.

Police Chief Blair made a brief remark on the daytime Community Academy, an awareness course designed to enhance Police-Citizen partnership, highlighting his department's focus in working with Pierce County Sheriff's units to keep the citizens of University Place safe.

STUDY SESSION

MOTION: By Councilmember Grassi, seconded by Councilmember McCluskey, to amend the agenda to reverse the order of Item 13 and Item 11.

The motion carried.

13. CONSIDERATION OF COMMUNITY CONNECTION PLACE AS CITY PARTNER

City Attorney Victor presented a City Partner application from Community Connection Place. He indicated that Community Connection Place is a locally organized and federally recognized 501(3)(c) tax exempt non-profit organization whose focus is to provide youth and senior programs in this community. Mr. Victor noted that the City partner status is part of the City's public forum policy that affords recognized/qualified

groups access to the City's website, UPTV, UP Press, and social media. Organizations are judged for eligibility based on the public forum policy criteria. He clarified that the Council will not be considering the lease proposal of the Senior Center by this group. A study session on that matter will be arranged at a later time. Staff believes that Community Connection Place is eligible for the City Partner status, and recommends that Council consider adding them by resolution to the list.

Council discussed the viability of the group to provide and maintain recreational services for both youth and seniors and directed staff to bring back a resolution adding Community Connection Place to the City Partner's list. A presentation will be scheduled at a later date.

11. 2017-2018 PROPOSED BIENNIAL BUDGET DISCUSSION

City Manager Sugg introduced the discussion concerning the City's strategic reserve. At the previous budget discussion, a question was posed with regards to the appropriate amount for strategic reserve. Based on substantial discussion with City leadership, the City Manager recommends that the strategic reserve be increased from the current \$853,000 to \$1 million for the biennium starting in 2017. Finance Director Faison explained the rationale behind the recommendation, addressing the importance of having strategic reserve that is sufficient to address emergency situations as well as maintaining a healthy ending fund balance to articulate to the public that the City has a solid financial footing.

Finance Chair Belleci supported staff's recommendation and encouraged Council to look at strategic reserves during the two-year budget cycle. This will allow for better fund flexibility and provide for better insight on potential problems/issues the City might come across in the next biennium.

After discussion, Council directed staff to factor in the \$1 million strategic reserve in the 2017 budget year.

12. LEGISLATIVE PROPOSAL: 54TH STREET REZONE

City Attorney Victor introduced a legislative proposal by Councilmember Nye and Mayor Pro Tem Keel that relates to the property located at the corner of 54th Street and Bridgeport Way fronting Bridgeport and immediately adjacent to U.P. Care Center. The proposal is for a City-initiated rezone from residential to a mixed-use office. In consideration of the request, the property owner has offered an emergency vehicle access easement through U.P. Care Center. This proposal suggests that access would not be possible if the property was developed as residential. The proposal has gone before Council, but without the public benefit feature.

Councilmember Nye believes the proposal not only has an economic impact, but also a safety impact to this community.

Discussion followed with regards to economic development to drive revenue into the City; property rights and benefits; bypassing the process and the Planning Commission; diminishing the integrity of the process the City has established; the benefit of an emergency access easement; and the setting of precedence for legislating re-zones.

Staff was directed to prepare legislation referring this proposal to the Planning Commission as a City-initiated action.

14. RESOLUTION OF SUPPORT FOR PUGET SOUND ENERGY PORT PROJECT

City Attorney Victor introduced a legislative proposal by Mayor Figueroa and Mayor Pro Tem Keel, to adopt a resolution of support for Puget Sound Energy's proposed liquefied natural gas (LNG) facility to be developed at the Port of Tacoma. Puget Sound Energy SE would like to build the facility at the Port to provide clean and cost-effective gas supply resource for its natural gas customers as well as make it available to operations of the Port. Liquefied Natural Gas, as indicated in the proposal, reduces emission and provides for cleaner air significantly lower than diesel fuel that is typically employed in port operations.

Mayor Figueroa stated that the Council has been very proactive in its leadership role in our region, and wants to continue that ability in recognizing projects that economically impact and benefit University Place and Pierce County region.

Matt Perry, Local Government Affairs Manager of Puget Sound Energy answered Council questions regarding the proposed project.

At 9:00 p.m., a motion was made and was carried to extend the meeting for five minutes.

Staff was directed to prepare and bring back an amended resolution of support for Council consideration, along with the additional requested information on the project.

15. ADJOURNMENT

The meeting adjourned at 9:03 p.m. No other action was taken.

Submitted by,

Emy Genetia
City Clerk



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of University Place
Washington**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2015

Executive Director/CEO

APPROVAL OF CONSENT AGENDA

City of University Place
 Voucher Approval Document

#8A

Control No.: 57	Agenda of: 11/07/16	PREPAY
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Claim of: Payroll for Pay Period Ending 10/15/16

Check #	Date	Amount	Check #	Date	Amount
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10/20/16 117,613.23 DIRECT DEPOSIT

EMPLOYEE NET 117,613.23

318705	10/20/16	173.30	MALAIER, TRUSTEE, MICHAEL G.
318706	10/20/16	247.97	OHIO CHILD SUPPORT PMT CENTRAL
WIRE	10/20/16	22,614.61	BANK OF AMERICA
WIRE	10/20/16	19,091.73	- 106006, VANTAGEPOINT TRANSF
WIRE	10/20/16	6,971.80	- 304197, VANTAGEPOINT TRANSF
WIRE	10/20/16	4,212.43	- 800263, VANTAGEPOINT TRANSF
WIRE	10/20/16	28,532.56	WA STATE DEPT OF RETIREMENT SY
WIRE	10/20/16	944.58	PACIFIC SOURCE ADMINISTRATORS
WIRE	10/20/16	2,788.11	- 106006 LOAN, VANTAGEPOINT
WIRE	10/20/16	79.90	AFLAC INSURANCE
WIRE	10/20/16	890.30	WA ST DEPT OF RETIREMENT SYS
WIRE	10/20/16	519.91	- 304197 LOAN, VANTAGEPOINT TR
WIRE	10/20/16	250.00	NATIONWIDE RETIREMENT SOLUTION

BENEFIT/DEDUCTION AMOUNT 87,317.20

TOTAL AMOUNT 204,930.43

Preparer Certification:

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein and that the claim is a just, due and unpaid obligation against the above-named governmental unit, and that I am authorized to authenticate and certify to said claim.

Signed: (Signature on file.)

Date

Steve Sugg, City Manager

FINAL CHECK LISTING
CITY OF UNIVERSITY PLACE

Check Date: 10/31/16

Check Range: 51978889-51978946 Wire Transfer: 10192016

Claims Approval

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and that the claim is a just, due and unpaid obligation against the City of University Place, and that I am authorized to authenticate and certify to said claim.

I also certify that the following list of checks were issued to replace previously issued checks that have not been presented to the bank for payment. The original check was voided and a replacement check issued.

Vendor Name

Replacement Check #

Original Check #

Auditing Officer: _____ (Signature on file.)

Date: _____

Bank : bofa BANK OF AMERICA

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
10192016	10/31/2016	021638	PACIFICSOURCE ADMIN, INC.	0000267544	10/19/2016	OCT16/ADMIN FEES	71.25	71.25
		Voucher: 41337						
51978889	10/25/2016	024104	BOERS, JEFF	APACONF2016	10/25/2016	APA CONFERENCE 2016/PER DI	144.00	144.00
		Voucher: 41300						
51978890	10/31/2016	025715	ABM JANITORIAL SERVICES	10000701	10/1/2016	OCT16/JANITORIAL SERVICE	3,831.65	3,831.65
		Voucher: 41298						
51978891	10/31/2016	023411	AUTOZONE, INC.	1164735340	9/9/2016	PRESTONE ANTIFREEZE/VEHICI	28.31	
		Voucher: 41299		1164734572	9/8/2016	MICRO EDGE WIPER/TRUCK #3E	26.30	54.61
51978892	10/31/2016	002257	BRUCE DEES & ASSOCIATES, LL	5816	10/5/2016	PRELIMINARY ENGINEERING/CF	9,575.00	9,575.00
		Voucher: 41301						
51978893	10/31/2016	001152	CENTURYLINK	70361759	10/6/2016	ADTRAN NETVANTA 3450 MODUI	3,776.25	
		Voucher: 41302		100711826	10/7/2016	SUPPORT COVERAGE/MAY16-M	786.41	
				253-564-1992	10/11/2016	PHONE/SR CENTER	250.39	
				253-565-9558	10/14/2016	PW PUMP CALLOUT LINE	41.91	4,854.96
51978894	10/31/2016	003056	CITY OF LAKEWOOD	MC-00099	10/5/2016	OCT16/COURT SERVICES	12,304.00	12,304.00
		Voucher: 41303						

Bank : bofa BANK OF AMERICA

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
51978896	10/31/2016	001024 CITY OF TACOMA	100668537	10/11/2016	WATER/7150 CIRQUE DR W	5,274.95	
	Voucher:	41304	100664578	10/7/2016	WATER/5300 GRANDVIEW DR W	2,082.71	
			100664580	10/7/2016	WATER/6000 GRANDVIEW DR W	2,026.55	
			100358203	9/12/2016	POWER/7150 CIRQUE DR W	985.99	
			100263915	10/11/2016	WATER & POWER/7250 CIRQUE	876.40	
			100611293	10/11/2016	WATER/5200 BP WAY W	783.88	
			100673072	10/10/2016	WATER/8300 40TH ST W	397.78	
			100083325	10/17/2016	POWER/4910 BRISTONWOOD DR	326.53	
			100668524	10/6/2016	WATER/4999 ALAMEDA AVE W	306.37	
			100961315	10/12/2016	WATER/4399 ELWOOD DR W	300.92	
			100781041	10/12/2016	WATER/4600 BECKONRIDGE DR	291.12	
			100077160	10/12/2016	POWER/5202 67TH AVE W	247.71	
			100775637	10/27/2016	POWER/7001 CIRQUE DR W	235.67	
			100081728	10/10/2016	POWER/6701 BP WAY W	211.75	
			100092335	10/6/2016	POWER/3050 BP WAY W	189.05	
			100172057	10/17/2016	POWER & WATER/3920 GRANDV	182.65	
			100940204	10/14/2016	WATER/7299 44TH ST W	182.59	
			100333844	10/17/2016	WATER/4951 GRANDVIEW DR W	167.01	
			100668517	10/14/2016	WATER/4300 BP WAY W	122.28	
			100679491	10/10/2016	POWER/8002 40TH ST W	121.60	
			100324281	10/11/2016	POWER/7820 CIRQUE DR W	120.85	
			100798512	10/18/2016	POWER/4402 97TH AVE W H1 ST	106.38	
			100094683	10/17/2016	POWER/4758 BRISTONWOOD DR	98.06	
			100080586	10/17/2016	POWER/4951 GRANDVIEW DR W	97.64	
			100101783	10/7/2016	POWER/5520 GRANDVIEW DR W	96.46	
			100905391	10/7/2016	POWER/9313 56TH ST W	84.99	
			100895144	10/13/2016	POWER/8300 CIRQUE DR W	60.19	
			100895151	10/14/2016	POWER/7901 CIRQUE DR W	51.56	
			100089560	10/11/2016	POWER/4317 GRANDVIEW DR W	49.03	
			100344745	10/11/2016	POWER/6810 CIRQUE DR W	40.91	
			100820972	10/6/2016	POWER/2700 SUNSET DR W	38.68	
			100093125	9/23/2016	POWER/8513 33RD ST W #A	38.00	
			100089578	10/11/2016	POWER/4116 GRANDVIEW DR W	36.77	
			100131881	10/18/2016	POWER/4523 97TH AVE W	36.07	
			100089528	10/11/2016	POWER/3912 GRANDVIEW DR W	30.64	

Bank : bofa BANK OF AMERICA

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
			100089555	10/14/2016	POWER/4526 GRANDVIEW DR W	24.52	
			100057075	10/11/2016	POWER/4100 GRANDVIEW DR W	23.74	
			100089550	10/11/2016	POWER/4704 GRANDVIEW DR W	18.39	
			100089583	10/11/2016	POWER/4016 GRANDVIEW DR W	18.39	
			100077151	10/11/2016	POWER/4000 OLYMPIC BLVD W	10.10	
			100109710	10/10/2016	POWER/8902 40TH ST W	9.19	
			100077140	10/11/2016	POWER/2900 GRANDVIEW DR W	8.63	
			100072268	10/11/2016	POWER/8901 40TH ST W	8.63	
			100072286	10/11/2016	POWER/8501 40TH ST W	8.63	
			100072254	10/11/2016	POWER/8417 40TH ST W	8.63	16,438.59
51978897	10/31/2016	025790 CITY OF TOPPENISH	SEPT16	10/4/2016	SEPT16/JAIL SERVICES	1,086.35	1,086.35
		Voucher: 41305					
51978898	10/31/2016	001108 CITY OF UNIVERSITY PLACE	AUG-OCT16	10/14/2016	PETTY CASH REIMBURSEMENT/	73.05	73.05
		Voucher: 41306					
51978899	10/31/2016	001140 CITY TREASURER	50004880	10/12/2016	CIRQUE & 56TH/ROW & ACQUIS	7,973.72	
		Voucher: 41307	50004883	10/12/2016	56TH & CIRQUE/DESIGN ENGINE	5,098.41	13,072.13
51978900	10/31/2016	001140 CITY TREASURER	90719652	10/17/2016	SEPT16/HYDRANT USE/BRISTON	211.99	211.99
		Voucher: 41308					
51978901	10/31/2016	002171 CITY TREASURER	90718912	10/12/2016	MAINTENANCE/LABOR/CITY VEH	3,386.16	3,386.16
		Voucher: 41309					
51978902	10/31/2016	025161 CITY TREASURER	130297	10/7/2016	DTA RECEIVERS/CITY HALL	84.35	
		Voucher: 41310	129335	10/7/2016	DTA RECEIVERS/SR CENTER	8.27	92.62
51978903	10/31/2016	002060 CODE PUBLISHING COMPANY IN	54591	10/11/2016	MUNICIPAL CODE UPDATE/#34/C	483.88	483.88
		Voucher: 41311					
51978904	10/31/2016	024565 COMCAST	849835010113564	10/7/2016	OCT12-NOV 11/INTERNET/CIVIC	142.74	
		Voucher: 41312	849835010094487	10/15/2016	OCT25-NOV24/INTERNET/CITY H	140.79	
			849835010094436	10/10/2016	OCT19-NOV18/INTERNET/PW SH	137.56	
			849835010094441	10/10/2016	OCT19-NOV18/ INTERNET/SR CE	97.56	
			849835010073571	10/10/2016	MODEMS/REMOTE SURVEILLAN	80.84	
			849835010073570	10/10/2016	MODEMS/REMOTE SURVEILLAN	80.84	680.33

Bank : bofa BANK OF AMERICA

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
51978905	10/31/2016	023782	COMPLETE OFFICE SOLUTIONS,	1440722-0	10/13/2016	MISC SUPPLIES/FOLDER/HEADF	148.19
	Voucher:	41313		1439580-0	10/11/2016	HEATER/MINI TOWER	72.13
				1438216-0	10/7/2016	TISSUE/PEN	33.20
				1440259-0	10/12/2016	CASH RECEIPT THERMAL PAPER	24.04
				1438866-0	10/10/2016	LANYARD/HOLDER	14.81
				C1403961-0	10/13/2016	PAD/STAMP/CREDIT	-15.36
							277.01
51978906	10/31/2016	024347	COPIERS NORTHWEST, INC.	INV1452397	10/5/2016	SEPT04-OCT03/OVERAGE CHAR	279.04
	Voucher:	41314		INV1455989	10/11/2016	SEPT09-OCT08/CONTRACT OVE	67.38
				INV1456730	10/12/2016	OCT11-NOV10/CONTRACT LEAS	32.31
				INV1456731	10/12/2016	SEPT11-OCT10/CONTRACT OVE	19.83
							398.56
51978907	10/31/2016	002431	DIANE DEMARS	OCT16	10/17/2016	OCT16/YOGA CLASSES/#5391, #	616.80
	Voucher:	41315					616.80
51978908	10/31/2016	023065	ECONOMIC DEVELOPMENT BOA	ICEF7016	10/1/2016	COMPETE EVERY DAY FOREVER	5,000.00
	Voucher:	41316					5,000.00
51978909	10/31/2016	022076	EXELTECH CONSULTING INC	1625-01	10/11/2016	DRAFTING SUPPORT/56TH ST &	8,525.71
	Voucher:	41317					8,525.71
51978910	10/31/2016	001071	FEDEX OFFICE	5-555-02406	9/23/2016	TRANSPORTATION CHARGES	46.29
	Voucher:	41318					46.29
51978911	10/31/2016	022268	GEMPLER'S	SI02734396	7/26/2016	MOSQUITO REPELLANT/WORK A	29.40
	Voucher:	41319					29.40
51978912	10/31/2016	025429	HARBOR GREENS UP LLC	9	10/17/2016	BOX LUNCH/COUNCIL DINNER/1	59.01
	Voucher:	41320					59.01
51978913	10/31/2016	001223	HUMANE SOCIETY OF TACOMA	IVC0001705	10/1/2016	OCT16/BOARDING CONTRACT	100.00
	Voucher:	41321					100.00
51978914	10/31/2016	001971	INK INC	10554	10/7/2016	UP SOCCER/TSHIRTS/SCREENP	1,029.45
	Voucher:	41322					1,029.45
51978915	10/31/2016	023454	KELLMAN, DAVID	00000021	9/30/2016	VIDEO EDITING/VIDEOGRAPHY :	640.00
	Voucher:	41323					640.00
51978916	10/31/2016	025999	KING COUNTY DIRECTORS ASSN	300082120	9/29/2016	LIGHTING EQUIPMENT/CIRQUE I	210,272.04
	Voucher:	41324					210,272.04
51978917	10/31/2016	025142	KPG, INC PS	99616	10/11/2016	27TH ST W/GRANDVIEW DR TO I	12,397.94
	Voucher:	41325					12,397.94
51978918	10/31/2016	025769	KRAMER, JEANNE E.	021	10/17/2016	FALL2/PIANO & VOICE LESSONS	600.00
	Voucher:	41326					600.00

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
51978919	10/31/2016	023115	LEMAY MOBILE SHREDDING	4493424	10/1/2016	SEPT16/DOCUMENT SHREDDING	35.50	35.50
		Voucher: 41327						
51978920	10/31/2016	001243	LLOYD ENTERPRISES INC	199017	10/3/2016	PRO GRO BLEND	648.52	648.52
		Voucher: 41328						
51978921	10/31/2016	001797	LOWE'S BUSINESS ACCOUNT/GE874-3507-900095-		10/17/2016	MISC REPAIR & MAINTENANCE S	4,532.17	4,532.17
		Voucher: 41329						
51978922	10/31/2016	025609	MATERIALS TESTING & CONSULT19415		10/14/2016	BP WAY 5/CONSTRUCTION TEST	698.75	698.75
		Voucher: 41330						
51978923	10/31/2016	001352	MILES RESOURCES, LLC	4	10/19/2016	BRIDGEPORT WAY W/PH 5/ROAD	318,374.68	318,374.68
		Voucher: 41331						
51978924	10/31/2016	001352	MILES RESOURCES, LLC	262153	10/17/2016	HOT MIXED ASPHALT	413.22	413.22
		Voucher: 41332						
51978925	10/31/2016	001378	MOUNTAIN MIST WATER	000958588	10/19/2016	#066460/BOTTLED WATER/FITNE	14.56	
		Voucher: 41333		000963193	10/21/2016	#031650/BOTTLED WATER/SR CE	7.50	22.06
51978926	10/31/2016	001096	NORTHWEST CASCADE, INC.	0550158973	10/5/2016	PORTA POTTY RENTAL/CURRAN	144.00	
		Voucher: 41334		0550158974	10/5/2016	PORTA POTTY RENTAL/SKATEPA	72.00	216.00
51978927	10/31/2016	002189	OLD DOMINION BRUSH	0095115-IN	10/10/2016	TUBE BROOM MOBILE	870.00	870.00
		Voucher: 41335						
51978928	10/31/2016	024139	P.C.COMMUNITY NEWSPAPER GI8875		9/9/2016	SEPT9 ISSUE DATE/UP PRESS C	1,846.15	
		Voucher: 41336		8876	9/23/2016	SEPT23 ISSUE DATE/UP PRESS	1,846.15	
				8877	10/7/2016	OCT7 ISSUE DATE/UP PRESS CC	1,846.15	5,538.45
51978929	10/31/2016	001109	PIERCE COUNTY BUDGET & FIN/CI-222805		10/18/2016	SEPT16/SPECIAL OVERTIME	18,608.43	
		Voucher: 41338		CI-221813	9/28/2016	AUG16/JAIL HOUSING	8,040.40	
				CI-222620	10/11/2016	SEPT16/JAIL HOUSING	4,379.50	31,028.33
51978930	10/31/2016	024698	PIERCE COUNTY SECURITY, INC.318163		10/7/2016	#9206/SEP16/KOBAYASHI PARK	150.00	
		Voucher: 41339		318103	10/7/2016	#9205/SEPT16/CIRQUE BRIDGEF	150.00	
				317901	10/7/2016	#10740/SEPT16/PARADISE PONC	150.00	450.00
51978931	10/31/2016	001291	PITNEY BOWES INC	1002122895	10/10/2016	EZ SEAL BOX/SUPPLIES	54.85	54.85
		Voucher: 41340						
51978932	10/31/2016	001854	R W SCOTT CONSTRUCTION CO 5		10/18/2016	MILDRED/67TH ROADWAY IMPRO	247,427.74	247,427.74
		Voucher: 41341						
51978933	10/31/2016	001328	SHELL FLEET CARD SERVICES	8147100120610	10/6/2016	81-471-0012-0/SHELL	135.23	135.23
		Voucher: 41342						
51978934	10/31/2016	025855	SMARSH, INC.	INV00188262	9/30/2016	SEPT16/MEDIA ARCHIVING SER\	150.00	150.00
		Voucher: 41343						

Bank : bofa BANK OF AMERICA

(Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
51978935	10/31/2016	002613	SUPERIOR LINEN SERVICE,INC.	82804	10/19/2016	OFFICE MAT RENTAL/PW SHOP	89.00
	Voucher:	41344	82802	10/19/2016	OFFICE MAT RENTAL/DEVELOPM	21.88	
			C83596	10/19/2016	OFFICE MAT RENTAL/DEVELOPM	-12.49	98.39
51978936	10/31/2016	002823	THOMPSON ELECTRICAL CONST	1016-8894CV	10/13/2016	67TH ST POND PUMPS/REMOVE	2,354.07
	Voucher:	41345	1016-8922-3	10/11/2016	SKATE PARK LAMP REPAIRS	560.57	2,914.64
51978937	10/31/2016	001636	THOMSON REUTERS - WEST	834794386	10/1/2016	SEPT16/WEST INFORMATION CH	653.09
	Voucher:	41346	834875745	10/4/2016	SEPT16/WA COURT RULES/CITY	192.83	845.92
51978938	10/31/2016	001326	TUCCI & SONS INC	1	10/14/2016	27TH ST/TIB IMPROVEMENTS	373,161.57
	Voucher:	41347					373,161.57
51978939	10/31/2016	025376	UNIVERSAL FIELD SERVICES, IN	47961	9/30/2016	BP WAY PH5/ROW & ACQUISITIC	1,643.28
	Voucher:	41348	47942	9/30/2016	BP WAY PH4A/ROW & ACQUISITI	932.80	2,576.08
51978940	10/31/2016	001331	UNIVERSITY PLACE REFUSE SV	929917	10/20/2016	NOV16/REFUSE SERVICE	1,205.86
	Voucher:	41349	928694	10/20/2016	NOV16/BILLING PERIOD/COMPA	605.00	1,810.86
51978941	10/31/2016	025336	US BANK	745000006	9/30/2016	CUSTOMER #745000006/SEPT16	24.00
	Voucher:	41350					24.00
51978942	10/31/2016	001153	VERIZON WIRELESS,LLC.	9772954952	10/1/2016	SEPT16/CELL PHONE/CITYWIDE	1,511.23
	Voucher:	41351	9773622934	10/12/2016	CELL PHONE/PW & PARK MAINT	701.42	2,212.65
51978943	10/31/2016	021677	WA ARCHITECTURAL HARDWARE	16-130738	10/17/2016	DOORS/KOBYASHI	2,756.44
	Voucher:	41352					2,756.44
51978944	10/31/2016	001664	WA STATE DEPT OF REVENUE	3RDQTR16	10/21/2016	3RD QTR 16/LEASEHOLD EXCISI	849.80
	Voucher:	41353					849.80
51978945	10/31/2016	024041	WESTERN SYSTEMS INC.	0000031339	9/30/2016	RADAR SPEED SIGNS/CHAMBEF	547.00
	Voucher:	41354					547.00
51978946	10/31/2016	001357	ZUMAR INDUSTRIES INC	0184976	10/10/2016	STREET SIGNS	186.44
	Voucher:	41355					186.44
Sub total for BANK OF AMERICA:							1,304,932.07

58 checks in this report.

Grand Total All Checks: 1,304,932.07

**Business of the City Council
City of University Place, WA**

Proposed Council Action:

Adopt a Resolution adding Community Connection Place, Inc., as a City Partner under the City's Public Forum Policy.

Agenda No: 8B
Dept. Origin: City Council
For Agenda of: November 7, 2016
Exhibits: Resolution

Concurred by Mayor: _____
Approved by City Manager: _____
Approved as to Form by City Atty.: _____
Approved by Finance Director: _____
Approved by Dept. Head: _____

Expenditure Required: \$0.00	Amount Budgeted: \$0.00	Appropriation Required: \$0.00
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SUMMARY / POLICY ISSUES

Community Connection Place has applied to be approved as a City "partner." Community Connection Place is a Washington non-profit corporation, and a federally certified tax exempt charity, whose long-term goal is to develop a community center in U.P. that will highlight education, fitness, creativity, and wellness.

City "partner" status arises from U.P.'s limited public forum policy. It is a way to allow certain qualifying entities access to the City's website, UPTV, the City pages of the U.P. Press, and the City's social media. City partner status does not confer any other benefits. Community Connection Place meets the criteria to become a City Partner.

RECOMMENDATION / MOTION

MOVE TO: Adopt a Resolution adding Community Connection Place, Inc., as a City Partner under the City's Public Forum Policy.

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF UNIVERSITY PLACE
ADDING COMMUNITY CONNECTION PLACE AS A CITY PARTNER UNDER THE
CITY'S PUBLIC FORUM POLICY**

WHEREAS, Community Connection Place has applied to be approved as a City "partner"; and

WHEREAS, Community Connection Place is a Washington non-profit corporation, and a federally certified tax exempt charity, whose long-term goal is to develop a community center in U.P. that will highlight education, fitness, creativity, and wellness; and

WHEREAS, City "partner" status arises from U.P.'s limited public forum policy as a way to allow certain qualifying entities access to the City's website, UPTV, the City pages of the U.P. Press, and the City's social media; and

WHEREAS, Community Connection Place meets the criteria to become a City Partner;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF UNIVERSITY PLACE,
WASHINGTON, AS FOLLOWS:**

1. Incorporation. The recitals are hereby incorporated herein as if set forth in full.
2. Acceptance as City Partner. Community Connection Place is hereby added as a City Partner under the City's Public Forum Policy.
3. Effective Date. This Resolution shall be effective immediately upon adoption by the City Council.

ADOPTED BY THE CITY COUNCIL ON NOVEMBER 7, 2016.

Javier H. Figueroa, Mayor

ATTEST:

Emelita Genetia, City Clerk

APPROVED AS TO FORM:

Steve Victor, City Attorney

**Business of the City Council
City of University Place, WA**

Proposed Council Action:

Adopt a Resolution requesting that the City Planning Commission review a City-initiated proposed rezone of the vacant residential parcels at the corner of 54th and Bridgeport Way, fronting Bridgeport Way and immediately adjacent to the U.P. Care Center to allow commercial use.

Agenda No: 8C
Dept. Origin: City Attorney
For Agenda of: November 7, 2016
Exhibits: Resolution

Concurred by Mayor: _____
Approved by City Manager: _____
Approved as to Form by City Atty.: _____
Approved by Finance Director: _____
Approved by Dept. Head: _____

Expenditure Required: \$0.00	Amount Budgeted: \$0.00	Appropriation Required: \$0.00
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SUMMARY / POLICY ISSUES

The residentially zoned parcels at the corner of 54th and Bridgeport Way front one of the City's primary commercial corridors, and are generally impractical as residential lots, yet they cannot currently be developed with commercial uses. Changing the zoning to allow a commercial use would be consistent with existing zoning in areas adjacent to Bridgeport, neighboring uses, and would support economic development along a primary commercial corridor in the City.

In addition, the owners of the property at issue have proposed new public benefit consideration to the City for undertaking a City-initiated process. The public benefit consideration would be an access and easement through a portion of the parcels at the corner of 54th and Bridgeport that will substantially improve access for Police, Fire and EMS to the U.P. Care Center. Such access will not be feasible if the property is developed as residential, but will be under a commercial zoning. In the event of a rezone, such access has already been agreed to by the owners of the property and the U.P. Care Center.

RECOMMENDATION / MOTION

MOVE TO: Adopt a Resolution requesting that the City Planning Commission review a City-initiated proposed rezone of the vacant residential parcels at the corner of 54th and Bridgeport Way, fronting Bridgeport Way and immediately adjacent to the U.P. Care Center to allow commercial use.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF UNIVERSITY PLACE, WASHINGTON, REQUESTING THAT THE CITY PLANNING COMMISSION REVIEW A CITY-INITIATED PROPOSED REZONE OF THE VACANT RESIDENTIAL PARCELS AT THE CORNER OF 54th AND BRIDGEPORT WAY, FRONTING BRIDGEPORT WAY AND IMMEDIATELY ADJACENT TO THE U.P. CARE CENTER TO ALLOW FOR COMMERCIAL USE

WHEREAS, the residentially zoned parcels at the corner of 54th and Bridgeport Way front one of the City's primary commercial corridors, and are generally impractical as residential lots, yet they cannot currently be developed with commercial uses; and

WHEREAS, changing the zoning to allow a commercial use would be consistent with existing zoning in areas adjacent to Bridgeport, neighboring uses, and would support economic development along a primary commercial corridor in the City; and

WHEREAS, in addition, the owners of the property at issue have proposed new public benefit consideration to the City for undertaking a City-initiated process; and

WHEREAS, the public benefit consideration would be an access and easement through a portion of the parcels at the corner of 54th and Bridgeport that will substantially improve access for Police, Fire and EMS to the U.P. Care Center; and

WHEREAS, such access will not be feasible if the property is developed as residential, but will be under a commercial zoning. In the event of a rezone, such access has already been agreed to by the owners of the property and the U.P. Care Center;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF UNIVERSITY PLACE, WASHINGTON, AS FOLLOWS:

Section 1. Referral to Planning Commission. The City Council hereby refers the City-initiated proposed rezone of the vacant residential parcels at the corner of 54th and Bridgeport Way, fronting Bridgeport Way and immediately adjacent to the U.P. Care Center to allow commercial use to the Planning Commission, to seek public opinion, review and provide recommendations regarding the proposed rezone.

Section 2. Effective Date. This Resolution shall take effect immediately upon its adoption.

ADOPTED BY THE CITY COUNCIL NOVEMBER 7, 2016.

Javier H. Figueroa, Mayor

ATTEST:

Emelita Genetia, City Clerk

APPROVED AS TO FORM:

Steve Victor, City Attorney

LEGISLATIVE PROPOSAL

PROPOSAL:

Complete a City-initiated rezone of the isolated and vacant residential parcels at the corner of 54th and Bridgeport Way, fronting Bridgeport Way and immediately adjacent to the UP Center to allow commercial use.

REASON FOR THE PROPOSAL: *(Why is this request necessary?)*

The residentially zoned parcels at the corner of 54th and Bridgeport Way front one of the City's primary commercial corridors, and are wholly impractical as residential lots, yet cannot currently be developed with commercial uses. Changing the zoning to allow a commercial use, would be consistent with location, its neighboring uses, and support economic development along a primary commercial corridor in the City.

BACKGROUND INFORMATION: *(Provide background information to assist in understanding the legislative history or rationale for the legislation, including information on existing Code/Policy.)*

The owner of this property have long-desired a rezone for commercial use, but have been faced with a costly and wholly uncertain process. Rather than blindly plunge into such a process, the owners have proposed new public benefit consideration to the City for undertaking a City-initiated process. The public benefit consideration would be an access and easement through a portion of the parcels at the corner of 54th and Bridgeport that will substantially improve access for Police, Fire and EMS to the UP Care Center. Such access will not be possible if the property is developed as residential, but will be under a commercial zoning. In the event of a rezone, such access has already been agreed by the owners of property and the UP Care Center.

DESIRED OUTCOME:

Council study of this proposal, and completion of a City-initiated rezone of the isolated and vacant residential parcels at the corner of 54th and Bridgeport Way fronting Bridgeport Way and immediately adjacent to the UP Care Center to allow commercial use.

Submitted by:

(Signature on file.)
Councilmember Nye

06/07/16
(Date)

I have read, understand and fully support the above proposal.

(Signature on file.)
Mayor Pro Tem Keel

06/30/16
(Date)

Memo

DATE: October 17, 2016

TO: Mayor Javier Figueroa
City Council

FROM: Steve Victor, City Attorney

SUBJECT: Fundamentals of "Spot Zoning"

INTRODUCTION:

Recently in a Council meeting I had occasion to use the term "spot zoning." More recently a Councilmember inquired about whether the Legislative Proposal for a rezone at 54th and Bridgeport Way could be considered "spot zoning." Although the term "spot zoning" is often used in municipal government, the term does not describe the underlying legal doctrine well. Because I anticipate continuing questions about "spot zoning," I wanted to take the opportunity to offer some clarification on the topic.

THE LAW:

It may be surprising to learn that there is no State statute (RCW) that addresses "spot zoning" and in fact it is not discretely a zoning issue; rather, it is a constitutional issue. The doctrine of "spot zoning" was created by courts under the federal and State constitutional requirements that everyone be treated equally under the law. This is known as the doctrine of "equal protection."

The doctrine comes into zoning where a government gives a property owner an advantage that is not given to similarly situated owners, or denies to a property owner an advantage given to similarly situated owners, without a public interest justification for treating the advantaged or disadvantaged owner differently. What we understand as "spot zoning" is disfavored. It is not actually prohibited if there is a reasonable public interest justification.

DISCUSSION:

As you can tell from the foregoing, determining whether an action constitutes a "spot zone" is not simple. Each situation must be considered on its own facts and it is usually to determine conclusively whether a particular rezone would constitute a "spot zone." Typically, courts look at a variety of factors including whether the rezone

primarily benefits one or more property owners, whether the rezone is inconsistent with the existing zoning in the region or the comprehensive plan, and whether there is any public interest justification for the rezone.

PROPOSED 54th AND BRIDGEPORT REZONE:

Since the question of whether this proposed rezone constitutes a “spot zone” was asked, and will doubtless be debated, I will address it here. Following the general line of inquiry outlined above, one can certainly say that the proposed rezone primarily benefits the property owner. That is true of most rezones. However, that is not the end of the inquiry.

A review of the City’s zoning along Bridgeport Way discloses that for much of its length the City has zoned lots immediately adjacent to Bridgeport Way with various commercial designations. Therefore, while a rezone of the parcels at issue might be argued to be inconsistent with the general intent of the Comprehensive Plan, it cannot be said to be inconsistent with the existing zoning in the area adjacent to Bridgeport.

In addition, a public interest benefit is identified in the request. The public benefit consideration would be an access and easement through a portion of the parcels at the corner of 54th and Bridgeport that will substantially improve access for Police, Fire and EMS to the UP Care Center. In order to assess the validity of the proposed consideration, I requested that our Fire Code Official review the proposed act. His memo is attached. He found that the proposed access would be of great benefit for Fire and EMS access for the residents of the UP Center.

Based on the foregoing, in applying the appropriate constitutional tests to the proposed rezone, I conclude that it would not constitute “spot zoning.”

Memo

DATE: October 13, 2016
TO: Steve Victor, City Attorney
FROM: Rod Pearce, Fire Code Official
SUBJECT: Re-zoning 54th and Bridgeport Way Vacant Lot

Steve,

I completed a review of the rezone proposal to allow commercial use of the property located at 54th and Bridgeport Way. As part of the rezoning, access easement (emergency vehicle access) would be provided to gain entrance to the north side of University Place Care Center. The emergency vehicle access will be a great benefit to the Fire Department for additional access to UP Care Center.

Please contact me if you have questions regarding my comments on the matter.

Memo

DATE: November 7, 2017
TO: City Council
FROM: Leslie Blaisdell, Deputy Finance Director
SUBJECT: 1% Property Tax Increase



Attached for your review and consideration is the Council Bill, Ordinance and back-up documentation necessary to implement the Property Tax increase allowed by state statute.

In order to implement the increase for 2017, it is necessary to adopt an ordinance imposing an increase in the regular property tax levy for 2017 in the amount of \$32,710.46 which is a percentage increase of 0.7893% from the previous year.

Council was presented with the proposed expense and revenue budgets for the 2017 and 2018 calendar years on October 3, 2016. A study session was also conducted at that meeting. The first Public Hearing on the 2017/2018 Proposed Budget was held on October 17, 2016. The second public hearing will be held later this evening.

The proposed budget presented for the 2017-2018 biennium assumes a 1% increase in the City's ad valorem property tax in each year of the biennial budget.

Staff is recommending that council pass an Ordinance relating to ad valorem property taxes, establishing the amounts to be raised in 2017 by taxation on the assessed valuation of property in the City of University Place, and setting the levy for the year 2017.

**Business of the City Council
City of University Place, WA**

Proposed Council Action:

Pass an Ordinance relating to ad valorem property taxes, establishing the amounts to be raised in 2017 by taxation on the assessed valuation of property in the City of University Place, and setting the levy for the year 2017.

Agenda No: 9 & 10
Dept. Origin: Finance
For Agenda of: November 7, 2016
Exhibits: Ordinance
Pierce Co. Preliminary Values

Concurred by Mayor: _____
Approved by City Manager: _____
Approved as to Form by City Atty: _____
Approved by Finance Director: _____
Approved by Department Head: _____

Expenditure Required: \$0.00	Amount Budgeted: \$0.00	Appropriation Required: \$0.00
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SUMMARY / POLICY ISSUES

On November 7, 2016, City Council will consider the 2017-2018 Biennial Budget after holding two public hearings pursuant to RCW 84.55.120. The City Council's adopted budget for the 2017-2018 biennium includes a 1% increase in the City's ad valorem property tax in each year of the biennial budget.

In order to implement the 1% increase for 2017, it is necessary to adopt an ordinance imposing an increase in the regular property tax levy. The statutory limit results in an increase in the levy of \$32,710.46, which is a percentage increase of 0.7893% exclusive of revenue from new construction, improvements to property, any increase in the value of state-assessed property, any annexations that have occurred and refunds made.

RECOMMENDATION / MOTION

MOVE TO: Pass an Ordinance relating to ad valorem property taxes, establishing the amounts to be raised in 2017 by taxation on the assessed valuation of property in the City of University Place, and setting the levy for the year 2017.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF UNIVERSITY PLACE, WASHINGTON, RELATING TO AD VALOREM PROPERTY TAXES; ESTABLISHING THE AMOUNTS TO BE RAISED IN 2017 BY TAXATION ON THE ASSESSED VALUATION OF PROPERTY IN THE CITY; AND SETTING THE LEVY FOR THE YEAR 2017

WHEREAS, the City Council of the City of University Place has met and considered its budget for the calendar year 2017; and

WHEREAS, the City's actual levy amount from the previous year was \$4,144,269.32; and

WHEREAS, the population of the City is more than 10,000.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF UNIVERSITY PLACE, WASHINGTON DOES ORDAIN AS FOLLOWS:

Section 1. 2017 Property Tax. An increase in the regular property tax levy is hereby authorized for the levy to be collected in the 2017 tax year. The dollar amount of the increase over the actual levy amount from the previous year shall be \$32,710.46 which is a percentage increase of 0.7893% from the previous year. This increase is exclusive of additional revenue resulting from new construction, improvements to property, newly constructed wind turbines, any increase in the value of state assessed property, any annexations that have occurred and refunds made.

Section 2. Severability. The provisions of this ordinance are declared separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section, or portion of this ordinance or the invalidity of the application thereof to any person or circumstance, shall not affect the validity of the remainder of the ordinance, or the validity of its application to other persons or circumstances.

Section 3. Effective Date and Publication. A summary of this Ordinance consisting of its title shall be published in the official newspaper of the City. This ordinance shall become effective five days after publication.

PASSED BY THE CITY COUNCIL ON NOVEMBER 7, 2016.

Javier H. Figueroa, Mayor

ATTEST:

Emelita Genetia, City Clerk

APPROVED AS TO FORM:

Steve Victor, City Attorney

Date of Publication:

Effective Date:



Pierce County

Mike Lonergan, Assessor-Treasurer

2401 South 35th Street
 Tacoma, WA 98409-7498
 (253) 798-6111 FAX (253) 798-3142
 ATLAS (253) 798-3333
 www.piercecountywa.org/atr

TAX LEVY LIMIT 2016 FOR 2017

**UNIVERSITY PLACE
 > 10,000**

REGULAR TAX LEVY LIMIT:

2015

A. <u>Highest regular tax which could have been lawfully levied beginning with the 1985 levy</u> (refund levy not included) times limit factor (as defined in RCW 84.55.005).	4,135,623.54 1.00953 4,175,036.03
B. Current year's assessed value of new construction, improvements and wind turbines in original districts before annexation occurred times last year's levy rate (if an error occurred or an error correction was made in the previous year, use the rate that would have been levied had no error occurred).	6,799,302 1.311669529749 8,918.44
C. Current year's state assessed property value in original district if annexed less last year's state assessed property value. The remainder to be multiplied by last year's regular levy rate (or the rate that should have been levied).	28,976,027 28,976,027 0.00 1.311669529749 0.00
D. REGULAR PROPERTY TAX LIMIT (A + B + C)	4,183,954.47

ADDITIONAL LEVY LIMIT DUE TO ANNEXATIONS:

E. To find rate to be used in F, take the levy limit as shown in Line D above and divide it by the current assessed value of the district, excluding the annexed area.	4,183,954.47 3,412,465,762 1.226079545232
F. Annexed area's current assessed value including new construction and improvements times rate found in E above.	0.00 1.226079545232 0.00
G. NEW LEVY LIMIT FOR ANNEXATION (D + F)	4,183,954.47

LEVY FOR REFUNDS:

H. RCW 84.55.070 provides that the levy limit will not apply to the levy for taxes refunded or to be refunded pursuant to Chapters 84.68 or 84.69 RCW. (D or G + refund if any)	4,183,954.47 16,836.59 4,200,791.06
I. TOTAL ALLOWABLE LEVY AS CONTROLLED BY THE LEVY LIMIT (D,G,or H)	4,200,791.06
J. Amount of levy under statutory rate limitation.	3,412,465,762 1.600000000000 5,459,945.22
K. LESSER OF I OR J	4,200,791.06

Memo

DATE: November 7, 2016

TO: City Council

FROM: Leslie Blaisdell, Deputy Finance Director 

SUBJECT: 2017/2018 Proposed Biennial Budget Public Hearing & Council Consideration

Attached for tonight's public hearing and council consideration are the following Documents:

- Exhibits A-1 and A-2 – 2017/2018 Proposed Biennial Budget
- City Manager's Budget Message

The 2017/2018 Proposed Biennial Budget was submitted to the City Council and City Clerk on September 29, 2016; study sessions on the proposed budget were held on October 3rd and October 17, 2016 and a public hearing was held on October 17.

This budget includes the increase to the strategic reserve to \$1.0 million directed by Council at October 17 meeting and includes the 1% Property Tax increase.

The 2017/2018 Proposed Biennial Budget is balanced and fits the following conservative financial assumptions for City Budgets (Operating and Capital), Town Center and Debt Management:

City Budget

- Operations Budget at Core Service Levels.
- CIP at Core Level using local dollars to leverage grants.

Town Center

- Town Center land sales revenues are assumed during the Biennium, with the funds set aside in the PW CIP for Town Center Infrastructure.

Debt Management

- Debt payments are budgeted according to the City's debt schedule and include the recent bond refunding changes.

The improved real estate market and increased construction sales tax dollars have been the biggest contributors to our improved ending fund balance projections.

CITY OF UNIVERSITY PLACE
FINANCIAL FORECAST - 2016 Through 2026
ENDING FUND BALANCES

	12/31/2016 Adopted	12/31/2016 Y/E Estimate	12/31/2017 Projected	12/31/2018 Projected	12/31/2019 Projected	12/31/2020 Projected	12/31/2021 Projected	12/31/2022 Projected	12/31/2023 Projected	12/31/2024 Projected	12/31/2025 Projected	12/31/2026 Projected
General Fund	3,702,576	4,521,455	4,904,162	5,670,890	6,246,728	6,690,506	7,109,667	7,275,058	7,371,934	7,327,237	7,136,220	6,788,012
Police/Public Safety Fund	1,692,958	2,014,531	2,308,999	2,563,606	2,721,912	2,779,807	2,733,038	2,577,205	2,307,755	1,919,976	1,408,997	769,775
Parks and Recreation Fund	44,992	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Development Services Fund	82,341	81,572	0	0	0	0	0	0	0	0	0	0
Street Fund	85,854	88,843	95,478	86,659	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Internal Service Funds*	675,221	673,211	671,201	669,196	669,196	669,196	669,196	669,196	669,196	669,196	669,196	669,196
Strategic Reserve	856,934	856,934	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Sub Total	\$ 7,140,876	\$ 8,286,546	\$ 9,029,839	\$ 10,040,351	\$ 10,747,835	\$ 11,249,509	\$ 11,621,901	\$ 11,631,458	\$ 11,458,885	\$ 11,026,409	\$ 10,324,414	\$ 9,336,983
Other Restricted Funds**	2,580,614	2,780,615	1,898,591	1,963,351	904,708	1,268,657	1,633,623	2,100,454	1,954,582	2,274,381	2,538,571	2,711,929
Grand Total	\$ 9,721,490	\$ 11,067,161	\$ 10,928,430	\$ 12,003,702	\$ 11,652,543	\$ 12,518,166	\$ 13,255,524	\$ 13,731,912	\$ 13,413,466	\$ 13,300,791	\$ 12,862,985	\$ 12,048,912

*Internal Service Funds: IT Fund, Fleet Fund, Risk Management Fund Balance reflects Assets and not cash.

**Restricted Funds: Arterial Street Fund, Real Estate Excise Tax Fund, Traffic Impact Fee Fund, URF Fund, Transportation Benefit District, SWM Fund, Debt Service Fund, Paths & Trails Fund, CIP Funds, Donations Fund

Revenue Projections

In preparing the budget, we have been conservative with revenue projections for the biennium.

- Sales tax revenue are projected to increase from the 2016 adopted amount of \$2.2 million to \$2.5 million in 2017 and 2018, due in large part to Construction Sales Tax.
- Property taxes are estimated to increase at the one percent limit level in 2017 to \$4.18 million and another one percent in 2018.
- Utility tax revenues are projected to decrease slightly to \$2.3 million.
- Real Estate Excise Taxes (REET) are projected to increase to \$1.0 million from our 2016 budget of \$645,000 due to increased home sales in the City.
- State liquor profits (\$272,344) and liquor excise taxes (\$150,514) are recognized in the General Fund and Police/Public Safety fund. This is a slight increase over the 2016 budgeted amounts.
- New Federal and State grants totaling over \$4.1 million, along with existing grant monies being carried over from the 2015/2016 biennium, will fund design and/or construction of major capital projects.

Expenditure Projections

A modest level of inflation has been assumed for expenditures.

- Medical/insurance rates are projected to increase by ten percent (10%) in 2017 and are forecasted to increase another ten percent (10%) in 2018.
- A 2% COLA for staff is included in 2017, which is based on the June, 2016 CPI. It also includes an estimated 2.5% COLA for 2018.
- Parks Maintenance is budgeted with no reduction to service levels.
- A contingency amount of \$150,000 has been included for Council Goals and Priorities to be allocated in early 2017 after a Council Retreat.
- Property Management has been moved from the General Fund to an Internal Service Fund.

New Items

New Items included in the 2017/2018 Budget include the following:

- Two new staff positions have been added in this biennium. A Maintenance Worker 1 has been added to Public Works Maintenance and an NPDES Coordinator has been added to Engineering.
- Funding for Overlay/Chipseal has been included in the Public Works CIP budget in the amount of \$300,000 per year.
- Replacement of the HVAC unit at the Public Works Shop.
- Upgrade of the School Zone Flasher Beacons is proposed and forecasted at 3 sets per year over the next 3 years
- Replacement of the Streetlight Holiday Decorations.
- Emergency Radios, accessories and Annual Service Agreement.
- Emergency Operations Center Supplies (Smartboard, generators, go-kits).
- Records Management Software System.
- Asset Tracking Software.

Council Directed Changes:

- Increase the Strategic Reserve to \$1.0 million in 2017.

The 2017/2018 Proposed Biennial Budget is a balanced and conservative budget that assumes a continuation of the 2016 levels of service to the community. As always, we will continue providing the best service we can, meeting all of our contractual, legal and debt obligations, while exercising prudent cash management and maintaining our Strategic Reserve.

**EXHIBIT A-1
CITY OF UNIVERSITY PLACE
2017 PROPOSED BUDGET**

	REVENUES		EXPENDITURES		ENDING BALANCE
	& OTHER SOURCES		& OTHER USES		
FUND	Proposed		Proposed		Balance
Operating					
General					
001 General	\$ 17,764,346		\$ 12,860,184		\$ 4,904,162
Special Revenue					
101 Street	1,406,090		1,310,612		95,478
102 Arterial Street	228,920		167,400		61,520
103 Real Estate Excise Tax	1,579,952		1,275,963		303,989
104 Parks and Recreation	720,228		670,228		50,000
105 Traffic Impact Fees	1,356,224		300,000		1,056,224
106 Transportation Benefit District	475,000		400,000		75,000
107 Development Services	1,350,038		1,350,038		-
108 LRF	500,000		500,000		-
109 Police/Public Safety	7,024,731		4,715,732		2,308,999
120 Path & Trails	-		-		-
188 Strategic Reserve	1,000,000		-		1,000,000
Sub-total Special Revenue	15,641,183		10,689,973		4,951,210
Enterprise					
140 Surface Water Mgmt	3,764,253		3,761,781		2,472
Sub-total Enterprise Funds	3,764,253		3,761,781		2,472
Debt Service					
201 Debt Service	3,411,446		3,411,446		-
Sub-total Debt Service Funds	3,411,446		3,411,446		-
Total Operating	40,581,228		30,723,384		9,857,844
Capital Improvement					
301 Parks CIP	546,387		147,000		399,387
302 Public Works CIP	10,921,289		10,921,289		-
303 Municipal Facilities CIP	-		-		-
Sub-total CIP	11,467,676		11,068,289		399,387
Internal Service					
501 Fleet & Equipment	989,579		374,400		615,179
502 Information Technology & Services	975,202		921,185		54,017
505 Property Management	774,010		774,010		-
506 Risk Management	149,815		147,810		2,005
Sub-total Internal Service	2,888,606		2,217,405		671,201
Non-Annually Budgeted					
150 Donations and Gifts to University Place	-		-		-
Sub-total Non-Annually Budgeted	-		-		-
Total Budget	\$ 54,937,510		\$ 44,009,078		\$ 10,928,432

**EXHIBIT A-2
CITY OF UNIVERSITY PLACE
2018 PROPOSED BUDGET**

	REVENUES		EXPENDITURES		ENDING BALANCE
	& OTHER SOURCES		& OTHER USES		
FUND	Proposed		Proposed		Balance
Operating					
General					
001 General	\$	13,503,115	\$	7,832,227	\$ 5,670,888
Special Revenue					
101 Street		1,430,334		1,343,675	86,659
102 Arterial Street		277,634		209,462	68,172
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105 Traffic Impact Fees		1,176,224		-	1,176,224
106 Transportation Benefit District		479,000		404,000	75,000
107 Development Services		1,411,005		1,411,005	-
108 LRF		500,000		500,000	-
109 Police/Public Safety		7,371,328		4,807,722	2,563,606
188 Strategic Reserve		1,000,000		-	1,000,000
Sub-total Special Revenue		15,793,379		10,579,679	5,213,700
Enterprise					
140 Surface Water Mgmt		2,899,822		2,824,834	74,988
Sub-total Enterprise Funds		2,899,822		2,824,834	74,988
Debt Service					
201 Debt Service		3,345,037		3,345,037	-
Sub-total Debt Service Funds		3,345,037		3,345,037	-
Total Operating		35,541,353		24,581,777	\$ 10,959,576
Capital Improvement					
301 Parks CIP		529,928		155,000	374,928
302 Public Works CIP		1,575,290		1,575,290	-
303 Municipal Facilities CIP		-		-	-
Sub-total CIP		2,105,218		1,730,290	374,928
Internal Service					
501 Fleet & Equipment		792,304		177,125	615,179
502 Information Technology & Services		912,440		858,423	54,017
505 Property Management		745,731		745,731	-
506 Risk Management		153,342		153,342	-
Sub-total Internal Service		2,603,817.00		1,934,621.00	669,196
Non-Annually Budgeted					
150 Donations and Gifts to University Place		-		-	-
Sub-total Non-Annually Budgeted		-		-	-
Total Budget	\$	40,250,388	\$	28,246,688	\$ 12,003,700

November 7, 2016

Dear Citizens of University Place, Mayor and Members of the City Council:

Presented herein is the City of University Place, Washington Proposed Biennial Budget for 2017-2018.

Over the past two years, the City has made tremendous strides in improving its finances. This stabilization has occurred partly due to improved macroeconomic conditions, and partly due to prudent management of existing resources. But, to a far greater extent, the City's current financial condition results from difficult decision-making by the City Council.

The Council's intense focus on a balanced and, more importantly, sustainable budget required significant cuts and new revenue. Major financial decisions made during the current biennium, which built upon cuts in prior years, included the elimination of two police positions and the elimination of the City's Recreation Department. This year also included the imposition of a 6% sewer franchise fee on Pierce County Sewer, which was dedicated to street maintenance. While these changes were exceedingly difficult, they were necessary.

The effect of these changes are shown in a significantly improved budget outlook. The City now projects that it will have a balanced budget with substantial reserves through its 10-year planning period. This change in outlook, along with the City's careful management of its budget, has been recognized by the ratings agency Standard & Poor's as positive factors in their decision to increase the City's bond rating to "AA", which is a better rating than most other Pierce County cities. This new rating has reduced the City's borrowing cost and allowed the City to refinance nearly half of its debt at a savings to taxpayers of nearly \$4 million.

The proposed 2017-2018 budget continues with this renewed focus on maintaining a balanced budget. The budget does provide resources required to complete the City's move into City Hall on Market Square and funding for needed infrastructure investments in Town Center. While funds are identified for both of these projects, they are contingent on new revenue from the sale of the City's Town Center properties. The remainder of the budget is, for the most part, a status quo budget that maintains existing service levels and meets all of the City's statutory and contractual obligations.

BUDGET

As in previous years, the 2017-2018 Biennial Budget is essentially two budgets in one: an operating budget and a capital budget. For 2017, the total proposed City budget is \$43.9 million (\$30.6 million operating budget, an \$11.1 million capital budget and \$2.2 million in Internal Service charges). For fiscal year 2018, the total proposed City budget is \$28.2 million. The operating budget proposed for 2018 is \$24.6 million, the capital budget is \$1.7 million and the Internal Service charges are \$1.9 million.

FINANCIAL GUIDELINES/ASSUMPTIONS

The 2017-2018 Biennial Budget is balanced and fits the following conservative financial assumptions for City Budgets (Operating and Capital), Town Center and Debt Management.

City Budget

- Operations Budget at Core Service Levels
- CIP at Core Level using local dollars to leverage grants

Town Center

- Town Center land sales revenues are assumed during the Biennium and are dedicated to Town Center Infrastructure

Debt Management

- Debt payments according to debt schedule

VISION AND STRATEGIES

Our VISION for University Place is unchanged as “a safe, attractive city that provides a supportive environment for all citizens to work, shop, play, get an education and raise families.”

2017-2018 COUNCIL GOALS

On September 6, 2016, City Council adopted the following Goals, Outcomes and Actions for the 2017-2018 Biennium:

Goal #1: A SAFER, MORE LIVABLE COMMUNITY

- A. Effective community services with emphasis on police services, public safety, transportation infrastructure, and parks.
 1. Maintain funding in the University Place Police Department budget to allow for current or better staffing levels for the biennium.
 2. Continue to identify and apply for transportation and other infrastructure grants where a local match is available or reasonably anticipated to be available.
 3. Identify funding to construct Paradise Pond Parking and Trails, and consider any necessary implementing legislation.
 4. Identify funding to construct additional gateway signs and Curran Apple Orchard restroom, and consider any necessary implementing legislation.
 5. Maintain funding for the City’s beautification program at current or better levels for the biennium.

- B. More physical and visual connections to Puget Sound and Chambers Bay from public areas in the City.
 - 1. Participate fully with Pierce County, and Lakewood in the Chambers Creek Properties Master Site Plan Update, seeking to include such connections, including facilities that allow public access to the waters of chambers Bay, with priority on facilities for the launching and docking of watercraft.
 - 2. Identify funding to construct Leach Creek Trail from 40th to Kobayashi, and consider any necessary implementing legislation.
 - 3. Continue to work with Pierce County and Lakewood on the Chambers Creek Canyon Trail, and consider any necessary legislation.
 - 4. Consider amending the Shoreline Master Program and Comprehensive Plan to include the above Outcome.

- C. Effective communications between the City Council and other local, state and federal elected officials.
 - 1. Study and consider legislation adopting updated City Council intergovernmental legislative priorities for the new biennium.
 - 2. Review, identify and consider any necessary legislation to implement a City Council intergovernmental legislative outreach program.
 - 3. Consider additions to the Council Rules to establish a timely, and effective intergovernmental legislative agenda, and improved inter, and intra-governmental communications in support of the adopted legislative agenda.
 - 4. Approve a City intergovernmental legislative agenda by the 2nd City Council meeting in September of each year.

Goal #2: INCREASED ECONOMIC VITALITY

- A. Position the City for redevelopment of commercial areas such as Narrows Plaza, and consider means and methods to promote the City to potential investors such as significant employers, lodging, leisure and other businesses.
 - 1. Consider legislation making additional revisions to development regulations to improve conditions for development and redevelopment, including review of permitting processes and timelines.
 - 2. Consider legislation adopting and implementing a completed Regional Growth Center Subarea Plan.
 - 3. Consider legislation updating the Economic Development Strategic Action Plan to 2019.
 - 4. Consider budgeting for promotion of the City to potential investors such as significant employers, lodging, leisure and other businesses through new identified means and methods.
 - 5. Study the usefulness of a video to promote the City.
 - 6. Consider funding a study of the economic impact of changing the name of the city to Chambers Bay.
 - 7. Consider funding for next steps in implementing the Regional Growth Center Subarea Plan.

Goal #3: STRONGER FINANCIAL CONDITIONS

- A. Complete an assessment of the sustainability of City revenues, including all fees and taxes, and consider revenue options to fund police services, public safety, streets, and events.
 - 1. Review fees and taxes, and other revenue options to fund police services, public safety, streets, and events, and upon completion of study, determine to conclude the topic, or consider legislation achieving the outcome.
- B. Maintain a balanced budget and enhance our reserve goals to allow for future financial stability and flexibility.
 - 1. Consider legislation to increase strategic reserves to 7% of the adopted biennial general fund budget.
 - 2. Study options to reduce City debt, and consider any necessary implementing legislation.
 - 3. Review current City assets that are surplus to the City's needs and consider legislation disposing of those assets.
 - 4. Study the feasibility of re-capitalizing the fleet and equipment funds.
 - 5. Study potential annexations.

Goal #4: GREATER CITIZEN TRUST AND CONFIDENCE

- A. Maintain and improve community engagement to build public trust in City government, to value U.P.'s history and heritage, to maintain community pride and the sense of UP as a safe and special place, and to encourage volunteers.
 - 1. Consider identifying the scoping of a new professionally conducted community survey, and budgeting the cost of such a survey.
 - 2. Consider identifying new or enhanced community engagement events, and budgeting the cost of those events.
 - 3. Consider funding the development and staffing of a University Place City Government Facebook page embracing all aspects of City government. (Current City Facebook pages are Rec, and event-specific).
 - 4. Study the feasibility of establishing a UP City 4th of July celebration at Chambers Bay.
 - 5. Review the purpose and operations of the City Council's Legislative Advisory Commissions.
 - 6. Study potential City roles in recording, securing and affording public access to City historical resources and artifacts.
 - 7. Consider funding the development and staffing of a part-time UP volunteer and event coordinator position.
- B. Maintain and improve the quality of information provided to the public about U.P. government operations, and our focus on integrity and transparency in government, helpful and timely customer service, and remaining within the proper role of government.
 - 1. Consider funding increased production of City informational videos for broadcast on UPTV, and to be available on the City's website and social media forums.

2. Consider funding the production of additional reporting content for the City pages within the UP Press.
3. Consider cost-effective online and/or other information technology based surveys to engage citizens and obtain their feedback.

HIGHLIGHTS AND CHANGES

Revenue Assumptions

In preparing the budget, we continue to be conservative with revenue projections for the biennium. The “good news/bad news” about the City’s revenues is that, other than fees, the revenues do not change much.

For 2017, we project that sales tax revenue will be \$2.5 million due in large part to residential construction sales tax with a minimal increase of \$65,000 in 2018. Property taxes are estimated to increase at the 1 percent limit level in 2017 and another 1 percent in 2018. Utility tax revenues are projected to remain flat. The other budget related revenue assumptions are:

- Real Estate Excise Taxes (REET) are incorporated at a 66.8 percent increase to levels budgeted for 2016. (REET funds are programmed for Street/Park debt service and Street major CIP projects).
- Revenue from State liquor profits and liquor taxes are recognized in the General Fund and Police/Public Safety fund.

PROPERTY TAXES

After several years of declining, the assessed values began to increase again in 2013. Since property taxes in Washington are limited to a 1 percent increase, changes in assessed values (up or down) do not affect the City’s total property tax collection, only the distribution of that tax among individual property owners.

The City’s tax limit is \$1.60 per thousand dollars of assessed value. Since incorporation, the City has reduced property tax rates from \$2.10 (the rate paid to the County prior to incorporation) to the rate of **\$1.31** in 2016. The increase in taxes paid by the homeowner over since incorporation is significantly lower than would have been the case had the City not incorporated in 1995. These property tax savings have been retained by City taxpayers.

EXPENDITURE ASSUMPTIONS

For the 2017-2018 Biennial Budget, a modest level of inflation has been assumed for most expenditures. However, medical/insurance rates are projected to increase by ten percent (10%) in 2017 and are forecasted to increase another ten percent (10%) in 2018.

STAFFING LEVELS

The 2017-2018 Adopted Biennial Budget includes core levels of city staff of 48.91 FTE.

- City Manager's Office – 2.0 Full Time Equivalent (FTE)
- City Attorney' Office - 2.0 FTE
- Finance and Administrative Services – 10.85 FTE
- Parks and Public Works – 13.0 FTE
- Engineering Services – 7.93 FTE
- Community and Economic Development – 11.50 FTE
- Police and Public Safety – 1.63 FTE, and by contract: 14 Officers and 1 Administrative Assistant

Through cross-training and teamwork we have been able to reassign and retain our experienced City staff, adjusting to tighter budgets and shifting workloads. University Place has one of the lowest staffing levels of cities its size.

CAPITAL BUDGET

As previously mentioned, the Capital Budget – other than grant funded projects – is at “core” level on a “pay-as-we-go” basis. Over the past two years, several State and Federal grants have been received for non-motorized improvements (sidewalks, streetlights and bike lanes) along arterials and school routes with City funds as the local match. The following grant funded projects will be built in the 2017-2018 biennium:

- 35th Street (Bridgeport to Grandview)
- 54th Street Improvements
- Bridgeport Way W Phase 4A
- Bridgeport Way W Phase 4B (67th to City limits)
- Cirque Drive (Sunset to 83rd)
- Morrison Road
- Cirque Drive/56th St. Corridor Improvements Phase 3
- Mildred St. Overlay
- 67th Ave Overlay
- 67th Avenue Phase 2

The following surface water management projects will be constructed in the 2017-2018 biennium:

- 19th St. Pond Retrofit
- Drainage Repairs Tahoma Place

CONCLUSION

University Place is a great community with an excellent school system, ethnically diverse neighborhoods and a state of the art Library. In addition, the County's investment in the Chambers Bay Golf Course has proven that we can be a world class destination, as evidenced by the 2010 U.S. Amateur Tournament and the successful 2015 U.S. Open Golf Tournament, the premier event on the professional tour.

The City continues to adhere to the original vision for the Town Center project as a mixed-use development which will provide a growing tax base and support for increased community interaction through use of the public square and the atrium in the Library/Civic Building.

In closing, the 2017-2018 Proposed Biennial Budget is a balanced and conservative budget that assumes a continuation of the 2016 "core" levels of service to the Community. As always, we will continue providing the best service we can, meeting all of our contractual, legal and debt obligations, while exercising prudent cash management and maintaining our Strategic Reserve. As always, I encourage your questions and suggestions on the community issues important to you and the services we provide. You can contact me at 253.460.2527 or email at ssugg@cityofup.com.

Sincerely,



Stephen P. Sugg
City Manager

**Business of the City Council
City of University Place, WA**

Proposed Council Action:

Approve Ordinance Adopting the 2017/2018 Biennial Budget.

Agenda No: 12
Dept. Origin: Finance
For Agenda of: November 7, 2016
Exhibits: Ordinance
 Exhibits A-1 and A-2

Concurred by Mayor: _____
Approved by City Manager: _____
Approved as to form by City Atty: _____
Approved by Finance Director: _____
Approved by Department Head: _____

Expenditure Required	\$72,255,766	Amount Budgeted	N/A	Appropriation Required	\$72,255,766
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SUMMARY / POLICY ISSUES

An Ordinance of the City of University Place, Washington relating to budgets and finance adopting the 2017/2018 Biennial Budget. The 2017/2018 Proposed Biennial Budget was submitted to the City Council and City Clerk on September 29, 2016; study sessions on the proposed budget were held on October 3 and October 17, 2016 and three public hearings were held on October 17 and November 7, 2016, including a public hearing on revenues. This budget includes the increase to the strategic reserve fund directed by Council at the meeting on October 17, 2016 and includes the 1% Property Tax increase allowed by state statute.

RECOMMENDATION / MOTION

MOVE TO: Approve Ordinance Adopting the 2017/2018 Biennial Budget.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF UNIVERSITY PLACE, WASHINGTON, RELATING TO BUDGETS AND FINANCE, ADOPTING THE 2017-2018 BIENNIAL BUDGET

WHEREAS, the tax estimates and budget for the City of University Place, Washington, for the 2017-2018 fiscal biennium have been prepared and filed as provided by the laws of the State of Washington; and

WHEREAS, the budget was printed for distribution and notice published in the official paper of the City of University Place setting the time and place for hearings on the budget and said notice stating that all taxpayers calling at the Office of the City Clerk would be furnished a copy of the budget; and

WHEREAS, the 2017-2018 Proposed Biennial Budget was submitted to the City Council and City Clerk on September 29, 2016; and study sessions on the 2017-2018 Biennial Budget were held on October 3 and October 17, 2016; and

WHEREAS, public hearings on the 2017-2018 Biennial Budget were held on October 17, 2016 and November 7, 2016.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF UNIVERSITY PLACE, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. 2017-2018 Biennial Budget Adoption. The budget for the City of University Place, Washington, for the 2017-2018 biennium is hereby adopted in the amounts and for the purposes as shown on the attached Exhibits A-1 and A-2 (2017 and 2018 Adopted Budgets).

Section 2. Administration. The City Manager shall administer the Biennial Budget approved herein.

Section 3. Severability. The provisions of this ordinance are declared separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section, or portion of this ordinance or the invalidity of the application thereof to any person or circumstance, shall not affect the validity of the remainder of the ordinance, or the validity of its application to other persons or circumstances.

Section 4. Ratification. Any act consistent with the authority and prior to the effective date of this ordinance is hereby ratified and affirmed.

Section 5. Publication and Effective Date. A summary of this ordinance consisting of its title shall be published in the official newspaper of the City. This ordinance shall be effective January 1, 2017.

PASSED BY THE CITY COUNCIL ON NOVEMBER 7, 2016

Javier H. Figueroa, Mayor

ATTEST:

Emelita Genetia, City Clerk

APPROVED AS TO FORM:

Steve Victor, City Attorney

Date of Publication:

Effective Date:

**EXHIBIT A-1
CITY OF UNIVERSITY PLACE
2017 ADOPTED BUDGET**

	REVENUES		EXPENDITURES		ENDING BALANCE
	& OTHER SOURCES		& OTHER USES		
FUND	Proposed		Proposed		Balance
Operating					
General					
001 General	\$	17,764,346	\$	12,860,184	\$ 4,904,162
Special Revenue					
101 Street		1,406,090		1,310,612	95,478
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106 Transportation Benefit District		475,000		400,000	75,000
107 Development Services		1,350,038		1,350,038	-
108 LRF		500,000		500,000	-
109 Police/Public Safety		7,024,731		4,715,732	2,308,999
120 Path & Trails		-		-	-
188 Strategic Reserve		1,000,000		-	1,000,000
Sub-total Special Revenue		15,641,183		10,689,973	4,951,210
Enterprise					
140 Surface Water Mgmt		3,764,253		3,761,781	2,472
Sub-total Enterprise Funds		3,764,253		3,761,781	2,472
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201 Debt Service		3,411,446		3,411,446	-
Sub-total Debt Service Funds		3,411,446		3,411,446	-
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303 Municipal Facilities CIP		-		-	-
Sub-total CIP		11,467,676		11,068,289	399,387
Internal Service					
501 Fleet & Equipment		989,579		374,400	615,179
502 Information Technology & Services		975,202		921,185	54,017
505 Property Management		774,010		774,010	-
506 Risk Management		149,815		147,810	2,005
Sub-total Internal Service		2,888,606		2,217,405	671,201
Non-Annually Budgeted					
150 Donations and Gifts to University Place		-		-	-
Sub-total Non-Annually Budgeted		-		-	-
Total Budget		\$ 54,937,510	\$ 44,009,078		\$ 10,928,432

**EXHIBIT A-2
CITY OF UNIVERSITY PLACE
2018 ADOPTED BUDGET**

	REVENUES		EXPENDITURES		ENDING BALANCE
	& OTHER SOURCES		& OTHER USES		
FUND	Proposed		Proposed		Balance
Operating					
General					
001 General	\$	13,503,115	\$	7,832,227	\$ 5,670,888
Special Revenue					
101 Street		1,430,334		1,343,675	86,659
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Enterprise					
140 Surface Water Mgmt		2,899,822		2,824,834	74,988
Sub-total Enterprise Funds		2,899,822		2,824,834	74,988
Debt Service					
201 Debt Service		3,345,037		3,345,037	-
Sub-total Debt Service Funds		3,345,037		3,345,037	-
Total Operating		35,541,353	24,581,777		\$ 10,959,576
Capital Improvement					
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Internal Service					
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502 Information Technology & Services		912,440		858,423	54,017
505 Property Management		745,731		745,731	-
506 Risk Management		153,342		153,342	-
Sub-total Internal Service		2,603,817.00		1,934,621.00	669,196
Non-Annually Budgeted					
150 Donations and Gifts to University Place		-		-	-
Sub-total Non-Annually Budgeted		-		-	-
Total Budget		\$ 40,250,388	\$ 28,246,688		\$ 12,003,700

STUDY SESSION

**Business of the City Council
City of University Place, WA**

Proposed Council Action:

Adopt a Resolution approving a Lease of the U.P. Senior Center to Community Connection Place, a Washington nonprofit corporation, and federal tax-exempt charitable organization.

Agenda No: 14
Dept. Origin: City Council
For Agenda of: November 7, 2016
Exhibits: Resolution
 Draft Lease
 PowerPoint

Concurred by Mayor _____
Approved by City Manager _____
Approved as to Form by City Atty: _____
Approved by Finance Director _____

Expenditure Required: \$0.00	Amount Budgeted: \$0.00	Appropriation Required: \$0.00
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SUMMARY / POLICY ISSUES

Community Connection Place (CCP) is a Washington nonprofit corporation, and federally certified tax exempt charitable organization headquartered in University Place. Community Connection Place describes its long-term plan as the construction of a U.P. community center that will highlight education, fitness, creativity, and wellness. CCP describes its U.P. vision as a community of thriving children, active families, and engaged citizens.

With the recent conclusion of the City's recreational services program, Community Connection Place is seeking the opportunity to continue to operate the UP Senior Center beginning in 2017 and beyond. Community Connection Place proposes to continue existing programs and add new programs over time.

Due to a 1997 HUD Community Development Block Grant (CDBG), through November of 2022 use of the Senior Center facility must be consistent with at least one of the CDBG national objectives. Community Connection Place's proposed programming is consistent with the applicable national objectives.

The proposed Lease was prepared to protect the City, transfer all costs of operation and maintenance to Community Connection Place, and give Community Connection Place the greatest opportunity to succeed.

The proposed lease of the U.P. Senior Center to Community Connection Place allows the facility to continue in operation in 2017 and beyond by a University Place community based, and focused non-profit.

RECOMMENDATION / MOTION

MOVE TO: Adopt a Resolution approving a Lease of the U.P. Senior Center to Community Connection Place, a Washington nonprofit corporation, and federal tax-exempt charitable organization.

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF UNIVERSITY PLACE,
WASHINGTON, APPROVING A LEASE OF THE U.P. SENIOR CENTER TO
COMMUNITY CONNECTION PLACE, A WASHINGTON NONPROFIT CORPORATION,
AND FEDERAL TAX-EXEMPT CHARITABLE ORGANIZATION**

WHEREAS, Community Connection Place is a Washington nonprofit corporation, and federally certified tax exempt charitable organization headquartered in University Place; and

WHEREAS, Community Connection Place (CCP) describes its long-term plan as the construction of a U.P. community center that will highlight education, fitness, creativity, and wellness. CCP describes its U.P. vision as a community of thriving children, active families, and engaged citizens; and

WHEREAS, with the recent conclusion of the City's recreational services program, Community Connection Place is seeking the opportunity to continue to operate the UP Senior Center beginning in 2017 and beyond. Community Connection Place proposes to continue existing programs and add new programs over time; and

WHEREAS, due to a 1997 HUD Community Development Block Grant (CDBG), through November of 2022, use of the Senior Center facility must be consistent with at least one of the CDBG national objectives, and Community Connection Place's proposed programming is consistent with the applicable national objectives; and

WHEREAS, the proposed lease was prepared to protect the City, transfer all costs of operation and maintenance to Community Connection Place, and give Community Connection Place the greatest opportunity to succeed; and

WHEREAS, the proposed lease of the U.P. Senior Center to Community Connection Place allows the facility to continue in operation in 2017 and beyond by a University Place community based, and focused non-profit.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF UNIVERSITY PLACE,
WASHINGTON, AS FOLLOWS:**

Section 1. Incorporation. The recitals are hereby incorporated herein as if set forth in full.

Section 2. Approval of Lease. The City Council of the City of University Place hereby approves the Lease of the U.P. Senior Center to Community Connection Place, a Washington nonprofit corporation, and federal tax-exempt Charitable Organization, substantially in the form attached hereto.

Section 3. Effective Date. This Resolution shall be effective immediately upon adoption by the City Council.

ADOPTED BY THE CITY COUNCIL ON _____, 2016.

Javier H. Figueroa, Mayor

ATTEST:

Emelita Genetia, City Clerk

APPROVED AS TO FORM:

Steve Victor, City Attorney

**DRAFT
LEASE AGREEMENT**

University Place Senior Center

THIS LEASE AGREEMENT (the "Lease") is entered into and effective as of this ____ day of _____, 2016 between City of University Place ("Landlord"), and Community Connection Place ("Tenant"). Landlord and Tenant agree as follows:

1. LEASE SUMMARY

a. Leased Premises. The leased real estate consists of a building commonly known as the University Place Senior Center, 2534 Grandview Drive West, University Place, Washington, and includes the building, parking area, and all other improvements, fixtures and equipment within the building and located on the land, hereafter referred to as the "Leased Premises."

b. Lease Commencement Date. The term of this Lease shall be for a period of five (5) years and shall commence on _____, 2017 (the "Lease Commencement Date"). By mutual written agreement, the parties may extend the Lease for one additional five (5) year period on the same terms and conditions.

c. Lease Termination Date. The term of this Lease shall terminate at midnight on the day that is five (5) years following the Lease Commencement Date, or ten (10) years following the Lease Commencement Date if the parties have agreed to extend the Lease for an additional (5) year period. Tenant shall have the right to terminate this Lease any time for any reason by providing thirty (30) days' written notice to Landlord.

d. Base Rent. The base rent shall be \$1.00 per month ("Base Rent"), plus all costs of operation ("Additional Rent") including but not limited to, leasehold excise tax determined to be due by the State of Washington, and any utility costs and taxes which cannot be transferred to the Tenant. Rent shall be payable at Landlord's address shown in Section 1(e) below, or to such other place designated in writing by Landlord.

e. Notice and Payment Addresses

Landlord Representative: City of University Place
ATTN: Public Works/Parks Director
4951 Grandview Drive W.
University Place, WA 98467

Fax No.: 253.460-6497

Email: GCooper@CityofUP.com

Tenant Representative: Community Connection Place
ATTN: _____

University Place, WA 98464

Fax No.: _____

Email: _____

2. PREMISES

a. **Lease of Premises.** Landlord leases to Tenant, and Tenant leases from Landlord, the Premises upon the terms specified in this Lease.

b. **Acceptance of Premises.** Tenant accepts the Premises in its AS IS condition. Except as specified elsewhere in this Lease, Landlord makes no representations or warranties to Tenant regarding the Premises, including the structural condition of the Premises or the condition of all mechanical, electrical, and other systems on the Premises. Tenant shall be responsible for performing any work necessary to bring the Premises into a condition satisfactory to Tenant. By signing this Lease, Tenant acknowledges that it has had an adequate opportunity to investigate the Premises; acknowledges responsibility for making any corrections, alterations and repairs to the Premises.

3. RENT

a. **Payment of Rent.** Starting on the Lease Commencement Date, Tenant shall pay Landlord without notice, demand, deduction or offset, in lawful money of the United States, the monthly Base Rent and Any Additional Rent due, stated in Section 1 in advance on or before the first day of each month during the Lease term beginning on the Lease Commencement Date.

Payments for any partial month at the beginning or end of the Lease shall be prorated. All payments due to Landlord under this Lease, including late fees and interest, shall also constitute Additional Rent, and upon failure of Tenant to pay any such costs, charges or expenses, Landlord shall have the same rights and remedies as are otherwise provided in this Lease for the failure of Tenant to pay Rent.

b. **Late Charges; Default Interest.** If any sums payable by Tenant to Landlord under this Lease are not received within five (5) business days after their due date, Tenant

shall pay Landlord an amount equal to five percent (5%) of the delinquent amount in addition to the amount due as Additional Rent. All delinquent sums payable by Tenant to Landlord and not paid within five (5) business days after their due date shall, at Landlord's option, bear interest at the rate of fifteen percent (15%) per annum, or the highest rate of interest allowable by law, whichever is less (the "Default Rate"). Interest on all delinquent amounts shall be calculated from the original due date to the date of payment.

c. **Less Than Full Payment.** Landlord's acceptance of less than the full amount of any payment due from Tenant shall not be deemed an accord and satisfaction or compromise of such payment unless Landlord specifically consents in writing to payment of such lesser sum as an accord and satisfaction or compromise of the amount which Landlord claims. Any portion that remains to be paid by Tenant shall be subject to the late charges and default interest provisions of this Section.

4. USES

The Premises shall be used in full compliance with the requirements of the Community Development Block Grant, Subgrantee Agreement effective November 4, 1997, by and between Pierce County and the City of University Place for the investment of FY97, Community Development Block Grant funds. No act shall be done on or around the Premises that is unlawful or that will increase the existing rate of insurance on the Premises, or cause the cancellation of any insurance on the Premises. Tenant shall not commit or allow to be committed any waste upon the Premises, or any public or private nuisance.

5. COMPLIANCE WITH LAWS

Tenant shall not cause or permit the Premises to be used in any way which violates any law, ordinance, or governmental regulation or order.

6. UTILITIES AND SERVICES.

Tenant shall furnish all utilities (including, but not limited to, telephone, internet, and cable service if available) and other services which Tenant requires with respect to the Premises, and shall pay, at Tenant's sole expense, the cost of all utilities separately metered to the Premises, and of all other utilities and other services which Tenant requires with respect to the Premises.

7. TAXES

Tenant shall pay any taxes, assessments, liens and license fees levied, assessed or imposed by any authority having the direct or indirect power to tax or assess any such liens, related to or required by Tenant's use of the Premises as well as any taxes on Tenant's personal property located on the Premises.

8. ALTERATIONS

Tenant may make alterations, additions or improvements to the Premises only with the prior written consent of Landlord Representative. The term "alterations" shall not include the installation of shelves, movable partitions, Tenant's equipment, and trade fixtures that may be performed without damaging existing improvements or the structural integrity of the Premises, and Landlord Representative's consent shall not be required for Tenant's installation or removal of those items. Tenant shall perform all work at Tenant's expense and in compliance with all applicable laws and shall complete all alterations in accordance with plans and specifications approved by Landlord Representative, using contractors approved by Landlord Representative. Tenant shall pay, when due, all claims for labor or materials furnished to or for Tenant at or for use in the Premises, which claims are or may be secured by any mechanics' or materialmen's liens against the Premises or any interest therein. Tenant shall remove all alterations at the end of the Lease term unless Landlord Representative conditioned its consent upon Tenant leaving a specified alteration at the Premises, in which case Tenant shall not remove such alteration, and it shall become Landlord's property. Tenant shall immediately repair any damage to the Premises caused by removal of alterations.

9. REPAIRS AND MAINTENANCE; SURRENDER

Tenant shall, at its sole expense, maintain the entire Premises in good condition and promptly make all non-structural repairs and replacements necessary to keep the Premises safe and in good condition.

Tenant shall not damage any demising wall or disturb the structural integrity of the Premises, and shall promptly repair any damage or injury done to any such demising walls or structural elements caused by Tenant or its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees. Notwithstanding anything in this Section to the contrary, Tenant shall not be responsible for any repairs to the Premises made necessary by the negligence or willful misconduct of Landlord or its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees therein. If Tenant fails to perform Tenant's obligations under this Section, Landlord Representative may, at Landlord Representative's option, enter upon the Premises after twenty-four (24) hours' prior notice to Tenant and put the same in good order, condition and repair and the cost thereof together with interest thereon at the default rate set forth in Section 3 - Rent shall be due and payable as additional rent to Landlord together with Tenant's next installment of Base Rent. Upon expiration of the Lease term, whether by lapse of time or otherwise, Tenant

shall promptly and peacefully surrender the Premises, together with all keys, to Landlord in as good condition as when received by Tenant from Landlord or as thereafter improved, reasonable wear and tear and insured casualty excepted.

10. ACCESS AND RIGHT OF ENTRY

After twenty-four (24) hours' notice from Landlord Representative (except in cases of emergency, when no notice shall be required), Tenant shall permit Landlord Representative and its agents, employees and contractors to enter the Premises at all reasonable times to make repairs, inspections, alterations or improvements, provided that Landlord Representative shall use reasonable efforts to minimize interference with Tenant's use and enjoyment of the Premises. This Section shall not impose any repair or other obligation upon Landlord not expressly stated elsewhere in this Lease.

11. SIGNAGE AND VISIBILITY

Tenant shall obtain Landlord Representative's written consent as to size, location, materials, method of attachment, and appearance, before installing any signs upon the Premises. Tenant shall install any approved signage at Tenant's sole expense and in compliance with all applicable laws. Tenant shall not damage or deface the Premises in installing or removing signage and shall repair any injury or damage to the Premises caused by such installation or removal.

12. INSURANCE

a. Tenant's Liability Insurance. During the Lease term, Tenant shall pay for and maintain commercial general liability insurance with broad form property damage and contractual liability endorsements. This policy shall name Landlord as an additional insured, and shall insure Tenant's activities and those of Tenant's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, sub-tenants, or other licensees or invitees with respect to the Premises against loss, damage or liability for personal injury or bodily injury (including death) or loss or damage to property with a combined single limit of not less than \$2,000,000, and a deductible of not more than \$10,000. Tenant's insurance will be primary and noncontributory with any liability insurance carried by Landlord.

b. Waiver of Subrogation. Landlord and Tenant hereby release each other and any other tenant, their agents or employees, from responsibility for, and waive their entire claim of recovery for any loss or damage arising from any cause covered by property insurance required to be carried or otherwise carried by each of them. Each party shall provide notice to the property insurance carrier or carriers of this mutual waiver of subrogation, and shall cause its respective property insurance carriers to waive all rights of subrogation against the other. This waiver shall not apply to the extent of the deductible

amounts to any such property policies or to the extent of liabilities exceeding the limits of such policies.

13. INDEMNIFICATION

a. Indemnification by Tenant. Tenant shall defend, indemnify, and hold Landlord harmless against all liabilities, damages, costs, and expenses, including attorneys' fees, for personal injury, bodily injury (including death) or property damage arising from any negligent or wrongful act or omission of Tenant or Tenant's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, sub-tenants, or other licensees or invitees on or around the Premises, or arising from any breach of this Lease by Tenant.

b. Indemnification by Landlord. Landlord shall defend, indemnify and hold Tenant harmless against all liabilities, damages, costs, and expenses, including attorneys' fees, for personal injury, bodily injury (including death) or property damage arising from any negligent or wrongful act or omission of Landlord or Landlord's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees on or around the Premises, or arising from any breach of this Lease by Landlord.

c. Waiver of Immunity. Landlord and Tenant each specifically and expressly waive any immunity that each may be granted under the Washington State Industrial Insurance Act, Title 51 RCW. Neither party's indemnity obligations under this Lease shall be limited by any limitation on the amount or type of damages, compensation, or benefits payable to or for any third party under the Worker Compensation Acts, Disability Benefit Acts or other employee benefit acts.

d. Exemption of Landlord from Liability. Except to the extent of claims arising out of Landlord's gross negligence or intentional misconduct, Landlord shall not be liable for injury to Tenant's business or assets or any loss of income therefrom or for damage to any property of Tenant or of its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, sub-tenants or other licensees or invitees, or any other person in or about the Premises.

e. Survival. The provisions of this Section shall survive expiration or termination of this Lease.

14. LIENS

Tenant shall not subject the Landlord's assets to any liens or claims of lien. Tenant shall keep the Premises free from any liens created by or through Tenant. Tenant shall indemnify and hold Landlord harmless from liability for any such liens including, without limitation, liens arising from any alterations. If a lien is filed against the Premises by any person claiming by, through or under Tenant, Tenant shall, within ten (10) days after Landlord's demand, at Tenant's expense, either remove the lien or furnish to Landlord a bond in form and amount and issued by a surety satisfactory to Landlord, indemnifying Landlord and the Premises against all liabilities, costs and expenses, including attorneys' fees, which Landlord could reasonably incur as a result of such lien.

15. DEFAULT

The following occurrences shall each constitute a default (an "Event of Default"):

a. **Failure To Pay.** Failure by Tenant to pay any sum, including Rent, due under this Lease following five (5) days' notice from Landlord Representative of the failure to pay.

b. **Cessation of Senior Programs.** Tenant's ceasing to offer senior programs at the Leased Premises for at least fifteen (15) consecutive days.

c. Any violation of requirements of the Community Development Block Grant, Subgrantee Agreement effective November 4, 1997.

d. **Vacation/Abandonment.** Vacation by Tenant of the Premises (defined as an absence for at least fifteen (15) consecutive days without prior notice to Landlord Representative), or abandonment by Tenant of the Premises (defined as an absence of five (5) days or more while Tenant is in breach of some other term of this Lease). Tenant's vacation or abandonment of the Premises shall not be subject to any notice or right to cure.

e. **Insolvency.** Tenant's insolvency or bankruptcy (whether voluntary or involuntary); or appointment of a receiver, assignee or other liquidating officer for Tenant's business; provided, however, that in the event of any involuntary bankruptcy or other insolvency proceeding, the existence of such proceeding shall constitute an Event of Default only if such proceeding is not dismissed or vacated within sixty (60) days after its institution or commencement.

f. **Levy or Execution.** The taking of Tenant's interest in this Lease or the Premises, or any part thereof, by execution or other process of law directed against Tenant, or attachment of Tenant's interest in this Lease by any creditor of Tenant, if such attachment is not discharged within fifteen (15) days after being levied.

g. Other Non-Monetary Defaults. The breach by Tenant of any agreement, term or covenant of this Lease other than one requiring the payment of money and not otherwise enumerated in this Section or elsewhere in this Lease, which breach continues for a period of thirty (30) days after notice by Landlord Representative to Tenant of the breach.

h. Failure to Take Possession. Failure by Tenant to take possession of the Premises on the Lease Commencement Date.

i. Landlord shall not be in default unless Landlord fails to perform obligations required of Landlord within a reasonable time, but in no event less than thirty (30) days after notice by Tenant to Landlord. If Landlord fails to cure any such default within the allotted time, Tenant's sole remedy shall be to seek actual money damages (but not consequential or punitive damages) for loss arising from Landlord's failure to discharge its obligations under this Lease. Nothing herein contained shall relieve Landlord from its duty to perform of any of its obligations to the standard prescribed in this Lease. Any notice periods granted herein shall be deemed to run concurrently with and not in addition to any default notice periods required by law.

16. REMEDIES

Landlord shall have the following remedies upon an Event of Default. Landlord's rights and remedies under this Lease shall be cumulative, and none shall exclude any other right or remedy allowed by law.

a. Termination of Lease. The Lease shall terminate on the date specified in the notice of termination. Upon termination of this Lease, Tenant will remain liable to Landlord for damages in an amount equal to the Rent and other sums that would have been owed by Tenant under this Lease for the balance of the Lease term and any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under the Lease, or which in the ordinary course would be likely to result from the Event of Default.

b. Waiver of Redemption Rights. Tenant, for itself, and on behalf of any and all persons claiming through or under Tenant, including creditors of all kinds, hereby waives and surrenders all rights and privileges which they may have under any present or future law, to redeem the Premises or to have a continuance of this Lease for the Lease term, or any extension thereof.

c. Nonpayment of Additional Rent. All costs which Tenant is obligated to pay to Landlord pursuant to this Lease shall in the event of nonpayment be treated as if they were payments of Rent, and Landlord shall have the same rights it has with respect to nonpayment of Rent.

d. Failure to Remove Property. If Tenant fails to remove any of its property from the Premises at Landlord's request following an uncured Event of Default, Landlord may, at its option, remove and store the property at Tenant's expense and risk. If Tenant does not pay the storage cost within five (5) days of Landlord's request, Landlord may, at its option, have any or all of such property sold at public or private sale (and Landlord may become a purchaser at such sale), in such manner as Landlord deems proper, without notice to Tenant. Landlord shall apply the proceeds of such sale: (i) to the expense of such sale, including reasonable attorneys' fees actually incurred; (ii) to the payment of the costs or charges for storing such property; (iii) to the payment of any other sums of money which may then be or thereafter become due to Landlord from Tenant under any of the terms hereof; and (iv) the balance, if any, to Tenant. Nothing in this Section shall limit Landlord's right to sell Tenant's personal property as permitted by law or to foreclose Landlord's lien for unpaid rent.

17. NON-WAIVER

Landlord's waiver of any breach of any provision contained in this Lease shall not be deemed to be a waiver of the same provision for subsequent acts of Tenant. The acceptance by Landlord of Rent or other amounts due by Tenant hereunder shall not be deemed to be a waiver of any previous breach by Tenant.

18. NOTICES

All notices under this Lease shall be in writing and effective (i) when delivered in person or via overnight courier to the other party, (ii) three (3) days after being sent by registered or certified mail to the other party at the address set forth in Section 1; or (iii) upon confirmed transmission by facsimile to the other party at the facsimile numbers set forth in Section 1. The addresses for notices and payment of rent set forth in Section 1 may be modified by either party only by written notice delivered in conformance with this Section.

19. LANDLORD'S LIABILITY

Anything in this Lease to the contrary notwithstanding, covenants, undertakings and agreements herein made on the part of Landlord are made and intended not as personal covenants, undertakings and agreements for the purpose of binding Landlord personally or the assets of Landlord but are made and intended for the purpose of binding only the Landlord's interest in the Premises, as the same may from time to time be encumbered. In no event shall Landlord or its employees and appointed and elected officials, as the case may be, ever be personally liable hereunder.

20. GENERAL

a. **Entire Agreement.** This Lease contains all of the covenants and agreements between Landlord and Tenant relating to the Premises. No prior or contemporaneous agreements or understandings pertaining to the Lease shall be valid or of any force or effect and the covenants and agreements of this Lease shall not be altered, modified or amended except in writing, signed by Landlord and Tenant.

b. **Severability.** Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision of this Lease.

c. **Force Majeure.** Time periods for either party's performance under any provisions of this Lease (excluding payment of Rent) shall be extended for periods of time during which the party's performance is prevented due to circumstances beyond such party's control, including without limitation, fires, floods, earthquakes, lockouts, strikes, embargoes, governmental regulations, acts of God, public enemy, war or other strife.

d. **Governing Law.** This Lease shall be governed by and construed in accordance with the laws of the State of Washington, with venue in Pierce County.

e. **No Light, Air or View Easement.** Tenant has not been granted an easement or other right for light, air or view to or from the Premises. Any diminution or shutting off of light, air or view by any structure which may be erected on or adjacent to the Premises shall in no way effect this Lease or the obligations of Tenant hereunder or impose any liability on Landlord.

f. **Authority of Parties.** Each party signing this Lease represents and warrants to the other that it has the authority to enter into this Lease, that the execution and delivery of this Lease has been duly authorized, and that upon such execution and delivery, this Lease shall be binding upon and enforceable against the party upon signing.

g. **Time.** "Day" as used herein means a calendar day and "business day" means any day on which commercial banks are generally open for business in the state where the Premises are situated. Any period of time which would otherwise end on a non-business day shall be extended to the next following business day. Time is of the essence of this Lease.

h. **No Waiver of Governmental Rights.** Nothing contained in this Lease shall require the Landlord to take any discretionary governmental action relating to development of the improvements to be constructed on the Premises as part of the Lease, including, but not limited to, zoning and land use decisions, permitting, or any other governmental approvals.

IN WITNESS WHEREOF this Lease has been executed the date and year first above written.

LANDLORD:

TENANT:

CITY OF UNIVERSITY PLACE

COMMUNITY CONNECTION PLACE

By: _____
Stephen P. Sugg, City Manager

By: _____

Print name *Title*

Approved as to form:

Steve Victor, City Attorney



Community Connection Place



Our Vision for Community Connection Place

We envision University Place as a community filled with thriving children, active families, and engaged seniors. We envision a community center that provides area residents with opportunities for education, recreation, and social connection.



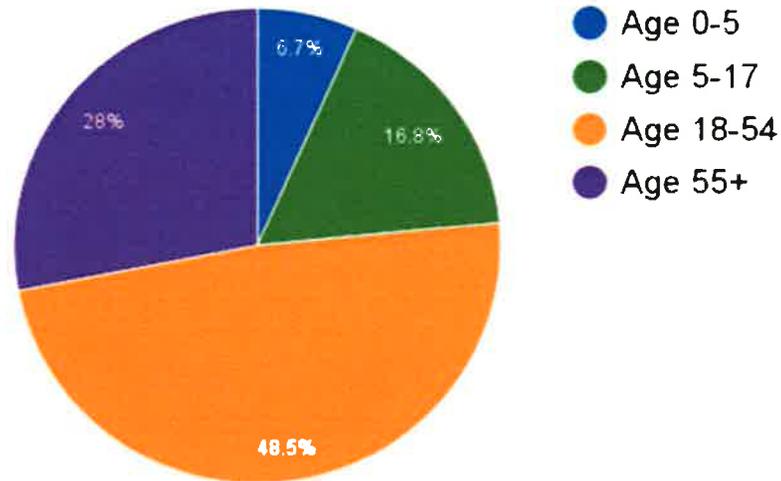
Community Connection Place has a plan to sustain senior services and provide some youth programs in our city. Through an agreement with the city for use of the Grandview building, we plan to open the center to other generational demographics and improve on current programs. By increasing the use of the facility, we can generate activity fees to sustain senior services.

Community Connection Place can use the Grandview center as a springboard to build a new community center and athletic facility capable of serving the wider population of U.P.

University Place Population by Age

31,670

Estimated Total Population



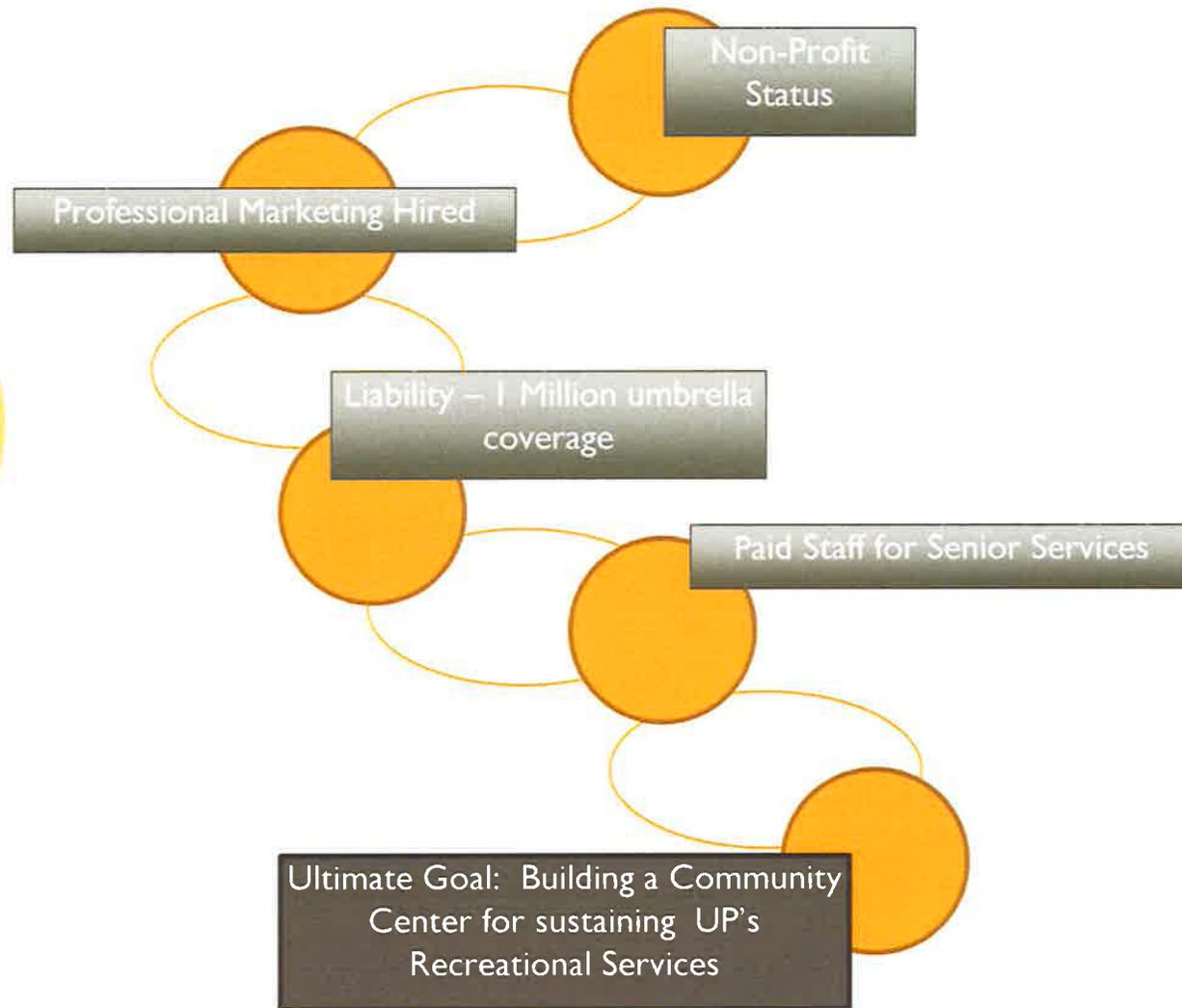
Age 0-5	2,114
Age 5-17	5,327
Age 18-54	15,361
Age 55+	8,868

One way to continue recreational and senior programs is to create an agreement between CCP and the city for use of the Grandview building.

What an agreement with the city might look like:

- \$1/month lease for 5 years with a 5 year option
- Surplus transport shuttles
- Tables and chairs
- Furnished kitchen
- Senior training computers

COMMUNITY CONNECTION PLACE JOURNEY



1-5 Year Action Plan: Strategic Goals



Sustain senior programs



Maximize use of building by offering youth programs after school



Survey community needs in order to design appropriate programs



Employ an activity director/program manager



Leverage recreational services to youth



Develop intergenerational programs



Develop and host educational programs to promote health, well being, and life skills development



Establish partnerships with other community non-profits to provide services



Capital fundraising for construction of new facility



RECREATIONAL & SENIOR SERVICES

SUSTAINABILITY ACTION PLAN

Health & Wellness Programs for Seniors

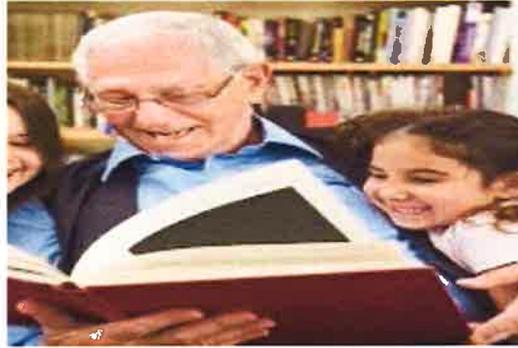
- Health Screenings
- Foot Care
- Wellness Education
- Fitness
 - Yoga
 - Pickle ball
 - Walking Programs
 - Zumba





SOCIAL ENRICHMENT FOR SENIORS

- **Table games**
 - **Bunco**
 - **Bridge**
 - **Dominoes**
 - **Hearts**
- **Trips & Tours**
- **Arts & Crafts**
- **Social Luncheons**



INTERGENERATIONAL PROGRAMS

- **Early Learning & Seniors**
 - Pre-K children will join seniors for reading, crafts and music.
- **Life Skills Workshops**
 - Meal Planning & Prep
 - Financial Literacy
 - Job Skills
 - Computer Literacy
 - Parenting Skills
- **Mentoring & Tutoring**
 - Teens tutoring seniors in technology
 - Seniors mentoring teens in various arts:
 - Cooking
 - Knitting
 - Music
 - Seniors Volunteer tutors in the after school program



YOUTH PROGRAMS

- **After School Program**
- **Team Sports**
- **Field Trips**
- **STEM Education Workshops**



FINANCIAL PLAN

Annual Projections

Expenses

- Lease \$12
- Utilities \$5400
- Administration /Staff \$50,000
- Insurance \$900
- Maintenance/Custodial \$3600
- Phone/Internet \$3000
- Operating Supplies \$2500
- Refuse & Recycling \$3000

• (Projected Expenses Total = \$68,412)

Revenue:

- Rental estimate Annually \$15,000
- After school/ Day Camp Programs
- 30 Children at \$225/month x 12 months = \$81,000

(Projected Revenues Total = \$96,000)

SUMMARY

- Community Connection Place has a plan to sustain and enhance senior and youth services in community.
- Use of the Grandview Senior Building enables Community Connection Place to establish a foundation to build community relations that will foster long term growth and good will amongst its citizens.
- University Place residents benefit from the continued offering of services and programs for the youth and seniors.