



**CITY OF MOUNT VERNON
CITY COUNCIL MEETING
AGENDA**

February 22, 2023, 7:00 p.m.
Police Court Campus, 1805 Continental Place

To virtually attend the meeting, the public may:

1. **Watch the meeting live on TV10:** Comcast/Xfinity Channel 10
2. **Watch the meeting live, online:**
https://www.youtube.com/channel/UCUob_hcQUmd4S93YkletdrA

I. OPENING CEREMONIES

- A. Call to Order
- B. Pledge of Allegiance
- C. Roll Call of Councilmembers

II. COMMUNITY COMMENTS

1. Review of Emails from the Public
(Public comments may be sent via email to communitycomments@mountvernonwa.gov. The comments will be read aloud into the record during the public comment portion of the agenda. Please limit your comments to be read in three minutes or less. Email comments must be received by 4 p.m. on February 22, 2023.)
2. Public Comments
(This is an opportunity for Mount Vernon residents to address their City Council. Please limit comments to three minutes or less. Under normal circumstances, the Mayor and Council will not respond immediately to Community Comments. If you would like someone to follow-up with you regarding the topic of your comments, please leave your name and contact information on the form at the entrance of the Council Chambers. If you are unable to attend the meeting and would like to make your comments via Zoom, please submit a request to speak via email to communitycomments@mountvernonwa.gov or by telephone at 360-419-3253. Requests must be received by 4 p.m. on February 22, 2023.)

III. CONSENT AGENDA

- A. Approval of February 8, 2023, Regular Council Meeting Minutes.
- B. Approval of February 17, 2023, payroll checks numbered 111883 - 111896, direct deposit checks numbered 92516 - 92764, and wire transfers numbered 1185 - 1189 in the amount of \$1,372,013.44
- C. Approval of February 22, 2023, Claims numbered 20734 - 20885 in the amount of \$3,851,477.61
- D. Approval of Agreement - Economic Development Alliance of Skagit County

IV. REPORTS

- A. Committees
 - 1. Finance and Parks & Enrichment Services
 - 2. Development Services
- B. Councilmember Comments
- C. Mayor's Report
- D. Committee Agenda Requests

V. UNFINISHED BUSINESS

None

VI. NEW BUSINESS

- A. Approval of Ordinance – Limited Tax General Obligation Bond (LTGO) Anticipation Note
(Staff is requesting approval of Ordinance 3866 to provide for the issuance and sale of a LTGO Bond Anticipation Note to provide interim financing for the Mount Vernon Library Commons Project.)
(required action – ordinance)
(staff contact – Doug Volesky)
- B. Approval of Resolution – Set Public Hearing Date
(Staff is requesting approval of Resolution 1028 to set a public hearing date for the vacation of portions of an alley located in the Gates 1st and 2nd Addition Plats.)
(required action – resolution)
(staff contact – Alan Danforth)
- C. Approval of Agreement Addendum – Skagit County
(Staff is requesting approval of an addendum to agreement 4355, adding \$5,000 in programming supplies.)
(required action – motion)
(staff contact – Chris Cammock)
- D. Public Comment - Design Review Board Evaluation Project
(Staff will lead a discussion regarding design review and allow public comment.)
(required action – none)
(staff contact – Darren Groth)

COMMITTEE MEETINGS

Finance and Parks & enrichment Services 6:00 p.m.

Next Ordinance 3866
Next Resolution 1028



DATE: February 22, 2023
TO: Mayor Boudreau and City Council
FROM: Doug Volesky, Finance Director
SUBJECT: AGREEMENT WITH THE ECONOMIC DEVELOPMENT ALLIANCE OF SKAGIT COUNTY FOR THE YEAR 2023

RECOMMENDED ACTION:

Staff recommends that Council authorize the Mayor to enter into an agreement with the Economic Development Alliance of Skagit County for the calendar year 2023.

INTRODUCTION/BACKGROUND:

Each year the City of Mount Vernon budgets for and provides funding to the Economic Development Alliance of Skagit County.

The City does not have the expertise or resources to adequately promote economic investment and this nonprofit organization was formed for the express purpose of promoting and attracting new business, expanding existing business and enhancing trade opportunities for all of Skagit County.

The City receives significant benefit from the development and expansion of the local economic base by enhancing employment opportunities for its residents and by creating additional tax revenues.

FINDINGS/CONCLUSIONS:

The City has committed \$10,000 of financial support to the Economic Development Alliance of Skagit County for this agreement for 2023 which is included in the adopted 2023 City budget. An agreement between our two agencies needs to be approved to confirm the City's funding commitment.

RECOMMENDATION:

Staff recommends Council authorize the Mayor to enter into this agreement.

ATTACHED:

Agreement between the Economic Development Alliance of Skagit County and the City of Mount Vernon.



DATE: February 22, 2023

TO: Mayor Boudreau and City Council

FROM: Doug Volesky, Finance Director

SUBJECT: LIMITED TAX GENERAL OBLIGATION BOND ANTICIPATION NOTE TO PROVIDE INTERIM FINANCING FOR THE MOUNT VERNON LIBRARY COMMONS PROJECT

RECOMMENDED ACTION:

City staff is requesting Council approval of Ordinance 3866 which provides for the issuance and sale of a Limited Tax General Obligation Bond Anticipation Note in the principal amount of not to exceed \$21,000,000 to provide interim financing for the MVLC project, and to pay costs of issuance; and delegating certain authority to approve the final terms of the note to the designated representative in connection with the sale.

INTRODUCTION/BACKGROUND:

Construction has begun on the Mount Vernon Library Commons Project (MVLC). The MVLC Project is a multi-use infrastructure project located in historic downtown Mount Vernon along I-5. It includes public library services, community center space, structured parking with public mega charging electric vehicle charging floor, park and ride, and transit stop. It is a purposeful City investment and efficient way to catalyze private development in Mount Vernon's historic downtown.

The total cost of this project is estimated to be \$53.3M. The largest funding source is from a program in the Build America Bureau in the U.S. Department of Transportation called the Transportation Infrastructure Finance and Innovation Act (TIFIA) credit program. Mount Vernon has submitted a letter of interest for TIFIA credit assistance on November 16, 2022, for the project in the amount of \$25,517,665. On January 18, 2023, the City was notified that its request had advanced to the next phase in the Bureau's process – the creditworthiness review phase. The City is anticipating receiving these funds by the end of 2023 or early 2024. If this funding does not materialize, the City was approved for \$26,117,000 to be included in a State of Washington Certificate of Participation financing. The terms of the TIFIA financing are more favorable, but either of these options will be used to redeem this Note. Other funding sources for this project include federal funding (\$7.7M), state funding (\$8.25M), and local funding and contributions (\$11.23M).

FINDINGS/CONCLUSIONS:

With funding from the TIFIA loan not become available until at the earliest, the end of 2023, interim funding is needed to pay construction costs based on projections of cash flow needs for the project. This interim funding can be achieved through the issuance and sale of a Limited Tax General Obligation Bond Anticipation Note in the principal amount of not to exceed \$21M including costs of issuance. This Note will be treated as a short-term line-of-credit that will mature on December 1, 2024. The City will take drawdowns from the Note as needed for payments and can be paid back at any time after receipt of the TIFIA financing. The City will consider a variable or fixed rate, and interest will be paid at Note redemption or maturity.

An ordinance is required for Council to approve:

1. The issuance and sale of the LTGO Bond Anticipation Note,
2. Costs of issuance and,
3. Delegating certain authority to approve the final terms of the note to the designated representative in connection with the sale.

RECOMMENDATION:

City staff is requesting Council approval of Ordinance 3866 which provides for the issuance and sale of a LTGO Bond Anticipation Note not to exceed \$21M to provide interim financing for the MVLC project.

ATTACHED:

- Ordinance 3866 - Limited Tax General Obligation Bond Anticipation Note, 2023
- LTGO BAN Term Sheet



DATE: February 22nd, 2023

TO: Mayor Boudreau and City Council

FROM: Alan Danforth, Development Services

SUBJECT: SETTING OF A PUBLIC HEARING DATE FOR A STREET VACATION

RECOMMENDED ACTION:

Staff recommends that Council make a motion to authorize the Mayor to sign the accompanying Resolution setting a public hearing date for a proposed street vacation.

INTRODUCTION/BACKGROUND:

The City needs to set a public hearing date to consider the vacation of a portion of the unnamed alley (4' strip, west side of the alley) located east of parcel P52080.

The attached Resolution and map identify the areas proposed to be vacated.

FINDINGS/CONCLUSIONS:

Chapter 35.79 of the Revised Code of Washington outlines the process for street right-of-way vacations. The Resolution before Council satisfies the first step in the street vacation process that requires setting a public hearing date.

RECOMMENDATION:

Council move to authorize the Mayor to sign the accompanying Resolution setting a hearing date on March 22nd, 2023.

ATTACHED:

- Proposed Resolution



DATE: February 13, 2023
TO: Mayor Boudreau and City Council
FROM: Police Chief Chris Cammock
SUBJECT: ADDENDUM TO INTERLOCAL AGREEMENT WITH SKAGIT COUNTY FOR EMBEDDED SOCIAL WORKER

RECOMMENDED ACTION:

Motion to authorize the Mayor to approve an addendum to the Law Enforcement Embedded Social Worker contract with Skagit County, approved 12/2/2022, that would provide an additional \$5,000 for flexible programming expenses.

INTRODUCTION/BACKGROUND:

On December 2, 2022, the City Council approved authorizing the Mayor to renew the interlocal agreement with Skagit County to fund two thirds of an embedded social worker position not to exceed \$60,000 and \$12,000 for flexible program spending. Following approval of the contract, Skagit County agreed to an additional \$5,000 to help fund an incentivized outreach program increasing the flexible program spending from \$12,000 to \$17,000.

FINDINGS/CONCLUSIONS:

This request does not substantially alter the agreement approved on December 2, 2022. It adds \$5,000 to the existing flexible spending account and clarifies how the reimbursed funds are to be spent.

RECOMMENDATION:

Authorize the Mayor to approve the addendum for \$5,000 for additional flexible spending funds for of the Law Enforcement Embedded Social Worker contract with Skagit County for January through December 2023.

ATTACHED:

Amendment #1, Original Agreement #20230068 Interlocal Agreement – Law Enforcement Embedded Social Worker



DATE: February 22, 2023
TO: Mayor Boudreau and City Council
FROM: Darren Groth
SUBJECT: DESIGN REVIEW

RECOMMENDED ACTION:

None.

INTRODUCTION/BACKGROUND:

Over the previous five months, the City Council has held discussions with the Development Services Director about design review processes, standards, and concerns.

FINDINGS/CONCLUSIONS:

This agenda item is intended to allow City Council to continue their discussions about design review and hear input from the public.

RECOMMENDATION:

Hold a discussion and allow public comment.

ATTACHED: None