



## LAKWOOD CITY COUNCIL STUDY SESSION AGENDA

Monday, May 11, 2015

7:00 P.M.

City of Lakewood

City Council Chambers

6000 Main Street SW

Lakewood, WA 98499

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Page No.

### CALL TO ORDER

### ITEMS FOR DISCUSSION:

- (2) 1. Mental health professional services status report. – (Memorandum)
- (3) 2. Review of fee schedule amendments for temporary business licenses. – (Memorandum)
- (5) 3. Review of a sale of surplus City property. – (Memorandum)

### REPORTS BY THE CITY MANAGER

### ITEMS TENTATIVELY SCHEDULED FOR THE MAY 18, 2015 REGULAR CITY COUNCIL MEETING:

- 1. Item Nos. 2 and 3.
- 2. Vacating a portion of Lakeholme Road. – (Resolution – Regular Agenda)

### COUNCIL COMMENTS

### ADJOURNMENT

*The City Council Chambers is accessible to persons with disabilities. Equipment is available for the hearing impaired. Persons requesting special accommodations or language interpreters should contact the City Clerk's Office, 589-2489, as soon as possible in advance of the Council meeting so that an attempt to provide the special accommodations can be made.*

<http://www.cityoflakewood.us>

*The Council Chambers will be closed 15 minutes after adjournment of the meeting.*



To: Mayor and City Councilmembers

From: Michael Zaro, Interim Chief of Police

Through: John J. Caulfield, City Manager

A handwritten signature in black ink, reading "John J. Caulfield".

Meeting Date: May 11, 2015

Subject: MHP Program

Summary: The Mental Health Professional program officially began on 2/10/2015. Start-up of the program began with introducing it to Lakewood Police officers, community treatment providers, and legal professionals such as attorneys and judges. Developing an understanding of treatment needs, obtaining education regarding available community resources, and overcoming system and logistical challenges has been an on-going process.

The program has received referrals from Lakewood Police officers, as well as mental health professionals, emergency room staff, self-referrals, family members, landlords, and concerned community citizens. Treatment services have occurred at individual's homes, hospital emergency rooms, community mental health centers, crisis respite centers, and local correctional facilities to name a few.

Chief Zaro will be reporting on the activity and impact of the program.



To: Mayor and City Councilmembers

From: David Bugher, Assistant City Manager, Development Services

Through: John J. Caulfield, City Manager *John J. Caulfield*

Date: May 11, 2015

Subject: Establishing an Interim fee for Temporary Businesses

#### **BACKGROUND:**

At the April 27, 2015 Study Session the City Council considered a draft ordinance amending Title 5 updating the City's business licensing regulations. Part of the update includes new temporary business license regulations.

On May 4, 2015, the City Council adopted Ordinance No. 610 which establishes new regulations for business licensing and includes new provisions for temporary business licensing. Under the new Code temporary business licenses will be good for seven-days unless specifically authorized otherwise.

Historically, the Community & Economic Development Department (CED) has issued about 1,500 "no-fee" permits annually. Most permits are issued on Mondays, Thursdays, and Fridays. During the peak summer months, as many as 70 permits are issued on Fridays. To-date, 478 "no fee" permits have been issued in 2015. With Ordinance No. 610 in place, "no fee" permits will no longer be issued, and, instead, all businesses in the City of Lakewood will be required to pay for a business license. This is a change for some temporary businesses in the City.

#### **WHAT DO OTHER CITIES CHARGE FOR TEMPORARY LICENSES?**

Table 1 below provides information from seven municipalities. By way of information, also included are general business license fees. Lakewood's business license fee is \$60. That number is lower than other cities. No other city provides "no fee" temporary business licenses.

<b>Table 1 Temporary Business License Fee Comparisons</b>		
<b>Municipality</b>	<b>Length</b>	<b>Fee</b>
Auburn*	Based on application	\$50
Black Diamond	30 days	\$15
Federal Way	90 days	\$50
Lacey	30 days	\$50
Puyallup	30 days of occupancy within a 1 year period	\$25 processing fee, plus \$10 per day of operation
Renton	90 days	\$50
Tacoma		
- Special event	Per event	\$50
- Special event per vendor	Per day	\$5
- Transient stock	Per application	\$200
* Auburn does not appear to have a temporary business license requirement. CED staff, therefore, assumed that the temporary business would be subject to the standard business license fee of \$50.		

**OTHER INFORMATION:**

A cost recovery analysis is currently underway for CED. It includes an analysis of business licensing. The City Council should expect regular review and adjustment to the fee schedule based on the cost of regulation.

A standard general business license is easy to process. They are located in brick and mortar establishments. The business types are easy to categorize. The large majority of general businesses already comply with building and fire code requirements.

The processing of temporary licenses is the opposite experience. They require a significant amount of time at the permit counter. Applicants usually have no experience with opening a business. Additionally, there are follow-up inspections by Law Enforcement and CSRT to ensure applicants are complying with the basic application requirements.

**RECOMMENDATION:**

Adopt a temporary business license fee of \$40. This amount is comparable to what other cities charge. The City Council does have the option to charge a lesser fee, or the City Council could charge the same amount as that of a general business license fee at \$60. City Council direction will be brought forward for action at the Regular Council meeting on May 18, 2015.



TO: Mayor and City Council Members  
FROM: Heidi Ann Wachter, City Attorney  
THROUGH: John J. Caulfield, City Manager  
DATE: May 11, 2015  
SUBJECT: Surplus Property

As part of the 2015-2016 Biennial Budget, the City Council authorized the sale of certain surplus property belonging to the City. The next step is to carry out the sale of the property, the proceeds of which will be used to support the Waughop Lake Trail Project and improvements on the waterfront at Harry Todd Park. In addition to specific authorization by the City Council, this sale was reviewed and discussed by the Parks and Recreation Advisory Board on November 25, 2014 during their briefing of the 2015-16 budget. [MD1]

In order to proceed, the City must follow legal process. Toward that end, this memorandum outlines the steps in selling surplus real property currently owned by the City of Lakewood. The City of Lakewood is an 'Optional Code City'. As a general matter, optional municipal code cities have been granted authority under state law to "purchase, lease, receive or otherwise acquire real and personal property of every kind, and use, enjoy, hold, lease, control, convey or otherwise dispose of it for the common benefit."<sup>1</sup> The City has sold surplus property previously and followed the provisions of City policy.<sup>2</sup>

Assuming that the real property in question exceeds \$20,000 in fair market value, the policy specifies the following steps:<sup>3</sup>

1. Finance will prepare list of items for the surplus list to include the tag number, serial number, and brief description of the items.

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<sup>1</sup> RCW 35A.11.010.

<sup>2</sup> City of Lakewood Finance & Information Systems City-wide Policies & Procedures Number Surplus 001.

<sup>3</sup> Id, 4.4.

For a piece of real estate, the recommendation is to prepare a list of one item along with the Assessor's Parcel number and street address (if available).

2. Finance Director will forward the surplus list to the City Manager.
3. Approved list will be forwarded to the City Clerk.
4. The Finance Director will forward the surplus list to City Attorney.
5. City Council to approve the items on the list or parts thereof.

Once the City Council approves the property as surplus, a resolution making such a declaration shall be adopted and the Finance Department shall dispose of items properly.<sup>4</sup> The method of disposal may be by any means "as appropriate, and shall be done in a manner that is in the City's best interests."<sup>5</sup>

This in turn raises the question as to what method to employ in actually selling the property; what is the "manner that is in the City's best interests".<sup>6</sup> Options include the following:

Option 1: In the City's previous sale of surplus property, the Resolution allowed the City Manager or designee "to employ any commercially reasonable method, to include, but not limited to auction, private sale, sealed bid, or employment of a broker or agent to obtain the maximum possible sale price."<sup>7</sup>

Option 2: Hold a public hearing before the City Council considers the resolution. This requires time to provide adequate notice to interested parties. A public hearing is not required and was not done in the City's previous sale of surplus real property but is a self-imposed requirement in some other cities.<sup>8</sup> It provides additional transparency to the process and a structure for public input.

Option 3: Offer the property first to other local agencies, abutting property owners, and anyone who has previously expressed interest in the property; if no sale results proceed to sealed bids; and if no sale again results, proceed with traditional real estate sales methods.<sup>9</sup>

**Recommendation:**

A combination of Options 1, 2 and 3 is recommended. The recommendation is to set and conduct a public hearing prior to consideration of a resolution declaring the property surplus. Adding a public hearing allows any concern over the sale to be understood prior to Council action. Advertising a sealed bid process, while contacting adjacent and interested property owners regarding the process, may provide a positive result.

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<sup>4</sup> Id, 6.2.

<sup>5</sup> Id, 6.3.

<sup>6</sup> Id.

<sup>7</sup> Resolution No. 2013-05 of the City Council for the City of Lakewood.

<sup>8</sup> City of Renton Policy & Procedure Index Number 100-12, Surplus Real Property and City of Bainbridge Island Resolution No. 2009-02.

<sup>9</sup> See, generally City of Renton Policy & Procedure Index Number 100-12, Surplus Real Property, section 7.0.

The timeline in executing this recommendation is as follows:

May 11, 2015 (Study Session) – City Council considers proposed process for disposal of surplus real property as authorized in the 2015-2016 Biennial Budget

May 18, 2015 (Regular Meeting) – City Council sets a public hearing to consider adoption of a Resolution declaring certain real property as surplus

June 15, 2015 (Regular Meeting) – Public Hearing

July 6, 2015 (Regular Meeting) – City Council considers and votes on Resolution declaring certain real property as surplus and provides direction to staff regarding next steps (or course of action).