

First Council Meeting of the Month
Topic: City Council

You are invited to the City of Langley Council Meeting
When: May 2nd, 2022 5:30 PM

Please click the link below to join the webinar:

<https://us02web.zoom.us/j/83273254975?pwd=aGJhcW1aVEpFc2lDVWpXOEU5clJvdz09>

Passcode: 172825

Or One tap mobile:

US: +12532158782,,83273254975#,,,,*172825# or +16699006833,,83273254975#,,,,*172825#

Or Telephone:

Dial (for higher quality, dial a number based on your current location):

US: +1 253 215 8782 or +1 669 900 6833 or +1 346 248 7799 or +1 929 205 6099 or +1 301 715
8592 or +1 312 626 6799

Webinar ID: 832 7325 4975

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CITY OF LANGLEY DRAFT COUNCIL AGENDA

Monday May 2, 2022 @ 5:30pm

1. CALL TO ORDER

- a. Roll Call-5 *minutes*

2. CONSENT AGENDA-5 *minutes*

The CONSENT AGENDA consists of routine items that normally do not require further Council discussion. A council member may ask questions about an item before the vote is taken, or request that an item be removed from the consent Agenda and placed on the regular agenda for more detailed discussion. A single vote is taken to approve all items remaining on the consent Agenda. *5 minutes*

- a. Minutes from 4/18/2022, to be distributed
- b. Approval of 2022 claims warrants Nos. - and EFTs in the amount of \$46,044.58, Voucher Directory 4-9
- c. Approval of Liquor License for Habitat For Humanity & Ultra House 10-11

3. APPROVAL OF AGENDA-5 *minutes*

4. PUBLIC COMMENT-5-15 *minutes*

5. ORDINANCES AND RESOLUTIONS-None

6. PUBLIC HEARING-None

7. UNFINISHED BUSINESS

- a. Corrected Meeting Minutes from 04/04/2022 to be approved - 5 minutes ... 12-16
- b. Council Decision on whether to accept the Affordable Housing Committee's recommendation on the affordability requirements for the proposed Coles Valley PUD- Meredith Penny, Planning Director- 15 minutes
 - i. Affordable Housing Summary Report - 4/18/2022 Council 17-24
 - ii. Coles Valley PUD Affordability Requirements25-27

8. NEW BUSINESS

- a. Historic Preservation Commission- Bob Waterman -5 minutes
- b. Juneteenth Advisory Memo, DSR Presenter - 10 minutes.....28

9. MAYOR'S REPORT *10 minutes*

- a. Update on Clerk/Treasurer position

10. **COUNCIL REPORTS-15 minutes**

11. **EXECUTIVE SESSION-None**

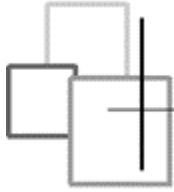
12. **ADJOURNMENT**

***Citizen Comments:** We welcome comments on subjects of concern or interest that are not on the agenda. Please state your name and address so this can be recorded and limit your comments to 5 minutes. Questions will be answered immediately if the answer is brief, and the information is available. Otherwise, answers will be provided as soon as possible. Thank you for participating! **If reasonable accommodation of a disability is needed, please contact Monica Felici at (360) 221-4246 at least 48 hours prior to this meeting.**

Statement regarding Potential Conflicts of Interest - Officials, employees, consultants, volunteers, and vendors are obliged to withdraw from any involvement in a matter where there is a conflict or perceived conflict, even if they feel certain they can act impartially. If a conflict, or potential conflict exists, the affected party shall declare so at the first public meeting when the matter is being considered. And shall withdraw from the meeting or future meetings for the duration of the discussion of the issue.

Langley is a Civility First City and conducts its governance abiding by the Civility First Pledge:

1. Value honesty and good will while striving to solve problems.
2. Attempt genuinely to understand the point of view of others
3. Model civil behavior and tone, online as well as in public by:
 - a. Being kind while maintaining the right to vigorously disagree
 - b. Acting respectfully toward others, including opponents.
 - c. Listening to those who disagree with us, as well as supporters
 - d. Making only accurate statements when defending a position
 - e. Refraining from characterizing adversaries as evil
 - f. Challenge disrespectful behavior, courteously
 - g. Encourage any person or organization working on our behalf to meet these same standards from civil discourse



Voucher Directory

Fiscal: : 2022 - May
 Council Date: : 2022 - May - 1st Council Meeting

Vendor	Number	Reference	Account Number	Description	Amount
Ackermann Electric Co.	0			2022 - May - 1st Council Meeting	
		Invoice - 2000-1073			
			401-000-000-534-10-40-01	Professional Services	\$1,043.52
		Total Invoice - 2000-1073			\$1,043.52
	Total 0				\$1,043.52
Total Ackermann Electric Co.					\$1,043.52
Alpine Products, Inc.	0			2022 - May - 1st Council Meeting	
		Invoice - tm-208425			
			101-000-000-542-69-30-01	Traffic & Pedestrian Supplies	\$3,323.40
		Total Invoice - tm-208425			\$3,323.40
	Total 0				\$3,323.40
Total Alpine Products, Inc.					\$3,323.40
Cashmere Valley Bank	0			2022 - May - 1st Council Meeting	
		Invoice - 120000328			
			001-000-170-591-95-70-00	2nd Street Bond principal	\$12,032.65
			001-000-170-592-95-80-00	2nd Street bond interest	\$4,840.35
		Total Invoice - 120000328			\$16,873.00
	Total 0				\$16,873.00
Total Cashmere Valley Bank					\$16,873.00
Daily Journal of Commerce	0			2022 - May - 1st Council Meeting	
		Invoice -3377281			
			001-000-110-558-60-40-00	Professional Services	\$188.15
		Total Invoice -3377281			\$188.15
	Total 0				\$188.15
Total Daily Journal of Commerce					\$188.15

Edge Analytical Labs

0

2022 - May - 1st Council Meeting

Invoice -22-11932

402-000-000-535-10-40-04

Sewer Plant Testing

\$237.00

Total Invoice -22-11932

\$237.00

Total 0

\$237.00

Total Edge Analytical Labs

\$237.00

Environmental Resource Associates

0

2022 - May - 1st Council Meeting

Invoice -5222

401-000-000-534-10-40-04

SDWA Testing

\$296.00

402-000-000-535-10-40-04

Sewer Plant Testing

\$716.36

Total Invoice -5222

\$1,012.36

Total 0

\$1,012.36

Total Environmental Resource Associates

\$1,012.36

Freeland Ace Hardware

0

2022 - May - 1st Council Meeting

Invoice - 125654

101-000-000-543-10-47-01

Repair & maintenance

\$22.82

Total Invoice - 125654

\$22.82

Total 0

\$22.82

Total Freeland Ace Hardware

\$22.82

Freeland Country Store

0

2022 - May - 1st Council Meeting

Invoice -595025

403-000-000-531-10-33-01

Uniforms

\$56.50

Total Invoice -595025

\$56.50

Total 0

\$56.50

Total Freeland Country Store

\$56.50

Hutch's Polygraph Services

0

2022 - May - 1st Council Meeting

Invoice -22010

001-000-070-521-20-40-01

Professional Services

\$200.00

Total Invoice -22010

\$200.00

Total 0

\$200.00

Total Hutch's Polygraph Services

\$200.00

Internal Revenue Service

0

2022 - May - 1st Council Meeting

Invoice - 04/04-04/15 PRT

632-000-000-586-00-00-01

Payroll Taxes

\$13,514.99

	Total Invoice - 04/04-04/15 PRT		\$13,514.99
Total 0			\$13,514.99
Total Internal Revenue Service			\$13,514.99

Island County Treasurer c/o Prosecutor		2022 - May - 1st Council Meeting	
0			
	Invoice - 21-L0885		
	001-000-020-515-91-48-05	Proscecuting Atty Services	\$407.45
	Total Invoice - 21-L0885		\$407.45
Total 0			\$407.45
Total Island County Treasurer c/o Prosecutor			\$407.45

PACE Engineers, Inc.		2022 - May - 1st Council Meeting	
0			
	Invoice - 82883		
	001-000-110-558-60-40-00	Professional Services	\$375.00
	408-000-000-535-40-40-00	Sewer Comp Plan Update	\$862.50
	Total Invoice - 82883		\$1,237.50
Total 0			\$1,237.50
Total PACE Engineers, Inc.			\$1,237.50

Public Safety Testing		2022 - May - 1st Council Meeting	
0			
	Invoice - 2236		
	001-000-070-521-20-40-01	Professional Services	\$410.00
	Total Invoice - 2236		\$410.00
Total 0			\$410.00
Total Public Safety Testing			\$410.00

Puget Sound Energy		2022 - May - 1st Council Meeting	
0			
	Invoice - April 13 and April 29		
	101-000-000-542-63-46-01	Street Lighting Utilities	\$37.97
	PSE		
	105-000-000-557-30-46-01	Utilities/VIC & R/R	\$162.74
	PSE		
	401-000-000-534-10-46-01	Utilities-Water Dept.	\$519.40
	PSE		
	402-000-000-535-10-46-01	Utilities-Sewer Dept.	\$3,850.73
	PSE		
	Total Invoice - April 13 and April 29		\$4,570.84
Total 0			\$4,570.84
Total Puget Sound Energy			\$4,570.84

Quill Corporation		2022 - May - 1st Council Meeting	
0			

Invoice - 24506208

001-000-010-513-10-30-01	Office/operational Supplies	\$91.29
001-000-070-521-20-30-01	Supplies-Printing	\$127.96

Total Invoice - 24506208

\$219.25

Invoice 24506761

001-000-010-513-10-30-01	Office/operational Supplies	\$65.30
001-000-070-521-20-30-01	Supplies-Printing	\$162.36

Total Invoice 24506761

\$227.66

Total 0

\$446.91

Total Quill Corporation

\$446.91

Sebo's DO IT Center

0

2022 - May - 1st Council Meeting

Invoice -b1284948 & b1284810

403-000-000-531-10-33-01	Uniforms	\$67.98
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Total Invoice -b1284948 & b1284810

\$67.98

Total 0

\$67.98

Total Sebo's DO IT Center

\$67.98

Shred-IT c/o Stericycle, Inc

0

2022 - May - 1st Council Meeting

Invoice - 4/27/2022 4:27:29 PM

001-000-010-513-10-40-01	Professional Services	\$1.50
001-000-030-514-20-40-02	Professional Services	\$8.24
001-000-070-521-20-40-01	Professional Services	\$8.24
001-000-110-558-60-40-00	Professional Services	\$3.74
001-000-120-558-50-40-00	Professional Services	\$0.75
001-000-150-576-80-40-00	Professional Services	\$2.25
001-000-180-518-80-40-01	Professional Services	\$0.75
101-000-000-544-90-40-01	Professional Services	\$8.24
104-000-000-536-10-40-00	Professional Services	\$0.75
105-000-000-557-30-40-00	Professional Services	\$5.24
401-000-000-534-10-40-01	Professional Services	\$17.23
402-000-000-535-10-40-01	Professional Services	\$11.98
403-000-000-531-10-40-01	Professional Services	\$5.99

Total Invoice - 4/27/2022 4:27:29 PM

\$74.90

Total 0

\$74.90

Total Shred-IT c/o Stericycle, Inc

\$74.90

Sound Publishing Inc

0

2022 - May - 1st Council Meeting

Invoice -SWR952652

001-000-110-558-60-43-02	Publications/Notifications	\$91.50
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Total Invoice -SWR952652

\$91.50

Total 0

\$91.50

Total Sound Publishing Inc

\$91.50

United Business Machines

0

2022 - May - 1st Council Meeting

Invoice -INV471100

001-000-010-513-10-40-01	Professional Services	\$11.96
001-000-030-514-20-40-02	Professional Services	\$52.65
001-000-070-521-20-40-01	Professional Services	\$55.04
001-000-100-518-30-40-01	Professional Services	\$7.18
001-000-110-558-60-40-00	Professional Services	\$14.36
001-000-120-558-50-40-00	Professional Services	\$11.96
001-000-150-576-80-40-00	Professional Services	\$4.79
001-000-180-518-80-40-01	Professional Services	\$2.39
101-000-000-544-90-40-01	Professional Services	\$16.75
104-000-000-536-10-40-00	Professional Services	\$2.39
401-000-000-534-10-40-01	Professional Services	\$26.32
402-000-000-535-10-40-01	Professional Services	\$26.32
403-000-000-531-10-40-01	Professional Services	\$7.19

Total Invoice -INV471100 \$239.30

Total 0 \$239.30

Total United Business Machines \$239.30

Vision Municipal Solutions

0

2022 - May - 1st Council Meeting

Invoice - 09-10589

001-000-180-518-80-32-04	Software and IT	\$321.99
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Total Invoice - 09-10589 \$321.99

Total 0 \$321.99

Total Vision Municipal Solutions \$321.99

Western Facilities Supply

0

2022 - May - 1st Council Meeting

Invoice -42427

001-000-100-518-30-30-01	Facilities Maint. Supplies	\$304.30
001-000-150-576-80-30-01	Supplies	\$302.75
105-000-000-557-30-30-01	Public Restrooms-R&M/Misc'l, Supplies.	\$355.73
402-000-000-535-10-30-01	Supplies	\$465.67

Total Invoice -42427 \$1,428.45

Total 0 \$1,428.45

Total Western Facilities Supply \$1,428.45

Whidbey Telecom

0

2022 - May - 1st Council Meeting

Invoice - Account 117026

001-000-100-518-30-48-08	Overhead & Administration account # 117026	\$276.02
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Total Invoice - Account 117026 \$276.02

Total 0
Total Whidbey Telecom

\$276.02
\$276.02

Grand Total

Vendor Count

22

\$46,044.58

WASHINGTON STATE LIQUOR AND CANNABIS BOARD - LICENSE SERVICES
1025 UNION AVE SE - P O Box 43075
Olympia WA 98504-3075
specialoccasions@lcb.wa.gov Fax: 360-753-2710



BY:

TO: MAYOR OF LANGLEY

APRIL 14, 2022

SPECIAL OCCASION #: 092268

HABITAT FOR HUMANITY OF ISLAND COUNTY
290 SE PIONEER WAY
OAK HARBOR, WA 98277

DATE: JULY 16, 2022

TIME: 9:00 AM TO 9:00 PM

PLACE: ISLAND COUNTY FAIRGROUNDS (ENCLOSED) - 819 CAMANO AVE, LANGLEY

CONTACT: KATH BLAIR (DOB: 6.5.1964) 360-679-9444

SPECIAL OCCASION LICENSES

- * Licenses to sell beer on a specified date for consumption at a specific place.
- * License to sell wine on a specific date for consumption at a specific place.
- * Beer/Wine/Spirits in unopened bottle or package in limited quantity for off premise consumption.
- * Spirituous liquor by the individual glass for consumption at a specific place.

If return of this notice is not received in this office within 20 days from the above date, we will assume you have no objections to the issuance of the license. If additional time is required please advise.

- | | | |
|--|------------------------------|-----------------------------|
| 1. Do you approve of applicant? | YES <input type="checkbox"/> | NO <input type="checkbox"/> |
| 2. Do you approve of location? | YES <input type="checkbox"/> | NO <input type="checkbox"/> |
| 3. If you disapprove and the Board contemplates issuing a license, do you want a hearing before final action is taken? | YES <input type="checkbox"/> | NO <input type="checkbox"/> |

<u>OPTIONAL CHECK LIST</u>	<u>EXPLANATION</u>	YES <input type="checkbox"/>	NO <input type="checkbox"/>
LAW ENFORCEMENT	_____	YES <input type="checkbox"/>	NO <input type="checkbox"/>
HEALTH & SANITATION	_____	YES <input type="checkbox"/>	NO <input type="checkbox"/>
FIRE, BUILDING, ZONING	_____	YES <input type="checkbox"/>	NO <input type="checkbox"/>
OTHER:	_____	YES <input type="checkbox"/>	NO <input type="checkbox"/>

If you have indicated disapproval of the applicant, location or both, please submit a statement of all facts upon which such objections are based.

DATE SIGNATURE OF MAYOR, CITY MANAGER, COUNTY COMMISSIONERS OR DESIGNEE

C091080-2

WASHINGTON STATE LIQUOR AND CANNABIS BOARD

DATE: 04/06/2022

LICENSED ESTABLISHMENTS IN INCORPORATED AREAS CITY OF LANGLEY
(BY ZIP CODE) FOR EXPIRATION DATE OF 20220731

LICENSEE	BUSINESS NAME AND ADDRESS	LICENSE NUMBER	PRIVILEGES
1. ULTRA HOUSE, LLC	ULTRA HOUSE 221 2ND ST BLDG 9A LANGLEY WA 98260 8664	408748	BEER/WINE REST - BEER/WINE OFF PREMISES

Council Meeting Minutes
Monday April 4, 2022

Meeting was called to order by Mayor Scott Chaplin at 5:30pm

Land Acknowledgement

ROLL CALL

In attendance: Council Member Harolynne Bobis; Council Member Gail Fleming; Council Member Craig Cyr; Council Member Thomas Gill; Council Member Rhonda Salerno; Mayor Scott Chaplin; Monica Felici, Clerk/Treasurer, Randi Perry, Public Works Director and Meredith Penny, Planning Director; Darlene Baldwin, Assistant Clerk

APPROVAL OF CONSENT AGENDA

Motion to Approve Consent Agenda

Motion: Council Member Thomas Gill
2nd: Council Member Gail Fleming

Discussion:

Move minutes to New Business item “c”
Fleming mentioned Activov Contract-questions were answered

Motion Passed unanimously with adjustments

APPROVAL OF AGENDA

Motion to Approve Agenda

Motion: Council Member Thomas Gill
2nd: Council Member Rhonda Salerno

Discussion:

Add to New Business item “d” Judge Vacates Park Washington State Parks and Recreation Commission decision regarding allowing covert military training

Motion Passed unanimously with adjustments

PUBLIC COMMENT

1. Vicki Welfare, Langley Library
 - a. Library Improvement process
2. Janice Kliner-Dog House
 - a. Access on Anthes
3. Fred Luundahl-Encouraged allowing limited access om Anthes
4. Heather Ogilvy-Would like to speak after Director Penny's presentation
5. Stef Christensen-Will put question in chat
6. Dominique Emerson-spoke regarding Public Comment process
7. Marie Lincoln-Supports allowing limited access on Anthes
8. Heather Ogilvy-questions regarding traffic study
9. Council Member Thomas Gill would like to have further discussion on handling public comments

ORDINANCES AND RESOLUTIONS-NONE

PUBLIC HEARING-NONE

UNFINISHED BUSINESS

1. Request for approval for new financial program-Monica Felici, Clerk Treasurer
 - a. Reported on need for new financial program
 - b. After discussion decision was made to have Finance and Personnel Commission review
2. Anthes Right-of-way-Randi Perry, Public Works Director and Meredith Penny, Planning Director

Motion to move forward with staff recommendation that the unimproved portion of the Anthes right-of-way which connects First St. to the seawall, remain authorized vehicle access only. Staff can continue to work towards solutions for Public Works maintenance vehicles to gain access to the eastern portions of the seawall, but do not see more frequent vehicle traffic near the park to be in the best interest of the public

Motion: Council Member Gail Fleming
2nd: Council Member Harolynne Bobis

- a. The request was taken to Parks and Open Space Commission and Public Works Advisory Commission
- b. Shared recommendations from both Commissions
- c. Discussion regarding access for the Dog House

PUBLIC COMMENT

Duaine-Original Architect for Dog House

Janice Kliner

Leanne Finlay-typed comments as her speaker was not working

Motion Passed 4 Council Members voting yes, 1 Council Member Voting no

3. Langley Infrastructure Project-Randi Perry, Public Works Director
 - a. Reviewed status of project
 - b. Brought recommendation from the Public Works Advisory Commission for the next step

Motion: Accept the 60% design with the incorporation of the technical comments. Prepare Phase 2C contract and move all projects forward to 90% engineering benchmark. Staff will continue to seek grant and loan funding opportunities and access capital fund availability to complete projects. Phase 3A will begin with bid packaging and construction support.

Motion: Council Member Rhonda Salerno

2nd: Council Member Gail Fleming

PUBLIC COMMENT

Dominique Emerson-original recommendation in line with staff recommendation.

Motion passed unanimously

EXECUTIVE SESSION-Discuss litigation or potential litigation with the governing body's attorney (RCW 42.30.110(1)(a)(i)-After Council discussion the executive session was moved to after unfinished business

Session will be for 35 minutes

Session began at 7:35pm

Session ended at 8:10pm

PUBLIC COMMENT

Leanne Finlay-Citizen Commissions

David Stenberg-Sewer Compacity

Rose Hughes-GAAP

Fergus Ferrier-Accounting for Coles Valley

Janice Kliner-Anthes Access

NEW BUSINESS

1. Judge Vacates Park Washington State Parks and Recreation Commission decision regarding allowing covert military training-Council Member Craig Cyr
 - a. Judge issued surprise ruling
2. Public Works Advisory Commission-Dominique Emerson
 - a. Reviewed mission statement
 - b. Listed members
 - c. Langley Infrastructure Project
 - d. SMART Readers
 - e. Water monitoring systems
 - f. Software to analyze rates
 - g. Spoke about what future projects
3. Design Review Board did not present

MAYORS REPORT

1. Giving Certificate of appreciation to George Guzman and Officer Hathaway
2. Letter from Hat Island Ferry
3. Hiring of Police Chief moving Forward

STAFF REPORTS

1. Randi Perry, Director of Public Works
 - a. Public Works full time position
 - b. LIP
 - c. Puget Sound Nutrient Permit Grant application
 - d. Asset Management Program
 - e. Reservoir cleaning/level indicator repair bid
 - f. Visitor Center Cleaning
 - g. Storm issue on 4th street
 - h. Cross connection backflow master list
 - i. Island County coordination
 - j. Seawall Park
 - k. PSE meeting with Emily Hagen
 - l. Drinking water nonpayment shut offs/meter reads/billing completed
 - m. Emergence call outs
 - n. PWAC

2. Meredith Penny, Director of Planning
 - a. Presented earlier in meeting regarding Coles Valley

3. Monica Felici, Clerk/Treasurer
 - a. Reviewed monthly tax revenue reports
 - b. Audit
 - c. Business Licensing (BLS) update
 - d. Year-end balancing
 - e. Public Records request
 - f. Contracts
 - g. Attending webinars
 - h. Tyler quote for new financial program

COUNCIL REPORTS

1. Council Member Harolynne Bobis
 - a. No report

2. Council Member Rhonda Salerno
 - a. Working with ALE students
 - b. Radar sign removed

3. Council Member Thomas Gill
 - a. Port of South Whidbey

4. Council Member Craig Cyr
 - a. Correct Sales and Hotel/Motel tax tables
 - b. DOT Seminar
 - c. PWAC
 - d. Langley Arts Foundation
 - e. Island Transit
 - f. Grateful for Volunteers

5. Council Member Gail Fleming
 - a. Historic Preservation
 - b. PWAC
 - c. Civility First Pledge

ADJOURNMENT-Mayor Scott Chaplin adjourned meeting at 8:09 p.m.

Date: April 18, 2022
To: Langley City Council
From: Affordable Housing Sub-Committee
RE: Coles Valley PUD Housing Affordability Recommendations

Purpose

To provide Council with recommendations related to the inclusion of affordable housing units in the proposed Planned Unit Development (PUD) application by South Whidbey LLC. While specific recommendations are outlined in the attached document “PUD affordability requirements v.2022-04-08”, this memo lays out the general reasoning behind the recommendations. Many of these recommendations are interrelated and dependent upon each other for effective results, but for the purposes of readability, they are delineated by specific topic.

Background

When the Planned Unit Development (PUD) ch. 18.26 was being prepared the Planning Advisory Board (PAB) and Council wanted to take a proactive approach regarding how affordable housing units will be incorporated into the anticipated Coles Valley development application. The PUD code requires that Council and the developer enter into a Development Agreement, a legal contract between the City and developer that runs with the land. [RCW 36.70B.170](#) details the development standards that may be contained in this contract and affordable housing is one of these elements.

As part of the adoption process the PAB recommended to Council that an ad-hoc committee be established to guide the affordable housing requirement. On April 5, 2021, Council adopted the Planned Unit Development (PUD) Code, Ch. 18.26 and Council gave direction to establish a committee to define appropriate levels of affordable housing and the criteria that would be used in negotiations with a developer as part of any development agreement and PUD application. PAB recommended that the ad hoc advisory committee should consist of individuals from the following groups or areas of expertise.

- Council Member
- Planning Director
- Planning Advisory Board Member
- Representative with experience in residential construction and development costs
- Representative with expertise in affordable housing development and incentives
- Representative from the Dismantling Systemic Racism Advisory Group
- Community representative involved in affordable housing advocacy or provision
- City Attorney to be consulted on an as needed basis

The purpose of the committee is outlined above, and part of its remit was to identify specifics that the affordable housing requirements would include:

- Income level (% of Area Median Income);
- Tenure (ownership vs. rental);
- Size (number of bedrooms);
- Minimum number of housing units; and
- Phasing provisions.

At the City Council's July 6, 2021, meeting, the Council approved the proposed skill set and purpose of this Ad Hoc Advisory Committee. At the October 4 meeting Council approved the committee membership. The committee met the first time on October 22, 2021 and met an additional eleven times up to April 1.

Discussion

At its November 2, 2021, meeting the Committee reviewed research about Inclusionary Zoning¹ (IZ) to provide guidance. Best practices on IZ identifies some specific questions that are important to contemplate when considering an IZ program. Most IZ programs are adopted by an ordinance that applies to more than one project. This is not the case here, however the work completed by the Committee will be helpful for future discussions. The Committee also reviewed IZ programs adopted by Washington State cities with similar characteristics to Langley. Council will recall that two affordable housing events took place in May and September 2021. Following the May event the committee prepared a detailed summary report that also helped guide the committee's deliberations.

A few elements of inclusionary zone programs that warrant mention did not form part of the Committees recommendations for reasons outlined below.

Strong Housing Market - Best practices reveal that IZ programs, which are usually based on incentives rather than mandates, are most successful where there is a 'significant and sustained level of market-rate development in the local market'². This criterion was not discussed by the Committee as the code requires affordable housing units be provided regardless of the market and it's the developers responsibility to determine the viability of a project.

Voluntary or mandatory program - Best practices show that voluntary programs are often not utilized by developers. Langley has voluntary provisions in two chapters, Ch. 18.04 Innovative Affordable Housing Projects and Ch. 18.13 Multi-Family Infill Form-Based Code. Ch. 18.04 was used by Upper Langley for their community and the City has received one application submitted

¹ Inclusionary zoning refers to a range of policies and practices that mandate or provide incentives for the inclusion of affordable housing units in new developments to encourage mixed-income neighborhoods and increase the supply of affordable housing. [What Is Inclusionary Zoning? | Planetizen Planopedia](#)

² Urban Land Institute. The Economics of Inclusionary Development, 2016, IX

pursuant to Ch. 18.13 but it does not include any affordable housing units. The PUD code requires affordable units and is therefore a mandatory program.

Incentives - These may be regulatory incentives, such as increased building height or density or financial, like reduced impact or utility fees. The new Planned Unit Development code has considerable incentives baked into it.

Recommendations

The Committee spent the next nine meetings discussing these questions or criteria with the goal to make recommendations to Council. The Committee's deliberation was detailed, intentional and made the recommendations on a consensus basis. The document "2022-04-12 draft Coles Valley PUD Affordability.doc" gives the precise recommendations, the following is a summary of the major provisions.

1. Definition of Affordable Housing Units

The following is the definition in the Langley Municipal Code: affordable housing units are those for which monthly housing costs including utilities do not exceed 30% of household monthly income for households with incomes at or below the following levels of area median income (AMI), adjusted for household size. Housing costs includes mortgage principal and interest, mortgage insurance, real property taxes, utilities, and hazard insurance, and, if applicable, homeowner's dues and assessments. For rental units, housing costs include utilities, such as water, sewer, garbage and other standard services, as well as any additional recurring assessments or fees associated with occupying the unit. Utility cost allowances shall be determined by average/base rates per unit and utility type. The Committee recommends the definition of affordability per Langley PUD code be changed to align with the definition used by the State Housing Trust Fund. At the time of recommendations, that definition as provided in the Housing Trust Fund Glossary is as follows:

Affordability is achieved when a household's rent and utility costs (other than telephone) do not exceed 30 percent of the monthly income for the targeted income group as adjusted for household size. In the context of homeownership, affordability occurs when a household's monthly housing costs are generally no more than 38% of monthly household income and total debt is no more than 45% of monthly household income. Housing costs include mortgage principal, interest, property taxes, homeowner insurance, homeowner association fees, and land lease fees, as applicable. Total debt includes other debt and utilities.

Typically, funding programs stipulate targeting households earning from $\leq 50\%$ AMI (Area Median Housing Income) for rental units and $\leq 80\%$ AMI for home ownership, and most IZ programs reflect these targets. There are provisions in State law that these levels can be increased based on localized conditions. The Committee based its

recommendations on the fact that there are a relatively large number of rental units in Langley available to households earning no more than 50% AMI (68 units, of which 49 are limited to age 55+.)

The Committee recommends that the rental AMI limit by 80% and ownership AMI limit by 100%. They also recommend that these are the AMI targets are the upper limit.

The Committee wants to see 75% of the affordable units be rentals, due to this being the type of housing that seems most needed to meet the City's housing goals (Housing Action Plan data not yet available to confirm.) However, there was concern that with the proposed sub-divisions amongst seven different developers, that would limit any one developer having sufficient units to qualify for rental construction subsidy programs. Due to this concern, the committee decided to provide flexibility, but to state a strong preference for rentals.

The Committee recommends that affordable units be available as both rental and home ownership and that priority be given to rental units. But that at no point should rentals be less than 50% of the affordable units unless the Housing Action Plan indicates otherwise.

2. Required Number of Affordable Units

This is about establishing the minimum number of affordable housing units that must be included in the development. Examples of inclusionary zoning programs that were reviewed ranged from 10 to 30 %.

The Committee discussed this requirement at length, seeking to balance the needs of the City with realistic considerations around financial feasibility and developer expectations for return on investment. Research was done on likely subsidy funding opportunities and their requirements. The committee determined that a larger number of affordable units would actually increase the likelihood of subsidization awards and private equity incentives, which would in turn make affordable unit construction financially feasible.

At the same time, the Committee recognized that this would be the largest single development opportunity for the City, and therefore the best chance of achieving measurable impact on the lack of housing for the local workforce.

While this work was underway, the City submitted an application to the Dept. of Commerce from South Whidbey LLC which stipulated approximately 50% of the total

PUD units would meet affordability requirements if a CHIP (infrastructure cost offset) award were granted.

The Committee recommends that 30% of all residential units be affordable to income levels stipulated under the separate but interrelated recommendations.

3. Location of units

Best practices suggest that affordable housing units should be scattered around the neighborhood, so they are indistinguishable from market units and reduces the potential for stigmatization, as well as disproportionate distribution of common benefits and maintenance.

The Committee recommends that affordable units be distributed throughout the PUD, in a mixed-income configuration.

The Committee's recommendation recognizes that the details of the application are still unknown and there may be circumstances, due to subsequent subdivisions within the PUD, where concentration of affordable units may be advisable.

The Committee recommends that variance from this recommendation could be identified as a minor amendment per Ch. 18.26 and can be stipulated in the development agreement, but that in no case should the affordable units be distributed through less than three sub-area developments (of the currently proposed 7 sub-area developments.)

4. Term of affordability

Most existing affordable housing programs are required to conform to affordability terms of from 8 to 40 years. While some incentive programs, for example Low Income Housing Tax Credits, have required minimum 12 year terms for the sake of attracting private equity partners, most jurisdictions have recognized a significant loss of units when terms expire and units are converted to market rate. As such, many government programs are now requiring "permanent" affordability, as does LMC Ch. 18.04. The Committee identified the goal that regardless of funding tools the units should stay affordable for as long as possible. The committee did not have enough data to set a recommendation for price appreciation of homeownership units, but a limit must be set to make this provision practicable, and 3% was suggested. Both Habitat for Humanity and Upper Langley have established an appreciation factor in their covenants. As follows, Habitat uses 1.5% compound interest per year based on the initial contribution by the homeowner. This is calculated on the home only as the land is owned by Habitat. Upper Langley also has an escalating appreciation factor.

The Committee recommended that the term be 99 years for rental units and in perpetuity for ownership units. The Committee recognized that for this to be achieved strong legal tools including recorded deed restrictions as well as ongoing management and monitoring to assist in keeping families in their homes are key elements are required components of a program.

5. Program Administration

This criterion is closely tied to the one above in that beyond the construction phase, there is a necessity to provide ongoing resident income qualification and, in the case of ownership, price appreciation compliance, to achieve affordability goals for the long term.

The Committee recommends that identification of contractually-engaged, qualified affordable housing owner/operator(s) be required. The Committee further recommends that for such organization(s) to be considered qualified they shall generally align with those defined under HUD rules for Community Housing Development Organizations (CHDOs).

6. Type and size of units

Ideally there is a mix of single and multi-family units that are suited to households of various sizes. The Committee discussed that much of the new single family homes being built, and that have been built within subdivisions for the past two decades have only two bedrooms. The Committee reflected upon the unmet housing needs of larger families, as well as the ability for young singles entering the workforce to form shared households which provide social and financial mutual aid. Market rate housing that has been developed in Langley over the past two decades has predominately been two-bedrooms or less.

The Committee recommends that 75% of affordable units must have at minimum 3 bedrooms.

7. Non-discrimination

The state mandates that historical policies that led to disparate racial and ethnic outcomes be concretely addressed within jurisdictional Housing Action Plans. Also, with a median age of 64, Langley has an unsustainable demographic tilt, with local employers reaching crisis staffing levels, unable to find housing for a younger workforce, often with children. At the same time, current residents have few options to change housing, due to extremely low inventory. The committee recognized the need to proactive address these dynamics.

The Committee recommends a requirement that all units within the PUD be rented or sold using an affirmative marketing program to current residents of South Whidbey

Island and also to communities which are under-represented in the Langley housing market, such as ethnic and racial minorities.

The Committee expressly recommends that HOA's and rental operators shall not adopt policies that disproportionately affect resident children, or are based on familial status (e.g. restricting use of open spaces by age, or by activity beyond reasonable safety measures.)

8. Quality

Affordable units shall be comparable in terms exterior materials and appearance as the market rate units in the project.

This reflects the committee recommendation that there should be no discernable difference between market and affordable units.

9. Phasing

This element recognizes that the proponent intends to apply for a long plat and develop the underlying infrastructure and then sell of each of the sub-areas or blocks that will be developed by others over unknown time frames. The Committee recognized it is critical to ensure that the affordable housing units are built at the same time as the market units and aren't left until the end.

The Committee recommends that at no time during development, can the number of completed designated affordable units in receipt of certificate of occupancy be less than 30% of all completed units in the project.

10. Bond

Due to the complexity of the South Whidbey LLC proposal, there is significant risk that the PUD will be approved but that the affordable housing unit construction does not proceed, for many foreseeable reasons. Requiring a construction bond is a common method to insure that if a developer does not follow-through on requirements, the jurisdiction can at least recoup funds to provide for the un-completed obligations through other means. Other sections of the Municipal Code identify 110% of the value of the work as a performance bond. However, in terms of what the bond requirement should be in this instance of a specific number of residential units, it was beyond the expertise of the committee to determine how to reasonably value "the work", per typical Langley construction bond requirements. In addition, the committee was unclear whether any bond payment should be remitted to the City, thus mandating the City to fund construction of affordable units elsewhere, or to the County's housing trust fund, which is only now being initiated, or other options not yet defined.

The Committee recommends requirement of a bond against development of affordable units, the terms of which to be determined by more qualified agents on behalf of the City.

11. Short term rentals

Due to the impacts that short term rentals to housing availability in the City as a whole, the Committee recommends that no short-term rental units be permitted in the PUD, the prohibition applicable for both market and affordable units.

The Committee further recommends that HOA policies and/or fees for market-rate PUD units disincentivize purchase or rental as anything other than primary residences.

COLES VALLEY PLANNED UNIT DEVELOPMENT
AFFORDABLE HOUSING REQUIREMENTS
RECOMMENDATIONS TO CITY COUNCIL ON 4/18/2022
BY LANGLEY AFFORDABLE HOUSING SUB COMMITTEE V. 2022-04-12

We recommend that any approved development agreement reflect the following goals and expectations of the City of Langley.

Definition of Affordable Unit. Affordable rental units are defined as those for which monthly housing costs including utilities do not exceed 30% of household monthly income for households with incomes at or below the following levels of area median income (AMI), adjusted for household size. Affordable homeownership units are defined as those for which monthly housing costs including utilities do not exceed 38% of household monthly income for households with incomes at or below the following levels of area median income (AMI), adjusted for household size. For ownership units, housing costs includes mortgage principal and interest, mortgage insurance, real property taxes, hazard insurance, utilities such as water, sewer, garbage, electricity, and other standard services, and, if applicable, homeowner's dues and assessments. For rental units, housing costs include rent and utilities, such as water, sewer, garbage, electricity, and other standard services, as well as any additional recurring assessments or fees associated with occupying the unit. Utility cost allowances shall be determined by average/base rates per unit and utility type.

Required Number of Affordable Units. 30% of the number of units in the project must be affordable at the defined income levels:

Rental units at 80% of AMI
Ownership units at 100% of AMI

The City has a strong preference for affordable rental units and recommends 75% of the affordable housing units be rentals.

At no point shall the number of affordable rental units represent less than 50% of the total number of affordable units.

Location of Affordable Units. The City's goal is for the PUD to provide a mixed income community with affordable units distributed evenly throughout the project subareas. The City may consider allowing concentration of the affordable units within a minimum of three (3) subareas if the proponents can demonstrate that there are practical reasons related to costs, financing, or administration for such concentrations.

Term of Affordability. Affordable rental units must remain affordable at specified income levels for the life of the units or 99 years, whichever is longer.

A deed of trust shall be recorded for ownership units that will require the units remain affordable in perpetuity. The deed shall additionally stipulate resale price restrictions based on Island County Tax Assessment at time of initial sale, with annual appreciation limits as agreed upon by the City and the Developer, but in no case to exceed ___ % appreciation, compounded per assessment year. Proponent will provide an acceptable monitoring and verification process to fulfill income limit requirements for all subsequent purchasers or assignees.

Program Administration. Proponent will provide evidence of contractual relationship with qualified affordable housing developer/rental operator partner(s) to develop units, and to provide ongoing resident income qualification and rental management, as appropriate. Qualifications shall generally align with those defined under HUD rules for Community Housing Development Organizations (CHDOs).

Units shall be bound by recorded covenants, which will include provisions requiring long-term (greater than 30 day) rental terms, prohibiting sublet of rental units, and requiring primary residency for homeownership units. Covenants shall specify specific remedies for non-compliance.

Size of Units. In order to encourage demographic diversity, a minimum of 75% of all affordable units will be 3 or more bedrooms. Income-restricted units shall be targeted toward household sizes at time of purchase or residency application that are commensurate with number of bedrooms. (E.g. minimum 3 people for a 3 bedroom unit.) Maximum occupancy shall be based on bedroom square footage area, per current Washington State Human Rights Commission occupancy guidelines, rather than a 2 person per nominal bedroom standard.

Non-discrimination. HOA's and rental operators shall not adopt policies that disproportionately affect resident children, or are based on familial status (e.g. restricting residents to legally-bound familial structures.)

All units within the PUD will be rented or sold using an affirmative marketing program to current residents of South Whidbey Island and also to communities which are under-represented in the Langley housing market, such as ethnic and racial minorities.

Quality. Affordable units will be comparable in terms exterior materials and appearance as the market rate units in the project.

Phasing. The affordable housing units must be constructed over the same time period as the market rate units in the development. At no time during the development can the number of completed affordable units in receipt of certificate of occupancy be less than 30% (the agreed upon requirement) of total units completed to date.

Bond. Proponent shall provide bond of _____% of _____ payable to _____ (either the County Housing Fund, or to the City with proceeds restricted to affordable housing construction or acquisition,) in the event of default or failure to perform the affordability requirements contained within the final development agreement.

Reporting. During the residential buildout period, the Developer shall submit a report annually, by December 15, documenting the progress over the calendar year toward meeting the affordability requirements. Each report will include a tally of the total number, type and location of affordable units constructed over the same period. The report will also include a description of anticipated efforts for the coming year for overall housing development and for meeting the housing affordability requirements.

For ownership housing, the developer will also specify, at a minimum, any executed sales price, the purchaser's income and proof of notice receipt regarding the resale restrictions. For rental housing, annual reports subsequent to build-out will report number of renters by household size and type, and household income range.

Short Term Rentals. Type IV short term rentals shall not be permitted within the PUD, regardless of whether the units are affordable or market rate.

Juneteenth Advisory Memo

To: Langley City Council
From: Langley Dismantling Systemic Racism Commission
Date: April 13, 2022
Re: Juneteenth

The DSR Commission supports the idea first raised by a City employee that Langley recognize Juneteenth (June 19th) as an official City holiday. We do this, however, with an important caveat, namely that the holiday is declared with the specific goals to 1) celebrate, 2) educate, and 3) agitate¹. Honoring these three goals each year will maximize the integrity with which the City recognizes this holiday.

Celebrate: Although not marked by all descendants of enslaved Africans, Juneteenth commemorates African American freedom and has been called “America’s second Independence Day”. Today Juneteenth is a publicly recognized holiday in cities and states across the United States as well as federally.

The DSR encourages the City of Langley to publicly commemorate Juneteenth each year in the week preceding the holiday, thus reserving the official holiday itself to be a day for family and friends to gather in personal celebration.

Educate: The history of emancipation in the U.S. has been dangerously simplified, and the slavery that was legal before the 13th Amendment has since morphed into different, but commensurately brutal, legal and extra-legal forms of oppression that continue to thrive across the United States. Since the founding of the U.S., African Americans have been leaders in a struggle for democracy that benefits all citizens.

The DSR encourages the City of Langley to publicly commemorate Juneteenth each year by offering events to educate its citizens on our full history and its contemporary impacts.

Agitate: With freedom yet to be achieved in its full measure, Juneteenth offers a reminder of the work yet to be done. It is a time for honest reflection and a renewed commitment by all citizens for equity and justice.

The DSR encourages the City of Langley to publicly commemorate Juneteenth each year by reaffirming its commitment to dismantling systemic racism.

¹ Hume, Noah; Arceneaux, Janice (2008). "Public Memory, Cultural Legacy, and Press Coverage of the Juneteenth Revival". *Journalism History*. **34** (3): 155–162. doi:10.1080/00947679.2008.12062768. S2CID 142605823.