



**CITY COUNCIL MEETING
March 17, 2015 – Agenda**

Mt. Si Senior Center, 411 Main Ave. S., North Bend, Washington

7:00 P.M. – CALL TO ORDER, ROLL CALL, FLAG SALUTE

CONSENT AGENDA:

	Pg.#
1) Minutes Council Meeting of March 3, 2015	1
2) Payroll March 5, 2015 – 27224 through 27230, in the amount of \$122,237.32	
3) Checks March 17, 2015 – 60838 through 60898, in the amount of \$312,765.58	
4) AB15-023 Motion - Authorizing Underwriting Engagement Letters	Ms. Masko 5
5) AB15-024 Motion - Authorizing Contract with Vision Software for B&O Module	Ms. Waltz 23

CITIZEN’S COMMENTS: (Please restrict comments to 3 minutes)

COMMISSION AND COMMITTEE REPORTS:

Planning Commission	Community & Economic Development – Councilmember Kolodejchuk
Parks Commission	Finance & Administration – Councilmember Cook
Economic Development Commission	Public Health & Safety – Councilmember Gothelf
	Transportation & Public Works – Councilmember Loudenback
	Mayor Pro Tem – Councilmember Williamson
	Eastside Fire & Rescue Board – Councilmember Gothelf or Williamson

INTRODUCTIONS:

6) AB15-025 Ordinance - Approving Salish Avenue SE Annexation	Ms. Burrell 29
7) AB15-026 Resolution – Authorizing Proposed 2015 Comp Plan Amendments RE Housing Element	Ms. Fredenburg 39
8) AB15-027 Resolution – Authorizing Proposed 2015 Comp Plan Amendments RE Utilities Element	Ms. Fredenburg 57
9) AB15-028 Resolution – Authorizing Proposed 2015 Comp Plan Amendments RE Critical Areas Element	Ms. Burrell 77

MAYOR, COUNCIL & ADMINISTRATOR CONCERNS AND INITIATIVES: (Business and general information presented that may be deliberated upon by the Council. Formal action may be deferred until a subsequent meeting; immediate action may be taken upon a vote of a majority of all members of the Council.)

ADJOURNMENT:

DRAFT

NORTH BEND CITY COUNCIL MINUTES

March 3, 2015

Senior Center, 411 Main Ave. S., North Bend, Washington

CALL TO ORDER, ROLL CALL:

Mayor Hearing called the regular meeting to order at 7:00 p.m.

Councilmembers Present: Cook, Gothelf, Kolodejchuk, Loudenback, Pettersen, Rosen and Williamson.

Councilmember Cook requested AB15-019 – Motion Authorizing 1st Amendment to Fire Station Lease be pulled from tonight’s consent agenda for further review by Administration.

CONSENT AGENDA:

Minutes – Council Meeting of February 3, 2015 & Council Meeting of February 17, 2015

Payroll – February 20, 2015 – 27217 through 27223, in the amount of **\$155,158.09**

Checks – March 3, 2015 – 60782 through 60837, in the amount of **\$650,449.19**

Councilmember Gothelf **MOVED**, seconded by Councilmember Pettersen to approve the consent agenda as amended. The motion **PASSED** 7-0.

Councilmember Loudenback **MOVED**, seconded by Councilmember Rosen to add AB15-022 – Resolution Rejecting All Bids for the North Bend Downtown Plaza to tonight’s main agenda. The motion **PASSED** 7-0.

CITIZEN’S COMMENTS:

Michele Drov Dahl, King County Library Cluster Manager – North Bend Library, introduced herself and reported on statistics for the North Bend Library which included the number of attendees for their adult and children’s programs and the amount of items checked out during 2014.

ANNOUNCEMENTS, PRESENTATIONS, APPOINTMENTS:

Presentation – Parks Commission 2014 Report & 2015 Work Plan

Parks Commission Chair Chris Moore presented the Commission’s 2014 Summary Report and 2015 Tentative Work Program.

DRAFT

INTRODUCTIONS:

AB15-020 – Public Hearing, Ordinance Vacating a Portion of East 5th Street Audio: 13:12

Senior Planner McCarty provided the staff report.

Mayor Hearing opened the Public Hearing on an Ordinance Vacating a Portion of East 5th Street at 7:15 p.m. There were no public comments and the Mayor closed the Public Hearing at 7:15 p.m.

Councilmember Kolodejchuk **MOVED**, seconded by Councilmember Loudenback to approve AB15-020, an ordinance vacating a portion of East Fifth Street, as a first and final reading. The motion **PASSED** 7-0.

AB15-021 – Motion Authorizing Contract for Water Main Break Restoration Project Audio: 17:36

City Engineer DeBerg provided the staff report.

Councilmember Loudenback **MOVED**, seconded by Councilmember Cook to approve AB15-021, authorizing a contract with AA Asphaltting Inc. for the 201 West North Bend Way Water Main Break Restoration Project, in a form as approved by the City Attorney. The motion **PASSED** 7-0.

AB15-022 – Resolution 1675 Rejecting Bids for the Downtown Plaza Project Audio: 21:41

City Engineer DeBerg provided the staff report.

Councilmember Loudenback **MOVED**, seconded by Councilmember Cook to approve AB15-022, a resolution rejecting all bids for the North Bend Downtown Plaza Project. The motion **PASSED** 7-0.

MAYOR, COUNCIL, AND ADMINISTRATOR CONCERNS AND INITIATIVES:

Councilmember Kolodejchuk thanked Parks Commission Chair Moore for his report provided earlier in the meeting and all Commissioners for volunteering their time on behalf of the City.

City Administrator Lindell announced management staff would be holding their retreat on Wednesday, March 11th from 12 p.m. to 5 p.m.

Mayor Hearing spoke regarding the following items:

- Sno-Valley Teen Closet – March 4th from 4 – 6 p.m.

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- Police Survey Results on City website
- North Bend Jazz Walk – March 14th from 6 p.m. to Midnight
- Yard Waste Recycling Program – Saturday, March 7 from 8 a.m. to Noon
- Passing of long time citizen Betty Vaughan

ADJOURNMENT:

Councilmember Gothelf **MOVED** to adjourn, seconded by Councilmember Rosen. The motion **PASSED** 7-0.

The meeting adjourned at 7:33 p.m.

ATTEST:

Kenneth G. Hearing, Mayor

Susie Oppedal, City Clerk



City Council Agenda Bill

SUBJECT:		Agenda Date: March 17, 2015	AB15-023	
A Motion Authorizing the Mayor to Sign Underwriting Engagement Letters with D. A. Davidson		Department/Committee/Individual		
		Mayor Ken Hearing		
		City Administrator – Londi Lindell		
		City Attorney - Mike Kenyon		
		City Clerk – Susie Oppedal		
		Community & Economic Development – Gina Estep		
		Finance – Dawn Masko		X
		Public Works – Mark Rigos		
Cost Impact: n/a				
Fund Source:				
Timeline: Immediate				
Attachments: Underwriting Engagement Letter for NB Water & Sewer Refunding Bond and Underwriting Engagement Letter for NB LTGO Refunding Bond				
SUMMARY STATEMENT: <p>The City has the opportunity to consider refinancing the 2010 Limited Tax General Obligation (LTGO) Bonds with the Call Date that starts on June 1, 2015. The City can also consider refinancing the 2006 Water & Sewer Revenue Bonds and a portion of the 2012 ULID No. 6 Water & Sewer Revenue Bonds. Refinancing these bonds could result in significant savings to the City.</p> <p>In order to begin assessing options for refinancing such as timing, specific bonds to be refinanced, refinancing terms, and other scenarios, the City needs to enter into an Underwriting Engagement agreement. Jim Nelson with D.A. Davidson has served as the City’s underwriter on these bond issues. His continued services for the potential refinancing would be to develop scenarios for the City to consider, completing the Preliminary Official Statement (POS), the Schedule of Events, coordinating key players, facilitating the City’s bond rating with Standard & Poor’s, coordinating with Bond Counsel, marketing to potential investors, and facilitating the bond closing for distribution of proceeds.</p> <p>Under the terms of the engagement letter, all of the financing services and costs are sized into the refunding bond and the estimated savings are “net savings” with financing costs already deducted. There are no out-of-pocket costs for the City. If we start the refinancing process and find that due to interest rate increases we will not achieve our savings target, then the process will be stopped or postponed without any cost to the City.</p>				
COMMITTEE REVIEW AND RECOMMENDATION: The Finance and Administration Committee reviewed this item at its March 3, 2015 meeting and recommended approval and placement on the consent agenda.				
RECOMMENDED ACTION: MOTION to approve AB15-023, authorizing the Mayor to sign Underwriting Engagement Letters with D.A. Davidson.				
RECORD OF COUNCIL ACTION				
<i>Meeting Date</i>	<i>Action</i>	<i>Vote</i>		
March 17, 2015				



March 4, 2015

City of North Bend

Attention: Ms. Dawn Masko, Assistant City Administrator/Finance Director

211 Main Avenue N.

North Bend, WA 98045

Re: Underwriting Engagement Letter for Limited Tax General Obligation Refunding Bonds

On behalf of D.A. Davidson & Co. (“Davidson”), we wish to thank you for the opportunity to serve as underwriter for the City of North Bend (“Issuer”) on its proposed offering and issuance of Limited Tax General Obligation Refunding Bonds (the “Securities”). This letter will confirm the terms of our engagement; however, it is anticipated that this letter will be replaced and superseded by a bond purchase agreement to be entered into by the parties (the “Purchase Agreement”) if and when the Securities are priced following successful completion of the offering process.

1. Services to be Provided by Davidson. The Issuer hereby engages Davidson to serve as managing underwriter of the proposed offering and issuance of the Securities, and in such capacity Davidson agrees to provide the following services:

- Analyze and report on the cost-effectiveness of refinancing any outstanding Limited Tax General Obligation debt
- Develop a marketing plan for the offering, including identification of potential investors
- Assist in the preparation of the official statement and other offering documents
- Contact potential investors, provide them with offering-related information, respond to their inquiries and, if requested, coordinate their due diligence sessions
- If the Securities are to be rated, assist in preparing materials to be provided to securities ratings agencies and in developing strategies for meetings or conference calls with the ratings agencies
- Consult with counsel and other service providers about the offering and the terms of the Securities
- Inform the Issuer of the marketing and offering process
- Negotiate the pricing, including the interest rate, and other terms of the Securities
- Obtain CUSIP number(s) for the Securities and arrange for their DTC book-entry eligibility
- Plan and arrange for the closing and settlement of the issuance and the delivery of the Securities
- Such other usual and customary underwriting services as may be requested by the Issuer

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As underwriter, Davidson will not be required to purchase the Securities except pursuant to the terms of the Purchase Agreement, which will not be signed until successful completion of the pre-sale offering period. This letter does not obligate Davidson to purchase any of the Securities.

2. No Advisory or Fiduciary Role. The Issuer acknowledges and agrees that: (i) the primary role of Davidson, as an underwriter, is to purchase securities, for resale to investors, in an arm's-length commercial transaction between the Issuer and Davidson and that Davidson has financial and other interests that may differ from those of the issuer.; (ii) Davidson is not acting as a municipal advisor, financial advisor, or fiduciary to the Issuer and has not assumed any advisory or fiduciary responsibility to the Issuer with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether Davidson has provided other services or is currently providing other services to the Issuer on other matters); (iii) the only obligations Davidson has to the Issuer with respect to the transaction contemplated hereby expressly are set forth in this agreement; and (iv) the Issuer has consulted its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it deems appropriate. If the Issuer would like a municipal advisor in this transaction that has legal fiduciary duties to the Issuer, then the Issuer is free to engage a municipal advisor to serve in that capacity.

In addition, the Issuer acknowledges receipt of certain regulatory disclosures as required by the Municipal Securities Rulemaking Board that are attached to this agreement as Exhibit A. Issuer further acknowledges that Davidson may be required to supplement or make additional disclosures as may be necessary as the specific terms of the transaction progress.

3. Fees and Expenses. Davidson's proposed underwriting fee/spread is less than 1% of the principal amount of the Securities issued. The underwriting fee/spread will represent the difference between the price that Davidson pays for the Securities and the public offering price stated on the cover of the final official statement. In addition to the underwriting fee/spread, the Issuer shall pay to Davidson a fee equal to \$3,500 (or less) as compensation for its services in assisting in the preparation of the official statement and providing various financial analyses, and for the use of Davidson's capital to advance certain costs prior to settlement, and to reimburse for Davidson's payment of CUSIP, DTC, IPREO (electronic book-running/sales order system), printing and mailing/distribution charges, review of prior Continuing Disclosure undertakings, etc. The Issuer shall be responsible for paying or reimbursing Davidson for all other costs of issuance, including without limitation, bond counsel, rating agency fee and expenses, and all other expenses incident to the performance of the Issuer's obligations under the proposed offering.

4. Term and Termination. The term of this engagement shall extend from the date of this letter to the closing of the offering of the Securities. Notwithstanding the forgoing, either party may terminate Davidson's engagement at any time without liability of penalty upon at least 30 days' prior written notice to the other party. If Davidson's engagement is terminated by the Issuer, the Issuer agrees to reimburse Davidson for its out-of-pocket expenses incurred until the date of termination.

5. Indemnification; Limitation of Liability. The Issuer agrees that neither Davidson nor its employees, officers, agents or affiliates shall have any liability to the Issuer for the services provided hereunder except to the extent it is judicially determined that Davidson engaged in gross negligence or willful misconduct. In addition, to the extent permitted by applicable law, the Issuer shall indemnify, defend and hold Davidson and its employees, officers, agents and affiliates harmless from and against any

losses claims, damages and liabilities that arise from or otherwise relate to this Agreement, actions taken or omitted in connection herewith, or the transactions and other matters contemplated hereby, except to the extent such losses, claims, damages or liabilities are judicially determined to be the result of Davidson's gross negligence or willful misconduct.

6. Miscellaneous. This letter shall be governed and construed in accordance with the laws of the State of Washington. This Agreement may not be amended or modified except by means of a written instrument executed by both parties hereto. This Agreement may not be assigned by either party without the prior written consent of the other party.

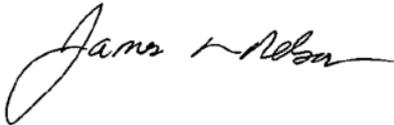
If there is any aspect of this Agreement that you believe requires further clarification, please do not hesitate to contact us. If the foregoing is consistent with your understanding of our engagement, please sign and return the enclosed copy of this letter.

Again, we thank you for the opportunity to assist you with your proposed financing and the confidence you have placed in us.

Very truly yours,

D.A. DAVIDSON & CO.

By: James M. Nelson

Signature: 

Title: Senior Vice President

Accepted this ___ day of March, 2015

City of North Bend

By: _____ (print name)

Signature: _____

Title: _____

EXHIBIT A

D.A. Davidson & Co. (hereinafter referred to as “Davidson” or “underwriter”) intends/ proposes to serve as an underwriter, and not as a financial advisor or municipal advisor, in connection with the issuance of the Bonds.

As part of our services as sole underwriter, Davidson may provide advice concerning the structure, timing, terms, and other similar matters concerning the issuance of the Bonds.

Disclosures Concerning the Underwriters Role:

- (i) MSRB Rule G-17 requires an underwriter to deal fairly at all times with both municipal issuers and investors.
- (ii) The underwriters' primary role is to purchase the Bonds with a view to distribution in an arm's-length transaction with the Issuer. The underwriters financial and other interests that may differ from those of the Issuer.
- (iii) Unlike a municipal advisor, the underwriters do not have a fiduciary duty to the Issuer under the federal securities laws and are, therefore, not required by federal law to act in the best interests of the Issuer without regard to their own financial or other interests.
- (iv) The underwriters have a duty to purchase the Bonds from the Issuer at a fair and reasonable price, but must balance that duty with their duty to sell the Bonds to investors at prices that are fair and reasonable.
- (v) The underwriter will draft and review the official statement for the Bonds in accordance with, and as part of, their respective responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of this transaction.

Disclosures Concerning the Underwriters Compensation:

As underwriter, Davidson will be compensated by a fee and/or an underwriting discount that will be set forth in the bond purchase agreement to be negotiated and entered into in connection with the issuance of the Bonds. Payment or receipt of the underwriting fee or discount will be contingent on the closing of the transaction and the amount of the fee or discount may be based, in whole or in part, on a percentage of the principal amount of the Bonds. While this form of compensation is customary in the municipal securities market, it presents a conflict of interest since the underwriter may have an incentive to recommend to the Issuer a transaction that is unnecessary or to recommend that the size of the transaction be larger than is necessary.

Additional Conflicts Disclosure:

Davidson has not identified any additional potential or actual material conflicts that require disclosure

Risk Disclosures Pursuant to MSRB Rule G-17 - Fixed Rate Bonds

The following is a general description of the financial characteristics and security structures of fixed rate municipal bonds (“Fixed Rate Bonds”), as well as a general description of certain financial risks that you should consider before deciding whether to issue Fixed Rate Bonds.

Financial Characteristics

Maturity and Interest. Fixed Rate Bonds are interest-bearing debt securities issued by state and local governments, political subdivisions and agencies and authorities. Maturity dates for Fixed Rate Bonds are fixed at the time of issuance and may include serial maturities (specified principal amounts are payable on the same date in each year until final maturity) or one or more term maturities (specified principal amounts are payable on each term maturity date) or a combination of serial and term maturities. The final maturity date typically will range between 10 and 30 years from the date of issuance. Interest on the Fixed Rate Bonds typically is paid semiannually at a stated fixed rate or rates for each maturity date.

Redemption. Fixed Rate Bonds may be subject to optional redemption, which allows you, at your option, to redeem some or all of the bonds on a date prior to scheduled maturity, such as in connection with the issuance of refunding bonds to take advantage of lower interest rates.

Fixed Rate Bonds will be subject to optional redemption only after the passage of a specified period of time, often approximately ten years from the date of issuance, and upon payment of the redemption price set forth in the bonds, which may include a redemption premium. You will be required to send out a notice of optional redemption to the holders of the bonds, usually not less than 30 days prior to the redemption date. Fixed Rate Bonds with term maturity dates also may be subject to mandatory sinking fund redemption, which requires you to redeem specified principal amounts of the bonds annually in advance of the term maturity date. The mandatory sinking fund redemption price is 100% of the principal amount of the bonds to be redeemed.

Security

Payment of principal of and interest on a municipal security, including Fixed Rate Bonds, may be backed by various types of pledges and forms of security, some of which are described below.

General Obligation Bonds. the City has irrevocably pledged that, for as long as any of the Bonds are outstanding, it will levy taxes annually without limitation as to rate or amount upon all the taxable property within the City in an amount sufficient, together with other money legally available and to be used therefor to pay, when due, the principal of and interest on the Bonds. The full faith, credit and resources of the City have been irrevocably pledged for the prompt payment of the principal of and interest on the Bonds.

The Bonds are not obligations of the State, the County or any other municipal corporation other than the City.

The description above regarding "Security" is only a brief summary of certain possible security provisions for the bonds and is not intended as legal advice. You should consult with your bond counsel for further information regarding the security for the bonds.

Financial Risk Considerations

Certain risks may arise in connection with your issuance of Fixed Rate Bonds, including some or all of the following:

Issuer Default Risk. You may be in default if the funds pledged to secure your bonds are not sufficient to pay debt service on the bonds when due. The consequences of a default may be serious for you and, depending on applicable state law and the terms of the authorizing documents, the holders of the bonds, the trustee and any credit support provider may be able to exercise a range of available remedies against you. For example, if the bonds are secured by a general obligation pledge, you may be ordered by a court to raise taxes. Other budgetary adjustments also may be necessary to enable you to provide sufficient funds to pay debt service on the bonds. A default may negatively impact your credit ratings and may effectively limit your ability to publicly offer bonds or other securities at market interest rate levels. Further, if you are unable to provide sufficient funds to remedy the default, subject to applicable state law and the terms of the authorizing documents, you may find it necessary to consider available alternatives under state law, including (for some issuers) state-mandated receivership or bankruptcy. A default also may occur if you are unable to comply with covenants or other provisions agreed to in connection with the issuance of the bonds.

This description is only a brief summary of issues relating to defaults and is not intended as legal advice. You should consult with your bond counsel for further information regarding defaults and remedies.

Redemption Risk. Your ability to redeem the bonds prior to maturity may be limited, depending on the terms of any optional redemption provisions. In the event that interest rates decline, you may be unable to take advantage of the lower interest rates to reduce debt service.

Refinancing Risk. If your financing plan contemplates refinancing some or all of the bonds at maturity (for example, if you have term maturities or if you choose a shorter final maturity than might otherwise be permitted under the applicable federal tax rules), market conditions or changes in law may limit or prevent you from refinancing those bonds when required. Further, limitations in the federal tax rules on advance refunding of bonds (an advance refunding of bonds occurs when tax-exempt bonds are refunded more than 90 days prior to the date on which those bonds may be retired) may restrict your ability to refund the bonds to take advantage of lower interest rates.

Reinvestment Risk. You may have proceeds of the bonds to invest prior to the time that you are able to spend those proceeds for the authorized purpose. Depending on market conditions, you may not be able to invest those proceeds at or near the rate of interest that you are paying on the bonds, which is referred to as “negative arbitrage”.

Tax Compliance Risk. The issuance of tax-exempt bonds is subject to a number of requirements under the United States Internal Revenue Code, as enforced by the Internal Revenue Service (IRS). You must take certain steps and make certain representations prior to the issuance of tax-exempt bonds. You also must covenant to take certain additional actions after issuance of the tax-exempt bonds. A breach of your representations or your failure to comply with certain tax-related covenants may cause the interest on the bonds to become taxable retroactively to the date of issuance of the bonds, which may result in an increase in the interest rate that you pay on the bonds or the mandatory redemption of the bonds.

The IRS also may audit you or your bonds, in some cases on a random basis and in other cases targeted to specific types of bond issues or tax concerns. If the bonds are declared taxable, or if you are subject to audit, the market price of your bonds may be adversely affected. Further, your ability to issue other tax-exempt bonds also may be limited.

This description of tax compliance risks is not intended as legal advice and you should consult with your bond counsel regarding tax implications of issuing the bonds.

If you or any other Issuer officials have any questions or concerns about these disclosures, please make those questions or concerns known immediately to the undersigned. In addition, you should consult with the Issuer's own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent you deem appropriate.



March 4, 2015

City of North Bend

Attention: Ms. Dawn Masko, Assistant City Administrator/Finance Director

211 Main Avenue N.

North Bend, WA 98045

Re: Underwriting Engagement Letter for Water and Sewer Revenue Refunding Bonds

On behalf of D.A. Davidson & Co. (“Davidson”), we wish to thank you for the opportunity to serve as underwriter for the City of North Bend (“Issuer”) on its proposed offering and issuance of Water and Sewer Revenue Refunding Bonds (the “Securities”). This letter will confirm the terms of our engagement; however, it is anticipated that this letter will be replaced and superseded by a bond purchase agreement to be entered into by the parties (the “Purchase Agreement”) if and when the Securities are priced following successful completion of the offering process.

1. Services to be Provided by Davidson. The Issuer hereby engages Davidson to serve as managing underwriter of the proposed offering and issuance of the Securities, and in such capacity Davidson agrees to provide the following services:

- Analyze and report on the cost-effectiveness of refinancing any outstanding Water and Sewer Revenue debt
- Develop a marketing plan for the offering, including identification of potential investors
- Assist in the preparation of the official statement and other offering documents
- Contact potential investors, provide them with offering-related information, respond to their inquiries and, if requested, coordinate their due diligence sessions
- If the Securities are to be rated, assist in preparing materials to be provided to securities ratings agencies and in developing strategies for meetings or conference calls with the ratings agencies
- Consult with counsel and other service providers about the offering and the terms of the Securities
- Inform the Issuer of the marketing and offering process
- Negotiate the pricing, including the interest rate, and other terms of the Securities
- Obtain CUSIP number(s) for the Securities and arrange for their DTC book-entry eligibility
- Plan and arrange for the closing and settlement of the issuance and the delivery of the Securities
- Such other usual and customary underwriting services as may be requested by the Issuer

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As underwriter, Davidson will not be required to purchase the Securities except pursuant to the terms of the Purchase Agreement, which will not be signed until successful completion of the pre-sale offering period. This letter does not obligate Davidson to purchase any of the Securities.

2. No Advisory or Fiduciary Role. The Issuer acknowledges and agrees that: (i) the primary role of Davidson, as an underwriter, is to purchase securities, for resale to investors, in an arm's-length commercial transaction between the Issuer and Davidson and that Davidson has financial and other interests that may differ from those of the issuer.; (ii) Davidson is not acting as a municipal advisor, financial advisor, or fiduciary to the Issuer and has not assumed any advisory or fiduciary responsibility to the Issuer with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether Davidson has provided other services or is currently providing other services to the Issuer on other matters); (iii) the only obligations Davidson has to the Issuer with respect to the transaction contemplated hereby expressly are set forth in this agreement; and (iv) the Issuer has consulted its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it deems appropriate. If the Issuer would like a municipal advisor in this transaction that has legal fiduciary duties to the Issuer, then the Issuer is free to engage a municipal advisor to serve in that capacity.

In addition, the Issuer acknowledges receipt of certain regulatory disclosures as required by the Municipal Securities Rulemaking Board that are attached to this agreement as Exhibit A. Issuer further acknowledges that Davidson may be required to supplement or make additional disclosures as may be necessary as the specific terms of the transaction progress.

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5. Indemnification; Limitation of Liability. The Issuer agrees that neither Davidson nor its employees, officers, agents or affiliates shall have any liability to the Issuer for the services provided hereunder except to the extent it is judicially determined that Davidson engaged in gross negligence or willful misconduct. In addition, to the extent permitted by applicable law, the Issuer shall indemnify, defend and hold Davidson and its employees, officers, agents and affiliates harmless from and against any

losses claims, damages and liabilities that arise from or otherwise relate to this Agreement, actions taken or omitted in connection herewith, or the transactions and other matters contemplated hereby, except to the extent such losses, claims, damages or liabilities are judicially determined to be the result of Davidson's gross negligence or willful misconduct.

6. Miscellaneous. This letter shall be governed and construed in accordance with the laws of the State of Washington. This Agreement may not be amended or modified except by means of a written instrument executed by both parties hereto. This Agreement may not be assigned by either party without the prior written consent of the other party.

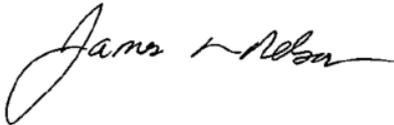
If there is any aspect of this Agreement that you believe requires further clarification, please do not hesitate to contact us. If the foregoing is consistent with your understanding of our engagement, please sign and return the enclosed copy of this letter.

Again, we thank you for the opportunity to assist you with your proposed financing and the confidence you have placed in us.

Very truly yours,

D.A. DAVIDSON & CO.

By: James M. Nelson

Signature: 

Title: Senior Vice President

Accepted this ___ day of March, 2015

City of North Bend

By: _____ (print name)

Signature: _____

Title: _____

EXHIBIT A

D.A. Davidson & Co. (hereinafter referred to as “Davidson” or “underwriter”) intends/ proposes to serve as an underwriter, and not as a financial advisor or municipal advisor, in connection with the issuance of the Bonds.

As part of our services as sole underwriter, Davidson may provide advice concerning the structure, timing, terms, and other similar matters concerning the issuance of the Bonds.

Disclosures Concerning the Underwriters Role:

- (i) MSRB Rule G-17 requires an underwriter to deal fairly at all times with both municipal issuers and investors.
- (ii) The underwriters' primary role is to purchase the Bonds with a view to distribution in an arm's-length transaction with the Issuer. The underwriters financial and other interests that may differ from those of the Issuer.
- (iii) Unlike a municipal advisor, the underwriters do not have a fiduciary duty to the Issuer under the federal securities laws and are, therefore, not required by federal law to act in the best interests of the Issuer without regard to their own financial or other interests.
- (iv) The underwriters have a duty to purchase the Bonds from the Issuer at a fair and reasonable price, but must balance that duty with their duty to sell the Bonds to investors at prices that are fair and reasonable.
- (v) The underwriter will draft and review the official statement for the Bonds in accordance with, and as part of, their respective responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of this transaction.

Disclosures Concerning the Underwriters Compensation:

As underwriter, Davidson will be compensated by a fee and/or an underwriting discount that will be set forth in the bond purchase agreement to be negotiated and entered into in connection with the issuance of the Bonds. Payment or receipt of the underwriting fee or discount will be contingent on the closing of the transaction and the amount of the fee or discount may be based, in whole or in part, on a percentage of the principal amount of the Bonds. While this form of compensation is customary in the municipal securities market, it presents a conflict of interest since the underwriter may have an incentive to recommend to the Issuer a transaction that is unnecessary or to recommend that the size of the transaction be larger than is necessary.

Additional Conflicts Disclosure:

Davidson has not identified any additional potential or actual material conflicts that require disclosure

Risk Disclosures Pursuant to MSRB Rule G-17 - Fixed Rate Bonds

The following is a general description of the financial characteristics and security structures of fixed rate municipal bonds (“Fixed Rate Bonds”), as well as a general description of certain financial risks that you should consider before deciding whether to issue Fixed Rate Bonds.

Financial Characteristics

Maturity and Interest. Fixed Rate Bonds are interest-bearing debt securities issued by state and local governments, political subdivisions and agencies and authorities. Maturity dates for Fixed Rate Bonds are fixed at the time of issuance and may include serial maturities (specified principal amounts are payable on the same date in each year until final maturity) or one or more term maturities (specified principal amounts are payable on each term maturity date) or a combination of serial and term maturities. The final maturity date typically will range between 10 and 30 years from the date of issuance. Interest on the Fixed Rate Bonds typically is paid semiannually at a stated fixed rate or rates for each maturity date.

Redemption. Fixed Rate Bonds may be subject to optional redemption, which allows you, at your option, to redeem some or all of the bonds on a date prior to scheduled maturity, such as in connection with the issuance of refunding bonds to take advantage of lower interest rates.

Fixed Rate Bonds will be subject to optional redemption only after the passage of a specified period of time, often approximately ten years from the date of issuance, and upon payment of the redemption price set forth in the bonds, which may include a redemption premium. You will be required to send out a notice of optional redemption to the holders of the bonds, usually not less than 30 days prior to the redemption date. Fixed Rate Bonds with term maturity dates also may be subject to mandatory sinking fund redemption, which requires you to redeem specified principal amounts of the bonds annually in advance of the term maturity date. The mandatory sinking fund redemption price is 100% of the principal amount of the bonds to be redeemed.

Security

Payment of principal of and interest on a municipal security, including Fixed Rate Bonds, may be backed by various types of pledges and forms of security, some of which are described below.

Revenue Bonds. The Bonds are special fund revenue obligations of the City payable from the Water & Sewer System Revenue Bond Account (the "Bond Fund") into which the City has obligated itself to pay certain amounts from, and secured by a pledge of and lien and charge on the Net Revenue, which is defined in the Bond Ordinance to include the Gross Revenue less Operating and Maintenance Expenses. The lien and charge of the Parity Bonds (including the Bonds, any Outstanding Parity Bonds and any Future Parity Bonds) on the Net Revenue is prior and superior to any other liens or charges whatsoever.

The description above regarding "Security" is only a brief summary of certain possible security provisions for the bonds and is not intended as legal advice. You should consult with your bond counsel for further information regarding the security for the bonds.

The Bonds are not obligations of the State, the County or any other municipal corporation other than the City.

Financial Risk Considerations

Certain risks may arise in connection with your issuance of Fixed Rate Bonds, including some or all of the following:

Issuer Default Risk. You may be in default if the funds pledged to secure your bonds are not sufficient to pay debt service on the bonds when due. The consequences of a default may be serious for you and, depending on applicable state law and the terms of the authorizing documents, the holders of the bonds, the trustee and any credit support provider may be able to exercise a range of available remedies against you. For example, if the bonds are secured by a general obligation pledge, you may be ordered by a court to raise taxes. Other budgetary adjustments also may be necessary to enable you to provide sufficient funds to pay debt service on the bonds. A default may negatively impact your credit ratings and may effectively limit your ability to publicly offer bonds or other securities at market interest rate levels. Further, if you are unable to provide sufficient funds to remedy the default, subject to applicable state law and the terms of the authorizing documents, you may find it necessary to consider available alternatives under state law, including (for some issuers) state-mandated receivership or bankruptcy. A default also may occur if you are unable to comply with covenants or other provisions agreed to in connection with the issuance of the bonds.

This description is only a brief summary of issues relating to defaults and is not intended as legal advice. You should consult with your bond counsel for further information regarding defaults and remedies.

Redemption Risk. Your ability to redeem the bonds prior to maturity may be limited, depending on the terms of any optional redemption provisions. In the event that interest rates decline, you may be unable to take advantage of the lower interest rates to reduce debt service.

Refinancing Risk. If your financing plan contemplates refinancing some or all of the bonds at maturity (for example, if you have term maturities or if you choose a shorter final maturity than might otherwise be permitted under the applicable federal tax rules), market conditions or changes in law may limit or prevent you from refinancing those bonds when required. Further, limitations in the federal tax rules on advance refunding of bonds (an advance refunding of bonds occurs when tax-exempt bonds are refunded more than 90 days prior to the date on which those bonds may be retired) may restrict your ability to refund the bonds to take advantage of lower interest rates.

Reinvestment Risk. You may have proceeds of the bonds to invest prior to the time that you are able to spend those proceeds for the authorized purpose. Depending on market conditions, you may not be able to invest those proceeds at or near the rate of interest that you are paying on the bonds, which is referred to as “negative arbitrage”.

Tax Compliance Risk. The issuance of tax-exempt bonds is subject to a number of requirements under the United States Internal Revenue Code, as enforced by the Internal Revenue Service (IRS). You must take certain steps and make certain representations prior to the issuance of tax-exempt bonds. You also must covenant to take certain additional actions after issuance of the tax-exempt bonds. A breach of your representations or your failure to comply with certain tax-related covenants may cause the interest on the bonds to become taxable retroactively to the date of issuance of the bonds, which may result in an increase in the interest rate that you pay on the bonds or the mandatory redemption of the bonds.

The IRS also may audit you or your bonds, in some cases on a random basis and in other cases targeted to specific types of bond issues or tax concerns. If the bonds are declared taxable, or if you are subject to audit, the market price of your bonds may be adversely affected. Further, your ability to issue other tax-exempt bonds also may be limited.

This description of tax compliance risks is not intended as legal advice and you should consult with your bond counsel regarding tax implications of issuing the bonds.

If you or any other Issuer officials have any questions or concerns about these disclosures, please make those questions or concerns known immediately to the undersigned. In addition, you should consult with the Issuer's own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent you deem appropriate.



City Council Agenda Bill

SUBJECT:		Agenda Date: March 17, 2015		AB15-024		
A Motion Authorizing a Software Licensing Agreement with Vision Municipal Solutions for the Business Licenses and Excise Tax Modules		Department/Committee/Individual				
		Mayor Ken Hearing				
		City Administrator – Londi Lindell				
		City Attorney - Mike Kenyon				
		City Clerk – Susie Oppedal				
		Community & Economic Development – Gina Estep				
		Finance – Dawn Masko				X
		Public Works – Mark Rigos				
Cost: 2 year contract: 2015 - \$6,000 + \$1,050 Software Assurance 2016 - \$3,500 + \$1,050 Software Assurance Fund Source: General Fund Timeline: Immediate						
Attachments: Software License Agreement from Vision Municipal Solutions, LLC						
SUMMARY STATEMENT: In July 2012, the City purchased a financial software system from Vision Municipal Solutions, LLC. At that time the Financials, Payroll, Utilities and Cash Management modules were purchased. The Business Licenses and Excise Tax modules were not purchased as they were still in the development stages. The City is currently using a dual entry system to process and track its Business License and Excise Tax payments. The Application Software Products (ASP) Business Licensing program, which was purchased in 1992, is used to process licenses and tax payments and track accounts after which staff must then enter the cash receipts into the Vision Cash Management system to be included in the City’s financial system. For the past two years City staff has been working with Vision in the development of a new Business Licensing and Excise Tax system. This new system will help streamline processing and bring the system in line with the rest of the City’s financial systems. The attached agreement incorporates the two-year payment plan that the City was able to negotiate, as well as a reduced rate for our assistance with the program.						
COMMITTEE REVIEW AND RECOMMENDATION: The Finance & Administration Committee reviewed this item at its March 3, 2015 meeting and recommended passage on the consent agenda.						
RECOMMENDED ACTION: MOTION to approve AB15-024, authorizing a software licensing agreement with Vision Municipal Solutions for the Business Licenses and Excise Tax Modules.						
RECORD OF COUNCIL ACTION						
<i>Meeting Date</i>		<i>Action</i>		<i>Vote</i>		
March 17, 2015						



Vision Software and Professional Services for: The City of North Bend

<u>Software:</u>	<u>Cost</u>	<u>Software Assurance</u>
Vision Business Licenses	\$5,000.00	\$750.00
Vision Excise Tax	\$2,000.00	\$300.00
Vision Reporting Services Edition	<u>Included</u>	<u>Included</u>
TOTAL SOFTWARE	\$7,000.00	\$1,050.00
<u>Professional Services:</u>		
Electronic conversion of Business License data files	\$1,000.00	
Electronic conversion of Excise Tax data files	\$500.00	
Configuration of Microsoft SQL Server	\$300.00	
On-site training	<u>\$700.00</u>	
Total Professional Services	\$2,500.00	
	GRAND TOTAL	\$9,500.00

Contract Notes:

1. Travel expenses will be billed after scheduled Software is installed.
2. Microsoft SQL Server 2008 Standard Edition or higher is required for Software. If the Licensee owns Microsoft SQL Server, this can be set up for Software. If Licensee needs to purchase Microsoft SQL Server 2012, the approximate cost is \$750 for the initial license and \$175 for each additional user.
3. Sale of Software is subject to the below described Software License Agreement.
4. The cost for data conversion is an estimate, actual cost will be determined after completing a review of Licensee's data. Actual costs will be agreed upon by Developer and Licensee before the conversion begins.
5. Sale of Software is subject to the below described Software License Agreement.



Software License Agreement between the City of North Bend and Vision Municipal Solutions, LLC

This Software License Agreement ("Agreement") is made by and between **Vision Municipal Solutions, LLC** ("Developer") and the City of North Bend ("Licensee").

Developer has developed and licenses to users its Software programs marketed and sold under the name "Vision Licenses," "Vision Excise Tax," and/or "Vision Reporting Services" (collectively, "Software").

Licensee desires to utilize a copy of the Software.

NOW, THEREFORE, in consideration of the mutual promises set forth herein, Developer and Licensee agree as follows:

1. License:

Developer hereby grants to Licensee a perpetual, non-exclusive, non-transferable, and irrevocable license to use the Software at the City of North Bend, on the terms, and subject to the conditions, set forth herein.

2. Restrictions:

Licensee shall not modify Software source code, duplicate, copy, or reproduce Software, or transfer or convey Software, or any right in Software, to any third party without the express, prior written consent of Developer. Notwithstanding the foregoing, Licensee may make copies of Software for backup or archival purposes.

3. License Fee:

For and in consideration for the grant of the herein license and the use of Software, Licensee agrees to pay Developer the sum of \$7,000.00 plus any and all applicable sales or use tax.

4. Warranty:

A. Developer hereby represents and warrants to Licensee that Developer is the sole owner of the Software or otherwise has the right to grant to Licensee the rights to use Software.

B. For a period of one year (365 days) following the installation of Software to Licensee, Developer warrants that Software shall perform in all material respects according to Developer's specifications. In the event of any breach or alleged breach of this warranty, Licensee's sole and exclusive remedy shall be that Developer shall correct Software so that it operates according to the warranty. This warranty shall not apply if (i) Software is in anyway modified by Licensee, (ii) if Software is used improperly, including, without limitation, improper data entry, (iii) Software is not used with appropriate computer equipment, or (iv) if Software is used on operating systems or environments not approved by Developer.



5. Annual Software Assurance Program Schedules:

The Software Assurance Program includes telephone support, email support, and on-line programs provided by Developer and product updates and enhancements to include any standard reports added to the system. Licensee will be required to have a high speed internet connection for Software updates and allow Developer the right to remote access for program updates and maintenance work when required. As part of the Software Assurance Program, Developer shall provide to Licensee any new, corrected, or enhanced versions of Software as created by Developer. Such enhancements shall include, but shall not be limited to, all modifications to Software that increase the performance, efficiency, or ease of use of the Software, or add additional capabilities or functionality to the Software. "Enhancements" do not include any customizations to Software requested by Licensee, which shall be quoted on a per-job basis at Developer's then hourly rate (currently, \$125.00 per hour, but such rate is subject to change).

Developer shall bill Licensee on an annual basis, payable in advance, for the Software Assurance Program, at Developer's then current rates.

6. Payment and acceptance:

Payment for Software, hardware, and installation services shall be made by Licensee after all items contracted for have been delivered and Licensee has deemed all Software, hardware, and installation services delivered and accepted.

7. Time Payment Schedule:

Licensee has requested a payment plan for Software over a period of 2 years. Developer will bill Licensee in January of each year pursuant to such schedule, including then applicable sales and use tax. Licensee may at any time prepay without penalty or premium all amounts due under the payment plan.

If Licensee elects to terminate its agreement for software and services with Developer, all remaining amounts under the payment plan for Software, if any, are immediately due and payable, along with then applicable sales or use tax. The Software Assurance Program shall then immediately terminate and Developer shall not bill Licensee for any future years, nor shall Developer refund Licensee any amounts.

2 Year Payment Plan	
Software Financed	\$7,000
$\$7,000 \div 2 \text{ years} = \$3,500$	
On-site Training	\$700
Electronic conversions	\$1,500
Config MS SQL	\$300
<i>(Billed upon completion of training)</i>	
Payment Schedule:	
1st year \$6,000 + annual assurance	
2nd year \$3,500 + annual assurance	



8. Limitation of Liability:

Developer shall not be responsible for, and shall not pay, any amount of incidental, consequential, or other indirect damages, whether based on lost revenue or otherwise. In no event shall Developer’s liability hereunder exceed the amount of license fees paid by Licensee regardless of whether Licensee’s claim is based on contract, strict liability, or product liability.

9. Installation Travel Expenses billed to the customer:

Licensee shall reimburse Developer for any and all travel expenses associated with the installation of Software at Licensee’s site. If Developer uses Developer’s vehicles (or Developer’s employees use personal vehicles) Licensee shall reimburse Developer for mileage at then applicable IRS rates. If Developer (or employees of Developer) use a rental car, Licensee shall reimburse Developer for the actual rental car rate and actual gas charged. Licensee shall reimburse Developer for any and all per diem charges at the then current state published rate. Licensee shall reimburse Developer if Developer’s employees are required to stay overnight.

Acceptance of Agreement:

Vision Municipal Solutions, LLC.



Accepted By (Signature)
Craig Lodgard

Printed Name
Managing Member

Title:
11/17/2014

Date

City of North Bend

Accepted By (Signature)

Printed Name

Title

Date



City Council Agenda Bill

SUBJECT:		Agenda Date: March 17, 2015	AB15-025
An Ordinance Annexing the Property Identified as the Salish Avenue SE Extension Annexation; Amending the Comprehensive Plan Map and Official Zoning Map		Department/Committee/Individual	
		Mayor Ken Hearing	
		City Administrator – Londi Lindell	
		City Attorney - Mike Kenyon	
		City Clerk – Susie Oppedal	
		Community & Economic Development – Gina Estep	
		Finance – Dawn Masko	
		Public Works – Mark Rigos	
		Senior Planner – Jamie Burrell	
Cost Impact: N/A			
Fund Source: N/A			
Timeline: Immediate			
Attachments: Ordinance, Exhibit A Legal Description and Depiction of Annexation Area, Map of Annexation Area			
SUMMARY STATEMENT: <p>On June 7th, 2013, the City’s Community and Economic Development Department received an initial annexation petition for 3 properties east and south of the City’s current boundaries. The City Council subsequently passed Resolution 1626 on August 6, 2013 accepting the petition of interest with conditions. The City worked with the applicant to complete a Fiscal Impact Analysis on April 1, 2014. On May 29, 2014, the annexation legal description and surveyed map including 8 parcels was received by the City. On June 17, 2014, the North Bend City Council passed Resolution 1661 accepting the petitions of interest for the Salish Avenue SE Extension. Confirmation of Description Adequacy was confirmed by the County on July 23, 2014.</p> <p>After filing the 60% petition with a City official, the petition was transmitted to the County Auditor for a determination of sufficiency per RCW 35A.01.040. Determination of sufficiency was given to the City on October 2, 2014. On November 18, 2014, North Bend City Council held a Public Hearing passing Resolution 1669 declaring its intent to annex the property and be transferred to the King County Boundary Review Board (BRB) for further consideration and review. The BRB approved the annexation February 12, 2015 and on March 13, 2015, following their required 45 day comment period, the City received the BRB’s letter of approval.</p>			
COMMITTEE REVIEW AND RECOMMENDATION: The CED Committee reviewed the intent to annex Salish Avenue SE Extension at their November 18, 2014 meeting and recommended approval.			
RECOMMENDED ACTION: MOTION to approve AB15-025, an ordinance annexing the property identified as the Salish Avenue SE Extension Annexation, and amending the Comprehensive Plan Map and Official Zoning Map, as a first and final reading.			
RECORD OF COUNCIL ACTION			
<i>Meeting Date</i>	<i>Action</i>	<i>Vote</i>	
March 17, 2015			

ORDINANCE

AN ORDINANCE OF THE CITY OF NORTH BEND, WASHINGTON, PROVIDING FOR THE ANNEXATION OF CERTAIN UNINCORPORATED PROPERTY GENERALLY LOCATED SOUTH OF THE CITY LIMITS AND IDENTIFIED AS THE SALISH AVENUE SE EXTENSION ANNEXATION; AMENDING THE COMPREHENSIVE PLAN MAP AND OFFICIAL ZONING MAP CONSISTENT WITH THE ANNEXATION; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, owners of certain property situated within the area herein proposed for annexation, as legally described in attached exhibit “A” and generally referred to as the Salish Avenue SE Extension Annexation boundary (“Proposed Annexation Area”), filed a notice of intent to commence annexation proceedings pursuant to Chapter 35A.14 RCW; and

WHEREAS, on June 17, 2014, the City Council participated in a meeting with the initiating parties, accepting the petitions of interest from the initiating parties, and authorized circulation of a formal annexation petition via passage of Resolution No. 1661; and

WHEREAS, the City subsequently received an annexation petition from property owners representing in excess of 60% of the total assessed valuation for general taxation of the property located within the Proposed Annexation Area and requesting annexation to the City of North Bend; and

WHEREAS, the King County Assessor has certified that the petition contains the signatures of property owners exceeding 60% of the total assessed valuation for general taxation of the property located within the Proposed Annexation Area as required by state law; and

WHEREAS, on May 6, 2014, the City Council approved City Ordinance No. 1526 adopting the City’s 2014 Comprehensive Plan as a pre-annexation comprehensive plan for the UGA; and

WHEREAS, the Proposed Annexation Area is located within the City’s Urban Growth Area; and

WHEREAS, after determining that the petition met all applicable requirements set forth in Chapter 35A.14 RCW, and after giving notice as required by law, the City Council

held a public hearing on November 18, 2014 to take public comment on and to consider the annexation petition and adopted Resolution 1669 declaring its intent to annex; and

WHEREAS, on January 20, 2015 the City submitted to the Washington State Boundary Review Board for King County (the “Boundary Review Board”) the Notice of Intent to annex the properties which comprise all of the properties located within the Proposed Annexation Area; and

WHEREAS, the Boundary Review Board completed its evaluation of the Notice of Intent pursuant to Chapter 36.93 RCW and approved the request for annexation subject to the conditions specified therein; and

WHEREAS, the City Council having duly considered the annexation petition and public comments regarding the same, has determined that the health, welfare and safety of the people of the City of North Bend and the petitioners will be best served if the Proposed Annexation Area is annexed to and becomes part of the City of North Bend;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NORTH BEND, WASHINGTON, DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. Annexation Authorized: Upon the effective date of the annexation, the real property legally described and depicted in Exhibit “A”, attached hereto and incorporated by reference as though fully set forth herein, is and shall be hereby annexed to the City of North Bend to be included within the corporate limits of the City of North Bend and subject to all laws, rules, regulations and ordinances of the City of North Bend.

Section 2. Comprehensive Plan Amended: The Urban Growth Area Boundary of the Comprehensive Plan and associated Figures and Maps shall be amended to reflect incorporation of the real property described in Exhibit “A”.

Section 3. Zoning Map Amended: The Official Zoning Map as designated pursuant to Section 18.08.010 of the North Bend Municipal Code shall be amended to reflect incorporation of the real property described in Exhibit “A”.

Section 4. Severability: Should any section, paragraph, sentence, clause or phrase of this ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this ordinance be pre-empted by state or federal law or regulation, such decision or pre-emption shall not affect the validity of the remaining portions of this ordinance or its application to other persons or circumstances.

Section 5. Effective Date: This ordinance shall be published in the official newspaper of the City, and shall take effect and be in full force five (5) days after the date of publication.

**ADOPTED BY THE CITY COUNCIL OF THE CITY OF NORTH BEND,
WASHINGTON, AT A REGULAR MEETING THEREOF, THIS 17TH DAY OF
MARCH, 2015.**

CITY OF NORTH BEND:

APPROVED AS TO FORM:

Kenneth G. Hearing, Mayor

Michael R. Kenyon, City Attorney

ATTEST/AUTHENTICATED:

Published:
Effective:

Susie Oppedal, City Clerk

Exhibit A- Legal Description and Depiction of Annexation Areas

EXHIBIT A

ANNEXATION LEGAL DESCRIPTION

THAT PORTION OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 15, TOWNSHIP 23 NORTH, RANGE 8 EAST, W.M., DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID SUBDIVISION;
THENCE SOUTH 01°09'06" WEST ALONG THE EAST LINE OF SAID SUBDIVISION 909.52 FEET, MORE OR LESS, TO THE NORTH LINE OF THAT PARCEL OF LAND CONVEYED TO MARJORIE L. PARSONS BY DEED RECORDED UNDER KING COUNTY RECORDING NUMBER 20020809002499, SAID DEED BEING RECOGNIZED AS SENIOR IN CHAIN OF TITLE TO THE ADJOINER TO THE NORTH;
THENCE NORTH 89°09'37" WEST ALONG SAID NORTH LINE AND PARALLEL WITH THE SOUTH LINE OF SAID SUBDIVISION 673.63 FEET TO THE WEST LINE OF THE EAST HALF OF SAID SOUTHEAST QUARTER;
THENCE NORTH 01°18'16" EAST ALONG SAID WEST LINE 527.99 FEET, MORE OR LESS, TO THE NORTHEAST CORNER OF THAT PARCEL OF LAND CONVEYED TO DAN B. AND DONNA L. CROWE BY DEED RECORDED UNDER KING COUNTY RECORDING NUMBER 197608230118, SAID DEED BEING RECOGNIZED AS SENIOR IN CHAIN OF TITLE TO THE ADJOINER TO THE NORTH AND EAST;
THENCE NORTH 89°09'37" WEST ALONG SAID NORTH LINE AND PARALLEL WITH THE SOUTH LINE OF SAID SUBDIVISION 86.79 FEET TO THE WEST LINE OF THE EAST 759.00 FEET OF SAID SOUTHEAST QUARTER;
THENCE NORTH 01°09'06" EAST ALONG SAID WEST LINE 383.47 FEET TO THE NORTH LINE OF SAID SOUTHEAST QUARTER;
THENCE SOUTH 89°00'55" EAST ALONG SAID NORTH LINE 759.00 FEET TO THE POINT OF BEGINNING;

SITUATE IN THE COUNTY OF KING AND STATE OF WASHINGTON.



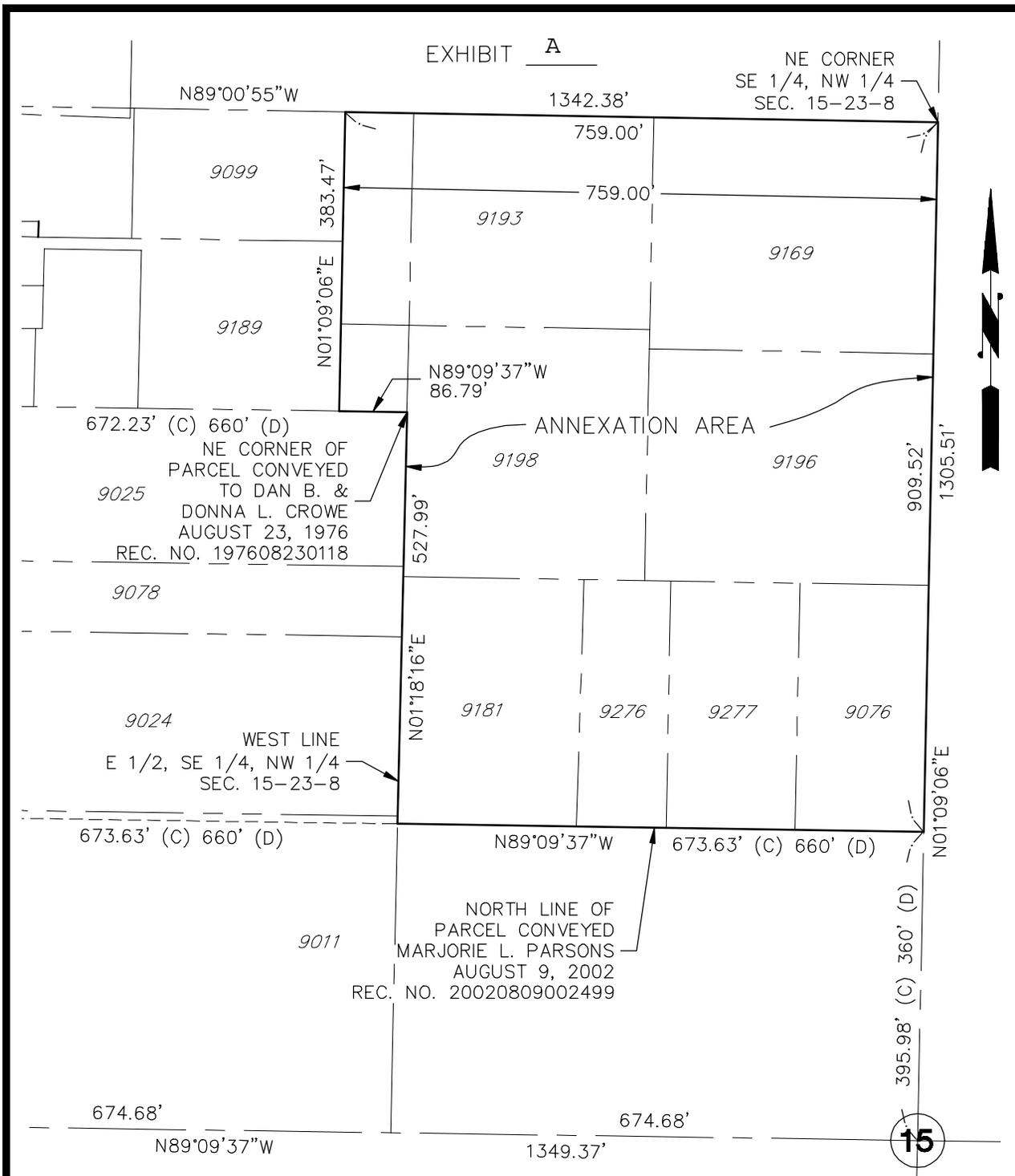
CONCEPT ENGINEERING, INC.

455 Rainier Boulevard North
Issaquah, Washington 98027
(425) 392-8055 Fax: (425) 392-0108

CEI JOB NO.: 34002

DATE: 3/17/14

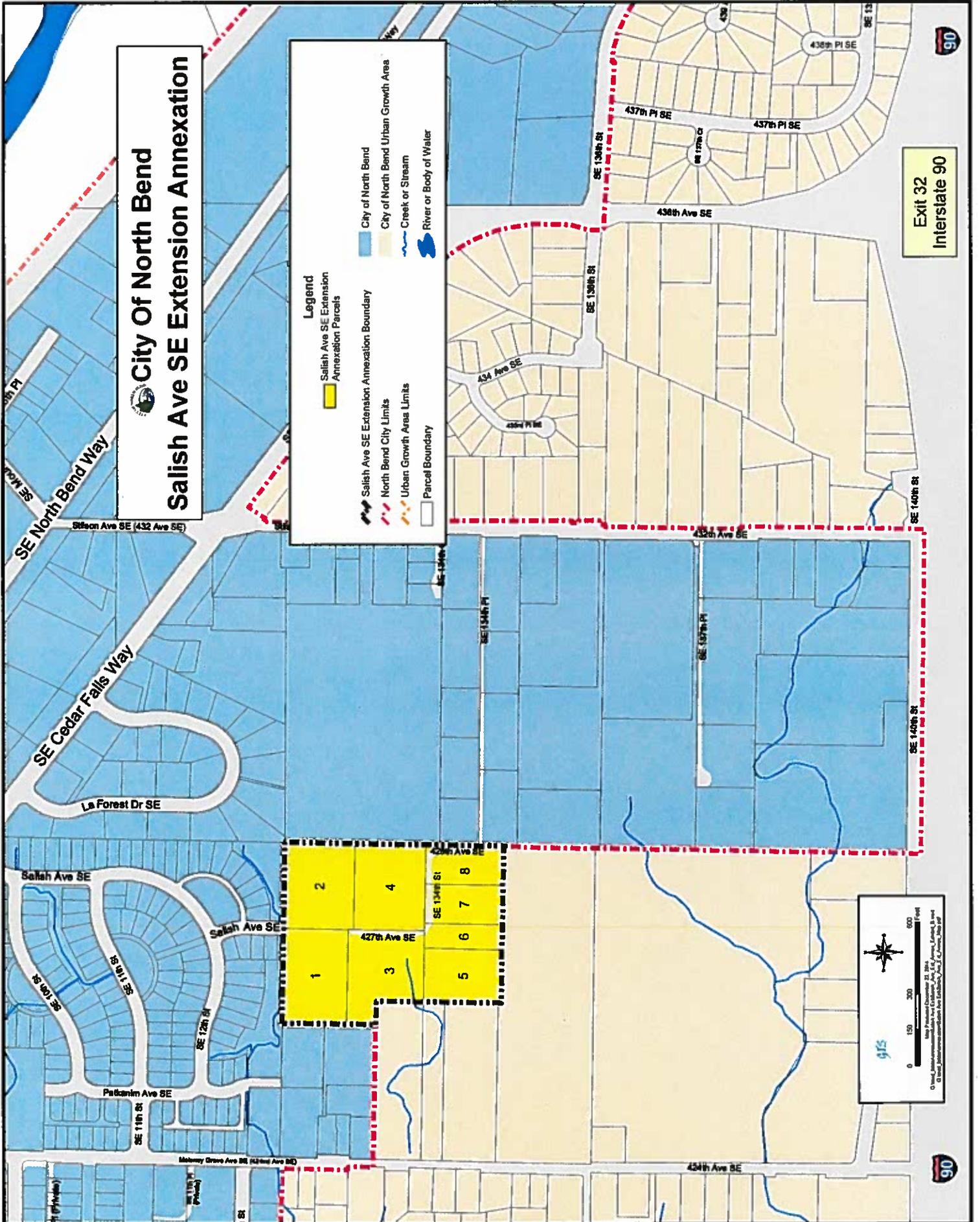




ANNEXATION EXHIBIT
SE 1/4, NW 1/4, S. 15, T. 23 N., R. 8 E., W.M.

 <p>CONCEPT ENGINEERING, INC. 455 Rainier Boulevard North Issaquah, Washington 98027 (425) 392-8055 FAX (425) 392-0108</p>	DWN. BY DBM	DATE 3/17/14	JOB NO. 34002
	CHKD. BY	SCALE 1" = 200'	SHEET 1 OF 1

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City Council Agenda Bill

SUBJECT:		Agenda Date: May 17, 2015	AB15-026
A Resolution Authorizing Adoption of Proposed Amendments to the 2015 Comprehensive Plan Pertaining to the Housing Element		Department/Committee/Individual	
		Mayor Ken Hearing	
		City Administrator – Londi Lindell	
		City Attorney - Mike Kenyon	
		City Clerk – Susie Oppedal	
		Finance – Dawn Masko	
		Public Works – Mark Rigos	
		CED Associate Planner – Lynn Fredenburg	
Cost Impact: N/A			
Fund Source: N/A			
Timeline: Immediate			
Attachments: Resolution, Exhibit A – Housing Element			
<p>SUMMARY STATEMENT:</p> <p>The City is required to review and revise, if needed, its Comprehensive Plan and development regulations by June 30, 2015 to ensure compliance with the Growth Management Act (GMA) – Chapter 36.70A RCW.</p> <p>The scope of work included updating the census data, the existing housing stock as well as the targets for future housing needs (included housing for all ages, abilities, and income levels). Language was added to address an aging population under ‘Senior Housing and Aging in Place’.</p>			
<p>COMMITTEE REVIEW AND RECOMMENDATION: CED Committee reviewed the proposed amendments at their March 11, 2015 meetings and recommended approval.</p>			
<p>RECOMMENDED ACTION: MOTION to approve AB15-026, a resolution authorizing adoption of proposed amendments to the 2015 Comprehensive Plan pertaining to the Housing Element.</p>			
RECORD OF COUNCIL ACTION			
<i>Meeting Date</i>	<i>Action</i>	<i>Vote</i>	
March 17, 2015			

RESOLUTION

A RESOLUTION OF THE CITY OF NORTH BEND, WASHINGTON, AUTHORIZING ADOPTION OF PROPOSED AMENDMENTS TO THE HOUSING ELEMENT OF THE NORTH BEND COMPREHENSIVE PLAN, FOR THE 2015 COMPREHENSIVE PLAN AMENDMENTS

WHEREAS, the City is required to prepare a Comprehensive Plan under the Growth Management Act (GMA) and required to implement the plan with development regulations which are consistent with the plan per RCW 36.70A.040; and

WHEREAS, the City is required to take action to review and, if needed, revise the Comprehensive Plan and development regulations to ensure the Plan and regulations comply with the GMA on a periodic basis per RCW 36.70A.130; and

WHEREAS, on April 15, 2014 the City Council directed staff and the Planning Commission to proceed with certain amendments to the 2015 Comprehensive Plan and public participation plan with passage of Resolution No. 1647; and

WHEREAS, the Planning Commission has implemented the scope of work as directed by Resolution No. 1647 and formulated amendments as necessary to ensure the Comprehensive Plan is in compliance with the current provision of the Growth Management Act and King County Countywide Planning Policies; and

WHEREAS, the Planning Commission held a public hearing on the Housing Element on February 12, 2014, and recommended approval of the Housing Element at the February 12, 2014 meeting; and

WHEREAS, the proposed amendments were submitted to the Washington State Department of Commerce for review on February 25, 2015; and

WHEREAS, a SEPA Determination of Non-Significance will be issued for this element and all other amendments to the Comprehensive Plan prior to approval of the Ordinance adopting the 2015 Comprehensive Plan amendments;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NORTH BEND, WASHINGTON, DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Approval of Proposed Amendments: The City Council supports approval of the amendments to the North Bend Comprehensive Plan Housing Element hereto attached as Exhibit A.

Section 2. Authorization of Comprehensive Plan Amendments: The City Council hereby directs that the amendments described in Section 1 be included as part of a future ordinance in which all of the 2015 Comprehensive Plan amendments will be adopted collectively.

PASSED BY THE CITY COUNCIL OF THE CITY OF NORTH BEND, WASHINGTON, AT A REGULAR MEETING THEREOF, THIS 17TH DAY OF MARCH, 2015.

CITY OF NORTH BEND:

APPROVED AS TO FORM:

Kenneth G. Hearing, Mayor

Michael R. Kenyon, City Attorney

ATTEST/AUTHENTICATED:

Effective:

Posted:

Susie Oppedal, City Clerk

CHAPTER 3: HOUSING ELEMENT

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CHAPTER 3: HOUSING ELEMENT



INTRODUCTION

The Housing Element of the Comprehensive Plan sets policies that will guide future housing development, by both public and private sectors, to meet the long range housing needs of the community and to respond to the objectives of the Growth Management Act. The policies are written to support opportunities for developing housing for all income groups and for a variety of lifestyle choices. The plan considers the condition of existing housing stock and the provision of a variety of housing types and densities to meet the needs of the population while seeking to retain the small town life style that is so important to the community. The plan also seeks to develop policies that encourage the development of recognizable neighborhoods with supportive amenities such as parks, trail connections and open space.

It is the intention of the City, through its Housing Plan Element policies, to offer its residents a mix of attractive, safe, and well-maintained neighborhoods which contain a variety of housing options that are available without discrimination. Neighborhoods must be appealing, well kept, safe and close to city services, amenities, schools, jobs, and institutions.

The Housing Element was developed in accordance with the Growth Management Act, RCW 36.70A.070, WAC 365-195-310 (Housing Element Requirements), and the King County Countywide Planning Policies.

To fulfill requirements set forth by the Washington Growth Management Act, a Housing Element ensuring the vitality and character of established residential neighborhoods includes the following information:

1. an inventory and analysis of existing and projected housing needs that identifies the number of housing units necessary to manage projected growth;
2. a statement of the goals, policies, objectives, and mandatory provisions for the preservation, improvement, and development of housing including single-family residences;
3. identification of sufficient land for housing, including, but not limited to, government-assisted housing, housing for low-income families, manufactured housing, multifamily housing, and group homes and foster care facilities; and
4. provision for existing and projected housing needs of all economic segments of the population.

King County Countywide Planning Policies (CPPs) provide local direction to implement the GMA's mandate for consideration of affordable housing. Following is a paraphrased listing of the CPP's housing

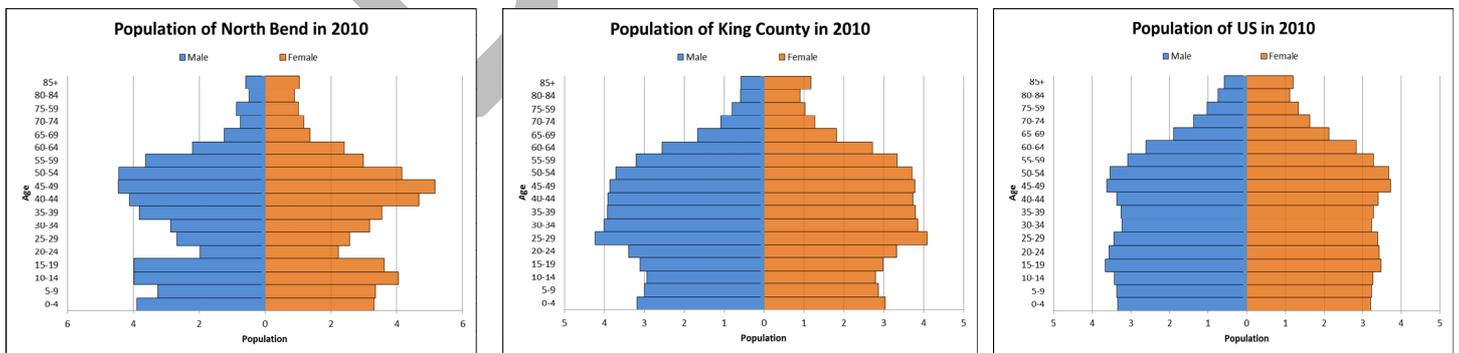
goals with direct applicability to North Bend. The number of each referenced goal is cited. Other CPPs may be indirectly applicable to North Bend. The full list of CPP's is available on the King County DDES website at <http://www.kingcounty.gov/property/permits/codes/growth/GMPC/CPs.aspx>.

- H-2: Jurisdictions are to address the need for housing affordable to households at less than 30% AMI (very low income), recognizing that this is where the greatest needs exists, and addressing this need will require funding, policies and collaborative actions by all jurisdictions working individually and collectively.
- H-4: Provide zoning capacity within each jurisdiction in the Urban Growth Area for a range of housing types and densities, sufficient to accommodate each jurisdiction's overall housing targets and, where applicable, housing growth targets in designated Urban Centers.
- H-5: Adopt policies, strategies, actions and regulations at the local and countywide levels that promote housing supply, affordability, and diversity, including those that address a significant share of the countywide need for housing affordable to very-low, low, and moderate income households (refer to CPP document for associated strategies)
- H-8: Tailor housing policies and strategies to local needs, conditions and opportunities, recognizing the unique strengths and challenges of different cities and sub-regions.
- H-12: Plan for residential neighborhoods that protect and promote the health and well-being of residents by supporting active living and by reducing exposure to harmful environments.
- H-18: Review and amend, a minimum every five years, the countywide and local housing policies and strategies, especially where monitoring indicates that adopted strategies are not resulting in adequate affordable housing to meet the jurisdiction's share of the countywide need.

Inventory & Analysis

In order to get the most accurate data the city utilized multiple data sources. Where possible the decennial 2010 Census data was used. The decennial Census is conducted in years ending with '0' and provides very accurate detail, but not the range of data needed at times. When data was needed that is not collected in the decennial data the 5-Year American Community Survey (ACS) was utilized. The 5-Year ACS collects data for 60 months to compile precise and reliable data. It is also the only survey that analyzes small communities, with a population less than 20,000.

Figure 3-1: Population Pyramid for the City of North Bend, King County, and United States in 2010



According to the 2010 Census the population of North Bend was 5,731, with 2,348 households¹ within the City limits, an increase of 21% from 2000. There was an average household size of 2.57. Of these 2,348 households 2,210 were occupied leaving 138 vacant. In 2010 there were 1,344 (57.2%) owner occupied 866 (36.7%) renter occupied units.

Year	Population	Number of Households ²	# of owner occupied units*	# of renter occupied units
1990	2,578	1,044	572 (54.8%)	471 (45.2%)
2000	4,746	1,954	1,079 (57%)	762 (41%)
2010	5,731	2,348	1,344 (57.2%)	866 (36.7%)

*The percentage of owner/renter occupied units does not add up to 100% due to vacant units.

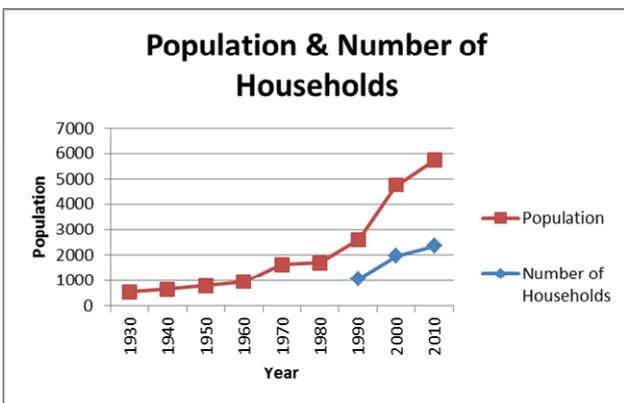


Figure 3-2: Data Source: U.S. Census

Between 2010 and 2014 there were 241 new housing units constructed. This is a significant increase in new housing compared to the previous decade (Table 3-2). In 2009 North Bend emerged from a 10 year building moratorium. The moratorium was established in 1999 as part of an agreement with Washington State’s Department of Ecology when North Bend learned that the city had exceeded its share of water and to avoid

finances the city agreed to not allow new residential construction. Ten years later the city secured additional water rights and building was allowed to resume.

Much of the City's housing was constructed prior to 1980. As the housing stock ages, the need will increase for rehabilitation of the oldest structures. Table 3-2 shows the age of the housing stock in the City of North Bend.

Year Structure Built	Units Constructed	Percent
2010-2014*	241	8.8%
2000-2009	52	1.9%
1990-1999	940	34.5%
1980-1989	546	20%
1970-1979	262	9.6%
1960-1969	284	10.4%
1950-1959	116	4.3%
1940-1949	130	4.8%
1939 or earlier	154	5.7%
Total	2725	

* The number of structures from 2010-2014 was derived from building permits issued at North Bend Community and Economic Development Department, therefore it is higher than the 2010 Census that does not include more recent developments.

¹ The Census defines households in two categories: “Family households” consists of a householder and one or more other people related to the householder by birth, marriage or adoption; “Non-family households” consist of people living alone and households which do not have any members related to the householder.



A ranch house built in the 70's.
(Silver Creek Neighborhood)



New single family development built in the late 90's.
(New Si View)



Apartment complex built in late 80's.



Multi-family housing with variety of housing options (2000).
(Rock Creek Development)

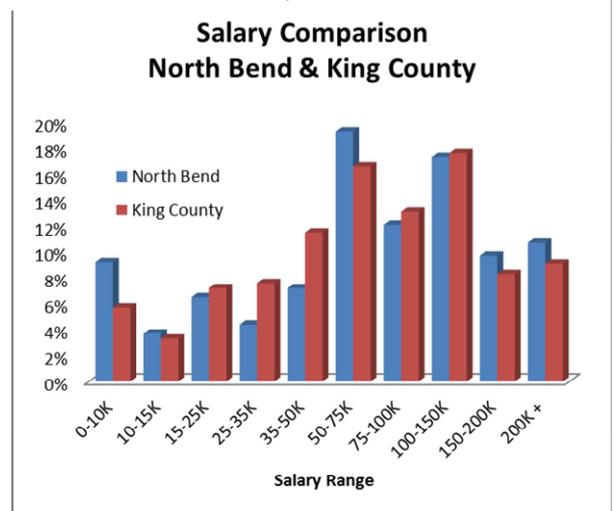
Figure 3-3: Typical existing housing in North Bend.

The median household income in North Bend was \$74,788 with 11.2 percent of the families or 13.5 percent of the individuals having incomes below the poverty level.³ This income level indicates that the City must be responsive to the need of its residents to secure safe, decent, and affordable housing. Working with other housing providers including developers, the County, non-profits, State, or other agencies, the City must ensure that adequate provisions are made so that all economic segments of the community can find the housing it needs.

North Bend can meet the housing needs of its low-income residents by working with housing providers to rehabilitate or develop new housing units that are affordable. The adopted Countywide Planning Policies (CPPs) include affordable housing guidelines based on the median income for King County.

For the planning period, the City will have to develop multiple

Figure 3-4: Salary Comparison between the City of North Bend and King County (Data Source: 2009-2013 ACS 5-Year Survey)



³ 2009-2013 American Community Survey (ACS) 5-Year Estimates

affordable strategies that can help generate an adequate supply of units affordable to low income city residents.

DIRECTION FOR HOUSING POLICIES

The Housing Element of the Comprehensive Plan outlines the City's direction or response to three basic objectives:

1. The need to provide adequate capacity for residential growth to meet regional growth targets;
2. The need to encourage the development of a wide variety of housing alternatives to meet the needs of a diverse population; and
3. The need to foster opportunities that provide affordable housing.

The City can influence the local housing market through a variety of means:

- by directing the location and amount of land available for residential development;
- by amending its ordinances and codes to affect the size, type, and design of new and renovated housing;
- by building amenities that attract quality residential development; and
- by seeking financial resources and partnerships which can help meet the objectives of maintaining the City's existing housing stock and providing affordable housing.

The CPP's require all jurisdictions to have the capacity to accommodate housing and employment targets. North Bend's net housing target for 2012-2031 is 649 new houses. North Bend's net job target for 2006-2031 is 1,050 new jobs. While much of the demand for housing will be met by new housing construction, rehabilitation of existing older structures and selective infill development within existing neighborhoods will also help satisfy this future demand.

Some of the future demand for housing will be for persons with special housing needs including those seeking group homes, emergency or transitional housing, senior housing, single room occupancy housing and so on. The City will work with the County to ensure that housing for persons with special needs can be accommodated here. The City will also work with providers of special needs housing to site new facilities or adapt to reuse other residential or non-residential buildings.

The City of North Bend is committed to meeting the future demand for housing through the following strategies:

Expansion of City Limits:

The City of North Bend will accommodate increased population growth through annexations of land within its UGA. The North Bend UGA boundary is shown in Map 1-1 of the Land Use Element, North Bend Land Use Designations. The UGA will permit the City to grow to the south to I-90. These areas contain existing low-density residential and some open rural land uses. The remaining undeveloped land within the UGA will provide additional capacity to meet the City's new housing demand over the next 20 years.

Infill Housing Within Existing Residential Areas:

This strategy would encourage additional housing on remaining lots within the City limits and existing residential areas. This strategy would permit development of smaller lots that are compatible with the existing neighborhood scale and character, helping to maintain and increase the vitality of these neighborhoods over time. Plats of smaller lots located within the existing city limits could allow for innovative housing types such as cottages, that would blend with surrounding homes and be more affordable, as well as other small, fee-simple units.

Mixed-Use Development:

Mixed-use development is a mix of different land uses in an area, on a property or within a single building such as commercial use first floor with residential above. Redevelopment of existing commercial areas would permit the development of housing over retail shops or adjacent to commercial uses. Mixed-use in the downtown will encourage transit by providing increased density to support alternate modes of transportation.

The City permits the creation of low intensity home businesses that encourages entrepreneurship without changing the character of existing neighborhoods. The City promotes concurrent commercial/residential uses in the DC and NB zones that do not negatively impact the quality of life of adjacent neighbors. Mixed-use strategies are encouraged within a number of zoning districts through “Planned Neighborhood Development” review.

Mix of Housing Types:

Mixed-use development may also take the form of a mix of housing types within existing or yet-to-be-established neighborhoods. The goal of creating varied residential developments is to provide housing choices, integrate income and age groups, and encourage affordability. A variety in housing types should be permitted when the existing neighborhood character can be maintained or enhanced. An overall objective of the City is to work towards meeting Countywide Planning Policies on affordability while maintaining an overall single family to multi-family housing ratio of 70 percent to 30 percent. The City is presently at a ratio of 63 percent owner occupied to 37 percent renter occupied. To further encourage diversity, the City established a Cottage Residential (CR) zone that allows smaller lot sizes at higher densities.

Critical to the success of neighborhoods with mixed housing types is attention to scale and neighborhood character, the provision of adequate parking and the concurrent creation of mini parks supported by the homeowners, expansion of existing City parks, or fee in-lieu option for smaller plats to meet the needs of new residents.



Figure 3-1: New LDR Development with attention to open space, scale, parking and neighborhood character.

As North Bend's population changes, so will its demographic profile. To respond to the expected changes in the population, lifestyles, and the rising cost of housing, the City should provide opportunities for a

mix of housing types including townhouses, duplexes, small lot single family innovative housing including cottage housing and other alternative types of housing that would blend with surrounding homes and be more affordable, accessory dwelling units and mixed-use residential and commercial development. All new development must both meet the market demand as well as meet the City's goal of retaining its small town charm and rural appeal. Accomplishing this objective will be achieved in part by the creation and retention of integrated systems of open spaces, bikeways and pedestrian paths.

Manufactured and Mobile Homes:

As of 2010 North Bend has 182 mobile homes within the city limits (158 in mobile home parks and 24 stand-alone) based on city records. This is a significant increase from 2000 when there were 53, due to an annexation that included two additional mobile home parks. These structures are located primarily in two mobile home parks located along North Bend Way and one on Bendigo Boulevard N. These mobile home parks provide a source of affordable housing, both rental and owner-occupied. Mobile home parks must demonstrate that they are safe and have adequate utilities and city amenities.

Manufactured homes, which are produced in factory-controlled settings and shipped to a housing site for assembly, can provide an affordable alternative to the conventional site-built single family home. By state law the City must permit manufactured housing that conforms to uniform codes in areas of the City with adequate utility service and capacity where they meet city zoning codes and are placed on permanent foundations.

AFFORDABLE HOUSING

“Housing is a basic need for every individual. Our [region’s] success depends on ensuring the availability of a variety of housing types and densities, as well as an adequate supply of housing affordable at all income levels, to meet the diverse needs of both current and future residents.” (Puget Sound Regional Council, Vision 2040)

The City of North Bend is committed to providing development opportunities for affordable and low-income housing. Affordable housing is defined as when the total housing costs, including basic utilities, does not exceed 30 percent of the income limit (for renters, 50 percent or less of the county median family income, adjusted for family-size, and for owners, 80 percent or less of the county median family income, adjusted for family size for owners) (WAC 365-196-210(e)(i)(C) (i-v)). Residents need assistance with the escalating cost of housing to ensure they have access to housing which best meets their needs. As shown in Table 3-3, North Bend is slightly under the targeted units for providing housing below 50% Area Medium Income (AMI). North Bend meets and exceeds the goals for 50-80% AMI. Concurrent with the need to provide safe, decent, and affordable housing is the need to ensure that lower income residents have equal access to the provision of social, recreational and community services. North Bend can help meet the needs of lower-income households through the following strategies:

Table 3-3: LOW INCOME HOUSING EXISTING INVENTORY				
CPP Guidelines (AMI*)	Countywide need (% of total housing supply)	North Bend Existing Inventory**		
		Rental Units	Ownership Units	All Housing
50% to 80% of AMI (moderate)	16%	342 units	147 units	22.1%
30% to 50% of AMI	12%	192 units	70 Units (Under 50% AMI)	9.3%
30% and below AMI (very low)	12%	161 units		9.8%

*Area Medium Income (AMI)

** Overall Housing Affordability data is from King County’s 2012 Needs Assessment, based on the 2006-2010 ACS 5-Year Survey data.

Preservation of Existing Affordable Housing:

Older homes in existing neighborhoods, accessory units, mobile homes, shared housing, and existing subsidized housing currently provide affordable housing opportunities for some residents. Preservation of the existing affordable housing stock is critical to maintaining access to those sources. The City will seek ways of maintaining and increasing the availability of low-income housing through pursuit of Community Development Block Grant funds for housing repair and maintenance, developing links with affordable housing providers not currently operating in North Bend, and the consideration of developing a Housing Authority, either alone or in conjunction with other valley cities, that could be charged with meeting residents’ housing needs. The City will also work to enforce its building and maintenance codes to ensure that the existing housing stock provides decent, safe, and sanitary housing.

Subsidized Housing:

The City of North Bend currently has approximately 90 units of subsidized housing located in the downtown area. The Sno-Ridge Apartments (39) are exclusively senior housing, the Cascade Park apartments (27) is for seniors and disabled persons under 62 and the Si View Court Apartments (20) are exclusively for families. This housing was developed through federal, state, and King County housing assistance programs. The City will continue to seek housing assistance programs to meet the needs of its low-income population while seeking to preserve its existing stock of subsidized housing.



Figure 3-2: Cascade Park Apartments for seniors and disabled persons under 62.

Zoning Incentives:

Zoning incentives are a key mechanism to encourage the development of affordable housing through the private market. Incentives can include density bonuses, forgiveness or reduction of impact fees or permit costs, and streamlined permit and development review processes. Amendments to the zoning codes can also provide new mechanisms for development to contribute to a low-income housing trust fund for future affordable housing production.

Non-Profit Housing Organizations:

Non-profit housing organizations can provide opportunities for developing low-income housing in the communities they serve. These organizations can assist in preservation and rehabilitation of existing housing or construction of new housing and acquisition of property for housing. The City of North Bend will encourage these organizations to become active housing partners in the North Bend community. The City can act as a catalyst to encourage the organization and participation of these groups and as a conduit through which to seek additional government support.

Accessory Housing and Housing Sharing:

Accessory housing is a means of providing additional affordable residential units. Larger homes can often accommodate a rental unit without causing negative impacts in an existing neighborhood. The City identifies appropriate standards for accessory housing units and has developed the regulatory means to accommodate them. Opportunities for shared housing can be encouraged by promoting local recognition of groups or agencies that assist in linking a housing provider with those seeking housing.

HOUSING FOR SPECIAL NEEDS

Federal and State law mandates that cities provide the same residential opportunities to individuals of special needs as are available to single family residences. These individuals may be part of group homes and require some assistance in their day-to-day living, such as the physically or mentally disabled, victims of domestic violence, substance abusers, people living with AIDS, youth at risk, and seniors. Family living situations, institutional settings, social service programs and assisted housing, specifically excluding Secure Community Transition Facilities as defined in Washington State law, all serve a portion of those with special needs. The Federal Fair Housing Act (Chapter 151B) includes all individuals with special needs and states that no individual shall be denied the opportunity for safe and independent living. In addition, the Washington Housing Policy Act states that a “decent home in a healthy, safe environment for every resident of the State” shall be provided (RCW 43.185B.009).

The Housing Element supports goals and policies that provide equal and fair housing access for all residents of North Bend, including special needs residents. In order to provide housing opportunities for residents of special needs, the City shall work with public and private agencies to provide opportunities and services that would not be available otherwise to these residents. In addition, the City shall provide for these residences by continuing to support codes and ordinances which allow for a variety of housing opportunities, as well as encouraging the increase of social support services within the city and surrounding area. Adding flexibility to the City’s land use code to allow group homes and home-based care is also a significant opportunity available to the City for meeting the demand for special needs housing.

SENIOR HOUSING AND AGING IN PLACE

It is apparent from our population pyramid (Figure 3-1) that within the next 20 years a large portion of North Bend will be over 60. The City will need to accommodate this growing senior population by enabling the development of additional senior and assisted living housing, and by supporting the uses and needs of those residents. There are a rising number of challenges that communities, families and individuals face as the population over 60 increases. Communities can address these challenges by striving to become elderly-friendly. Elderly-friendly communities address the basic needs, optimize health and well-being, promote social and civic engagement, and increase independence for all people, but especially people who are frail or have disabilities.⁴ An aging-friendly community is also a community that is livable for all ages. These communities can be created by improving health care quality for older adults and adults with disabilities, addressing basic needs (education, housing, transportation, financial empowerment, and food security) that improve health and well-being, increase independence for older adults, and promote age readiness.

⁴ Center for Home Care Policy and Research/Visiting Nurse Service of New York, *The AdvantAge Initiative*.

GOALS AND POLICIES

H - Goal 1: *Encourage a variety of housing types and densities compatibly located to meet the demands of a diverse population.*

Policies:

- H - 1.1 Encourage the development of single-family residential infill that would blend with surrounding homes and be more affordable and be compatible with existing neighborhoods within the city limits.
- H - 1.2 Encourage the provision of a diversity of housing types and sizes to meet the needs of a wide range of economic levels, age groups and household make-up.
- H - 1.3 Encourage a mix of housing types, models and densities.
- H - 1.4 Create incentives for developers to include affordable housing voluntarily in new developments.
- H - 1.5 Encourage non-profit housing providers to pursue housing development opportunities that supply affordable housing while providing a high quality residential living environment.
- H - 1.6 Work with King County to develop affordable housing opportunities within the Snoqualmie Valley communities.
- H - 1.7 Reduce impact fees for residential developments that include affordable housing for those with low or very low-incomes.
- H - 1.8 Seek housing assistance programs to meet the needs of low-income or other special-needs city residents, while seeking to preserve the existing subsidized housing currently located within the city.
- H - 1.9 Work with the King County Housing Authority and other low income housing providers to provide affordable units to households at or below 80% of median income by the end of the target period (2022).
- H - 1.10 Work with other governmental agencies to develop methods that can streamline the residential permit review process to reduce the impact on affordable housing development.

H - Goal 2: *Promote residential neighborhoods that contain the necessary public amenities and support facilities that contribute to a high quality of life for North Bend residents.*

Policies:

- H – 2.1 Consider development of parks and recreational facilities jointly with the School District and Si View Metropolitan Park District.
- H – 2.2 Encourage the formation of neighborhood or homeowners associations to help develop a sense of community within a particular neighborhood.
- H – 2.3 Seek to create or to retain and protect links to a Citywide Trail System that connects neighborhoods with areas of commerce in an effort to promote alternative transportation systems.

H - Goal 3: *The City should encourage the preservation and rehabilitation of the existing housing stock as a means of providing affordable housing.*

Policies:

- H - 3.1 Enforce building maintenance codes, and health and safety codes for the City's housing stock.
- H - 3.2 Encourage the preservation of affordable older residential structures to maintain the available housing stock.
- H - 3.3 Work to preserve and physically improve existing mobile home parks as a means of preserving affordable housing.
- H - 3.4 Seek ways of maintaining and increasing the availability of low-income housing through pursuit of Community Development Block Grant funds for housing repair and maintenance, developing links with affordable housing providers.

H - Goal 4: *The City of North Bend should provide adequate land capacity for forecasted population and residential growth within its city limits and Urban Growth Area in order to promote stable housing prices, foster affordability and broaden housing choices.*

Policies:

- H – 4.1 Allow for density flexibility in housing development in order to meet population forecasts.
- H – 4.2 Promote opportunities for infill housing within the downtown area that provide a mix of housing types, prices, and densities.
- H – 4.3 Develop zoning regulations that will provide incentives to implement county wide planning policy targets for housing affordability as new housing development is permitted.
- H – 4.4 Provide areas for mixed use and high density housing to support a wide range of housing options at all economic segments for residents.

H – 4.5 Continue to allow accessory units, shared housing, cottage housing, infill development at higher densities outside of “establish” or “constrained areas” and mixed-use development, which includes either a mix of residential densities or a mix of residential and commercial land uses in specifically designated areas.

H- Goal 5: *Support and provide for the availability of housing for residents of North Bend with special housing needs, excluding Secure Community Transition Facilities as defined in Washington State Law.*

Policies

H – 5.1 Support the preservation and development of special needs housing in North Bend that serves both city residents and those in surrounding communities.

H – 5.2 Encourage and promote partnerships with public and private agencies, as well as developers, that provide funding for housing opportunities for those with special needs.

H – 5.3 Evaluate potential regulatory obstacles and ensure that codes or ordinances do not restrict development of special needs housing within North Bend.

H-Goal 6: *Support and provide for the ability to age in place safely, independently and comfortably, regardless of age, income or ability level.*

H – 6.1 Empower older adults, their families, and other consumers to make informed decisions and to easily access available services

H – 6.2 Enable older adults to age in their place of choice with appropriate services

H – 6.3 Prepare North Bend for an aging population

H – 6.4 Strive to make the City of North Bend accessible, safe, and inclusive for children, youth, families, adults, and the elderly

H – 6.5 Allow people to age in place, be it in their homes or neighborhoods, by encouraging the development of neighborhoods that provide a mix of housing typologies and sizes to accommodate a broad range of lifestyles and abilities.



City Council Agenda Bill

SUBJECT:		Agenda Date: March 17, 2015	AB15-027
A Resolution Authorizing Adoption of Proposed Amendments to the 2015 Comprehensive Plan Pertaining to the Utilities Element		Department/Committee/Individual	
		Mayor Ken Hearing	
		City Administrator – Londi Lindell	
		City Attorney - Mike Kenyon	
		City Clerk – Susie Oppedal	
		Finance – Dawn Masko	
		Public Works – Mark Rigos	
		CED Associate Planner – Lynn Fredenburg	
Cost Impact: N/A			
Fund Source: N/A			
Timeline: Immediate			
Attachments: Resolution, Exhibit A – Utilities Element			
<p>SUMMARY STATEMENT:</p> <p>The City is required to review and revise, if needed, its Comprehensive Plan and development regulations by June 30, 2015 to ensure compliance with the Growth Management Act (GMA) – Chapter 36.70A RCW.</p> <p>Staff review showed that GMA requirements for the Utilities Element were largely met, however inventory information needed to be updated. The element was updated to provide current information regarding existing and planned facilities and their capacities from public and private utility providers, including Puget Sound Energy, Tanner Electric, Bonneville Power, Century Link, Comcast, Republic Waste, King County Solid Waste and the King County Wastewater Treatment Division.</p>			
<p>COMMITTEE REVIEW AND RECOMMENDATION: CED Committee reviewed the proposed amendments at their March 11, 2015 meetings and recommended approval.</p>			
<p>RECOMMENDED ACTION: MOTION to approve AB15-027, a resolution authorizing adoption of proposed amendments to the 2015 Comprehensive Plan pertaining to the Utilities Element.</p>			
RECORD OF COUNCIL ACTION			
<i>Meeting Date</i>	<i>Action</i>	<i>Vote</i>	
March 17, 2015			

RESOLUTION

A RESOLUTION OF THE CITY OF NORTH BEND, WASHINGTON, AUTHORIZING ADOPTION OF PROPOSED AMENDMENTS TO THE UTILITIES ELEMENT OF THE NORTH BEND COMPREHENSIVE PLAN, FOR THE 2015 COMPREHENSIVE PLAN AMENDMENTS

WHEREAS, the City is required to prepare a Comprehensive Plan under the Growth Management Act (GMA) and required to implement the plan with development regulations which are consistent with the plan per RCW 36.70A.040; and

WHEREAS, the City is required to take action to review and, if needed, revise the Comprehensive Plan and development regulations to ensure the Plan and regulations comply with the GMA on a periodic basis per RCW 36.70A.130; and

WHEREAS, on April 15, 2014 the City Council directed staff and the Planning Commission to proceed with certain amendments to the 2015 Comprehensive Plan and public participation plan with passage of Resolution No. 1647; and

WHEREAS, the Planning Commission has implemented the scope of work as directed by Resolution No. 1647 and formulated amendments as necessary to ensure the Comprehensive Plan is in compliance with the current provision of the Growth Management Act and King County Countywide Planning Policies; and

WHEREAS, the Planning Commission held a public hearing on the Utilities Element on February 12, 2014, and recommended approval of the Utilities Element at its February 26, 2014 meeting; and

WHEREAS, the proposed amendments were submitted to the Washington State Department of Commerce for review on February 25, 2015; and

WHEREAS, a SEPA Determination of Non-Significance will be issued for this element and all other amendments to the Comprehensive Plan prior to approval of the Ordinance adopting the 2015 Comprehensive Plan amendments;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NORTH BEND,
WASHINGTON, DOES HEREBY RESOLVE AS FOLLOWS:**

Section 1. Approval of Proposed Amendments: The City Council supports approval of the amendments to the North Bend Comprehensive Plan Utilities Element hereto attached as Exhibit A.

Section 2. Authorization of Comprehensive Plan Amendments: The City Council hereby directs that the amendments described in Section 1 be included as part of a future ordinance in which all of the 2015 Comprehensive Plan amendments will be adopted collectively.

PASSED BY THE CITY COUNCIL OF THE CITY OF NORTH BEND, WASHINGTON, AT A REGULAR MEETING THEREOF, THIS 17TH DAY OF MARCH, 2015.

CITY OF NORTH BEND:

APPROVED AS TO FORM:

Kenneth G. Hearing, Mayor

Michael R. Kenyon, City Attorney

ATTEST/AUTHENTICATED:

Effective:
Posted:

Susie Oppedal, City Clerk

CHAPTER 5: UTILITIES ELEMENT

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CHAPTER 5: UTILITIES ELEMENT



INTRODUCTION

The Growth Management Act defines electricity, gas, telecommunications, and cable as utilities. It defines water and sewer systems separately as public facilities. Plans for water supply and sewer are found as separate elements of the Comprehensive Plan. Transportation and circulation-related facilities are addressed in the transportation element. The Utilities Element has been developed in accordance with RCW 36.70A.070 of the Growth Management Act, WAC 365-195-320 (Utilities Element Requirements), and the King County Countywide Planning Policies. To fulfill the requirements set forth by the Washington Growth Management Act, the utilities element must include the following information:

1. Inventory the general location of existing utilities.
2. Establish the location of proposed utilities.
3. Examine the capacity of existing and proposed utilities.

The Utilities Element also includes an evaluation of solid waste management in North Bend, focusing on landfill capacity and recycling issues.

King County Countywide Planning Policies (CPPs) provide local direction to implement the GMA mandate for consideration of utilities needs including, but not limited to electrical, communications and natural gas. Following is a paraphrased listing of the CWPP's with direct applicability to North Bend in 2014. The policy number of each referenced policy is cited. Other CWPP's may be indirectly applicable to North Bend and the CWPP's may be revised in the future. The full list of CWPP's is available on the King County DDES website at <http://www.metrokc.gov/ddes/compplan/CPP-current.pdf>

Local jurisdictions are to identify the full range of urban services required as growth occurs and how they plan to provide them (CO-1). Service providers shall manage resources efficiently through regional coordination, sharing facilities and conserving resources (CO-2 and CO-3). Aggressive conservation shall be implemented to address the need for adequate supply of electricity (CO-6).

Unlike the Capital Facilities Element, levels of service and concurrency requirements do not apply to private utilities. They are required by state law to provide service to anyone requesting it who has the ability to pay for the extension. The Washington Utilities Transportation Commission (WUTC) requires

that privately owned utilities demonstrate that existing rate payers are not subsidizing new customers. Privately owned utilities are not public facilities although they provide a public service. They are required to provide the same level of service to urban and rural customers. The WUTC regulates utility and transportation providers to ensure safe and reliable service to customers at reasonable rates. Most of Washington State's investor-owned gas, electric, water and telecommunications are regulated by the WUTC.

In addition, due to concerns such as the security of facilities and in keeping with competition practices, the specific locations and specific market needs are not identified. Instead, general locations and general capacities are included in this element.

Financing of Utilities

The principle source of revenue for utility capital financing is charges to customers for utility services provided. Such charges include utility rate charges, other customer charges, fees, and charges for the sale of water and energy to other utilities. Revenue from customer charges is used to finance capital projects on a pay-as-you go basis or through the issuance of revenue bonds. For revenue bonds, principal and interest payments are made with revenue from utility customer charges. The State of Washington statutes permit cities to issue unlimited tax (voter-approved) general obligation debt for utility purposes up to a limit of 2.5 percent of a City's assessed valuation.

Provision of Utility Service

This section discusses the provisions of utility service by the City and by private entities. Each utility section includes a discussion of the existing inventory, existing facility capacity, and an assessment of future facilities, although financial information for privately-owned entities is not included in this plan.

Definitions, Abbreviations, and Acronyms

- kV – kiloVolt, a unit of electric potential equal to a thousand volts
- PSE – Puget Sound Energy
- V – Volt, The unit for electric potential

ELECTRIC SYSTEM

Description and Inventory

Electricity is provided to North Bend by Puget Sound Energy and Tanner Electric Cooperative. Puget Sound Energy (PSE) serves the majority of the electricity users within North Bend, with approximately 2,200 customers. Tanner Electric Cooperative and Puget Sound Energy signed a boundary agreement to define their respective service territories in 2013. The City of North Bend and the surrounding area will continue to be served by both PSE and Tanner Electric Cooperative.

Puget Sound Energy provides electric service to more than 1.1 million customers in eight predominantly Western Washington counties: Island, King, Kitsap, Kittitas, Pierce, Skagit, Thurston and Whatcom.

Tanner Electric Cooperative is a non-profit cooperative serving the electrical needs of its members. Tanner Electric serves members in the Ames Lake area of King County and Anderson Island in Pierce County in addition to its service in and around North Bend. In 2014 Tanner Electric served 4,638 meters overall and 2,037 in and around North Bend. Tanner Electric was formed in 1936 to serve areas deemed

not to be economically feasible by the private (for profit) power company. Over the years other areas took advantage of the cooperatives form of business and services and facilities were expanded.

The North Bend/Snoqualmie area includes several hydroelectric generating plants owned by PSE and other power producers: Snoqualmie Falls (PSE), Cedar Falls (Seattle City Light), and Weeks Falls, Twin Falls and Black Creek (owned by Independent Power Producers).

In 2002 Tanner Electric built its own power substation just west of North Bend on Alm Way. The North Bend substation is a 12kV system and has a capacity of 25MVA (33MVA during winter peaks). The Tanner Electric load for 2014 is over 13MW. The 115 kV transmission line serving the substation is owned by the Bonneville Power Administration and connected to the Puget Sound Energy transmission system in the Snoqualmie Ridge area. The areas served by Tanner Electric inside the city limits of North Bend are almost exclusively fed by underground circuits including the Factory Outlets, Forster Woods, Rock Creek Apartments and the south fork area.

The North Bend / Snoqualmie electrical sub-area is located east of Preston and between the Cedar River Watershed and the Tolt River Watershed. It includes the Fall City area, but not Carnation or Duvall. Within the sub-area, there are five hydroelectric developments. The generating plants within this area include the Snoqualmie Falls (owned by PSE), Cedar Falls (owned by Seattle City Light), and Weeks Falls, Twin Falls, and Black Creek (owned by independent power producers). Four distribution substations are located in the North Bend / Snoqualmie sub-area.

Existing Service

Distribution substations reduce voltage from 115 kV to 12 kV, which is Puget Sound Energy's standard distribution voltage. The 12 kV feeders distribute the power from these distribution substations to the individual customers. In residential areas, which is the predominate user in North Bend, winter outage scenarios usually determine when new distribution capacity improvements are needed.

A 115 kV transmission switching station (Snoqualmie Switch substation) is located adjacent to Snoqualmie Falls. This substation is considered a hub because it integrates the Snoqualmie Falls electric generation into the power system as well as providing an interconnection point for the power system. Two existing transmission lines connect to the Snoqualmie Falls generation complex; one line extends north to Fall City, one line extends south to North Bend continuing south to the Covington area, one line extends west to the Lake Tradition substation in Issaquah, and one line extends west to the Mount Si substation in Snoqualmie.

BONNEVILLE POWER

Tanner Electric is a customer

of Bonneville Power

Administration (BPA). BPA is

a federal nonprofit agency

based in the Pacific

Northwest. It is self-funded

and covers its costs by selling

its products and services.

BPA markets wholesale

electrical power from 31

federal hydro projects in the

Columbia River Basin, one

nonfederal nuclear plant and

several other nonfederal power

plants. The dams are operated

by the U.S. Army Corps of

Engineers and the Bureau of

Reclamation. About 1/3 of the

electric power used in the

Northwest comes from BPA.



SNOQUALMIE FALLS HYDRO- ELECTRIC PROJECT

Puget Sound Energy's

Snoqualmie Falls Hydroelectric

Project is one of the oldest

hydropower plants in the United

States. The project contains a

small diversion structure just

upstream from the falls, and two

powerhouses. Built in 1898-99,

the first powerhouse is encased

in bedrock 260 feet beneath the

surface and was the world's first

underground power plant. The

second powerhouse was built in

1910 and is a quarter-mile

downstream from the falls. The

two powerhouses combined have

54 megawatts of generating

capacity (enough to meet the

peak electricity needs of about

25,000 households).

(<https://pse.com/inyourcommunity/king/Pages/Snoqualmie-Falls.aspx>)

Chapter 5 – Utilities Element
Adopted DATE

Falls.aspx)

The Mount Si Substation was built at Snoqualmie Ridge in 2012. It provides both distribution capacity and a connection point for the three transmission lines that intersect at that location. The substation provides improved reliability for PSE's customers in Snoqualmie and North Bend as well as Tanner's North Bend customers.

There are two additional distribution substations (Snoqualmie and North Bend substations) which serve the North Bend area. From these two substations there are six distribution circuits serving the customers in the City of North Bend.

Future Demand

The forecasted load for the next 30 years will require systems improvements which are listed in this section as construction projects that are in progress, or as plans for the future. A project is considered in progress if specific site selection, preliminary engineering, permitting, or construction activities are currently underway.

New projects can be developed in the future at any time due to:

- new or replacement of existing facilities to increase capacity due to new building construction, as well as conversion of existing homes and businesses to other preferred fuel types (most typically from heating oil to natural gas);
- the need for replacement to facilitate improved maintenance of facilities;
- replacement or relocation of facilities due to municipal and state projects; and
- system upgrades required to accommodate third party interconnection of transmission or generation facilities.

Other system improvements may be needed within a 30 year horizon to serve forecasted load. PSE has two major substation projects planned in the 10 year horizon in the North Bend/Snoqualmie area. One near-term substation improvement project is anticipated to expand and upgrade PSE's existing North Bend substation to enable improved transmission connections. This will provide reliability improvements to customers served by the North Bend substation.

The other near-term substation improvement project is planned to expand PSE's existing Snoqualmie Switching Station to enable interconnection of a proposed small hydro project.

There are three possible long-range issues that need to be addressed in order to best serve the growth in the Snoqualmie/North Bend area:

1. the existing Cedar Falls-Snoqualmie 115 kV transmission line may become inadequate to serve the projected load increases in the area;
2. the lack of capacity to get power into the area when local generation may become inadequate to serve the local load; and

3. the existing substations may become insufficient to supply adequate 115-12 kV substation transformer capacity.

Construction projects in progress / Plans for the future/Recently Completed

Tanner Substation and 115kV Transmission Line

Tanner recently completed the construction of Tanner substation. In order to operate the substation, BPA built a transmission line tap (extension) from the existing Snoqualmie-Lake Tradition line #1 to the substation. The line is connected from the Mt. Si Substation to the Tanner substation. In the near future, the line will be extended to the new Middle Fork substation.

Additional Small Hydro

There are numerous proposals for small hydroelectric generation plants in the North Bend/Snoqualmie area. Most of these are located on the North Fork of the Snoqualmie River and its tributaries, including Hancock Creek and Calligan Creek. In addition, there are possibilities for others along the Middle Fork and the South Fork of the Snoqualmie River. Puget Sound Energy may need to construct facilities to interconnect these generation plants to the electric transmission system. A possible interconnection substation to integrate new generation would be a Reinig Switching Station located near the Snoqualmie-Cedar Falls line to connect the existing system to new generation with a new 115 kV line.

Transmission Line Rebuild

The Cedar Falls-Snoqualmie 115 kV line contains low capacity wires. At some point this line will need to be rebuilt.

Rattlesnake-Lake Tradition 230 kV Line

The Rattlesnake-Lake Tradition transmission line is a planned new 230 kV line, which would connect the existing cross-Cascades transmission line near Rattlesnake Lake southeast of North Bend to the existing Lake Tradition substation near Issaquah. This line would allow power generation in Eastern Washington to be supplied to King County as well as strengthen the power system in the North Bend area and the rest of King County.

Lantern Substation and 115 kV Transmission Line

The planned Lantern substation, located south of North Bend at a site to be determined in the future, would provide electric power to customers in the Southeast North Bend area. This would provide a possible interconnection point for existing and future transmission lines to improve reliability and capacity in the North Bend area.

Future Distribution Substations

At present, the timing of future distribution substations cannot be determined due to the uncertainty of load growth in this area, an island of urban development in a rural area. It is likely that the Snoqualmie/North Bend area may need an additional substation or an additional transformer in an existing substation after 2020.

NATURAL GAS

Description & Inventory

Puget Sound Energy is an investor-owned natural gas utility that supplies natural gas to six Western Washington counties: Snohomish, King, Kittitas, Pierce, Thurston, and Lewis. Puget Sound Energy provides natural gas service to more than 750,000 customers in six Western Washington counties: Snohomish, King, Kittitas, Pierce, Thurston, and Lewis. It is estimated that PSE currently serves over 2,800 customers within the City of North Bend.

Natural gas is not an essential service, and, therefore, is not mandated to serve. Extension of service is based on request and the results of a market analysis to determine if revenues from an extension will offset the cost of construction.

Natural gas comes from gas wells in the Rocky Mountains and in Canada and is transported through interstate pipelines by Williams Northwest Pipeline to Puget Sound Energy's gate stations.

Supply mains then transport the gas from the gate stations to district regulators where the pressure is reduced to less than 60 psig. The supply mains are made of welded steel pipe that has been coated and is cathodically¹ protected to prevent corrosion. They range in size from 4" to 20".

Distribution mains are fed from the district regulators. They range in size from 1-1/4" to 8" and the pipe material typically is polyethylene (PE) or wrapped steel (STW).

Existing Service

According to PSE rate department, the average house (using natural gas for both heat and hot water) consumes about 1,000 therms per year. Ten therms equals approximately one "mcf" (thousand cubic feet) of gas so 1,000 therms per house equals approximately 100,000 cubic feet of gas per household per year.

Definitions, Abbreviations, and Acronyms

- Btu – British thermal unit, One Btu is the heat required to raise the temperature of one pound of water by one degree Fahrenheit.
- cf – Cubic feet
- Mcf – equals the volume of 1,000 cubic feet of natural gas.
- Natural Gas is a fossil fuel formed when layers of buried plants, gases, and animals are exposed to intense heat and pressure over thousands of years. The energy that the plants originally obtained from the sun is stored in the form of chemical bonds in natural gas.
- psig – pounds per square inch gauge measures a unit of pressure. Psig indicates that the pressure is relative to atmospheric pressure, opposed to psia (absolute) which is relative to a vacuum.
- PSE – Puget Sound Energy
- Therm – One therm equals 100,000 Btu, or 0.10 MMBtu.
- WUTC – Washington Utilities Transportation Commission

¹ Cathodic Protection (CP) is a technique used to control the corrosion of a metal surface by making it the cathode of an electrochemical cell.

Individual residential service lines are fed by the distribution mains and are typically 5/8" or 1-1/8" in diameter. Individual commercial and industrial service lines are typically 1-1/4", 2" or 4" in diameter.

Future Demands

When planning the size of new gas mains, PSE uses a saturation model, which assumes all new households will use natural gas since 99% of new homes constructed where builders have the choice are using natural gas. PSE forecasts customer additions using a forecast analysis calculation based on PSE's revenue report which is generated by town tax codes established in our Exception Billings Department and based on historical customer counts.

Minimum pressure delivery through distribution pressure mains from a design standard is approximately 15 psig. If design pressures fall below 15 psig, there are several methods of increasing the pressure in the line, including:

1. Looping the distribution and/or supply lines to provide an alternative route for the gas to travel to an area needing additional supply. This method often involves construction of supply mains district regulators, and distribution mains;
2. Installing mains parallel to existing mains to supplement supply of natural gas to a particular service area; and
3. Replacing/upsizing existing pipelines to increase volume.

New projects can be developed in the future at any time due to:

1. New or replacement of existing facilities due to increase capacity requirements due to new building construction and conversion from alternate fuel;
2. Main replacement to facilitate improved maintenance of facility; and
3. Replacement or relocation of facilities due to municipal and state projects.

PSE makes an effort to coordinate construction work with municipal projects in order to minimize cost and impacts to surrounding community. Due to franchise agreements, PSE is required to relocate existing facilities.

Due to the growing popularity of natural gas in the North Bend and surrounding areas, PSE will continually evaluate the necessity of the above projects and alternatives. Changes in project route, construction schedule and detail could occur as they are dependent on budgets and WUTC cooperation.

TELECOMMUNICATION, CABLE & INTERNET

Telecommunication is a branch of technology that allows communication over a distance by transmission of electrical impulses, electromagnetic waves, or optical pulses, such as telephone, radio, television, or computer network. These services are provided by private firms and are often provided as packages.

Telephone

The local telephone service is provided by CenturyLink, which currently serves North Bend, Fall City, Carnation and surrounding areas. The system consists of a network of fiber optic cables and copper and other equipment facilities including central office and remote switches that support the fiber and copper infrastructure, which are located throughout the area.

To meet North Bend's future needs, CenturyLink follows the policy of extending its lines to serve customer needs within its territory boundary in accordance with its tariffs as filed under the WUTC.

Cable Broadband, Television, and Internet

Cable television service is offered through Comcast. Internet service is provided by both CenturyLink and Comcast. CenturyLink supplies DSL services and Norstar (telephone key systems for business accounts). Comcast is a global media and technology company as well as the nation's largest video, high-speed Internet and phone provider to residential customers. The system consists of a combination of fiber cable and coaxial cable.

Comcast plans to expand its facilities to new residential subdivisions as they develop throughout the City. Comcast is committed to evolving advanced broadband services to meet the future needs and desires of our cable customers. These advanced services include more digital and high-definition television signals, interactive television like Video-on-Demand and Digital Video Recorders that allow customers to watch what they want in the timeframe that is best for their schedules, and faster Internet speeds.

Definitions, Abbreviations, and Acronyms

- DSL services – digital subscriber line (originally digital subscriber loop) is a family of technologies that are used to provide internet access by transmitting digital data over telephone lines.
- Optical fiber cable is a cable containing one or more optical fibers that are used to carry light. The optical fiber elements are typically individually coated with plastic layers and contained in a protective tube.
- WUTC – Washington Utilities Transportation Commission

SOLID WASTE & RECYCLING

The 2013 King County Comprehensive Solid Waste Management Plan² guides solid waste disposal in King County. The Management Plan proposes strategies for managing the solid waste over the next six years, with consideration of the next 20 years. This is the first management plan that looks at ways to address climate change. The core mission of the KCCSWMP is to ensure the citizens of the county have access to safe, reliable, efficient, and affordable solid waste handling and disposal services.

Definitions, Abbreviations, and Acronyms

- KCCSWMP – King County Comprehensive Solid Waste Management Plan prepared by the Solid Waste Division of the Department of Natural Resources and Parks in accordance with Washington State law. It presents proposed strategies for managing King County’s solid waste over the next 6 years with consideration of the next 20

Description and Inventory

North Bend, like most cities in King County, has signed an Interlocal Agreement with King County to provide solid waste planning within the City. The terms of the Solid Waste Interlocal agreement are in effect from March 19, 2013 through December 31, 2040. A number of responsibilities are designated to the County and cities in order to implement the King County Solid Waste Management Plan. The plan identifies that cities need to provide for collection of solid waste and ensure the provision of the minimum levels of collection service for recyclables and yard waste. Cities are also directed to implement requirements for new construction to accommodate recycling collection systems such as the following: a procurement policy (a policy favoring the use of recycled products and recyclable materials), variable can rates and a monitoring program. Cities are also asked to enforce City litter control ordinances. The cities are authorized under the plan to regulate and plan for the collection of special waste, to adopt and implement the solid waste plan, and to participate in the Solid Waste Advisory Committee and Regional Policy Committee.

Existing Service

Under the Interlocal Agreement, King County is responsible for solid waste management, planning, and technical assistance to cities. North Bend is responsible for solid waste collection. Republic Services is under contract with North Bend for weekly solid waste and curbside recyclable collection, and for every other week, collection of yard debris and disposal/recycling.

Toxic and hazardous wastes are disposed of at facilities in South Seattle and Bellevue. Waste collected in North Bend that cannot be recycled is transported by Republic Services to King County's Factoria Transfer Station in Bellevue or to their own Transfer Station in Seattle. King County and Republic Services then trucks the garbage to the Cedar Hills landfill; this facility received all of the mixed municipal solid waste (MMSW) generated in King County.

Future Demand

The City of North Bend and King County will continue offering service to existing and new residents meeting the standards found in the KCCSWMP. Refer to most recent edition of King County Comprehensive Solid Waste Management Plan for additional information regarding County inventory and policy.

² At the time of this publishing the 2013 King County Comprehensive Solid Waste Management Plan is in the process of being updated.

CEDAR HILLS LANDFILL

Cedar Hills is the only landfill still operating in King County. King County was able to extend the life of Cedar Hills from the expected closure in 2012 to 2025 (lifespan depends on a variety of factors, including tonnage received). The 2013 Solid Waste Plan recommends exploring a range of emerging technologies for future disposal other than exporting waste to a distant landfill when max capacity is reached at Cedar Hills. In 2009 Cedar Hills began operating a gas-to-energy process that burns gas created by the decomposition of waste into pipeline quality gas for the energy market. Bio Energy (Washington) LLC, owner and operator of this facility, has determined that the annual reduction in environmentally harmful carbon dioxide is the equivalent to 22,000 average passenger cars. The facility was generating enough energy to heat approximately 30,000 homes and sales of gas were expected to generate more than \$1 million annually for the division. This will help fund future green disposal of waste in King County. (2013 King County Comprehensive Solid Waste

Management Plan)
 Chapter 5 – Utilities Element
 Adopted DATE

RECYCLING

Description and Inventory

“King County and the entire Puget Sound region are recognized for successful efforts to collect recyclable waste. Continuing to reduce and reuse waste will require concerted and coordinated efforts well in the future. It is important reduce the waste stream going into area landfills. This can be done by promoting recycling practices.” (2013 King County Comprehensive Solid Waste Management Plan)

North Bend is served by Republic Services for recycling needs. Republic Services is an American company that was incorporated in 1998. Through a series of mergers and acquisitions, they became one of the largest waste and recycling companies in the United States. Republic Services serves 1,595 residential customers and 389 commercial customers in the City of North Bend. In 2013 Republic Services processed 1,053 tons of recycling repurposed into new products and converted 760 tons of organic waste to compost.

In addition, in an effort to reduce wastes, Republic Services implements a variety of public education programs. These programs include distributing flyers and brochures on reducing waste as well as monitoring garbage in order to advise customers on what can be recycled.

Existing Service

Refer to Figure 1: Existing Facility Service for Republic Service’s synopsis of the year 2013 and services provided.

Future Demand

The City of North Bend and Republic Services will continue offering service to existing and new residents meeting the standards found in the KCCSWMP. Refer to Republic Services for additional information about existing and future goals and policies.

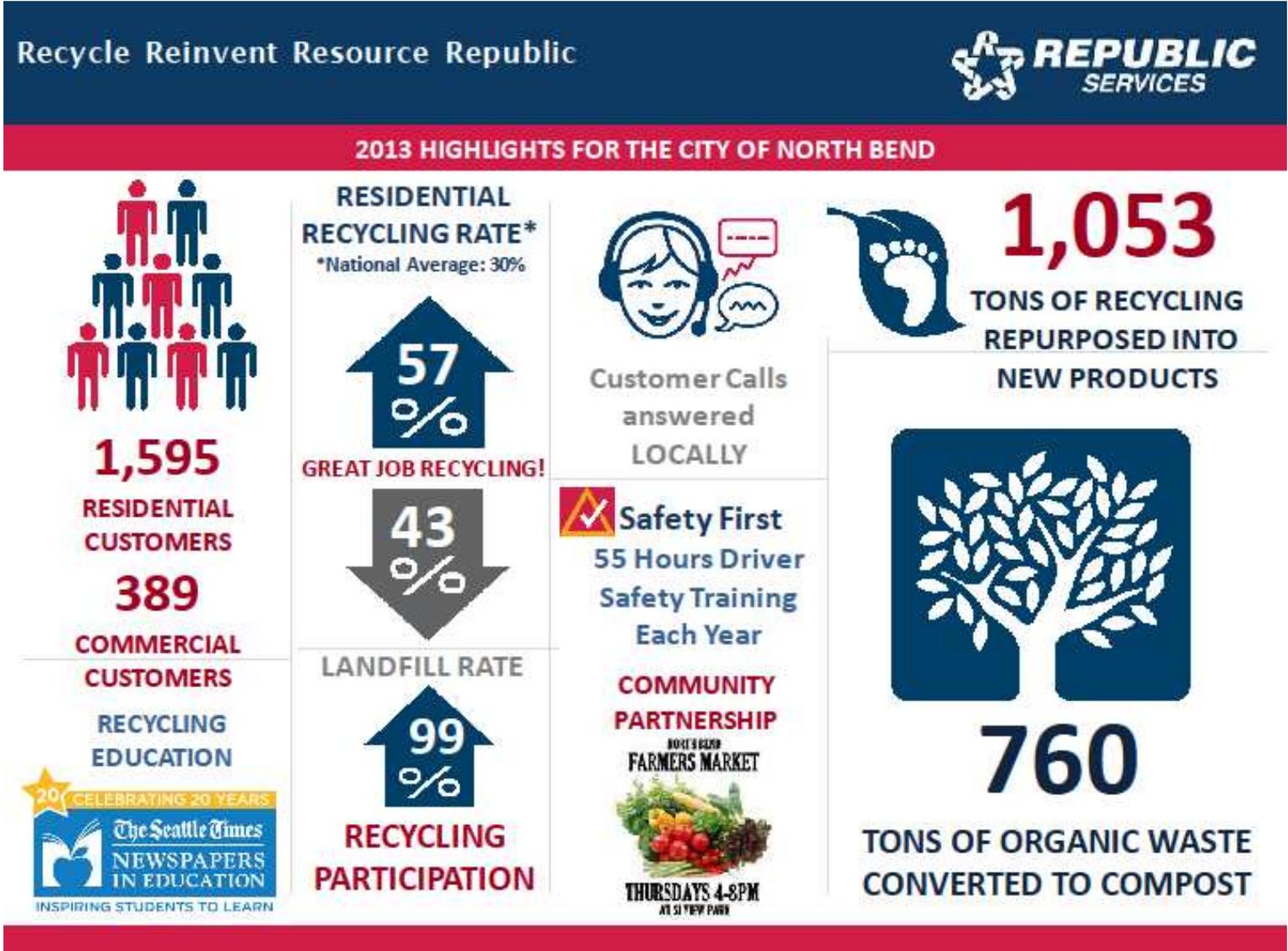


Figure 1: Existing Service, 2013

GOALS AND POLICIES

Utility - Goal 1: Provide utilities needed to accommodate growth and development according to adopted plan policies.

Policies:

- U - 1.1 Continue to serve all customers that request utility service in the service area.
- U - 1.2 Maintain the integrity of the utility infrastructure system to provide service to customers as a high priority for utility capital expenditures.
- U - 1.3 Work to ensure communication providers are capable of providing advanced communication services utilizing the most current technology.

Utility - Goal 2: Cooperate with utility suppliers in the development, siting, maintenance, and repair of utilities.

Policies:

- U - 2.1 Provide timely and effective notice to utilities of the construction, maintenance, or repair of streets or other facilities, and coordinate such work with utilities to ensure their needs are met.
- U - 2.2 Require utilities notify the City before utility work is done to discuss the best means to preserve vegetation from utility work.
- U - 2.3 Review utility permits simultaneously with development proposals requesting service.

Utility - Goal 3: Work with citizens, other jurisdictions, and utility providers to ensure cooperation in the siting of utilities and to ensure that reliable and cost effective suppliers of energy are available to meet increasing demands.

Policies:

- U - 3.1 Encourage the multiple use of corridors for trails, transportation right-of-way and utilities.
- U - 3.2 Encourage the consolidation of utility facilities and communication facilities by prohibiting duplication of electrical substations, above ground electrical transmission lines and communication antenna structures within one mile of another similar facility.
- U - 3.3 Require installation of fiber optic conduit at locations approved by City Engineer when roads are built or substantially reconstructed to facilitate future construction of local area fiber optic communications networks.

Utility - Goal 4: Ensure the compatibility of and minimize the environmental impacts associated with the siting, development, and operation of utility services and facilities on adjacent properties.

Policies:

- U - 4.1 Work with the utilities to eliminate existing overhead power lines in the Urban Growth Area, with an emphasis on the downtown commercial zoning district.
- U - 4.2 Develop regulations for siting and landscape requirements for utility meter cabinets, terminal boxes and similar above ground utility features.
- U - 4.3 Where feasible, require installation of new power and communication lines to be placed underground.

Utility - Goal 5: Promote conservation through cooperative efforts of regulations, programs, and educational literature.

Policies:

- U - 5.1 Work with the County and utility suppliers to develop public education and information materials that promote conservation.
- U - 5.2 Handle and dispose of solid waste in ways that minimize pollution and protects the public health.
- U - 5.3 Work with the City's solid waste collection agencies to establish cost-effective policies and regulations designed to minimize waste generation and meet King County's adopted waste reduction goals.
- U - 5.4 Encourage utility providers to convert to cost effective and environmentally compatible alternative technology and energy sources.
- U - 5.5 Require the provision of recycling opportunities in new construction projects.
- U - 5.6 Encourage utility providers to develop outage reduction plans, develop initiatives to lower energy costs, create clean power sources and reduce greenhouse gas emissions.

APPENDIX A:

Definitions, Abbreviations, and Acronyms

- Btu – British thermal unit, One Btu is the heat required to raise the temperature of one pound of water by one degree Fahrenheit.
- cf – Cubic feet
- DSL services – digital subscriber line (originally digital subscriber loop) is a family of technologies that are used to provide internet access by transmitting digital data over telephone lines.
- KCCSWMP – King County Comprehensive Solid Waste Management Plan prepared by the Solid Waste Division of the Department of Natural Resources and Parks in accordance with Washington State law. It presents proposed strategies for managing King County’s solid waste over the next 6 years with consideration of the next 20
- kV – kiloVolt, a unit of electric potential equal to a thousand volts
- Mcf –equals the volume of 1,000 cubic feet of natural gas.
- Natural Gas is a fossil fuel formed when layers of buried plants, gases, and animals are exposed to intense heat and pressure over thousands of years. The energy that the plants originally obtained from the sun is stored in the form of chemical bonds in natural gas.
- Optical fiber cable is a cable containing one or more optical fibers that are used to carry light. The optical fiber elements are typically individually coated with plastic layers and contained in a protective tube.
- PSE – Puget Sound Energy
- psig – pounds per square inch gauge measures a unit of pressure. Psig indicates that the pressure is relative to atmospheric pressure, opposed to psia (absolute) which is relative to a vacuum.
- Therm – One therm equals 100,000 Btu, or 0.10 MMBtu.
- V – Volt, The unit for electric potential
- WUTC – Washington Utilities Transportation Commission



City Council Agenda Bill

SUBJECT:		Agenda Date: March 17, 2015	AB15-028
A Resolution Authorizing Adoption of Proposed Amendments to the 2015 Comprehensive Plan Pertaining to the Critical Areas Element Cost Impact: N/A Fund Source: N/A Timeline: Immediate		Department/Committee/Individual	
		Mayor Ken Hearing	
		City Administrator – Londi Lindell	
		City Attorney - Mike Kenyon	
		City Clerk – Susie Oppedal	
		Finance – Dawn Masko	
		Public Works – Mark Rigos	
		CED Senior Planner – Jamie Burrell	
Attachments: Resolution, Exhibit A- Critical Areas Element and Figures			
SUMMARY STATEMENT: The City is required to review and revise, if needed, its Comprehensive Plan and Development Regulations by June 30, 2015 to ensure compliance with the Growth Management Act (GMA) – Chapter 36.70A RCW. After reviewing the adopted Scope of Work staff confirms that GMA requirements have been met for the 2015 Critical Areas Element Update. Updates to any new listed species were reviewed as well as new references to groundwater protection planning. The Element added references to the Salmon Plan and other Basin/Watershed Plans. Figures were updated and revised with the most current information, which included incorporating delineated wetlands and revised conveyance channels.			
COMMITTEE REVIEW AND RECOMMENDATION: CED Committee reviewed the proposed amendments at their February 11, 2015 and March 11, 2015 meetings and recommended approval.			
RECOMMENDED ACTION: Motion to approve AB15-028, a resolution authorizing adoption of proposed amendments to the 2015 Comprehensive Plan pertaining to the Critical Areas Element.			
RECORD OF COUNCIL ACTION			
<i>Meeting Date</i>	<i>Action</i>	<i>Vote</i>	
March 17, 2015			

RESOLUTION

A RESOLUTION OF THE CITY OF NORTH BEND, WASHINGTON, AUTHORIZING ADOPTION OF PROPOSED AMENDMENTS TO THE CRITICAL AREAS ELEMENT OF THE NORTH BEND COMPREHENSIVE PLAN, FOR THE 2015 COMPREHENSIVE PLAN AMENDMENTS

WHEREAS, the City is required to prepare a Comprehensive Plan under the Growth Management Act (GMA) and required to implement the plan with development regulations which are consistent with the plan per RCW 36.70A.040; and

WHEREAS, the City is required to take action to review and, if needed, revise the Comprehensive Plan and development regulations to ensure the Plan and regulations comply with the GMA on a periodic basis per RCW 36.70A.130; and

WHEREAS, on April 15, 2014 the City Council directed staff and the Planning Commission to proceed with certain amendments to the 2015 Comprehensive Plan and public participation plan with passage of Resolution No. 1647; and

WHEREAS, the Planning Commission has implemented the scope of work as directed by Resolution No. 1647 and formulated amendments as necessary to ensure the Comprehensive Plan is in compliance with the current provision of the Growth Management Act and King County Countywide Planning Policies; and

WHEREAS, the Planning Commission held a public hearing on the Critical Areas Element on April 24, 2014, and recommended approval of the Critical Areas Element at its June 26, 2014 meeting; and

WHEREAS, the proposed amendments were submitted to the Washington State Department of Commerce for review on February 24, 2015; and

WHEREAS, a SEPA Determination of Non-Significance will be issued for this element and all other amendments to the Comprehensive Plan prior to approval of the Ordinance adopting the 2015 Comprehensive Plan amendments;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NORTH BEND, WASHINGTON, DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Approval of Proposed Amendments: The City Council supports approval of the amendments to the North Bend Comprehensive Plan Critical Areas Element and supporting maps as depicted on the attached Exhibit A.

Section 2. Authorization of Comprehensive Plan Amendments: The City Council hereby directs that the amendments described in Section 1 be included as part of a future ordinance in which all of the 2015 Comprehensive Plan amendments will be adopted collectively.

PASSED BY THE CITY COUNCIL OF THE CITY OF NORTH BEND, WASHINGTON, AT A REGULAR MEETING THEREOF, THIS 17TH DAY OF MARCH, 2015.

CITY OF NORTH BEND:

APPROVED AS TO FORM:

Kenneth G. Hearing, Mayor

Michael R. Kenyon, City Attorney

ATTEST/AUTHENTICATED:

Effective:
Posted:

Susie Oppedal, City Clerk

CHAPTER 2: CRITICAL AREAS ELEMENT

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A. Introduction

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- B.1 Drainage Basin
- B.2 Water Quality and Quantity
- B.3 Critical Aquifer Recharge Areas
- B.4 River and Stream Corridors
- B.5 Frequently Flooded Areas
- B.6 Channel Migration
- B.7 Wetlands

C. Fish and Wildlife Habitat

D. Geologically Hazardous Areas

- D.1 Erosion Hazards
- D.2 Landslide and Steep Slope Hazard Areas
- D.3 Seismic Hazards

E. Air Quality and Other Environmental Issues

F. Critical Areas Mapping (Figures 2-1 to 2-10)

CHAPTER 2: CRITICAL AREAS ELEMENT



A. INTRODUCTION

A significant part of the quality of life in North Bend and the Upper Snoqualmie Valley lies in the area's abundance of dominant natural features (see **Figure 2-1 Topography Map**). The geology, hydrology, flora and fauna systems characteristic of the area are intricately connected components of the natural environment. A disturbance in one system can have direct or indirect effects on the others, including the human system.

The quality of life experienced by city residents and visitors is directly associated with the quality of the environment. North Bend has historically been attractive to live in because of the high quality natural environment: clean air and water, lush forest areas, and a beautiful physical setting. Protection of these elements is essential if residents are to maintain their healthy lifestyle. Conversely, the contamination or reduction of these resources where people reside and work negatively impacts the quality of life fundamental to the very reasons that people choose to live here.

King County Countywide Planning Policies (CWPP) adopted November 2012 and amended December 3, 2012 provide local direction to implement the GMA mandate for protection of critical areas. The full list of CWPP's is available at: <http://www.kingcounty.gov/property/permits/codes/growth/GMPC/CPPs.aspx>. The goals and policies of this element were reviewed and found to be consistent with the CWPP: Environment EN-1 through EN-4, Earth and Habitat EN-6 thru EN-9, Flood Hazards EN-10 thru EN-12, and Water Resources EN-13 thru EN-15.

The overarching Environment Goal of the CWPP is to restore and protect the quality of the natural environment in King County for future generations. The vision for King County 2030 is characterized by Protected Critical Areas providing beneficial functions and values for reducing flooding, protecting water quality, supporting biodiversity, and enriching our quality of life for future generations as the region's population continues to grow.

Together, North Bend's Vision Statement and the King County Countywide Planning Policies (CWPP) guide this Critical Areas Element.

Growth Management Detail

The Growth Management Act calls upon local government to protect the environment and enhance the state's high quality of life including air and water quality and the availability of water. To implement this goal the GMA required local governments to protect critical areas and ecosystems. In designating and protecting critical areas cities shall include the best available science when preparing policies and development regulations to protect the functions and values of critical areas. In addition, cities shall give

special consideration to conservation or protection measures necessary to preserve or enhance anadromous fisheries. Pursuant to GMA wetlands regulated under development regulations shall be delineated in accordance with the wetland manual adopted pursuant to RCW [90.58.380](#).

In addition to the GMA mandate to protect critical areas there are related State mandates to evaluate the impacts of policy decisions or actions that could have a significant impact on the environment under the State Environmental Policy Act (SEPA), to protect the shoreline environment in the Shoreline Management Act (SMA) and various directives to protect surface water and ground water. These state mandates have companion federal mandates to achieve similar goals for federally-funded actions or projects occurring on federal lands. Finally, at the federal level, there is a mandate to protect threatened or endangered species of animals through the Endangered Species Act (ESA). The North Bend area is known as a contributing environment for two threatened species including in the Chinook salmon (water quality and quantity in the Snoqualmie River only) and the Bull Trout, though none have been found in the immediate North Bend area.

The State and Federal environmental protection mandates give clear direction to guide the policy actions the City must take to protect the environment. Natural features which represent limitations to the scope or scale of physical development that can occur within North Bend and its UGA are critical areas which include:

Water and Related Resources:

- River and Stream Corridors
- Frequently Flooded Areas
- Channel Migration areas
- Wetlands
- Aquifer Recharge Areas
- Wellhead Protection Areas

Fish and Wildlife Habitat Areas

Geologically Hazardous Areas:

- Erosion Hazards
- Landslide and Steep Slope Hazards
- Seismic Hazard Areas

While this chapter contains policies intended to protect critical areas in North Bend and influence the protection of areas outside local control, these policies recognize the qualitative differences between various critical areas and the fact that not all areas are constrained for the same reasons. Some are critical because of the hazard they present to public health and safety. Others are critical because of the intrinsic values they represent to the welfare of the North Bend community and/or the region. In some cases, the risk posed to the public, natural system or natural process by the use or development of a critical area can be mitigated or reduced by engineering or site design. In other cases, the risk or impact potential cannot be effectively reduced except by avoiding development within the critical area.

This chapter's intent is to assure long term sustenance of natural features and processes by limiting development in areas where it may interrupt or degrade natural ecological functions and values, subject persons and property to unsafe or hazardous conditions, or affect the perceived quality of life in the North Bend community. Sustainable management of North Bend's environmentally critical areas is considered a high priority action to successfully implement the Comprehensive Plan.

CA Goal 1: Use Best Available Science (BAS) as defined by the Growth Management Act to define and protect Critical Areas

Policies:

- CA 1.1 Collect and evaluate BAS to identify the appropriate level of protection for critical areas.
- CA 1.2 Recognize limitations on critical area function and value created by existing development and design critical area regulations to provide optimal protection to the remaining higher value critical areas, including areas where high value functions can be restored.
- CA 1.3 Utilize the risk assessment method prescribed by the GMA to evaluate the potential impact of not using BAS to protect critical areas where it is determined to be unfeasible to fully protect the functions and values because of existing development patterns.
- CA 1.4 Evaluate state and federal protection mandates when developing local critical area protection and land use development regulations.

B. WATER AND RELATED RESOURCES

Water is a powerful physical and chemical force, whose movement can shape the form and function of the landscape. Heavy rains typical of the Northwest, and North Bend in particular, can scour out river and stream channels, inundate valley floodplains, and flood wetlands. Soil and loose material picked up in one area is often transported by rivers, streams, and floods and deposited to other parts of the Snoqualmie Valley, and ultimately to Puget Sound. Likewise, chemicals dissolved in rainwater are carried to wetlands, over floodplains and downstream. Both surface runoff and groundwater flows of water may combine to create landslides or other earth movement that further alters the physical environment and poses hazards to people and property.

As development occurs, native vegetation and absorbent top soils are removed, land becomes compacted and paved, and existing site topography is changed. Such landscape changes can alter the way water moves, add to existing hazards associated with natural drainage systems and affect the habitat, recreational, and scenic value of water resources.

B.1 Drainage Basin

The South and Middle Forks of the Snoqualmie River and its tributaries are the dominant watercourses in the North Bend area. Originating from the western slopes of the Cascades, the Middle Fork drains 171 square miles and the South Fork drains 85 square miles for a total of 256 square miles.

B.2 Water Quality and Quantity

In addition to contributing significantly to the area's natural beauty and quality of life, the rivers, streams, and wetlands in the Upper Snoqualmie Valley store, purify, and convey surface waters. Stormwater runoff is a significant contributor to water pollution in urbanized areas. Development of homes, farms, and businesses may result in runoff that pollutes these surface waters and groundwater and threatens habitat, recreation value, and/or drinking water supplies. Sedimentation from ground disturbed by grading, construction, farming, and logging can reduce river or stream channel capacity, fill wetlands, and destroy aquatic life and habitat. Surface water runoff from developed areas can carry pollutants such as oils, heavy metals, fertilizers, and pesticides into streams. Changes caused by development can alter or reduce the quantity of water in the ground, streams and rivers. Protection of both water quality and quantity is important to protect fish habitat and provide adequate supplies of potable drinking water. The City has adopted stormwater management regulations and a stormwater utility to implement state and federal

stormwater protection standards. Low impact development approaches for managing stormwater and protecting water quality are a critical component of the stormwater standards.

Regional Groundwater Protection Planning

Guidance for aquifers notes that the City is required to implement the East King County Ground Water Management Plan per WAC 173-100-120 and directs a series of actions to implement the plans. In April 1990, the Department of Ecology designated East King County, including the North Bend planning area, as Groundwater Management Area No. 14, pursuant to RCW 90.44. The designation authorized King County to develop a Groundwater Management Plan (GWMP) for the area. The GWMP process was overseen by a Groundwater Advisory Committee and included representatives of cities, health agencies, state and federal agencies, and public and special interest groups. The City of North Bend participated as a member of the Advisory Committee.

The first phase of the GWMP process included reviewing technical studies of existing groundwater resources in the area. The U.S. Geological Survey had recently completed a comprehensive inventory of 600-800 wells in the area was conducted to identify aquifers and other geologic features. Of those wells, approximately 150 were sampled for a variety of water quality data. The East King County Groundwater Advisory Committee continued the monitoring of the technical studies to develop the Groundwater Management Plan. The East King County Ground Water Management Plan was completed by the East King County Ground Water Advisory Committee in December 1998 then subsequently approved by the King County Council and certified by the Washington Department of Ecology in 2000. In 2001, the King County Council has passed an ordinance establishing a new East King County Ground Water Management Committee for three years. The East King County Groundwater Management Committee monitored progress made under the plan, charted out subsequent groundwater protection efforts and reviewed / revised the plan as necessary. The East King County Groundwater Management Committee did not renew their charter within the county code and became inactive by 2005.

Recharge Areas - Susceptibility and Vulnerability

The Growth Management Act requires cities to classify aquifer recharge areas according to vulnerability. Vulnerability is the combined effect of the (1) hydrogeological susceptibility to contamination and (2) the potential for contamination. A highly vulnerable recharge area would be one where land uses could contribute contamination that might degrade groundwater quality, and hydro geologic conditions (e.g. very porous, well drained soils) that facilitate such contamination. Low vulnerability is indicated by land uses that do not contribute contaminants that will degrade groundwater, and susceptibility conditions that do not facilitate degradation.

The susceptibility of a recharge area to contamination is a function of several physical characteristics including but not limited to: depth to groundwater, aquifer properties such as hydraulic conductivity and gradients and soil structure. Factors relevant to the contaminant loading potential side of the vulnerability equation include general land use, waste disposal sites and practices, and agricultural activities.

The potential for contamination includes a number of factors such as the amount of contaminant present, toxicity, mobility and persistence.

Classification, identification and regulation of critical aquifer recharge areas in the North Bend and the surrounding area will be founded on the available technical studies completed by the City of North Bend and Groundwater Protection Program through the East King County Groundwater Management Committee process. See the policies regarding aquifer recharge areas are general concerns relative to long term protection of groundwater resources below.

B.3 Critical Aquifer Recharge Areas

Under the GMA, the City is required to create a Critical Aquifer Recharge Area (CARA) designation and apply city regulations to protect the aquifer consistent with the East King County Ground Water Management Plan.

Groundwater is an important source of domestic water supply for the North Bend planning area. It is contained in underground aquifers and delivered through such means as springs and wells. Most aquifers are replenished, or recharged, by rainwater. Development can threaten the quantity as well as quality of groundwater by contamination and reducing recharge. Preventing contamination is necessary to avoid potential risks to public health, significant costs, and hardship. The quality of groundwater in an aquifer is directly linked to its recharge area. Intensive development can deplete groundwater or seriously threaten groundwater quality if not properly managed. North Bend's ability to identify the potential impacts to groundwater from new or existing development and recommend mitigating measures depends on the quality of data available on local groundwater resources.

Groundwater management plans have been developed for the county, including the North Bend UGA. The protection of groundwater requires an understanding of (1) the quantity of water replenishing aquifers relative to the quantity being withdrawn from them, and (2) the potential for contamination. These issues are functions of related, but different factors and cannot adequately be addressed by the same designation. The areas highly susceptible to groundwater contamination are shown on **Figure 2-4**. Wellhead protection studies provide additional information about contamination susceptibility and vulnerability of water purveyor's wells. They also increase understanding of where the wells are being recharged. The City of North Bend will update their Wellhead Protection Plan and Critical Aquifer Recharge Areas as required and necessary.

CA Goal 2: *Maintain the long-term quality of groundwater resources in North Bend and its growth area by prevention of contamination.*

Policies:

- CA 2.1 Protect critical groundwater recharge and wellhead protection areas, and develop planning and regulatory measures to ensure that groundwater resources are protected from potential pollution.
- CA 2.2 The City of North Bend shall implement goals and policies outlined in the East King County Groundwater Management Plan as required per WAC 173-100-120.
- CA 2.3 Take corrective action for failing septic systems by requiring failed systems to hook up to the City sewer system consistent with NBMC.
- CA 2.4 Require filing with the City of a hazardous materials emergency plan for industries identified as using, transporting, or storing known hazardous materials.
- CA 2.5 Continue to work with other governmental agencies to identify and control the use of hazardous materials in aquifer recharge areas and wellhead protection areas.
- CA 2.6 Provide education and technical assistance on the use of pesticides and fertilizers to homeowners and businesses in North Bend.

- CA 2.7 Implement land use regulations that prohibit uses that pose a significant threat to contamination of a groundwater aquifer in areas defined as high susceptibility wellhead protection and aquifer recharge areas.
- CA 2.8 Work cooperatively with State, County and environmental resources to identify and develop strategies to clean up contaminated properties (brownfields) that present a threat to groundwater quality or redevelopment of the contaminated properties.

B.4 River and Stream Corridors

The City of North Bend is located upstream from Snoqualmie Falls, which functions as a barrier to the upstream migration of anadromous fish. However, the Snoqualmie River above Snoqualmie Falls with its three main branches and its many tributaries provide valuable habitat to resident fish species. **Figure 2-6** depicts streams within the North Bend Planning Area.

Natural drainage systems provide important and beneficial functions including storing and regulating stormwater flow, purifying surface water, recharging groundwater, conveying water, providing important aquatic habitat and supporting important biological activities. Alteration of natural drainage systems results in public costs and can disrupt natural processes, leading to environmental degradation including flooding, erosion, sedimentation, and damage to infrastructure, water quality and habitat.

The most effective solution for protecting natural drainage systems and water quality is to control the amount and quality of surface water runoff. New development can be designed to prevent significant runoff and water quality problems, protect the integrity of natural channels, preserve the habitat functions and values of riparian corridors, and maintain the scenic character provided by local watercourses. North Bend Goals and Policies for Regulated Shoreline Environments are contained in the Shoreline Element of the Comprehensive Plan.

CA Goal 3: *Protect the natural hydraulic, hydrologic and habitat functions, scenic as well as recreational values of streams.*

Policies:

- CA 3.1 Control the quality and quantity of stormwater runoff to protect natural drainage systems. New development should not increase peak stormwater flows.
- CA 3.2 Require mitigation measures on all public improvements and private development which proposes to alter natural drainage systems.
- CA 3.3 Insure the implementation of Best Management and Low Impact Development Practices to reduce the impacts of construction and construction-related activities that may affect streams.
- CA 3.4 Minimize stream crossings; where authorized, stream crossing should consist of bridges rather than culverts.
- CA 3.5 Evaluate state and federal stream habitat protection mandates when developing local critical area protection and land use development regulations.

- CA 3.6 Continue to utilize the Department of Ecology Stream Restoration and Culvert Installation or Replacement Guidelines, or a similar comprehensive standard, for projects in the City of North Bend.
- CA 3.7 Implement best management practices for the treatment of wastewater that removes the river as the primary and secondary discharge point while accommodating target growth.
- CA 3.8 Discharge from the Wastewater Treatment Plant shall meet or exceed Department of Ecology Class A standards.

B.5 Frequently Flooded Areas

Flooding is a natural geologic process which has shaped the Upper Snoqualmie Valley, providing habitat for wildlife, and creating rich agricultural lands. Human development often interferes with the natural processes of floodplains, affecting the distribution and timing of drainage and resulting in inconvenience or catastrophe. Flood problems can increase as human activities encroach upon floodplains.

North Bend is located on the floor of the Upper Snoqualmie Valley, upstream of Snoqualmie Falls and near the confluence of the three forks of the Snoqualmie River. Upstream of North Bend and this confluence is a river basin with an area of approximately 256 square miles. A combination of high annual precipitation and melting snow in the Upper Snoqualmie Basin contribute to the potential for significant winter flooding from November through February. Rivers that carry runoff out of the upper basin are constricted downstream and collect on the flat valley floor where North Bend is located. Although incorporated North Bend with its developed areas occupy a very small percentage of the entire river basin, its location on the valley floor close to the outlet of the basin makes it vulnerable to flooding, which can damage residences or other property.

Flooding of lowland areas by excessive stormwater runoff and snowmelt is one of North Bend's most common and costly natural hazards. The built environment also creates localized flooding problems outside of natural floodplains by altering and confining historic drainage channels, thereby reducing their capacity to contain flows. Flooding has been part of the history of North Bend and the entire Snoqualmie Valley. High flow events occurred in 1932, 1933, 1943, 1947, 1951, 1959, 1964, 1975, 1986, 1989, 1990, 1995, and 1996, 2006, 2009, 2011 and 2015 in the Valley. North Bend flood hazard areas are defined by the Federal Emergency Management Agency (FEMA) as those areas subject to inundation by the 100-year flood (i.e. the 100-year floodplain). The 100-year floodplain is that area that has at least a 1 percent probability of inundation in any given year. Streams, lakes, wetlands, and closed depressions all have floodplains that may also qualify as flood hazard areas. **Figure 2-7** depicts flood hazard areas within the North Bend planning area. The goal and related policies of this plan provide guidance in protecting the public from flood hazard and at the same time protect the environment by discouraging development within flood areas. Primary planning policies and implementation measures to reduce the hazards of flooding in North Bend are provided in the North Bend Floodplain Management Plan.

CA Goal 4: *Protect public safety by discouraging development within the river floodway and its natural systems and by preserving the flood storage function of floodplains.*

Policies:

- CA 4.1 Reserve flood hazard areas for less-intensive activities such as public open space and recreation. Uses permitted in the regulated flood areas shall not change flood elevation or obstruct or divert the natural flow.

- CA 4.2 Support non-structural methods for flood prevention and flood damage reduction measures that do not increase upstream or downstream flooding.
- CA 4.3 Prohibit construction of permanent structures in the floodway (FEMA).
- CA 4.4 Locate roads at grade level and build structures at least one foot above the 100 year flood elevation to maintain existing flood storage capacity where development is allowed in the floodplain.
- CA 4.5 Work with the City of Snoqualmie, King County and the Snoqualmie Watershed Forum to establish criteria for joint review of significant projects which may have flood related issues.
- CA 4.6 Preserve the natural functions of drainage systems, including vegetation and channel corridors, and control runoff from new development in terms of peak flows, total quantity and location of discharge.
- CA 4.7 Review and revise the policies relating to flood protection as necessary for consistency with the North Bend Floodplain Management Plan.

B.6 Channel Migration

The upper Snoqualmie River and its three forks, near the City of North Bend, is one of several rapidly migrating river systems in King County. These rivers have a tendency to move large distances across the floodplain in a short period, sometimes during a single flood. Channel migration hazard areas are not shown on Federal Emergency Management Agency (FEMA) flood insurance maps, which only show areas subject to inundation. The FEMA maps are used by regulatory agencies, landowners, and developers to determine where development can be allowed along rivers. The City of North Bend has approved zoning for potential residential development in accordance with flood insurance maps in areas where a change of river course has been mapped by King County. In many cases, landowners buy the property with little awareness of the potential hazard from bank erosion. An additional complication arises because FEMA maps are based on fixed base hydraulic analyses. Because of channel migration, the floodplain and floodway boundaries shown on the maps are in some cases only reliable for short periods after the maps are completed.

King County's historic approach to bank erosion problems has been to try to control rivers through extensive construction of levees and revetments. However, few new projects of this type have been built since the 1970's, due to lack of funds and the adverse effects of these projects on flooding and aquatic habitat. Projects that have been constructed more recently tend to protect specific small areas such as roads or houses. Levees and revetments are expensive to build and maintain, can aggravate flooding or erosion problems off-site, and are subject to failure due to channel migration upstream or downstream from the project. Traditional rock levees and revetments have degraded in-stream and riparian habitats by eliminating side channels and riparian vegetation and reducing recruitment of gravels and woody debris into rivers.

In order to regulate development in hazardous zones along rapidly migrating rivers, the King County Flood Hazard Reduction Plan recommended conducting channel migration hazard mapping and studies. The 1996 report on Channel Migration in the Three Forks of the Snoqualmie River report is a result of such a study. The study includes a determination of historic limits and rates of channel migration,

estimation of probable future limits of channel migration, and development of maps that show channel migration hazard zones. Hazard maps produced by these studies have been adopted by King County to use in regulating development under the Critical Areas Code.

The Three Forks of the Snoqualmie River report covers the upper Snoqualmie River mainstream from Snoqualmie Falls upstream to the confluence of the three river forks of the Snoqualmie, and each river fork upstream to a stable section of the channel. Within the study area, levees, and revetments (rock-armored banks) are discontinuous and subject to damage by channel migration upstream or downstream of the armored site. On the South Fork Snoqualmie River upstream from the Burlington Northern right-of-way in North Bend, channel migration has been effectively prevented for 30 years by channelization of the river between narrowly spaced levees. Although the levee system requires frequent maintenance due to toe scour (Shannon & Wilson, 1993; King County, 1993), the channel is not expected to migrate outside the levees on this part of the South Fork. Little channel migration occurs on the north Fork upstream from Ernie's Grove or on the Middle Fork upstream from Tanner, where the channels are relatively steep and stable. However, downstream from Tanner on the Middle Fork and north of the Snoqualmie Valley Trail (old Milwaukee railroad) on the South Fork, the river has potential to migrate in conjunction with a flood event placing portions of the Silver Creek Neighborhood at risk for an avulsion channel migration.

CMZs refer to a rivers likely lateral movement, based on evidence of active movement over the past. North Bend's CMZs have been mapped by King County depicting areas of potential, moderate and severe hazard for channel migration. The goal and related policies of this plan provide guidance in protecting the public from flood hazard and at the same time protect the environment by discouraging development within flood prone areas, including channel migration or avulsion areas. **Figure 2-3** in the Comprehensive Plan shows the North Bend UGA River Channel Migration Hazards. .

B.7 Wetlands

Wetlands are defined as those areas that are inundated or saturated by ground or surface water at a frequency and duration sufficient to support a prevalence of vegetation typically adapted for life in saturated soil conditions. Wetlands include marshes, swamps, bogs, and similar areas. They occur both in association with rivers, streams, lakes or ponds, and as isolated wetlands which exist due to saturated soil conditions. Wetlands are classified into various types. Each type has its own characteristics and related development constraints. Wetlands located in the 100 year floodplain are part of the "shoreline" environment regulated under the State Shoreline Management Act and also receive Federal protection from the US Army Corps of Engineers.

Historical Wetland Detail

Wetlands are a valuable natural resource, which serve many important ecological and social functions. Wetlands are among the most productive biological systems for they provide important habitat for fish and wildlife, including essential nesting, feeding, breeding, and hiding places. Because of the rich biological environment they contain, wetlands provide unique educational and scientific research opportunities. An important quality of wetlands is their value as a scenic resource, providing pleasant visual contrast to manage forest uplands, agricultural lands, and developed areas. In addition, wetlands provide recreational and educational opportunities. Wetlands also improve water quality by filtering out sediments, excess nutrients, and toxic chemicals. They can support agricultural activities and provide a rearing habitat for fish. Wetland vegetation can help stabilize shorelines and effectively reduce stream bank erosion from river

currents. In many cases, wetlands help recharge groundwater supplies and maintain stream flows. Finally, they play an important role in flood reduction by slowing and storing flood waters.

Wetland preservation and protection can significantly reduce public and private costs associated with downstream flooding, poor water quality, and diminishing wildlife habitat. North Bend has recognized the value of natural wetlands. The city has mapped probable wetland areas within the planning area using a 1991 survey of “potential wetlands” using aerial photography and U.S. Soil Conservation Service Soil Survey maps, site specific data from projects on delineated wetlands, and the King County mapped wetlands. **Figure 2-5** depicts wetland resource areas within the North Bend planning area. Since the scale of this map does not allow the depiction of all wetlands, the North Bend Wetlands Inventory Map should be consulted for additional detail.

CA Goal 5: *Preserve, protect, restore and enhance wetlands for their hydraulic, ecological, visual and cultural values.*

Policies:

- CA 5.1 Encourage no net loss of remaining wetlands acreage, functions and values within the North Bend and its UGA.
- CA 5.2 Encourage the creation and restoration of wetlands to increase the quantity and quality of wetlands in North Bend.
- CA 5.3 Protect and buffer wetland functions from significant human impact.
- CA 5.4 Allow for and incorporate public access to wetlands in development plans when the city determines such access will not degrade the resource and is desirable for establishing interpretive facilities and/or providing links to existing or proposed parks, open space or scenic areas.
- CA 5.5 Maintain the natural hydrology to wetlands while identifying methods to remove potentially harmful contaminants from stormwater discharge.
- CA 5.6 Promote the use of property tax reductions, conservation easements and other techniques as incentives to preserve wetlands as a public benefit.
- CA 5.7 Mitigation projects requiring the replacement of wetlands functions and values should, when feasible, contribute to existing wetland system or restore an area that was historically a wetland. Wetland mitigation banking within our watershed may be allowed.
- CA 5.8 Design critical area regulations to recognize limitations on wetland function, value and habitat created by existing development and focus greater protection to the remaining higher value wetland habitat areas.
- CA 5.9 Evaluate the effect of state and federal wetland protection mandates when developing local critical area protection and land use development regulations.

C. FISH AND WILDLIFE HABITAT

The natural environment plays an important role in the health of the entire ecosystem and the overall high quality of life found in North Bend. The preservation of critical areas for habitat use is critical in sustaining wildlife and in retaining the City's rural character. Wildlife habitat areas associated with streams (**Figure 2-2**), wetlands (**Figure 2-5**) and their buffers can be protected by regulations and enhanced by innovative and critical site design. The preservation of wildlife habitat and priority species with jurisdictional goals, policies, and regulations is mandated by the Growth Management Act. The development of the Critical Areas plan element for the protection and integration of wildlife habitat in the City of North Bend relates to various issues in regard to wildlife and its recognized importance to the city and its citizens. This plan includes goals and policies to provide guidance for integrating the needs of wildlife and protecting wildlife habitat as well as respecting property owner's rights.

CA Goal 6: *Strive to protect and enhance wildlife habitat areas within the City and its UGA.*

Policies:

- CA 6.1 Work with the state and county to identify, protect, and enhance important wildlife corridors within North Bend and its surrounding area to create a network of wildlife corridors which link habitat areas together to encourage the natural movement of plant and animal species.
- CA 6.2 Encourage community involvement and education in the creation, enhancement, management, interpretation and enjoyment of wildlife habitat areas.
- CA 6.3 Encourage access to sites of wildlife interest when not in conflict with wildlife protection goals.
- CA 6.4 Support and encourage the development of nature conservation programs within the Snoqualmie Valley School District.
- CA 6.5 Work with other agencies to develop a comprehensive fish and wildlife habitat and management plan for North Bend and its UGA.
- CA 6.6 Work with the Snoqualmie Watershed Forum and other stakeholders to develop and implement measures to preserve and restore “threatened” fish populations in the Snoqualmie Watershed including the Chinook salmon via the Near Term Action Agenda for Chinook salmon and the Chinook Salmon Conservation Plan as applicable.
- CA 6.7 Apply for restoration grants to ensure that the quality of the natural environment and its contribution to human health and vitality are sustained now and for future generations.

Regional and National Environmental Compliance

The City of North Bend works closely with federal and state agencies, cities, and other counties to integrate and streamline compliance with federal mandates like the Clean Water Act, Clean Air Act, and Endangered Species Act (ESA). The City will also work with the Snoqualmie Watershed Forum and the Puget Sound Partnership to define and implement measures to protect habitats identified by WDFW. Programmatic actions taken in conjunction with the Watershed Forum to date include, development of the Near Term Action Agenda (NTAA) to protect Chinook Salmon, participation in development of the Long Term Salmon

Conservation Plan for Chinook Salmon completed in 2004 and development of the joint Model Critical Area Protection Ordinance to incorporate the applicable recommendations of the NTAA and “Best Available Science” as defined by the GMA. Capital projects to date include acquisition and restoration of significant critical areas on the Tollgate and Meadowbrook Farms. Storm drainage projects outlined in the Capital Improvement Plan will improve storm drainage, water quality and habitat. The Puget Sound Partnership was created by the Washington State Legislature and Governor in July 2007 to achieve the recovery of the Puget Sound ecosystem by the year 2020. The Partnership's goal is to consolidate and significantly strengthen the federal, state, local, and private efforts undertaken to date to protect and restore the health of Puget Sound and its watersheds.

D. GEOLOGICALLY HAZARDOUS AREAS

Geologically hazardous areas are lands which are susceptible to hazards associated with underlying soils and geology. These include areas characterized by steep slopes, landslides, seismic hazards, and erosion. A number of geologic hazards exist within the vicinity of North Bend. For example, landslide and erosion hazards are common in hillside areas with steep and unstable slopes. In addition, these lands are at great risk in the event of an earthquake. Regulations include, at a minimum, provisions for vegetation retention, seasonal clearing and grading limits, setbacks, and drainage and erosion controls.

To address geologic hazards jurisdictions shall regulate development on lands with:

- a. Slopes with a grade greater than 40 percent;
- b. Severe landslide hazard areas;
- c. Erosion hazard areas;
- d. Mine hazard areas; and
- e. Seismic hazards.

D.1 Erosion Hazards

Erosion is a natural process of the wearing away of land surfaces by water, wind and ice. While erosion and sedimentation are natural processes at work in the landscape, they are frequently accelerated by land use modifications and urban development.

The susceptibility of soil to surface erosion depends on its physical and chemical characteristics, slope, vegetative cover, the intensity of rainfall, and runoff velocity. Eroded material is moved by surface flows and deposited elsewhere as sediment. The negative effects of increased sedimentation are most pronounced where erosion of soils is connected to the surface drainage network. Through sedimentation, soil erosion can result in degradation of surface water quality and/or aquatic habitats.

Figure 2-10, Erosion and Debris Flow, depicts areas of potential landslide hazard within North Bend and its surrounding area. The map shows areas where soils are particularly susceptible to increased erosion as a result of development. It is important to note that while the map does not show any areas within the city which are characterized by erosion hazards, these conditions do exist here on a site specific or local scale. Soils mapped include those which may experience severe to very severe erosion (soil particle movement) according to the USDA Soil Conservation Service. This definition is consistent with erosion hazard areas as designated in the King County Critical Areas Ordinance and meets the minimum guidelines for erosion hazard areas outlined in the Growth Management Act.

CA Goal 7: *Protect people, property, water quality and habitat from the negative effects of accelerated erosion and sedimentation*

Policies:

- CA 7.1 Work with property owners to restore vegetative cover and natural drainage features on identified degraded sites where degradation has led to accelerated erosion and sedimentation.
- CA 7.2 Work with the County to restrict the scope and scale of development in erosion hazard areas which impact the City and its growth area.
- CA 7.3 Seek to retain as open space those areas where the soils have been identified as having severe or very severe erosion potential.
- CA 7.4 Minimize grading and require the restoration of native vegetation on development sites which are known to have a high probability of erosion.
- CA 7.5 Ensure the implementation of Best Management Practices to reduce the impacts of construction and construction-related activities.
- CA 7.6 Ensure usage of proper sedimentation controls and staged clearing and grading to minimize impacts to soil, understory vegetation or downslope conditions through permits and inspections of development sites.

D.2 Landslide and Steep Slopes Hazard Areas

The identification of areas susceptible to landslides is necessary for informed land use planning and to support land development regulations which reduce the risk of property damage, personal injury, and environmental degradation. Landslide hazard areas lie principally outside the existing city limits but are evident in areas surrounding the City. Landslide flow paths however can directly impact the incorporated city. Landslide hazard areas are defined by alternate or co-existing landscape conditions, which are based on well-established geotechnical determinations of slope stability and considerable experience and research in the Puget Sound area. Earthquakes in the past have caused large rocks and boulders to fall from Mt. Si in 1949 and 2008.

The stability of slopes in landslide hazard areas is highly dependent on the water content of the underlying soils. Water readily percolates through sand and gravel, but ponds above less permeable silt, clay and till layers, thus saturating the overlying deposits. Where a less permeable layer (silt or clay) intersects a slope, water often seeps from the layers above. This combination of sedimentary deposits, topography, and local groundwater flow results in a high potential for landslides. An event that increases groundwater levels and flow, such as a rain storm or discharge of surface water above a slope, can saturate sediments near the surface and cause failure of a slope that is stable under dryer conditions. Likewise, erosion along a stream channel can steepen a slope or expose deposits which may become water saturated, increasing the potential for landslides on a previously stable slope.

Most landslide hazard areas outside of the City of North Bend involve a few feet of relatively loose soil on slopes underlain by denser and typically less permeable till or bedrock. All areas with surface soils underlain with relatively impermeable soils on slopes of 15 percent or greater and with drainage from topographically higher areas, and all areas with steep slopes greater than 40 percent (except consolidated rock), are depicted in **Figure 2-10**, Erosion and Debris Flow and **Figure 2-9** Liquefaction Susceptibility. These unstable slopes represent a major hazard to people and structures and have limited development

potential. The plan’s goal and policies provide guidance in decreasing the hazards of developing within landslide hazard and steep slope areas.

CA Goal 8: *Protect people and property from the risk and negative effects of unstable slopes and landslide hazards.*

Policies:

- CA 8.1 Encourage use of landslide hazard areas and their alluvial fans as open space and maintain such sites in their natural condition, including preservation of vegetation.
- CA 8.2 Permit developments in landslide hazard areas only if it can be shown that it development not decrease slope stability, or the hazard can be eliminated or mitigated.
- CA 8.3 Seek to retain areas with slopes in excess of 40 percent as open space areas in order to protect against geologic hazards.
- CA 8.4 Work with the County in order to restrict development in landslide hazard areas and their flow paths.

D.3 Seismic Hazards

Seismic hazard areas are defined as those areas subject to severe risk of earthquake damage as a result of seismically induced settlement or soil liquefaction. Loose, water-saturated soils tend to experience the most severe ground shaking during an earthquake. When shaken by an earthquake, such soils lose their ability to support a load; some soils will actually flow like a fluid. Loss of soil strength can result in failure of the ground surface (settlement, surface cracking, and landslides) and damage to structures. Most of the floor of the upper Snoqualmie Valley has been identified as a seismic hazard area (See **Figure 2-8**).

Since the entire valley floor is a seismic hazard area it is unreasonable to restrict remaining undeveloped valley properties to agricultural or open space uses for seismic safety purposes. However, land use planning strategies and building code regulations can be used to reduce the health and safety risk due to seismic hazards in hillside areas where landslides and rock fall are possible. It is essential for the City to include an earthquake disaster response plan as part of the emergency response plan. This plan would designate specific responsibilities to various city officials in the event a significant earthquake occurs and would outline the relationship between the City's disaster preparedness plan and other jurisdictional disaster response plans. The plan is currently being developed by the City and should also identify particularly hazardous buildings so damage response teams know where the most likely locations for structural failure and casualties.

CA Goal 9: *North Bend should seek to diminish the risks to human life and property associated with earthquake activity in the Puget Sound Region.*

Policies:

- CA 9.1 Maintain and enforce the latest seismic standards within the City's building codes.
- CA 9.2 Work with the County to develop informational materials for property owners and occupants about seismic hazards.

- CA 9.3 Require additional setbacks for new buildings which lie below steep hillsides critical to earthquake-related subsidence, rockfall hazards or which lie in the path of potential landslides.
- CA 9.4 Maintain and update the City of North Bend's disaster emergency response plan.

E. AIR QUALITY AND OTHER ENVIRONMENTAL ISSUES

All people contribute to air pollution problems by using automobiles, burning wood in wood stoves, burning yard waste, or numerous other actions. Commercial and industrial operations can also contribute significantly to air quality problems. As the population continues to grow, the city will face an increasing challenge to maintain its air quality.

Quality of life is affected by environmental issues such as noise or light pollution. The city can work with its citizens and other governmental agencies to solve these issues.

Air quality is addressed by development of policies, methodologies and standards that promote regional air quality, in coordination with the Puget Sound Air Pollution Control Agency and the Puget Sound Regional Council.

CA Goal 10: *Strive for the best available solutions to air quality and other environmental issues.*
Policies:

- CA 10.1 Adopt local regulations to require compliance with applicable state and federal standards for installation and operation woodstoves and fireplaces.
- CA 10.2 Improve air quality by supporting transportation modes that reduce reliance on Single Occupancy Vehicles (SOVs).
- CA 10.3 Work to support and promote public information strategies that focus on air quality issues and identifies measures that each person can take to improve air quality.
- CA 10.4 Continue to provide yard waste recycling and collection events as an alternatives to open burning.
- CA 10.5 Develop and implement idling measures that reduce or prohibit the idling of vehicles, consistent with Objective O2.1 in the Transportation Element and its underlying policies.

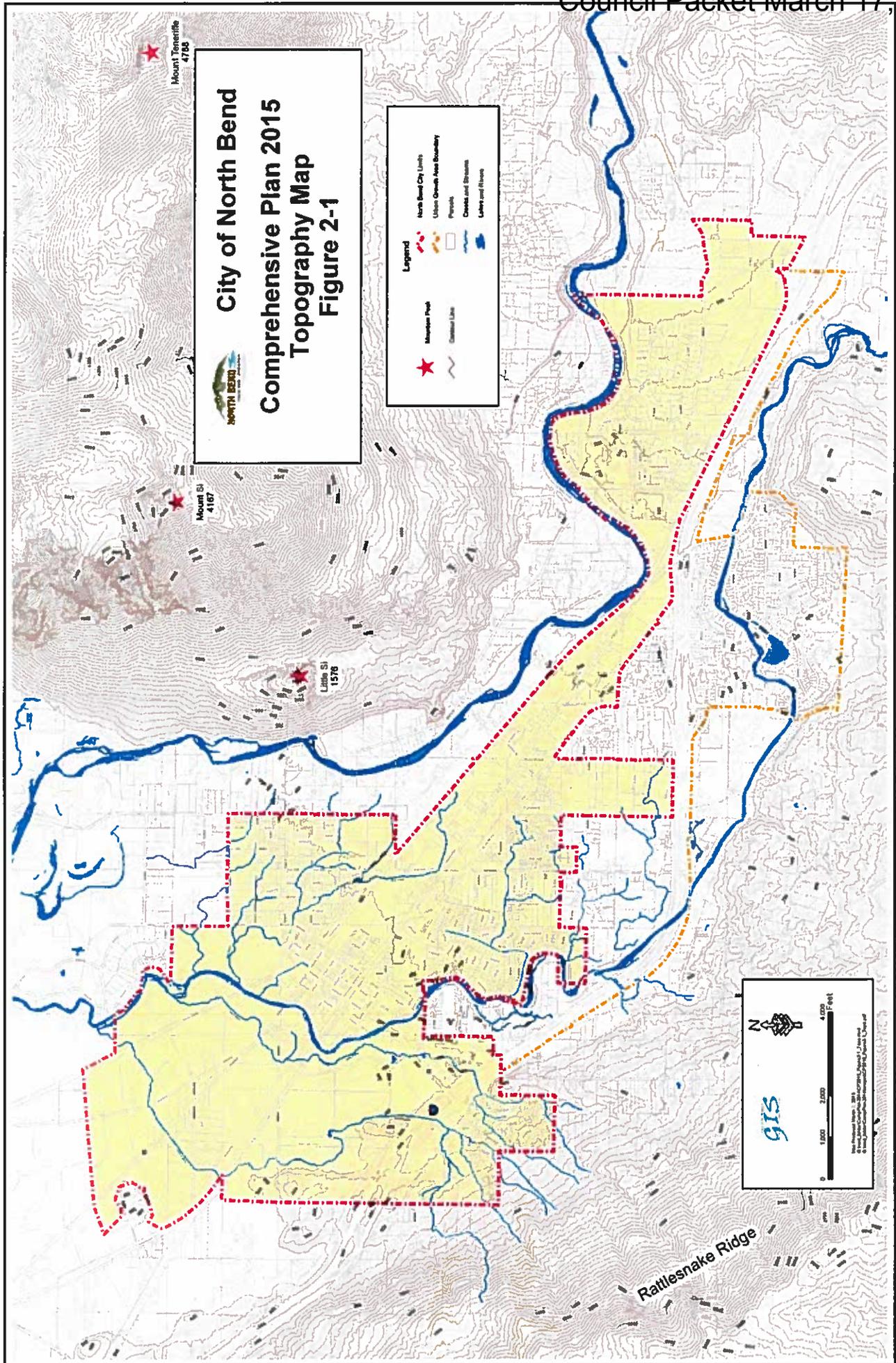
F. CRITICAL AREA MAPPING

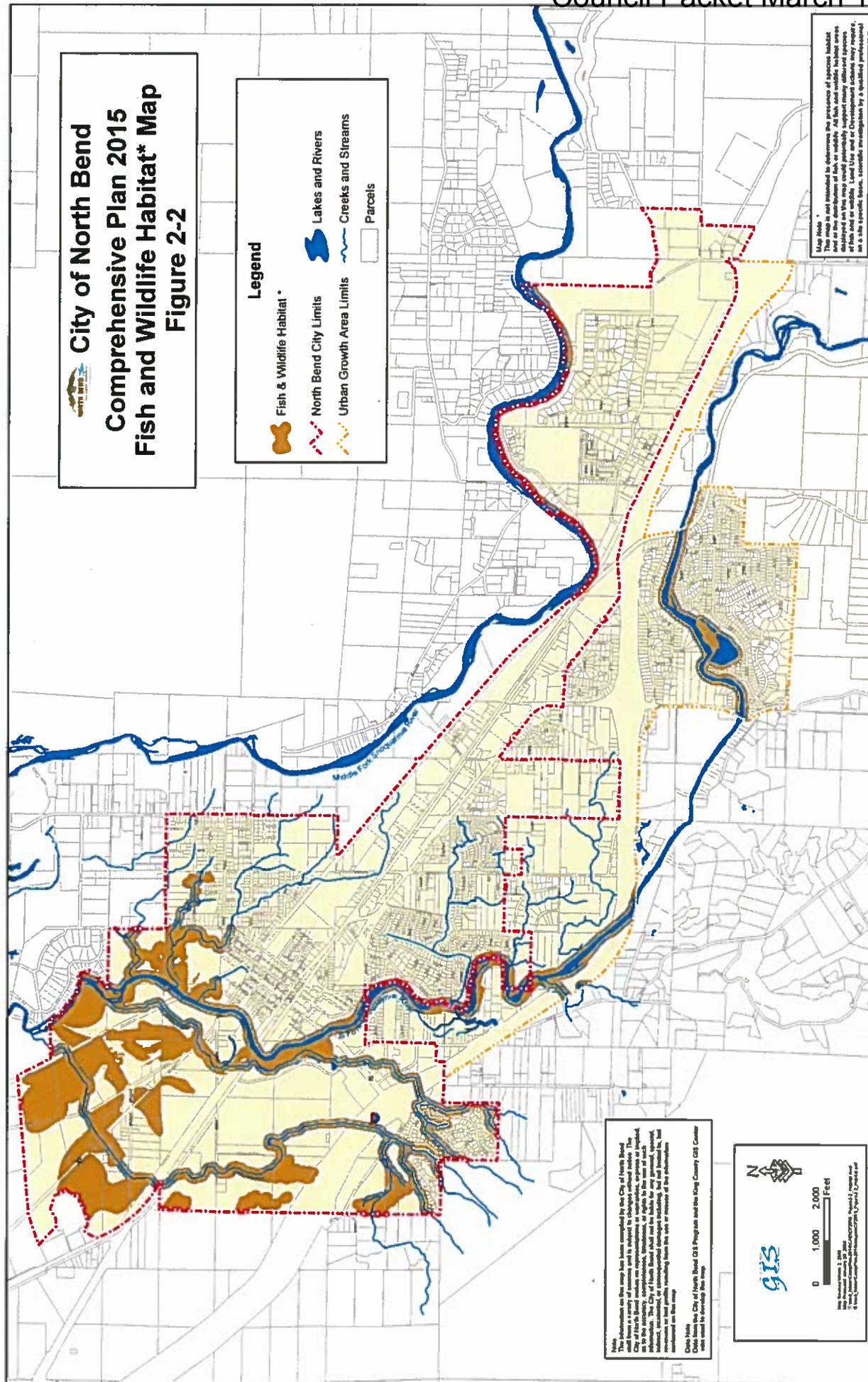
The Critical Area mapping found in this element includes those areas within North Bend and its UGA that are defined as: (1) floodways, (2) channel migratory areas, (3) streams and associated buffers, and (4) wetlands and associated buffers. Critical Aquifer Recharge Areas and Seismic Hazards Areas are stand-alone maps because both areas completely encompass North Bend and its UGA. The purpose of these maps is to identify the potential boundaries of the environmentally critical areas that present severe constraints to development.

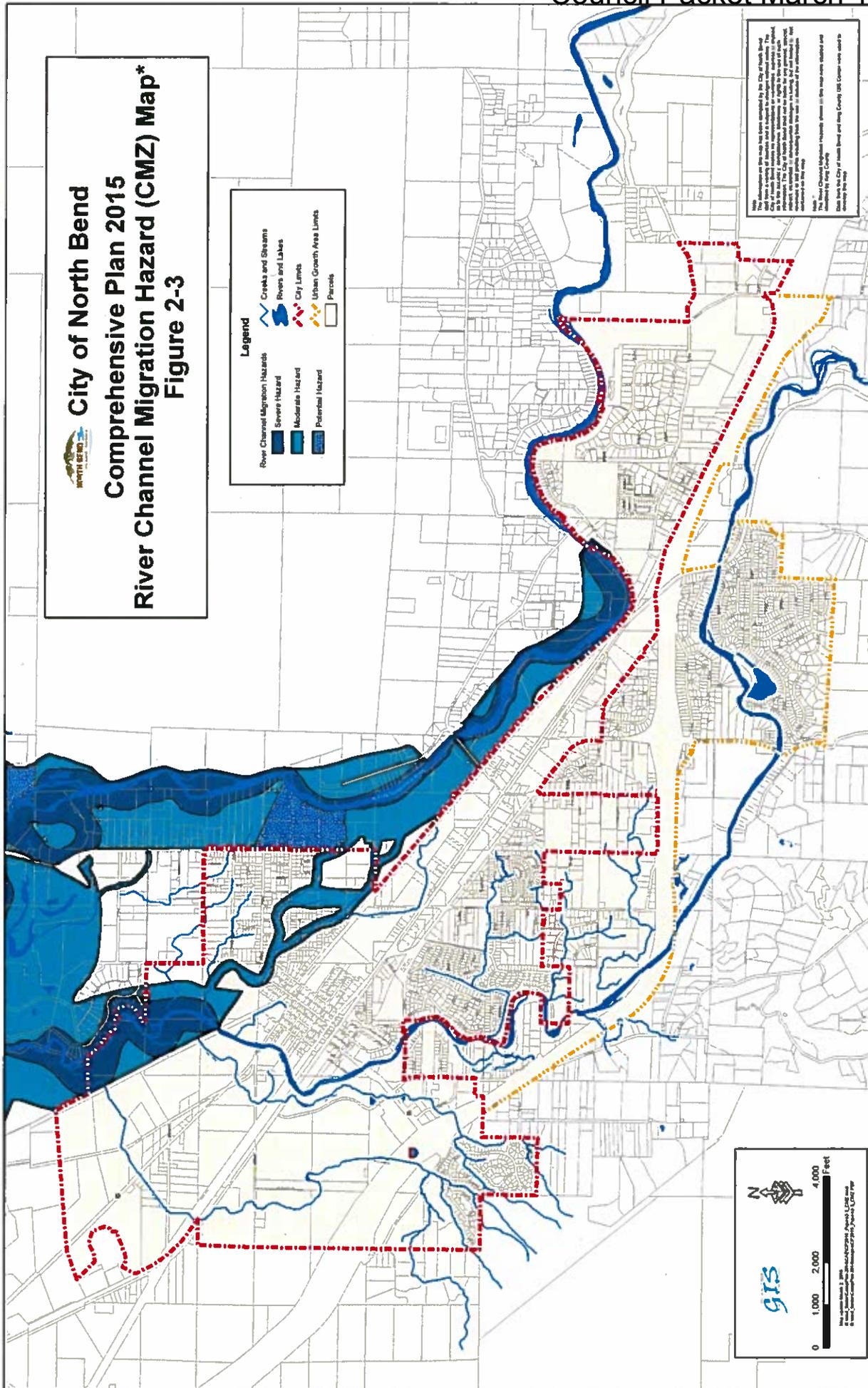
CA Goal 11: *Maintain Critical Area Base Maps*

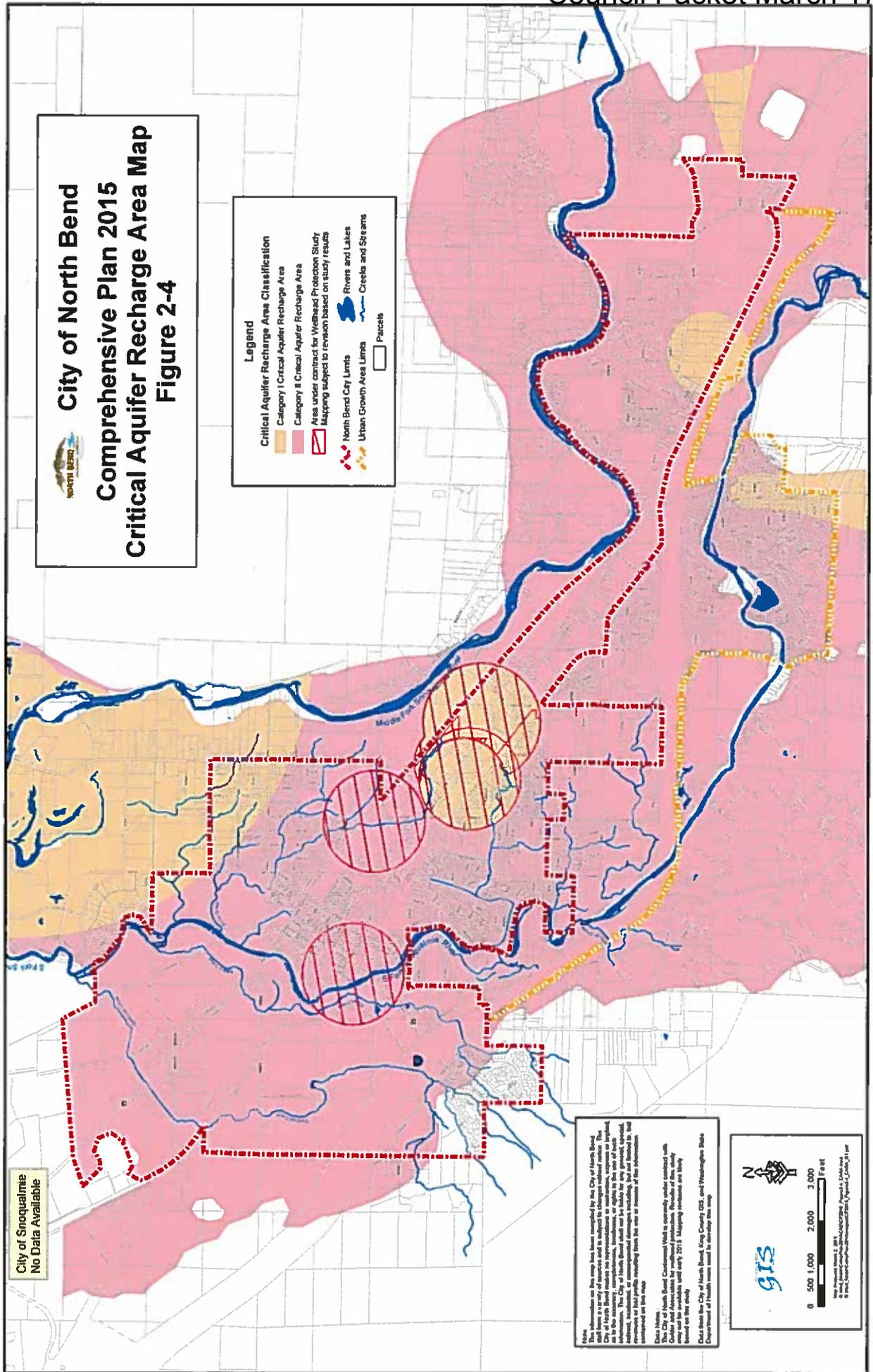
Policies:

- CA 11.1 Use Best Available Science (BAS) as defined by the Growth Management Act to define and protect Critical Areas
- CA 11.2 Collect and evaluate BAS to identify the appropriate level of protection for critical areas.
- CA 11.3 Recognize limitations on critical area function and value created by existing development and design critical area regulations to provide optimal protection to the remaining higher value critical areas, including areas where high value functions can be restored.
- CA 11.4 Utilize the risk assessment method prescribed by the GMA to evaluate the potential impact of not using BAS to protect critical areas where it is determined to be unfeasible to fully protect the functions and values because of existing development patterns.









City of North Bend
Comprehensive Plan 2015
Critical Aquifer Recharge Area Map
Figure 2-4

Legend

- Critical Aquifer Recharge Area Classification
- Category I Critical Aquifer Recharge Area
- Category II Critical Aquifer Recharge Area
- Areas under contract for Wetland Protection Study Mapping subject to revision based on study results
- North Bend City Limits
- Urban Growth Area Limits
- Rivers and Lakes
- Creeks and Streams
- Parcels

City of Snoqualmie
 No Data Available

Note:
 The map was prepared by the City of North Bend. The City of North Bend makes no representations or warranties, expressed or implied, about the accuracy, completeness, or timeliness of the information. The City of North Bend shall not be liable for any errors, omissions, or inaccuracies in the information, including but not limited to, but not limited to, the information contained on this map.

Disclaimer:
 The City of North Bend, King County GIS, and Washington State GIS and Associates Inc. are not responsible for the accuracy of the information. Results of this study are for informational purposes only. Mapping is not a warranty.

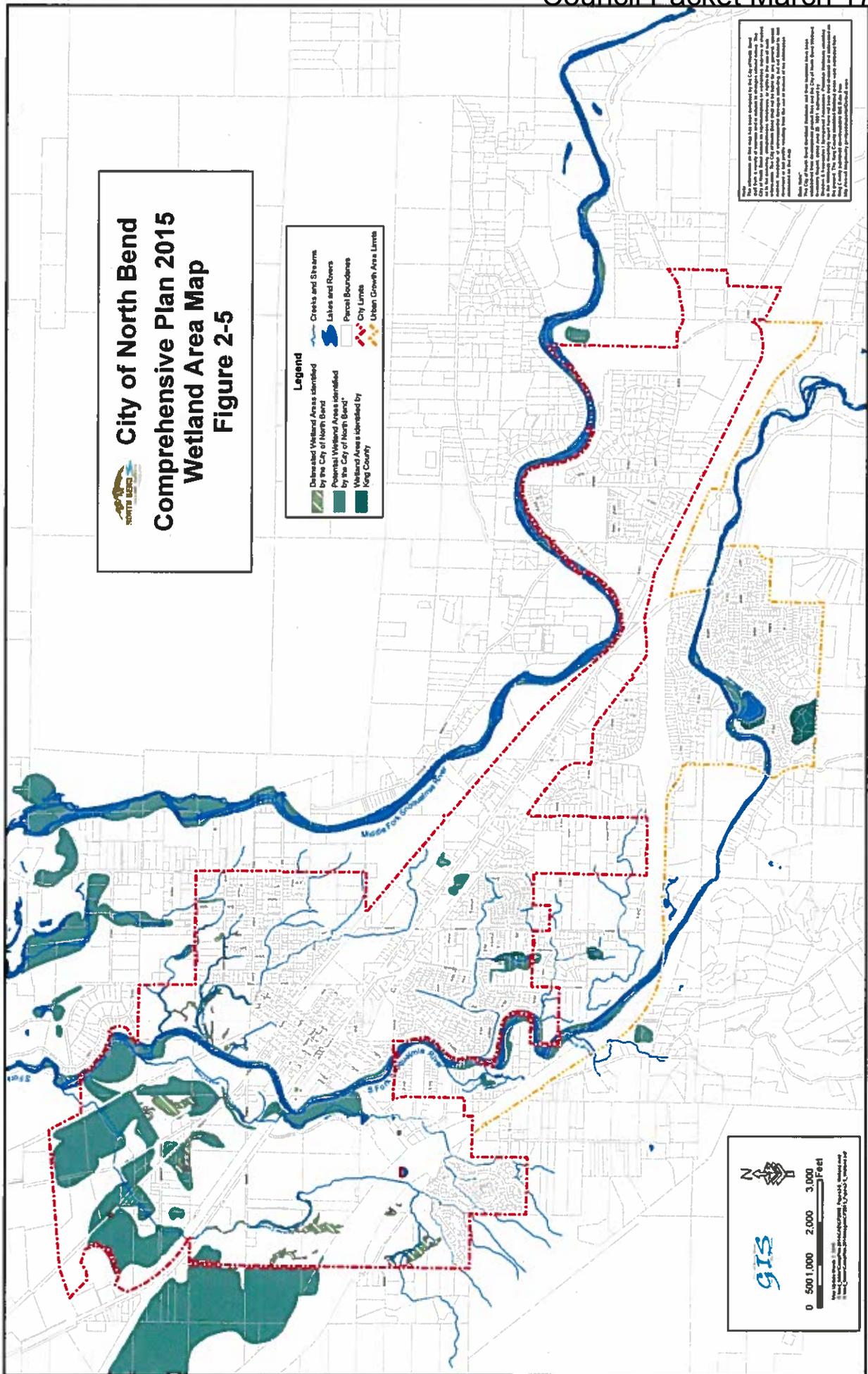
Data: City of North Bend, King County GIS, and Washington State Department of Health

GIS

0 500 1,000 2,000 3,000 Feet

Scale: 1" = 3000'

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**City of North Bend
Comprehensive Plan 2015
Wetland Area Map
Figure 2-5**

Legend

- Delineated Wetland Areas identified by the City of North Bend
- Potential Wetland Areas identified by the City of North Bend
- Wetland Areas identified by King County
- Creeks and Streams
- Lakes and Ponds
- Parcel Boundaries
- City Limits
- Urban Growth Area Limits

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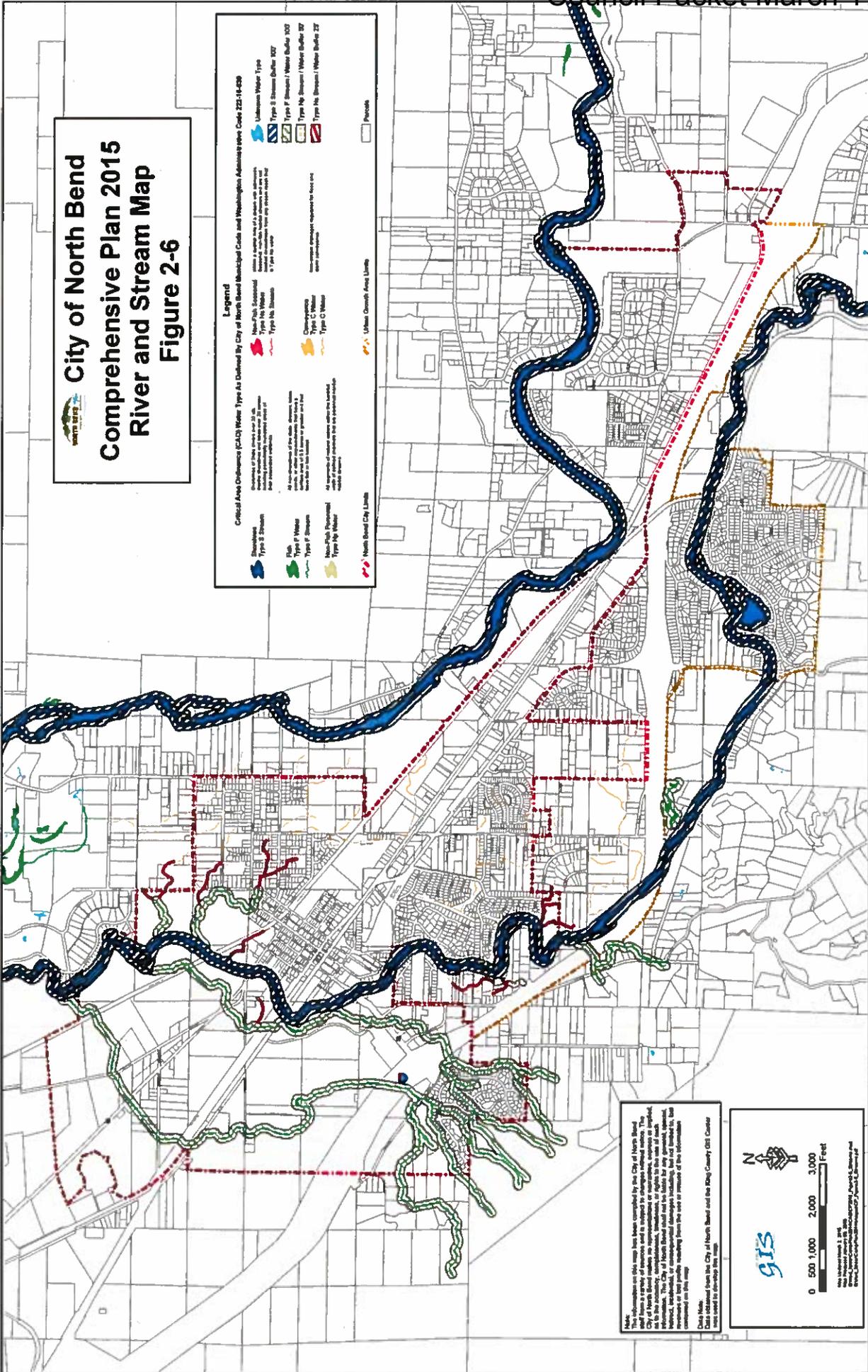
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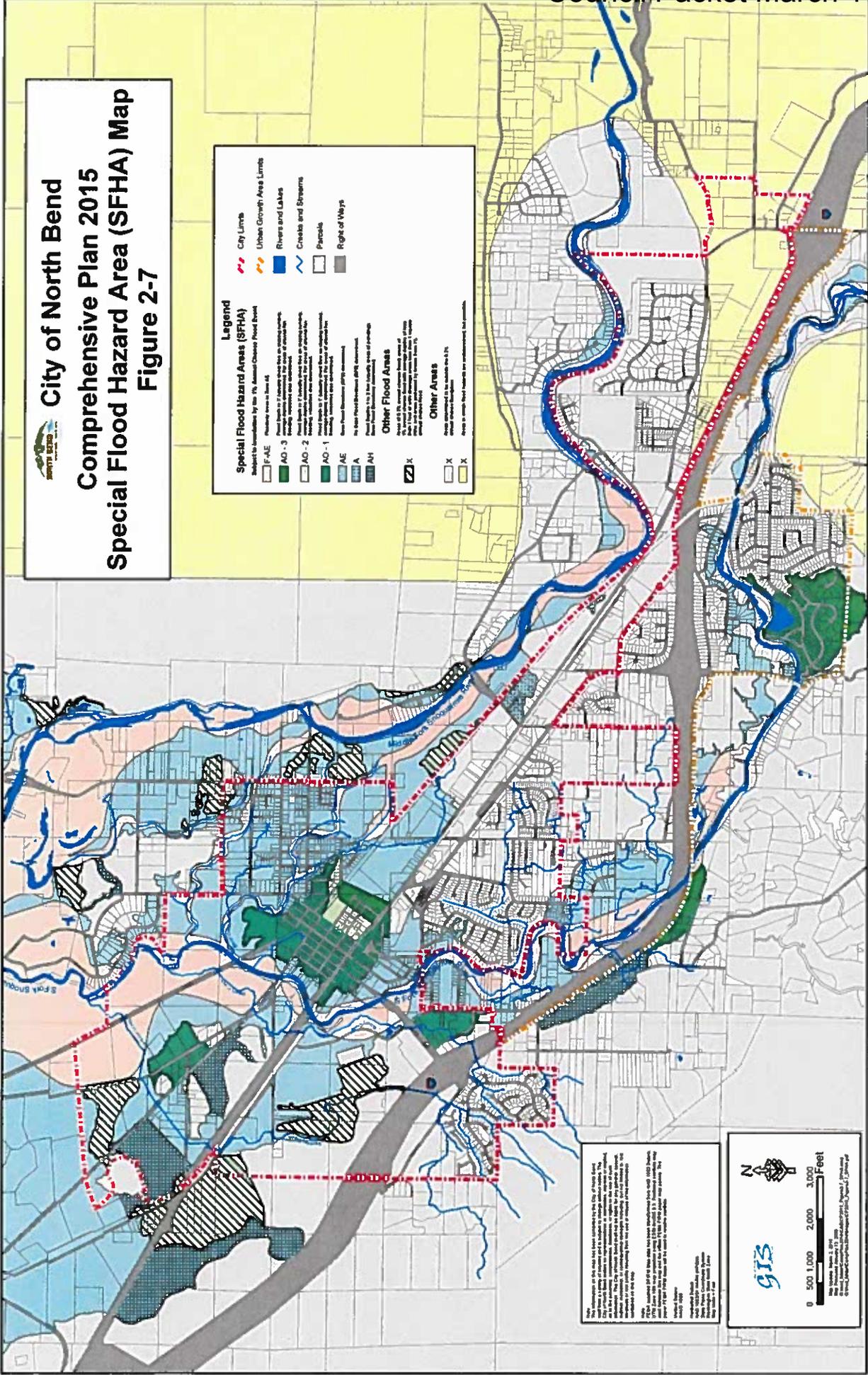
North

This map was prepared by the City of North Bend, Planning and Community Development Department, 1000 North Bend, WA 98048. Contact: 360-338-1234

**City of North Bend
Comprehensive Plan 2015
River and Stream Map
Figure 2-6**



**City of North Bend
Comprehensive Plan 2015
Special Flood Hazard Area (SFHA) Map
Figure 2-7**



Legend

Special Flood Hazard Areas (SFHA)
 Subject to inundation by the 1% Annual Chance Flood Event
 F-AE Primary areas in Zone AE
 AO-3 Areas subject to flooding from the 1% Annual Chance Flood Event with a base flood depth of 1 to 3 feet
 AO-2 Areas subject to flooding from the 1% Annual Chance Flood Event with a base flood depth of 3 to 6 feet
 AO-1 Areas subject to flooding from the 1% Annual Chance Flood Event with a base flood depth of 6 to 10 feet
 AE Areas subject to flooding from the 1% Annual Chance Flood Event with a base flood depth of 10 feet or more
 AH Areas subject to flooding from the 1% Annual Chance Flood Event with a base flood depth of 10 feet or more and a base flood velocity of 4 feet per second or more
 X Areas subject to flooding from the 1% Annual Chance Flood Event with a base flood depth of 10 feet or more and a base flood velocity of 4 feet per second or more and a base flood wave height of 10 feet or more
 X Areas subject to flooding from the 1% Annual Chance Flood Event with a base flood depth of 10 feet or more and a base flood velocity of 4 feet per second or more and a base flood wave height of 10 feet or more and a base flood wave height of 10 feet or more

Other Flood Areas
 In the Flood Insurance Rate Map (FIRM) community
 Areas subject to flooding from the 1% Annual Chance Flood Event with a base flood depth of 10 feet or more and a base flood velocity of 4 feet per second or more and a base flood wave height of 10 feet or more
 Areas subject to flooding from the 1% Annual Chance Flood Event with a base flood depth of 10 feet or more and a base flood velocity of 4 feet per second or more and a base flood wave height of 10 feet or more

Other Areas
 Areas subject to flooding from the 1% Annual Chance Flood Event with a base flood depth of 10 feet or more and a base flood velocity of 4 feet per second or more and a base flood wave height of 10 feet or more
 Areas subject to flooding from the 1% Annual Chance Flood Event with a base flood depth of 10 feet or more and a base flood velocity of 4 feet per second or more and a base flood wave height of 10 feet or more

City Limits
 Urban Growth Area Limits
 Rivers and Lakes
 Creeks and Streams
 Parcels
 Right of Ways

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GIS

0 500 1,000 2,000 3,000 Feet

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