

August 18, 2008

CALL TO ORDER:

Mayor Brunz called the meeting to order at 5:30 p.m., with the Pledge of Allegiance. Council members present: Aslett, Bensen, Doyle, Edmundson, Loving, and Valentine. Staff present: Aarstad, Cavanaugh, Fleek, Sheahan, Stafford, Thomas and Thramer.

Mayor Brunz asked **Assistant Police Chief Stafford** for a review of the Fiesta Unidos celebration that was held this past Saturday on one block of Fairhaven Avenue. **Assistant Police Chief Stafford** stated that the event was coordinated by the Burlington Chamber of Commerce to highlight Hispanic businesses in Burlington and encourage and educate the public as to their presence in our city. The event included music, fashion show, children's activities, a beer garden as well as other activities. In addition to Hispanic business, representatives were on hand from Costco, United General Hospital, the Burlington Fire Department and other vendors from the community. There were no reported problems, the event was well attended; he guessed about 2,000. The sponsoring group is hoping to build on the success of this first event and will plan another in 2009. They may consider holding the event at Skagit River Park rather than downtown.

City Administrator Aarstad announced that the City Council / Department Head retreat will be held on Wednesday September 10, 2008. The location has not been determined at this time. He asked that Council members submit a list of issues to him by the end of the week that they might like to discuss at the retreat. He noted that he has been in contact with Mr. Charles Goll, the facilitator for the retreat, to begin working on an agenda. The retreat will be from 7:30 a.m. to 4:30 p.m. The Council, Mayor, City Administrator and Administrative assistant will meet for dinner from 4:30 p.m. to 6:00 p.m.

A motion was made by **Councilors Aslett/Valentine** to excuse Councilor Montgomery from tonight's meeting. All agreed. Motion carried.

NEW BUSINESS:

PUBLIC HEARING TO DISCUSS THE POSSIBLE LAND PURCHASE OF TWO PIECES OF PROPERTY KNOWN AS RAILROAD PARK IN "HISTORIC DOWNTOWN BURLINGTON".

City Attorney Thomas stated that at tonight's meeting the council will take comments from the public regarding purchase of the two parcels. One parcel is known as Railroad Park, the other as the Railroad Parking lot. He noted that the possible purchase was discussed in Executive Session, so council members are well aware of the properties in question. Tonight's decision will be a motion to purchase or not to purchase the property. If approved; determination of how to finance the purchase will be considered at a future council meeting. He noted that Mr. Clay Learned has assisted the City in negotiations with the Rail Road and wanted to pass along the message that it took a great deal of effort and badgering to get Burlington Northern Rail Road to the table to discuss this land purchase. **City Attorney Thomas** stated that if council approves the purchase their will be a 45 day period for environmental review, etc. prior to finalization. **Mayor Brunz** opened the public hearing. Mr. Steve Stafford (Glow Cleaners 408 E. Fairhaven) spoke in favor of the City acquiring the two parcels. A motion was made by **Councilors Bensen/Doyle** to close the public hearing. All agreed. Motion carried. **Councilor Aslett** stated that in a conversation with **Finance Director Thramer** he learned that automobile sales revenue in Burlington is down by 13% so far this year. He noted that we can probably expect worse next year. He stated that he supports this project, but we need to look at how we use our funds to be that we are being fiscally responsible. He noted that at the end of 2007, the City had to take \$300,000 from ending net cash to balance the budget. The City cannot continue to operate in this way if the economy continues its downward slide. We need to be cautious in our future spending. **Councilor Edmundson** stated that she had a conversation with the Mr. Tom Hill of the Outlets at Burlington Mall. He stated that since their renovation upgrade at the mall, they have seen an increase in business. He is hopeful that this is a sign that the economy is improving in Burlington. **Councilor Aslett** suggested that the City may need to reconsider the demolition of the old fire hall for a conversion to a parking lot. It may be more fiscally

August 18, 2008

responsible to sell the property. He isn't so sure it is the City's responsibility to provide parking lots. **Councilor Edmundson** asked if there might be state or federal grant funding for park land purchases. **City Administrator Aarstad** stated that there are grant funds available, but the competition is great. **Councilor Loving** stated that he is in favor of the purchase but not by using Park Impact Fees. He asked **City Administrator Aarstad** of other possible revenue sources for this purchase. **City Administrator Aarstad** noted that there may be funds that were earmarked for purchase of Ragnar property on George Hopper Road. This purchase may not happen in 2008 as the owner may not move forward with construction of his car dealership at this time. **Planning Director Fleek** stated that he is planning to withdraw his application for a building permit for the car dealership. A motion was made by **Councilors Loving/Edmundson** to purchase the two parcels of property for \$578,000.00 (without using Park Impact Fees). All agreed. Motion carried.

Mayor Brunz stated that he has someone who will tear down the old fire hall for free. He also noted that the City is paying \$1,200 per year for insurance on the building that is not being used. **Councilor Aslett** clarified his statement, noting that the building is an asset, and we need to look at how best to use the asset.

City Attorney Thomas requested clarification on the Council's suggested method of financing for purchase of the two parcels. **Councilor Loving** stated that the Council is in favor of using Stadium (Lodging) Tax Funds, the funds set aside to purchase Ragnar Pettersson property at Hopper Road, design funds and/or residual building funds, but to not use Park Impact Fees. **City Administrator Aarstad** stated that we may not be able to use Stadium Funds to purchase the parcels. **Parks & Recreation Director Cavanaugh** stated that the City used Stadium Funds for purchase and improvements to Skagit River Park, so it could probably be used for purchase and development of these parcels. **City Administrator Aarstad** stated that recent opinions from the Attorney General's Office may prevent use of Stadium (Lodging Tax) Funds for these parcels. He noted that the plan for residual funds from construction of City Hall and the Library was to be set aside for upgrades to old city hall (900 E. Fairhaven) for the Parks and Recreation Department. **City Attorney Thomas** clarified that funds for purchase would come first from Fund 301 Capital Improvement, then the funds earmarked for Ragnar Pettersson property purchase.

EXECUTIVE SESSION:

There was not an Executive Session.

ADJOURNMENT:

The meeting was adjourned at 5:56 p.m. by **Mayor Brunz**

Greg Thramer
Finance Director / City Clerk

Edward J. Brunz
Mayor