



Next Ord:2113-26  
Next Res:1181-26

## CITY COUNCIL STUDY SESSION AGENDA

March 4, 2026

6:00 PM

**Sedro-Woolley Municipal Building  
Council Chambers  
325 Metcalf Street**

- a. Call to Order**
- b. Pledge of Allegiance**
- c. Roll Call**
- d. Introduction of Special Guests and Presentation**
  - 1. U.S. Small Business Administration

- e. Unfinished Business**

- f. New Business**

- 1. Comprehensive Plan - Council Comments
- 2. Senior Center Update and Guiding Principles
- 3. Briefing - Central Skagit Library District

- g. Public Comments**

Please keep comments to three minutes or less. Because State law prohibits the use of city facilities for the purpose of supporting or opposing a campaign or ballot proposition, we respectfully request that public comment not make reference to such matters.

Written comments will be accepted by letter or via email at [finance@sedro-woolley.gov](mailto:finance@sedro-woolley.gov) Attn: 'Public Comment' until 4:30pm the day before the meeting.

- h. Adjournment**

Next Meeting - Regular City Council - March 11, 2026

The City of Sedro-Woolley complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, limited English proficiency, age, disability, or sex. The City of Sedro-Woolley doesn't exclude people or treat them differently because of race, color, national origin, limited English proficiency, age, disability, or sex.

The City of Sedro-Woolley also complies with applicable state laws and doesn't discriminate on the basis of creed, gender, gender expression or identity, sexual orientation, marital status, religion, honorably discharged veteran or military status, or the use of a trained dog guide or service animal by a person with a disability.

### **Join Zoom Meeting:**

City of Sedro-Woolley

City Council - March 4, 2026

<https://zoom.us/j/91786850179?pwd=Vys0Y29XalZmQTRmemJBM2txVDIUQT09>

or dial by location at:

+1 253 215 8782 US (Tacoma)

+1 669 900 6833 US (San Jose)

+1 346 248 7799 US (Houston)

+1 929 205 6099 US (New York)

+1 301 715 8592 US (Washington DC)

+1 312 626 6799 US (Chicago)

Meeting ID: 917 8685 0179

Passcode: 091845



**City Council Agenda Item**

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**Agenda Item No.:** d.1.

**Date:** March 4, 2026

**From:** Julia Johnson, Mayor

**Subject:** U.S. Small Business Administration

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**RECOMMENDED ACTION:**

Information item, no recommended action.

**BACKGROUND/SUMMARY INFORMATION:**

**FISCAL IMPACT, IF APPROPRIATE:**

**ATTACHMENTS:**

1. SBA Overview for WA 21450 (revised) KK

## Office of Disaster Recovery and Resilience



U.S. Small Business  
Administration

# DISASTER ASSISTANCE

**Businesses ■ Homeowners ■ Renters ■ Nonprofits**

SBA Disaster Loan Program (as of Jan. 2025)

Subject to future statutory or regulatory changes

# SBA Disaster Loan Limits

Types of Loans	Borrowers	Purpose	Max. Amount
Business Loans	Businesses and private nonprofits	Repair or replace real estate, inventory, equipment, etc.	\$2 million *
Economic Injury Loans	Small businesses and private nonprofits	Needs based borrowing for working capital loans	\$2 million *
Home Loans	Homeowners	Repair or replace primary residence	\$500,000
Home Loans	Homeowners and renters	Repair or replace personal property	\$100,000
Mitigation	Businesses, private nonprofits and homeowners.	Mitigate - prevent future loss from any event	20% of verified physical damage. Homeowners limited to \$500,000.

**\*The maximum business loan is \$2 million, unless the business qualifies as a Major Source of Employment (MSE).**

# Protect Your Property from Future Disasters

**Disaster mitigation** is the effort to reduce loss of life and property by lessening the impact of disasters. Disasters can happen at any time and any place, not preparing can have dire consequences. Disaster survivors may qualify for additional funds for mitigation projects.



## Flood Mitigation

- Seal your roof deck
- Elevate structures
- Add a sump pump
- Relocate outside of a flood plain
- Landscape your property to improve water runoff and drainage



## Wildfire Mitigation

- Install a Class A fire-rated roof
- Remove roof and gutter debris that can be ignited by airborne embers



## Wind/Tornado Mitigation

- Brace/upgrade to wind-rated garage doors
- Install hurricane roof straps
- Upgrade to pressure-rated windows
- Install safe rooms or storm shelters



## Earthquake Mitigation

- Install window film to prevent shattered glass injuries
- Anchor roof-top mounted equipment

# Protect Your Property from Future Disasters

**Disaster mitigation loan funding** allow SBA disaster low-interest loan recipients to qualify for additional funds for mitigation projects to protect their property from future disasters. (Up to 20% of their total disaster damages)

A study by the National Institute of Building Sciences (NIBS) has found every \$1 invested in disaster mitigation on average provides an average benefit of \$6 to American communities.

Mitigation efforts provide significant savings in terms of safety, property protection, and continuity when communities are struck by riverine or coastal flooding, hurricanes, earthquakes, or wildfires.

# Loan and Insurance Requirements

## Requirements for loan approval:



### Eligibility

- Damaged property must be in a declared area.



### Credit History

- Applicants must have a credit history acceptable to SBA.



### Repayment

- Applicants must show the ability to repay all loans.

## Borrowers must obtain and maintain appropriate insurance as a condition of most loans:



### Hazard Insurance

- Is required on all secured loans.



### Flood insurance

- Is required **BY LAW** for properties located in a Special Flood Hazard Area (SFHA).

# Disaster Loan Outreach Center Locations in Washington State

Center	Address	Schedule/Hours
Disaster Loan Outreach Center	<b><u>KING COUNTY</u></b> Auburn Library <a href="#">1102 Auburn Way S</a> <a href="#">Auburn, WA 98002</a>	Mondays, Thursdays, Fridays 10:00 am – 6:00 pm PT Tuesdays – Wednesdays 12:00 pm – 8:00 pm Saturdays 11:00 am – 2:00 pm
Disaster Loan Outreach Center	<b><u>KING COUNTY</u></b> Fall City Library <a href="#">33415 SE 42nd Place</a> <a href="#">Fall City, WA 98024</a>	<b>Opens Monday, March 2 @ 12 pm</b> Mondays, Thursdays, Fridays 10:00 am – 6:00 pm PT Tuesdays – Wednesdays 12:00 pm – 8:00 pm Saturdays 11:00 am – 2:00 pm
Disaster Loan Outreach Center	<b><u>LEWIS COUNTY</u></b> Lewis County Courthouse Room 023, Basement (East End) <a href="#">351 NW North Street</a> <a href="#">Chehalis, WA 98532</a>	Mondays – Thursdays 8:00 am – 4:30 pm PT Fridays 8:00 am – 3:30 pm PT
Disaster Loan Outreach Center	<b><u>SKAGIT COUNTY</u></b> Sedro-Woolley City Hall Municipal Training Room, 2 Floor <a href="#">325 Metcalf Street</a> <a href="#">Sedro-Woolley, WA 98284</a>	Mondays – Fridays 8:00 am – 4:30 pm PT

# Disaster Loan Outreach Center Locations in Washington State cont.

Center	Address	Schedule/Hours
Disaster Loan Outreach Center	<p><b><u>SNOHOMISH COUNTY</u></b>                      Snohomish Library                      Big Study Room  <a href="#">311 Maple Avenue</a>  <a href="#">Snohomish, WA 98290</a></p>	<p>Mondays – Thursdays                      9:00 am – 6:00 pm PT                      Fridays                      10:00 am – 6:00 pm PT</p> <p><b>Schedule change effective Saturday, March 7</b>                      Mondays – Thursdays                      9:00 am – 6:00 pm PT                      Fridays                      10:00 am – 6:00 pm PT                      Saturdays                      1:00 pm – 5:00 pm PT</p>
Disaster Loan Outreach Center	<p><b><u>WHATCOM COUNTY</u></b>                      Sumas Advent Christian Church  <a href="#">125 Front Street</a>  <a href="#">Sumas, WA 98295</a></p>	<p>Mondays, Wednesdays, Thursdays                      9:00 am – 7:00 pm PT                      Tuesdays &amp; Fridays                      9:00 am – 5:00 pm PT                      Saturdays                      9:00 am – 3:00 pm PT</p>

# **SBA Office of Disaster Recovery & Resilience**

**Presenter: *Karl Krahn FOC West Public Affairs Specialist***

For more information about  
SBA Disaster Loan Programs, go to:

[www.sba.gov/disaster](http://www.sba.gov/disaster)

Or [“My SBA Portal” - Disaster Declaration Search](https://lending.sba.gov/search-disaster/)  
(<https://lending.sba.gov/search-disaster/>)

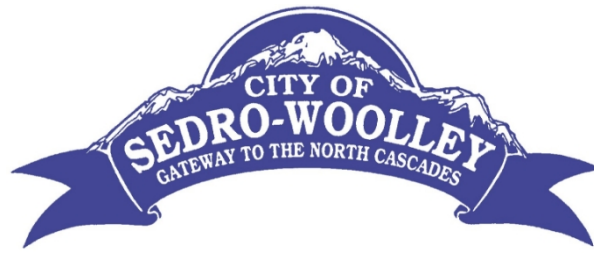
Contact SBA’s Customer Service Center at:  
1-800-659-2955 / 1-800-877-8339 (TTY)

Or by email at:

[disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov)

# Questions





## City Council Agenda Item

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**Agenda Item No.:** f.1.

**Date:** March 4, 2026

**From:** Thomas Glover, Community Development Director

**Subject:** Comprehensive Plan - Council Comments

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### **RECOMMENDED ACTION:**

Review comments received by City Council Members on the Draft Comprehensive Plan (Version 10). Review only, no action requested/required.

### **BACKGROUND/SUMMARY INFORMATION:**

On January 30th, following the first read with Council two days prior of Ordinance 2115-26 that, when eventually approved by Council, would adopt the 2025 Comprehensive Plan, I asked Council to take another look at the draft Comprehensive Plan (Version 10) and if they had any suggestions for edits to the Plan, to send those to me in writing. I set the deadline of Feb. 25th, so I'd have enough time to load the comments into the packet for the March 4th Council Work Session.

Some suggested edits and changes over the past year have been incorporated into the draft document following the presentation and discussion of individual chapters with the Council and the Planning Commission.

I received comments from two Council Members, Kesti and Lavacca; I've attached those comments (files) to this report.

At the Work Session on March 4th I'd like to discuss any responses Council has to the comments, but there is no need to review each comment for additional comment. As well, in reviewing some of the comments, there may or may not be a need to edit the draft Plan, as I see now that some comments don't warrant a change to *text*.

In light of that, my preferred approach then is to work with city staff and our consultant team over the next several weeks to review each of the comments and suggestions received, and then propose edits to our draft Plan (if needed), and then forward a new draft to Council highlighting changes made. I want to do that prior to the Joint Meeting with the Planning Commission on April 1<sup>st</sup> so that both Council and the Planning Commission have time to review those suggested changes.

Then, at the April 1st Joint Meeting, after reviewing the edits and changes with both the Planning Commission and the City Council, I'd like to ask for consent to accept the changes (plus any that emerge

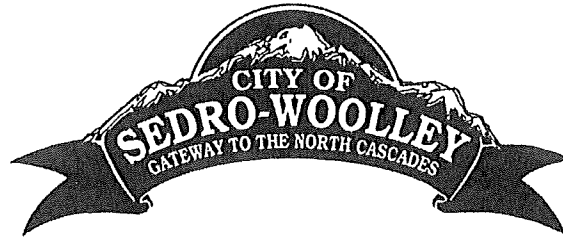
from the discussion at that Joint Meeting), and set a date for a second reading of the adopting ordinance.

**FISCAL IMPACT, IF APPROPRIATE:**

None identified at this time.

**ATTACHMENTS:**

1. Staff Report to Council Jan 28 2026 TG
2. Comp Plan Council Comments - Kesti 022525 TG
3. Council Comments - Lavacca 022526 TG



City Council Agenda Item

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**Agenda Item No.:** m.2.

**Date:** January 28, 2026

**From:** Thomas Glover, Community Development Director

**Subject:** Ordinance 2115-26 - Adopt the Comprehensive Plan - 1st Read

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**RECOMMENDED ACTION:**

First read, no recommended action.

**BACKGROUND/SUMMARY INFORMATION:**

As required by the Washington State Growth Management Act (Chapter 36.70A RCW), the City of Sedro-Woolley must update its Comprehensive Plan every 10 years. Adoption by City Council of the last update occurred in 2016. The effort to update the Plan to comply with the requirements of Chapter 36.70A RCW began in spring 2024. This current update was to be completed on or before December 31, 2025. An updated draft of the Plan was substantially completed by fall, but the City took additional time to ensure proposed policies align with recent decisions made by the Growth Management Hearings Board.

New to the Plan this update cycle:

- Climate Chapter 9 – Climate Element with resilience and greenhouse gas emissions reduction sub-elements.
- Expanded analysis within the Housing Element to craft policies that advance affordable housing choices and provide housing policies across all economic segments of the populations and how housing will be distributed.

On December 16, 2025, in compliance with Chapter 2.90 SWMC, a Public Hearing was held by the Planning Commission. The announcement of the meeting, with opportunity to comment on the proposed Plan was published in the Skagit Valley Herald twice, on December 5 and 6, 2025. In addition, formal notice was also sent to people who have participated in previous hearings or submitted comments on the Land Use Element update, and posted on the City's social media pages.

The Planning Commission reviewed the latest draft of the proposed updated Comprehensive Plan again at their regularly scheduled meeting held on January 20, 2026, and approved a motion to forward a recommendation to the City Council to approve the Plan.

State Environmental Policy Act (SEPA) review checklist has been completed, and a determination of

non-significance (DNS) will be issued prior to adoption. The City has issued the required state agency 60-day Notice of Intent to Adopt the Amended Comprehensive Plan (Periodic Update) to the Washington State Department of Commerce following approval of the recommendation by the Planning Commission.

This is the first reading of the ordinance to approve the Comprehensive Plan Update. No action is requested/required at this time. Council cannot approve the ordinance until after the 60-day review period is completed, and all issues identified through that review have been satisfactorily addressed.

**Attachments:**

1. State Agency Notice Cover Sheet.
2. Planning Commission Findings and Recommendation.
3. Ordinance 2115-26.
4. Draft Comprehensive Plan, Version 10.

**FISCAL IMPACT, IF APPROPRIATE:**

Not applicable.

**ATTACHMENTS:**

1. Notice of Intent to Adopt Amendment Notice of Adoption
2. PC Description-Findings-Recommendation 012026 TG
3. Ordinance adopting the 2025 Comprehensive Plan 012126 TG
4. Sedro-Woolley\_Preliminary Draft Comprehensive Plan\_Rev012125\_Clean\_V10 (1)

## Tom E. Glover

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**From:** JoEllen Kesti  
**Sent:** Wednesday, February 25, 2026 9:55 AM  
**To:** Tom E. Glover  
**Subject:** "Disclaimer"

Thanks for speaking with me this morning. Here is my suggestion for our "disclaimer"  
-JoEllen

This plan includes several provisions required under state guidance and mandates. Although incorporated to maintain compliance, some components may not fully reflect the unique character, capacity, or priorities of Sedro-Woolley. Implementation will be evaluated through local processes to ensure actions are practical, fiscally responsible, and consistent with community needs and available recourses.

Councilmember Lavacca's Thoughts and comments to discuss with Council in regards to the Comp Plan.

Land Acknowledgement pg. iii

No input or feedback requested or submitted by the tribes. Pg.4

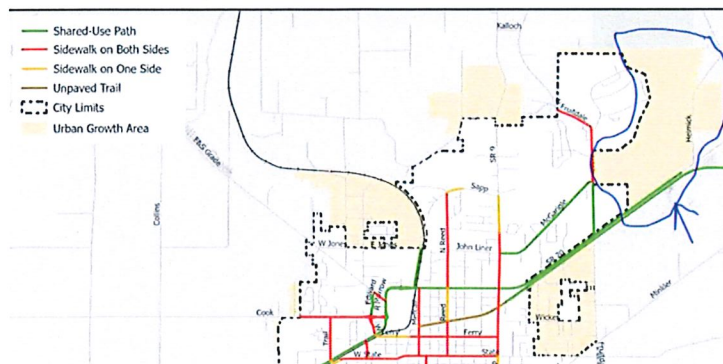
Policy LU12.6

- Consider measures to protect childcare centers from air pollution exposure and encourage increased mitigation in such situations. **\*\*What type of air pollution is being considered?**
- Encourage major employers and the developers of major employment facilities to provide childcare opportunities on site or nearby. **\*\*How are we as a city going to encourage "major employer" to provide childcare opportunities?**

Housing Element Requirements - The housing element **must** ensure that Sedro-Woolley has capacity and policies in place to accommodate the current and projected housing needs of households across the full range of economic and demographic groups through the year 2045. Pg 42 **\*\*That is an impossible task! How can we possibly do that, we need around 700 for 0-30% AMI and 500 for 31-50% AMI? Can we change that to strive or something?**

- • Considering a PRD residential density bonus for developers that set aside a certain percentage of units to be affordable to households making under 80 percent AMI **\*\*If developers to set aside 10% of their units for 0%-50% AMI it would mean SW would need to allow 9,610 new homes to be able to accommodate the need.**
- • Considering fee waivers and donations of surplus lands for affordable housing projects **\*\*Tax payers have to eat that cost or pay for the lands to be donated**
- • Policies to engage with nonprofit developers to provide pathways to homeownership for lower-income households **\*\*Would most likely be Government funded NGO's that take a part for admin which is why it cost so much for NGO's to help**

Urban Growth Area in a wetland? Pg81



Traffic rating at John Liner and 9 is still an E, has it improved since the round-a-bout Pg 88

I am on board for supporting improvements to make traffic easier but I feel we are placing a lot on the tax payer and employers to reduce people's need to travel. See Bold:

**\*\*Transportation Demand Management Strategies pg 99**

**Encouraging carpools and vanpools. Employer incentives** for commuters to carpool and vanpool can be in the form of a **financial incentive** or as simple as reserved car and vanpool parking spaces near buildings. **\*\*More cost on the employer to do business in WA**

**Encouraging transit fare subsidies.** Employer subsidies for transit passes provide an incentive for those who are able to commute by transit. **\*\*More cost on the employer to do business in WA**

**Encouraging bicycle lockers/showers at work sites.** Bicycle lockers and shower facilities at work sites provide greater opportunities for workers to commute by bicycle.

**Encouraging remote work or telecommuting.** The prevalence of part-time or full-time remote work employment has increased significantly in the post-COVID world. **\*\*Reduced use of Office space, create vacancy, leading to lower property value, resulting in less property tax revenue. Fine for small areas like our but bigger cities will raise taxes, and we will see increases by default. Also, government telling employers how to do business.**

Encouraging employers to allow **some employees to work from home**, even if on a limited basis, can reduce peak period travel demand generated by commute trips. **\*\*Government telling employers how to do business.**

**Encouraging flexible work schedules.** Flexible work hour schedules allow employees to adjust start/end times to accommodate carpools, vanpools, or transit options. Alternative work schedules may be used to reduce the number of days an employee commutes during peak travel periods, thereby reducing peak hour congestion and reducing or delaying the need for transportation capital improvements. **\*\*More cost on the employer to do business in WA**

**Encouraging guaranteed ride home programs.** Many commuters who have children or have unpredictable schedules rely on their cars. This **employer incentive provides** the option of a guaranteed ride home in case of an emergency or unexpected schedule change. **More cost on the employer to do business in WA**

The estimated costs of the transportation improvement projects **necessary** to achieve the City's long range multimodal transportation network vision are summarized in Table 22. **Table 22 estimates cost of improvement to be at \$33 million but I do not see a path to get to that withing 5 years.**

The “Bipartisan Infrastructure Law” (BIL) authorizes \$550 billion over fiscal years 2022 through 2026. How much did we get and what about 2026-2031? I do see the numbers on the overall table 23 but I was wondering how accurate that has been in the past.

Funding Source	Description	2026-2045 Revenue Forecast		
		Annual Revenue	Total Revenue	%
<b>Transportation Impact Fee (TIF) Program</b>	Assessed to new development, per SWMC 15.060	\$250,000	\$5,000,000	8.6%
<b>Transportation Benefit District (TBD)</b>	Generated from a vehicle tab fee	\$250,000	\$5,000,000	8.6%
<b>Real Estate Excise Tax (REET 1 and 2)</b>	Local distribution of state REET revenue	\$800,000	\$16,000,000	13.8%
<b>Intergovernmental Revenue/Grants</b>	Includes federal and state grants as well as cost sharing agreements with WSDOT and Skagit County,	\$2,000,000	\$38,856,000	67.2%
<b>Other – Developer mitigation new debt, new sources</b>	SEPA mitigation and development agreements, bonds, low interest loans	\$50,000	\$1,000,000	1.7%

Estimated Improvement Costs (2026-2045)		
2026-2031 Improvements	\$33,096,000	57.2%

Policy P1.3 pg125

Investigate with the Upper Skagit Tribe the possibility of building a long house in an appropriate location in the city, which could be used by the Tribe for ceremonial events, and by the city as a center for cultural exchange. **\*\* Why? No input or feedback requested was submitted by the tribes. Pg.4**

Policy P1.12

Continue to maintain the Parks and Recreation webpage and consider developing an interactive map to promote use of City parks. **It was a priority when I got on but I don't think it's been maintained, the parks and rec board is still empty, and it outdated. Maybe it should read to "Start to..."**

Pg. 127 Policy P2.10 Construct indoor/covered sports courts for year-round use. **Is this a requirement since it would be policy and what does that mean?**

Pg 128, Policy P5.7 Work with a citizen task force to develop a Railroad Park and trolley line on the east west track that runs through the central business district. **Is this still a reality, I like it if it is?**

Pg 126 Policy P1.11 In 5-10 years consider adding a Parks and Recreation Coordinator and Administrative staff to generate community programs, manage uses and activities of City facilities, and oversee project development. **\*\*Good idea, I think that would be a huge benefit to the city**

**In the PROS plan it recommends not updating less than every 5 years. Could this be why pages 132-136 seem like they are from the 2016 Com plan?**

**If projects like the below are complete, why are they still in the plan.**

- o Design Park for North Side of City (2018- 2022): Identify land and purchase for future development of a community park on the North Side of SR20.
- o Memorial Park Renovation Project (2019- 2020): Complete reconstruction of Memorial Park that includes splash park facility, new sidewalks, picnic structures and playground.
- o Houser Park & Playfields (2019-2022): Construct park improvements including irrigation system, restrooms, fencing, shared use path, playground, and associated utilities.
- o Others on the list as well.

**Pg 133 Proposed Capital Projects Based** on the results of the Parks and Recreation survey, proposed parks and recreational development to occur between **2018-2024** should include the following projects: **\*\*did the projects listed get done or are there new timelines for completion?**

**Page 136 - State Street properties adjacent to Memorial Park (2018-2023):** Memorial Park, along with the city library, community center and senior center, makes up almost an entire city block between State Street, Pacific Street, Ball Street and a city alley. **There are three land-holdings adjacent to Memorial Park, fronting on State Street, that are not owned by the city. These properties obstruct visual connection to the park from State Street and generally present safety, usability and access issues for the park. The City has long-term intentions to acquire these properties and improve park access and infrastructure. Acquisition of these properties and subsequent improvements to be funded by park impact fees, budgeted city funds and potentially grant funding. \*\* Really, with the housing shortage? Why would we advertise that we want these properties and can be a later discussion in an attempt to get the**

best price if we did want them. It's not required to have in our comp plan and the acreage of green space is not a concern, is it?

#### Capital Facilities Plan (CFP)

Pg 141 - Future Growth Modeling - The new zoning classification creates a permanent Makers District (MD) zone (formerly an overlay) at the center of Town. This area is highly visible from State Route 20 and State Route 9 and is intended to develop commercially to attract more visitors into the core of the city, which includes the adjacent Central Business District. This new zone provides for a compatible mix of commercial, light manufacturing and residential development. I would like to see us discuss everything related to the MD District Removed. The Property owner can request the change, and the council can review at the time its requested or if the city feels it is ready to discuss due to potential land sale or transfer of ownership.

Pg 157 - TP-11 **Varcor Biosolids Processor** The City of Sedro Woolley contracts with the Boulder Park facility in eastern Washington to haul and dispose of the biosolids via land disposal. Install a Varcor Biosolids Processor to reduce or eliminate the need of the Boulder Park facility \$254,558. **\*\*Cool**

Pg 169 In 2025, SWPD operates on a budgeted staff of one Chief, one Lieutenant, four patrol shift Sergeants, two detectives and 14 patrol officers, for a total sworn strength of twenty-two personnel. Three of these patrol officer positions are currently vacant, incurring an ongoing hiring process and critical staffing levels. **\*\*Can we add in what the budget is like what was stated for the fire department? If the SWFD is \$4,900,000 that is about \$151 per person per year or \$12.61 per month per person in the service area. It helps with levy's and information.**

Pg 196 Policy CF2.4 Work with citizens at a neighborhood level to establish **local improvement districts (LIDs)**, wherein residents assess themselves to improve neighborhood facilities. **\*\*will this get confusing with low impact development, (LID).**

Pg 197 Policy CF3.2 Implement the requirements of the city's National Pollution Discharge Elimination System (NPDES) Stormwater Permit to make **low- impact-development (LID)** principals and LID BMPs the preferred and commonly used approach to site development to minimize impervious surfaces, native vegetation loss, and stormwater runoff, where feasible. **LID/LIDs is confusing, the only difference is the "s" maybe that's enough though.**

#### Chapter 8 Economic Development Element

Vison Statement

Sedro-Woolley’s job base is strong and vital. The city is economically self-sustaining and is not considered a “bedroom community” for larger cities in the region. Residents who live here can also work here. Sedro-Woolley is home to a diverse collection of larger employers.

Policy 5.6. Commercial, industrial and residential acreage shall be designated to meet future needs without adversely affecting natural resource lands, critical areas, and rural character and lifestyles

Policy 5.15. The comprehensive plan shall support and encourage economic development and employment to provide opportunities for prosperity.

Pg 220 Makers District – (MD) The Makers District (MD) is located at the former site of the Skagit Steel plant, near the intersection of Cook Road and State Route 9 / State Route 20. It is highly visible to residents and tourists alike **and is intended to create an aesthetic and welcoming entrance to the CBD.** Balancing the historic use of the land with its unique location in the heart of Sedro-Woolley, **this zoning designation provides for light manufacturing, retail, professional services, restaurants, and residential uses.** I want the city to keep a focus on manufacturing and not allow the change over to a Makers District and if the property owner wants to change it, I would hope we encourage them to keep it the same if we can.

Employment growth allocation by sector within the Sedro-Woolley UGA is as follows:

Sector	2022 Employment	2025 Employment	2045 Employment Targets	2022-2045 Employment Growth		
				Amount	Pct Total Growth	CAGR
Resource	74	74	74	0	0.0%	0.0%
Warehousing, transportation, construction and utilities	467	468	468	0	0.0%	0.0%
Manufacturing	483	483	508	25	0.1%	0.2%
Retail	640	710	818	178	0.9%	1.1%

Is this accurate? Seems way off. Sedron, Dogwood, and Janicki alone have more employees in manufacturing in Sedro-Woolley than is projected by 2045

Pg 225 EMPLOYMENT BY SECTOR Government/Education Historically the single largest employment category in Sedro-Woolley has been government jobs. Is this still correct?

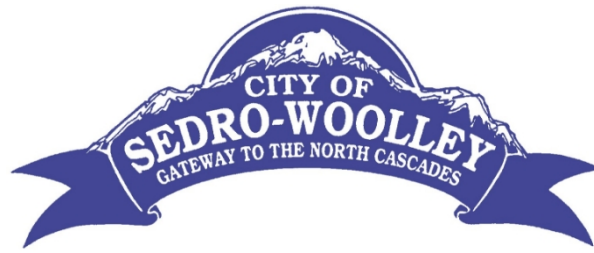
Pg 234 Policy E2.20 Prioritize the transition of the Makers District (MD) near the intersection of Cook Road and Highway 9 into an inviting gateway and connection into the central business district. Actively pursue redevelopment opportunities that support a mix of residential, commercial, and small-scale manufacturing uses to jumpstart revitalization of the area. **I would like to see us discuss everything related to the MD District Removed. The Property owner can request the change, and the council can review at the time its requested or if the city feels it is ready to discuss due to potential land sale or transfer of ownership.**

**Can we ADD to the Introduction, “The State provided Sedro-Woolley a grant for \$500,000 to develop the climate element section of our Comp Plan of which we used \$286,865.06 to prepare the Climate Element Section. (Unless more is needed in which case the number should be updated to the amount when the comp plan is voted in.)**

Pg 241 Climate Change Information “Human influence has likely increased the chance of compound extreme events since the 1950s. Concurrent and repeated climate hazards have occurred in all regions, increasing impacts and risks to health, ecosystems, infrastructure, livelihoods and food” (IPCC, 2023). Human activities (**ADD - such as an dramatic increases in coal-fired power plants in China and other developing nations**) and natural climate variability (**ADD – like an increase in volcanic activities over the last 70 years including Mt Saint Helens**) **are may be** drivers of climate change.

Pg 251 Policy GHG6.2 Use recycled materials in the construction of transportation and other infrastructure facilities. **Can we add, “whenever feasible to do so.”**

Pg 251 Policy GHG8.2 Prioritize converting public fleets to zero-emission vehicles. **Can this read, “Investigate through feasibility studies the cost to Prioritize converting public fleets to zero-emission vehicles.”**



## City Council Agenda Item

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**Agenda Item No.:** f.2.

**Date:** March 4, 2026

**From:** Charlie Bush, City Administrator

**Subject:** Senior Center Update and Guiding Principles

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### **RECOMMENDED ACTION:**

Motion to approve the Senior Center Guiding Principles.

### **BACKGROUND/SUMMARY INFORMATION:**

#### **County Interlocal Agreement (ILA) for Senior Services and the Meal Program**

Skagit County, due to a significant budget shortfall, proposed an amendment to its interlocal agreement with the City of Sedro-Woolley through which it provides comprehensive senior services at the City's Senior Center building (715 Pacific). The amendment would terminate the agreement, effective June 30, 2026. Through the current interlocal agreement, the City agreed to pay the County \$23,246 in 2026 for the provision of comprehensive senior services. This amount is in the City's 2026 budget. The proposed amendment would reduce the City's obligation to one-half of the amount, or \$11,623, as the County would only be contractually obligated to provide services for the first half of 2026. This amendment is scheduled for a second read with the City Council on March 11th.

The County confirmed after the February 25th City Council meeting that it is open to a contract that would provide senior services for the second half of the year, minus the Meal Program (50% of the amount paid by the City). Sedro-Woolley staff have requested a Word version of the current ILA to begin editing it to serve this purpose. Funding in the City budget is available to support a County contract for the second half of the year to ensure there is no disruption of services. Funding is also available in the County's budget to support service through the rest of the year. The new ILA will be brought forward as a separate agenda item. Staff are targeting the March 25th meeting for potential action.

#### **Contract for the Meal Program**

The contract, which includes Meals on Wheels, is currently out for bid through a Request for Proposals (RFP). The County is working with the Northwest Regional Council (NWRC) and NWRC representatives have reached out to Mayor Johnson regarding funding availability to support a contract that would start on July 1, 2026. Funding in the current City budget would be available to help support this contract. However, with the County removing all of its funding, \$800,000 for this service, the cities

(Anacortes, Mount Vernon, Burlington, and Sedro-Woolley) are being asked to potentially make up the difference that was the County's share, in addition to continuing their current contributions. Split four ways equally at the same level of funding, that could potentially result in a General Fund budget impact of \$200,000 per year. The current program is described by County staff as a high-end program in comparison to other counties. The RFP seeks to reduce the program and to produce more frozen meals. This may bring down the cost of services, although general cost inflation will be a driver in the opposite direction, even with a reduction in scope. For the purposes of analysis, staff are operating with a \$600,000 countywide budget shortfall assumption for this program. More data will be available once the RFP closes on March 4th. Split 4 ways evenly, a \$600,000 shortfall would represent a \$150,000 annual General Fund budget impact for the City. Staff have requested to participate in the interview process with potential providers, given that the City is a likely funding partner of the new contract for services and that whatever decisions are made are likely to have direct budget impacts on Sedro-Woolley. Staff are targeting the end of April for concluding discussions on the Meal Program between the cities, NWRC and the new provider. Service with the new provider would need to begin July 1, 2026 if there is to be no break in service.

### **County Funding Agreement**

Unlike the Meals Program, the County has offered to continue to provide some funding for senior services. At a recent study session, County staff presented 5 potential funding options to the County Commission and to the Mayors present. The County memo that describes these options is attached. These options are financially analyzed, to the degree possible given limited information and additional needed negotiation, in the attached spreadsheet. The four cities had a recent meeting to discuss options. Each will meet with the County during March and then continue to have meetings between the cities. There appears to be some interest in the cities working together to develop one funding contract with the County. Doing so would leverage the resources of all the cities together and is likely to result in the best overall deal. If possible, staff recommends working together with the other cities to realize the best possible funding deal. The goal at this time would be for this interlocal agreement to begin in 2027. The staff target for completion of this agreement is June 2026.

### **Cities Negotiation**

As the cities have had discussions, there is an opportunity to develop a sub-regional system, where the cities partner, leverage their resources, county funding, and other funding that might become available, to provide potentially better quality and more cost-effective services than the County has provided historically. The staff target for completion of this agreement is August 2026.

### **Next Steps/Recommendations**

In total, there are 4 separate negotiations that are likely to occur:

- 1) County ILA Extension for 2026 - between the City and the County. Staff recommends not spending a lot of time on this and quickly extending services for the rest of 2026.
- 2) Meal Program Negotiation - between the cities and a new provider, with NWRC involvement. This item has potentially very significant fiscal impacts on the City.
- 3) County Funding Agreement Negotiation - between the cities and the County or the City (just us) and the County. County funding is essential to not experiencing an even more significant budget shortfall

due to the County's unilateral decisions on this topic. Staff recommends working with the other cities.

4) Cities Negotiation - With the County no longer directly delivering senior services, by 2027 the cities need to either work together to find a provider of these services (perhaps a nonprofit), partner to deliver the services between the cities (perhaps with one city serving as the provider), or decide to move ahead on their own. Staff recommends continuing to work with the other cities as the County's service delivery model appears to have been somewhat inefficient, providing an opportunity for cost savings through more systematic collaboration between the cities. For example, rather than providing system-wide back-up staffing for staff absences where staff could be deployed between centers as needed, the County requires each center to fund its own part-time "back-up" staff for these times. In a more regional approach, these roles could be eliminated in favor of sharing staff between the centers. Given opportunities for savings like this, providing services on our own would likely be the most expensive for the City and may result in lower quality services.

Not taking any action in this situation would result in closure of the Sedro-Woolley Senior Center and the elimination of the Meals Program in Sedro-Woolley. This would result in a savings to the City's budget of at least the \$23,246 that the City pays the County through its interlocal agreement and possibly some portion of the annual facility costs of \$63,618, depending upon how the building was used, or not used, in the future. Staff **do not** recommend this no-action alternative.

**Staff recommend taking the actions represented in the attached guiding principles document and are requesting City Council review, feedback, and possible action this evening as some of these items need to move quickly.**

#### **FISCAL IMPACT, IF APPROPRIATE:**

To be determined. The Meals Program alone could be a \$150,000 to \$200,000 per year impact to the City's General Fund. For an order of magnitude comparison, this amount represents approximately the fully loaded cost of one entry level police officer. The Meals Program is easily the most significant financial discussion present in the County's restructuring of senior and meal services. Providing funding at the level needed to fill the gap will create a budget deficit for the City's General Fund, requiring reductions to the budget due entirely to the County's unilateral policy decisions on this topic.

Initial analysis of the County funding options, including limited information and assumptions, for senior services varies from a negative impact of (\$19,356) to a positive impact of \$3,743 per year. Some additional savings in overall senior services costs can likely be realized by the cities pooling resources, as the County was operating each senior center independent of the other and therefore not realizing the possible economies of scale that could have been realized through a true regional services approach.

#### **ATTACHMENTS:**

1. Guiding Principles Senior Center
2. Senior Center Work Session 2.6.26 Memo Final
3. Senior Center Budget Analysis

# Senior Center Guiding Principles

County 2026 6-Month ILA – continue the current service level through 12/31/26

- Put in place a new ILA for the remaining 6 months of 2026 (from 7/1/26 onward).
- The ILA will remove the meals program (to be handled separately from the County) and focus on senior services.
- Target Completion: March 2026

Meal Program Negotiation – with a new provider through the Northwest Regional Council (NWRC)

- If possible, as a potential funding partner, participate in negotiations between NWRC and the potential new provider(s) – the RFP closes on 3/4/26.
- Realize a sustainable approach for the ongoing funding of essential meals for some of the community's most vulnerable residents.
- Develop an equitable cost sharing system between the cities
- Seek additional partners that can help to bring down the cost of delivering services and therefore positively impact the City's budget. Enlist the County's in-kind assistance in fundraising to help support meals for unincorporated County residents (ongoing).
- Target Completion: April 2026

County Funding Agreement Negotiation – funding agreement, possibly with 2-4 cities, possibly on our own

- If the cities are willing and able, develop one ILA between the cities and the County
- Realize a multi-year deal, at least 3 years, ideally 5 or more
- Maximize the financial support available from the County

- Include a termination clause of 12 months or more so that there is time to respond thoughtfully if the County moves to terminate the agreement in the future
- Through the content of the ILA, confirm whether the County can still be a capable partner in delivering regional services. This may impact other areas/ILAs regionally if the County proves to be an incapable and undependable partner. Creating subregional governance structures led by the cities may need to become the future of regional service delivery, with a focus on providing a higher level of services within the cities. Essentially, the County would become a pared down provider of only those services required by RCW of counties.
- Provide an opener for the transfer of staff from the County to a new provider
- Target Completion: June 2026

Cities Negotiation – service agreement for the ongoing provision of senior center services, 2-4 cities

- Establish a sustainable service delivery network
- Leverage the best assets of each city (ex. Burlington and Sedro-Woolley own their buildings, Burlington has a commercial kitchen, Burlington and Mount Vernon have Parks & Recreation Departments)
- Realize a deal that is fair to the participating cities
- Generate economies of scale through one service delivery system (rather than each city doing its own operations)
- Maintain or improve current service levels
- Target Completion: August 2026



# Skagit County Public Health

Monica Negrila, Director  
Howard Leibrand, M.D., Health Officer

**TO: Board of County Commissioners**

**Cc:** Trisha Logue, Jennifer Johnson

**FROM:** Monica Negrila

**DATE:** January 29, 2026

**SUBJECT:** Senior Centers Funding

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## **Purpose**

The purpose of this memo is to:

1. Describe current senior center funding and operational models across Skagit County cities.
2. Provide comparative information from other Washington counties.
3. Present alternative funding models for consideration; and
4. Offer a staff recommendation for an equitable funding framework for County-supported senior centers.

This review is timely due to the upcoming transition of senior nutrition services away from County administration, which necessitates a clearer distinction between senior center operations and nutrition services. The memo concludes with a recommended funding model for Board consideration.

## **Background**

The senior centers in the cities of Burlington, Mount Vernon and Sedro Woolley are operated by the County. The senior center in the city of Anacortes is operated by the city. The community center in Concrete is operated by Community Action of Skagit County. The County provides funding to LaConner to provide senior services.

The senior center facilities in the cities of Anacortes, Burlington and Sedro Woolley are owned by the cities. The senior center facility in the city of Mount Vernon is owned by the County. The Community Center facility in Concrete is owned by the County.

The 2026 Public Health budget for senior center staffing and operations totals \$670,536, of which \$618,456 is funded by the County General Fund. This does not include facility, maintenance, janitorial and repair expenses. The County currently provides \$128,000 annually per senior center operated by the County in the cities of Burlington, Mount Vernon and Sedro Woolley to support staffing, programming, and day-to-day operations.

- The County provides \$105,000 annually to Anacortes for their staff costs. The County provides \$7,000 to the Town of LaConner for their Senior Program.
- The County provides \$167,400 annually to Community Action of Skagit County for the staffing, operations and meal service at the Concrete Community Center.
- The County also receives a CDBG Block Grant in the amount of \$66,064 for the Concrete Community Center (not included in the total above.)

## 2025 City Contributions (Centers and Nutrition Combined)

Each city has historically provided funding to the County to support both senior center activities and senior nutrition programs. The city contributions to the County were combined rather than differentiated by service type.

Amounts reflect combined support for senior center operations and senior nutrition programs.

<b>Anacortes</b>	<b>Concrete</b>	<b>Burlington</b>	<b>Mount Vernon</b>	<b>Sedro-Woolley</b>
\$44,600	\$9,229	\$15,402	\$65,080	\$22,791

Beginning July 1, the senior nutrition program will no longer be administered by the County. In response to the upcoming change the cities and county entered into 6-month contracts, January 1-June 30, 2026, instead of a year-long contract for 2026. As a result, the city contribution structures beyond June 30, 2026, need to be discussed and re-negotiated.

This transition presents an opportunity to revisit and clarify the County–city partnership specifically related to senior center operations, separate from nutrition services. While all cities benefit from senior center services, the current financial model does not consistently reflect operating costs or the varying levels of city support.

## Current Models of Senior Center Operations in Skagit County

Senior Center services are delivered through multiple operational models:

### **Mount Vernon Model (Population: 35,000)**

- The City of Mount Vernon contributes \$65,000 annually to the County for the operations of the Senior Center and the Nutrition Program.
- The County provides the facility, utilities, janitorial, maintenance, staffing and operations.

### **Burlington (Population: 11,000) and Sedro-Woolley Model (Population: 13,000)**

- The City of Burlington contributes \$15,000 annually to the County for the operations of the Senior Center and the Nutrition Program.
- The City of Sedro-Woolley contributes \$23,000 annually to the County for the operations of the Senior Center and the Nutrition Program.
- Cities provide the facilities, janitorial, maintenance, and a cash contribution to the County.
- The County provides staffing and operations of the senior center and the nutrition program.
- Burlington’s Senior Center also serves as the central kitchen for congregate meals and Meals on Wheels for all cities.

### **Anacortes Model (Population: 18,000)**

- The County provides \$105,000 annually to the city in lieu of providing County staff.
- The City of Anacortes provides \$44,600 annually to the County for the operations of the Nutrition Program.
- The City of Anacortes provides the facility, janitorial, maintenance, staffing and operation of the Center.

### **Concrete Community Center (Population: 800)**

- The Town of Concrete contributes \$9,229 annually to the County for the operations of the Community Center.
- The County provides the facility, utilities, janitorial, and maintenance.
- The County contributes \$167,400 annually to Community Action of Skagit County for staffing and operations of the Community Center in Concrete, which does include preparation and service of lunch on site five (5) days per week. This is separate from the nutrition/meal program offered in the Senior centers.
- The facility operates as a community center serving all ages, reflecting population size and local needs.

This model reflects geographic and demographic realities and differs from traditional senior-center-only operations. The meal program is not funded by NWRC as it does not meet age restriction eligibility.

### Peer County Comparisons

A review of other Washington counties demonstrates a wide range of funding and operational approaches:

#### **Kitsap County (Population: 277,658)**

- Kitsap County does NOT provide funding to support senior centers, nor do they operate any senior centers.
- Three cities host Centers in city owned buildings
- Senior Centers are membership clubs. The members decide how much they pay to support their club. City governments assist with public space or general funding (typically through Parks & Rec) to support local Centers. Area Agencies on Aging can provide funding for older adult programs/ services to be in the Senior Centers, but the Senior Centers must have the infrastructure to execute a contract (for funding). This includes liability insurance and other formal processes for accepting public funds.

#### **Whatcom County (Population: 231,919)**

- Whatcom County provides \$540,000 annually to support 8 senior centers
  - 4 large centers
  - 4 smaller centers with limited hours

#### **Cowlitz County (Population: 112,864)**

- Cowlitz County does NOT provide funding to support senior centers, nor do they operate any senior centers.

#### **Lewis County (Population: 86,154)**

- Lewis County leases five senior center buildings to a non-profit for \$1 annually and covers major maintenance (e.g., roofing)
- Ownership transfer to nonprofits has been discussed but not implemented

**Key takeaway:** Counties across Washington use markedly different models. Skagit County's level of staffing and operational responsibility is comparatively high.

### Total Cost to Operate a Senior Center

For purposes of evaluating funding models, staff recommend recognizing the full cost of operating a senior center in Burlington, Mount Vernon and Sedro Woolley. *This does not reflect the full cost for Anacortes or Concrete.*

- County staffing for Burlington, Mount Vernon, and Sedro Woolley: **\$128,000**
- Facility, utilities, and janitorial services: **\$243,000**
  - Based on 9,000 sq. ft. at \$27 per sq. ft. (this is an average, and can be calculated more exactly for each facility)
  - Approximate figure for county and city owned facilities for Burlington, Mount Vernon and Sedro Woolley

**Total operating cost per senior center: \$371,000 (plus the cost of any necessary building repairs.)**

### Funding Models for Board Consideration

#### Option 1: Equal Cost-Share Model

- County and city each fund 50% of total operating costs
- In-kind credit provided for facilities, utilities, and janitorial services

- When in-kind support exceeds a party's 50% share, the cash contribution is reduced to \$0 and the remaining in-kind value offsets the other party's share of total operating cost

**Cost Breakdown**

- Total cost: **\$371,000**
- County share (50%): **\$185,500**
- City share (50%): **\$185,500**

**In-Kind Credit**

- Cities providing facilities, utilities, and janitorial services receive a \$243,000 in-kind credit.
- County receives \$243,000 in-kind credit in Mount Vernon.

**Example A: Cities Providing Facilities**

- City share: **\$185,500**
  - Less in-kind credit: **\$243,000**
  - City cash contribution: **\$0**
  - County cash contribution: **\$128,000**
- (Total cost \$371,000 – \$243,000 in-kind = \$128,000 remaining cash cost)*

**Example B: City Not Providing Facilities**

- City cash contribution: **\$185,500**
  - County in-kind contribution: **\$243,000**
- (When a city does not provide facilities, it pays its full 50% share in cash, while the County provides facilities and related services as an in-kind contribution.)*

**Rationale**

- Reflects the approximate full cost of operating a senior center.
- Shared County/City funding responsibility with clear credit for in-kind support.
- Reduces variability created by historical arrangements.
- Avoids complex formulas or annual recalculations.
- Provides a stable framework adaptable to future cost changes.

**Option 2: County-Funded FTE Model**

- The County funds and provides one full-time equivalent (FTE) position per city. The FTE is a county employee.
- Cities and/or non-profits would be responsible for facilities and additional operational costs.

**Rationale**

- Simple to explain
- Directly ties County funding to staffing

**Option 3: Per Capita Funding Model**

Under this model, total County funding for senior centers would be allocated to cities based on their proportion of the total population. Each city's share would be calculated as a percentage of the combined population and applied to the total funding amount available.

**City populations:**

- Anacortes: 18,000
- Burlington: 11,000
- Mount Vernon: 35,000
- Sedro-Woolley: 13,000

**Total population used in calculation: 77,000**

**Scenario A: Current Total Funding – \$670,000**

<b>City</b>	<b>Population</b>	<b>% of Total Population</b>	<b>Estimated Allocation</b>
Anacortes	18,000	23.4%	~\$156,800
Burlington	11,000	14.3%	~\$95,800
Mount Vernon	35,000	45.5%	~\$304,900
Sedro-Woolley	13,000	16.9%	~\$112,500
<b>Total</b>	<b>77,000</b>	<b>100%</b>	<b>\$670,000</b>

**Scenario B: Reduced Funding Example – \$500,000 (Example number only)**

<b>City</b>	<b>Population</b>	<b>% of Total Population</b>	<b>Estimated Allocation</b>
Anacortes	18,000	23.4%	~\$116,900
Burlington	11,000	14.3%	~\$71,400
Mount Vernon	35,000	45.5%	~\$227,300
Sedro-Woolley	13,000	16.9%	~\$84,400
<b>Total</b>	<b>77,000</b>	<b>100%</b>	<b>\$500,000</b>

**Rationale**

- Appears equitable on a population basis
- Easy to calculate, explain, and adjust as funding levels change
- Commonly used approach in other intergovernmental funding models

This approach does not account for service use by residents outside city limits.

**Option 4: County provides funding to cities and/or non-profits, and cities and/or non-profits employ and supervise the Senior Center Coordinator position**

The Board may wish to consider an alternative staffing structure in which the County provides funding to participating cities and/or non-profits, subject to Board of County Commissioners' direction and the availability of General Fund resources. Under this approach, funding levels would be determined through the selected cost-share or allocation model as approved by the Board. Cities or non-profits would employ and supervise the Senior Center Coordinator position and would assume responsibility for hiring, supervision, and day-to-day management of senior center staff.

**Option 5: County phases out funding of Senior Center Operations**

Under this option, the County would gradually phase out its financial support for senior center operations in recognition of ongoing General Fund constraints and statutory priorities. Counties across Washington State commonly do not provide direct operational funding for senior centers, with such services more often funded and administered by cities, nonprofit organizations, or community-based partners. A phased approach would allow time for transition planning, partner coordination, and communication with affected stakeholders while aligning County expenditures with statutory responsibilities and long-term fiscal sustainability.

### **Staff Recommendation**

Staff recommend adoption of **Option 4**, under which the County provides funding and cities and/or non-profits employ and supervise the Senior Center Coordinator position. This approach balances continued County support for senior services with fiscal responsibility and operational efficiency by aligning staffing, supervision, and day-to-day management at the city level. Cities and/or non-profits are often best positioned to oversee senior center operations given their proximity to the facilities and communities served, while County funding can be structured through contracts to ensure accountability and consistency. Option 4 also reduces administrative burden on the County, provides clearer lines of supervision, and offers a sustainable, collaborative model that reflects common practice across Washington State.

### **Recommended Next Steps**

Staff recommend that the Board of County Commissioners:

1. Review and provide policy direction on the preferred funding model,
2. Clarify acceptable contribution parameters and implementation timing, and
3. Commissioners and staff engage with city partners for input.

# Skagit County Policy Proposals

## Option 1: Equal Cost-Share Model

County and City Each Fund 50% of Total Operating Costs

			New Expend.	Orig. 2026 Expend.	Diff.
Total Operating Costs			189,193	189,193	
Sedro-Woolley Share			94,597	75,241	-19,356
County Share			94,597	113,952	19,356

## Option 2: County Funded FTE Model (1 FTE Per City)

			New Expend.	Orig. 2026 Expend.	Diff.	Notes
FTE Value (2026)			117,695			
Sedro-Woolley Share			71,498	75,241	3,743	Benefits est., likely a little bit high

## Option 3: Per Capita Funding Model

		% of County Pop.	New Expend.	Orig. 2026 Expend.	Diff.	Notes
Sedro-Woolley		17%	75,963	75,241	-722	County's numbers weren't exact, slight variances here

## Option 4: City or Non-Profit Operation, County Funding

Could use various cost allocation models

## Option 5: Couty Phases Out of Senior Center Operations

Gradual funding reduction

# 2026 Skagit County SW Senior Center Budget

## Expenditures

### Salaries and Wages

Center Salaries and Wages	85,247
Center Part Time Salaries	<u>6,930</u>

Total Salaries and Wages	<b>92,177</b>
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### Personnel Benefits

Social Security	7,050
Retirement	4,757
Labor & Industries	279
Medical	19,200
Unemployment Compensation	<u>1,162</u>

Total Personnel Benefits	<b>32,448</b>
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### Services and Pass Thru Payments

Telephone	950
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<b>Total of All County Expenditures</b>	<b>125,575</b>
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City of Sedro-Woolley Contribution (senior services)	-11,623
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Revised Total - County Net Cost to Operate (total Expenditures minus SW contribution)	113,952
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### City of Sedro-Woolley Facility Costs

## Expenditures

Operating Supplies	3,273
Repairs and Maintenance	6,560
Utilities	15,945
Heavy Duty Cleaning	2,500
Building Insurance (Est.)	7,000
Janitorial Labor (Est.)	23,431
Maintenance Labor (Est.)	4,909

<b>Total Expenditures</b>	<b>63,618</b>
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Grand Total Cost (Total County Expenditures plus Total City Expenditures)		189,193
Current City Share	75,241	40%
Current County Share	<u>113,952</u>	60%
	189,193	

2026 Skagit County SW Senior Center Budget

Expenditures

Salaries and Wages	
Center Salaries and Wages	85,247
Center Part Time Salaries	<u>6,930</u>
<b>Total Salaries and Wages</b>	<b>92,177</b>
Personnel Benefits	
Social Security	7,050
Retirement	4,757
Labor & Industries	279
Medical	19,200
Unemployment Compensation	<u>1,162</u>
<b>Total Personnel Benefits</b>	<b>32,448</b>
Services and Pass Thru Payments	
Telephone	950
<b>Total of All County Expenditures</b>	<b>125,575</b>

Sedro-Woolley ILA Contribution

Total for 2026            23,246

Meals Program            11,623

Senior Services           11,623

# City of Sedro-Woolley Senior Center Facility Costs

## Expenditures

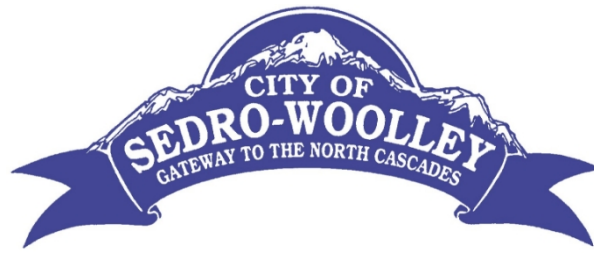
				Notes
	Operating Supplies		3,273	
	Repairs and Maintenance		6,560	
	Utilities		15,945	About \$6,000 of the total amount (\$21,945) is the PUD water cost to operate the splash pad. The pad and senior center share a water meter, so no way to separate the cost. \$6,000 reduced from expense line
	Heavy Duty Cleaning		2,500	
	Building Insurance (Est.)		7,000	Amount requested from Finance
	Janitorial Labor (Est.)		23,431	520 hours per year
	Maintenance Labor (Est.)		4,909	80 hours per year
<b>Total Expenditures</b>			<b>63,618</b>	

# OFM Population Split

		%
Unincorporated	53,380	40%
Incorporated	<u>81,220</u>	60%
Total	<b>134,600</b>	

# Meals Program Analysis

		<u>Notes</u>
Sedro-Woolley Contribution	11,623	Current
County 2025 Contribution	800,000	Total for the County
Reduced Program	600,000	Rough guess
Split Evenly Between Cities	150,000	



## City Council Agenda Item

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**Agenda Item No.:** f.3.

**Date:** March 4, 2026

**From:** Kelly Kohnken, Finance Director / City Clerk

**Subject:** Briefing - Central Skagit Library District

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**RECOMMENDED ACTION:**

Discussion only, no recommended action.

**BACKGROUND/SUMMARY INFORMATION:**

The Central Skagit Rural Partial-County Library District, commonly known as the Central Skagit Library, covers the surrounding rural areas within the Sedro-Woolley School District but does not include City of Sedro-Woolley city limits. Services provided to Sedro-Woolley residents are based on an interlocal agreement between the City of Sedro-Woolley and the Central Skagit Library District.

The library district anticipates requesting a levy lid lift from voters in 2027, with the first collections in 2028. This would have a financial impact on the annual payment the city makes to the library district in accordance with the interlocal agreement.

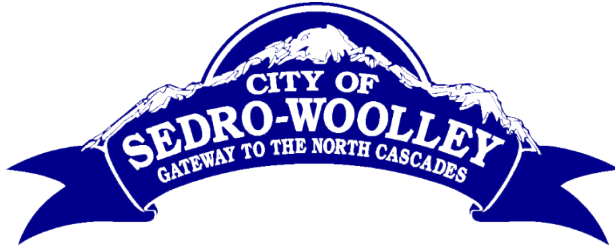
The attached document provides options to address this issue and outlines the financial impact on both the city and city residents.

**FISCAL IMPACT, IF APPROPRIATE:**

See attached document.

**ATTACHMENTS:**

1. Library Briefing\_2026.03.04



**CITY OF SEDRO-WOOLLEY**  
 Sedro-Woolley Municipal Building  
 325 Metcalf Street  
 Sedro-Woolley, WA 98284  
 Phone (360) 855-1661

Kelly Kohnken  
 Finance Director / City Clerk

## Library – Briefing

March 4, 2026

The Central Skagit Rural Partial-County Library District, commonly known as the Central Skagit Library was created in 2012. In 2017 the City of Sedro-Woolley entered into a partnership agreement with the Central Skagit Library to provide library services to the community and to construct a new library within the city. The new 12,000 square foot library opened in 2021.

The Central Skagit Library District covers the surrounding rural areas within the Sedro-Woolley School District boundaries but does not include City of Sedro-Woolley city limits. Services provided to Sedro-Woolley residents are based on an interlocal agreement between the City of Sedro-Woolley and the Central Skagit Library District.

### Payment Terms of the Interlocal Agreement

“The City agrees to pay to the District in each calendar year during the Term, for library services for the calendar year in which such payment is made, a fee equal to the remainder of (a) the product of (i) the District’s regular levy rate for rural library purposes for that year, multiplied by (ii) the assessed valuation used for levies collectible in that year of all property, including new construction, with City boundaries, divided by (iii) \$1,000, less (b)(i) that year’s debt service bonds issued by the City to finance the New Library...”

Description	2024	2025	2026
(a)(i) District general tax levy rate:	0.2464	0.2445	0.2400
(a)(ii) City AV for general tax purposes	1,857,225,515	1,939,120,914	2,064,242,747
(a)(iii) \$1,000	1,000	1,000	1,000
Amount owed to Library District	457,620	474,115	495,418
(b)(i) Less debt service paid	(352,862)	(352,879)	(352,916)
Amount due to Library District	\$ 104,758	\$ 121,236	\$ 142,502
<i>Percent change in library district levy rate</i>		-0.77%	-1.84%
<i>Percent change in city property value</i>		4.4%	6.5%
<i>Percent change in city payment to library district</i>		3.6%	4.5%

The city is paying the same levy rate as the rest of the library district, however, the assessed value of all property in Sedro-Woolley is increasing at a higher rate than the rest of the district. Because the assessed value within the district boundaries increased, the levy rate decreased by 0.77% and 1.84% in 2025 and 2026. However, Sedro-Woolley’s assessed value of all property

increased by 4.4% and 6.5%, resulting in the city’s payment to the library district increasing by 3.6% and 4.5%. The city anticipates this trend to continue.

**What is a levy lid lift?**

Taxing jurisdictions have a regular property tax levy (dollar amount), which can increase a limited amount each year, typically 1% increase per year plus new construction. A taxing jurisdiction that is collecting less than its maximum statutory levy rate may ask a simply majority of voters to “lift” the total levy amount collected from current assessed valuation by more than 1%. The new levy rate cannot exceed the maximum statutory rate. For more information on levy lid lifts, see the Municipal Research and Services Center (MRSC) website.

<https://mrsc.org/explore-topics/finance/revenues/levy-lid-lifts>

**Library District Levy Lid Lift**

The library district anticipates requesting a levy lid lift from voters in 2027, with the first collections in 2028. Library districts can collect up to \$0.50 per \$1,000 of assessed value. If the library district implemented a \$0.45 per \$1,000 of assessed value library levy rate, in 2028 the city would owe the library district \$1,004,740, \$530,625 above the 2025 amount.

Description	2027	2028
(a)(i) District general tax levy rate:	0.2400	0.4500
(a)(ii) City AV for general tax purposes	2,146,881,355	2,232,756,609
(a)(iii) \$1,000	1,000	1,000
Amount owed to Library District	515,252	1,004,740
(b)(i) Less debt service paid	(352,916)	(352,916)
Amount due to Library District	\$ 162,336	\$ 651,824
Percent change in library district levy rate	0.00%	87.50%
Percent change in city property value	4.0%	4.0%
Percent change in city payment to library district	4.0%	95.0%

The city’s payment to the library district would increase significantly, however, the city would have no additional revenue to offset the expense.

The city has multiple options to address this issue.

**Option 1: City Annexation in 2027, Library District Lid Lift in 2028**

With voter approval in November 2026, the city could annex into the library district in 2027. Instead of the City of Sedro-Woolley making payments to the library, the library district would receive funding directly from levied property tax. Sedro-Woolley residents would see an additional line on their property tax bill for the library district. A property with an average home value of \$519,450 in 2026 in Sedro-Woolley would pay an additional \$128.78 in property tax in 2027 compared to the prior year.

In November 2027, the library district may go out for a levy lid lift; voters from the entire library district, including Sedro-Woolley, would be represented in that vote. If approved, the new levy rate would be assessed and collected in 2028.

**Option 2: City Annexation in 2027 and Reduction in City Budgeted Levy**

Option 2 is the same as option 1 with the exception of reducing the city's budgeted levy in 2027 to offset the library district's budgeted levy. This option offsets the city's budgeted levy by the payment the city owed the library district in 2025, \$474,115. If the city decreased its budgeted levy, the city would still have the option of levying the higher dollar amount in future years (unless the city reduced budget levy was included in the annexation ballot measure).

A property with an average home value of \$519,450 in 2026 in Sedro-Woolley would pay an additional \$10.62 in property tax in 2027 compared to the prior year. If voters approved a library district levy lid lift in 2028, the same property would pay an additional \$119.92 in property tax in 2028 compared to the prior year.

### **Option 3: Library Levy Lid Lift in 2028, City Annexation in 2029**

With voter approval (not including Sedro-Woolley registered voters), the library district could receive a levy lid lift. Because the city's payment to the library is based on the library district's levy rate, the city's payment would nearly double to approximately \$1,004,740 in 2028.

The city would have no additional revenue to offset the expense. The city would have to either make the payment through reserves or significantly cut back expenses/services in 2028 to fund this payment.

With voter approval, the city could annex into the library district in 2029. The average home in Sedro-Wolley would pay an additional \$253.25 in property tax in 2029 compared to the prior year.

### **Option 4: Library Levy Lid Lift in 2028, City Annexation in 2029 and Reduction in City Budgeted Levy**

Option 4 is the same as option 3 with the exception of reducing the city's budgeted levy in 2029 to offset a portion of the library district's budgeted levy. This option offsets the city's budgeted levy by the payment the city owed the library district in 2025, \$474,155. If the city decreased its budgeted levy, the city would still have the option of levying the higher dollar amount in future years (unless the city reduced budget levy was included in the annexation ballot measure).

Because the city's payment to the library is based on the library district's levy rate, the city's payment would nearly double to approximately \$1,004,740 in 2028. The city would have no additional revenue to offset the expense. The city would have to either make the payment through reserves or significantly cut back expenses/services in 2028 to fund this payment.

With voter approval, the city could annex into the library district in 2029. The average home in Sedro-Wolley would pay an additional \$137.35 in property tax in 2029 compared to the prior year.

### **Option 5: No Action**

The city could choose not to pursue annexation into the library district. The city would continue to make payments to the library district based on the library district's levy rate and the city's assessed value, in accordance with the interlocal agreement. If the library district voters pass a levy lid lift effective in 2028, the city's annual payments to the library district in 2028 and 2029 will be \$1,004,740 and \$1,034,481. This is an increase of \$530,625 and \$560,366 above the 2025 payment for in each respective year.

The city would have no additional revenue to offset the additional expense. The city would have significantly cut back expenses/services in 2028 and 2029 to fund this payment. It would not be feasible to sustain payment through reserves.

### Analysis of the Options

In options 1-4 presented above, the city and the library district would dissolve the current interlocal agreement and create a new agreement outlining payment arrangements for the outstanding library building debt and ownership of the property. After annexation the city would no longer make payment to the library district.

Below summaries the estimated cumulative total city and library district property tax budgeted levies (within Sedro-Woolley city limits) for each option for years 2027 through 2029. It also includes the estimated cumulative total amount collected by the library district (within Sedro-Woolley city limits).

Property Tax Collection	Cumulative Total for 2027, 2028 and 2029				
	Option 1	Option 2	Option 3	Option 4	Option 5
Library budgeted levy	2,534,780	2,534,780	1,034,481	1,034,481	-
City budgeted levy	15,669,138	14,232,522	15,669,138	15,195,023	15,669,138
Direct collection of property tax from Sedro-Woolley residents	18,203,918	16,767,302	16,703,619	16,229,504	15,669,138
2026 home valued at \$519,450	4,492	4,137	4,120	4,004	3,867

Library District Revenue	Cumulative Total for 2027, 2028 and 2029				
	Option 1	Option 2	Option 3	Option 4	Option 5
City payment to library district	-	-	1,519,992	1,519,992	2,554,473
Library budgeted levy	2,534,780	2,534,780	1,034,481	1,034,481	-
Library district's total collection from city and Sedro-Woolley residents	2,534,780	2,534,780	2,554,473	2,554,473	2,554,473

Option 1 and 2 have the city annexing into the library district in 2027, before a potential library district levy lid lift. These two options are the most financially stable and predictable for the city. Options 1 and 2 do not require the city to make payments to the library district annually and therefore eliminate the potential significant increase in payment with the possibility of an increased library district levy rate.

Options 3 and 4 have the city annexing into the library district in 2029, the year after the library district's potential levy lid lift. These two options are less stable and less predictable for the city financially. Options 3 and 4 would require the city to pay \$1,004,740 to the library district in 2028, \$530,625 above the amount paid in 2025. The city would have no additional revenue to offset the expense. The city would have to either make the payment through reserves or significantly cut back expenses/services in 2028 to fund this payment.

Options 3 and 4 also provide the uncertainty of whether city residents would approve the vote to be annexed into the library district. If voters chose not to annex, in 2029 the city would pay an estimated \$1,034,481 to the library district, \$560,366 above the amount paid in 2025. For another year, the city would have no additional revenue to offset the expense. For another year,

the city would have to either make the payment through reserves or significantly cut back expenses/services in 2029 to fund this payment.

Option 5 is the city choosing not to pursue annexation into the library district. If voters approved the library district levy lid lift, in 2029 the city would owe the library district \$1,034,481, \$560,366 more than the payment in 2025. There after the city’s payment to the library district would likely increase more than 1% per year. The amount the city pays the library district is based on the library district’s levy rate and the city’s assessed property value. While the library district’s levy rate would slowly decrease, the city’s assessed property value would likely increase at a great rate, increasing the amount owed from the city to the library district.

The city would have no additional revenue to offset the expense. The city’s financial reserve is not large enough to sustain these payments for multiple years. The city would have to significantly cut back expenses/service to fund these payments.

Below are a summary of the estimated city and library district budgeted levies, combined levy rates and estimated property tax bill for 2029. This gives a better understanding of each option long term, in 2029 and beyond.

	2029				
Property Tax Collection	Option 1	Option 2	Option 3	Option 4	Option 5
Library budgeted levy	1,014,788	1,014,788	1,034,481	1,034,481	-
City budgeted levy	5,275,102	4,791,458	5,275,102	4,800,987	5,275,102
Direct collection of property tax from Sedro-Woolley residents	6,289,890	5,806,246	6,309,583	5,835,468	5,275,102
City and library levy rate combined	2.709	2.500	2.717	2.513	2.272
2026 home valued at \$519,450, city and library property tax combined	1,538	1,419	1,542	1,426	1,289

### Additional Information for Each Option

OPTION 1	City Annexation		Library Levy Lid Lift	2029
	2026	2027	2028	
<b>Interlocal Agreement Payment to Library District</b>				
(a)(i) District general tax levy rate:	0.2403	-	-	-
(a)(ii) City AV for general tax purposes	2,064,308,995	-	-	-
(a)(iii) \$1,000	1,000	-	-	-
Amount owed to Library District	496,053	-	-	-
<b>Library Budgeted Levy</b>				
Library district general tax levy rate	-	0.2400	0.4500	0.4370
Library assessed value in city limits	-	2,146,881,355	2,232,756,609	2,322,066,873
\$1,000	1,000	1,000	1,000	1,000
Library budgeted levy	-	515,252	1,004,740	1,014,788
<b>City Budgeted Levy</b>				
City budgeted levy	5,119,962	5,171,162	5,222,874	5,275,102
City assessed value	2,064,308,995	2,146,881,355	2,232,756,609	2,322,066,873
City levy rate	2.4802	2.4087	2.3392	2.2717
<b>Total City and Library Property Tax</b>				
Total city and library property tax levied	5,119,962	5,686,414	6,227,614	6,289,890
Total levy increase		566,451	541,201	62,276
Assessed value of average home	519,450	535,034	551,085	567,617
City and library levy rate combined	2.4802	2.6487	2.7892	2.7087
City and library annual property tax assessment on average home	1,288	1,417	1,537	1,538
Annual Increase from Prior Year		128.78	119.95	0.44

OPTION 2	City Annexation		Library Levy Lid Lift	2029
	2026	2027	2028	
<b>Interlocal Agreement Payment to Library District</b>				
(a)(i) District general tax levy rate:	0.2403	-	-	-
(a)(ii) City AV for general tax purposes	2,064,308,995	-	-	-
(a)(iii) \$1,000	1,000	-	-	-
Amount owed to Library District	496,053	-	-	-
<b>Library Budgeted Levy</b>				
Library district general tax levy rate	-	0.2400	0.4500	0.4370
Library assessed value in city limits	-	2,146,881,355	2,232,756,609	2,322,066,873
\$1,000	1,000	1,000	1,000	1,000
Library budgeted levy	-	515,252	1,004,740	1,014,788
<b>City Budgeted Levy</b>				
City budgeted levy	5,119,962	4,697,047	4,744,018	4,791,458
City assessed value	2,064,308,995	2,146,881,355	2,232,756,609	2,322,066,873
City levy rate	2.4802	2.1878	2.1247	2.0634
<b>Total City and Library Property Tax</b>				
Total city and library property tax levied	5,119,962	5,212,299	5,748,758	5,806,246
Total levy increase		92,336	536,459	57,488
Assessed value of average home	519,450	535,034	551,085	567,617
City and library levy rate combined	2.4802	2.4278	2.5747	2.5005
City and library annual property tax assessment on average home	1,288	1,299	1,419	1,419
Annual Increase from Prior Year		10.62	119.92	0

2027: 1% new construction increase and \$474,115 decrease to offset library

			Library Levy Lid Lift	City Annexation
OPTION 3	2026	2027	2028	2029
<b>Interlocal Agreement Payment to Library District</b>				
(a)(i) District general tax levy rate:	0.2403	0.2400	0.4500	-
(a)(ii) City AV for general tax purposes	2,064,308,995	2,146,881,355	2,232,756,609	0
(a)(iii) \$1,000	1,000	1,000	1,000	1,000
Amount owed to Library District	496,053	515,252	1,004,740	-
<b>Library Budgeted Levy</b>				
Library district general tax levy rate				0.4455
Library assessed value in city limits				2,322,066,873
\$1,000	1,000	1,000	1,000	1,000
Library budgeted levy	-	-	-	1,034,481
<b>City Budgeted Levy</b>				
City budgeted levy	5,119,962	5,171,162	5,222,874	5,275,102
City assessed value	2,064,308,995	2,146,881,355	2,232,756,609	2,322,066,873
City levy rate	2.4802	2.4087	2.3392	2.2717
<b>Total City and Library Property Tax</b>				
Total city and library property tax levied	5,119,962	5,171,162	5,222,874	6,309,583
Total levy increase		51,200	51,712	1,086,710
Assessed value of average home	519,450	535,034	551,085	567,617
City and library levy rate combined	2.4802	2.4087	2.3392	2.7172
City and library annual property tax assessment on average home	1,288	1,289	1,289	1,542
Annual Increase from Prior Year		0	0	253.25

			Library Levy Lid Lift	City Annexation
OPTION 4	2026	2027	2028	2029
<b>Interlocal Agreement Payment to Library District</b>				
(a)(i) District general tax levy rate:	0.2403	0.2400	0.4500	-
(a)(ii) City AV for general tax purposes	2,064,308,995	2,146,881,355	2,232,756,609	0
(a)(iii) \$1,000	1,000	1,000	1,000	1,000
Amount owed to Library District	496,053	515,252	1,004,740	-
<b>Library Budgeted Levy</b>				
Library district general tax levy rate				0.4455
Library assessed value in city limits				2,322,066,873
\$1,000	1,000	1,000	1,000	1,000
Library budgeted levy	-	-	-	1,034,481
<b>City Budgeted Levy</b>				
City budgeted levy	5,119,962	5,171,162	5,222,874	4,800,987
City assessed value	2,064,308,995	2,146,881,355	2,232,756,609	2,322,066,873
City levy rate	2.4802	2.4087	2.3392	2.0675
<b>Total City and Library Property Tax</b>				
Total city and library property tax levied	5,119,962	5,171,162	5,222,874	5,835,468
Total levy increase		51,200	51,712	612,594
Assessed value of average home	519,450	535,034	551,085	567,617
City and library levy rate combined	2.4802	2.4087	2.3392	2.5130
City and library annual property tax assessment on average home	1,288	1,289	1,289	1,426
Annual Increase from Prior Year		0	0	137.35

2029: 1% new construction increase and \$474,115 decrease to offset library

OPTION 5	Library Levy Lid Lift			
	2026	2027	2028	2029
<b>Interlocal Agreement Payment to Library District</b>				
(a)(i) District general tax levy rate:	0.2403	0.2400	0.4500	0.4455
(a)(ii) City AV for general tax purposes	2,064,308,995	2,146,881,355	2,232,756,609	2,322,066,873
(a)(iii) \$1,000	1,000	1,000	1,000	1,000
Amount owed to Library District	496,053	515,252	1,004,740	1,034,481
<b>Library Budgeted Levy</b>				
Library district general tax levy rate				
Library assessed value in city limits				
\$1,000	1,000	1,000	1,000	1,000
Library budgeted levy	-	-	-	-
<b>City Budgeted Levy</b>				
City budgeted levy	5,119,962	5,171,162	5,222,874	5,275,102
City assessed value	2,064,308,995	2,146,881,355	2,232,756,609	2,322,066,873
City levy rate	2.4802	2.4087	2.3392	2.2717
<b>Total City and Library Property Tax</b>				
Total city and library property tax levied	5,119,962	5,171,162	5,222,874	5,275,102
Total levy increase		51,200	51,712	52,229
Assessed value of average home	519,450	535,034	551,085	567,617
City and library levy rate combined	2.4802	2.4087	2.3392	2.2717
City and library annual property tax assessment on average home	1,288	1,289	1,289	1,289
Annual Increase from Prior Year		0	0	0.37