DRAFT

CITY OF SHORELINE

SHORELINE CITY COUNCIL
SUMMARY MINUTES OF SPECIAL MEETING

Monday, August 13, 2012   Council Chamber - Shoreline City Hall
7:00 p.m.   17500 Midvale Avenue North

1.   CALL TO ORDER

At 7:01 p.m., the meeting was called to order by Mayor McGlashan, who presided.

2.   FLAG SALUTE/ROLL CALL

Mayor McGlashan led the flag salute. Upon roll call by the City Clerk, all Councilmembers were present.

PRESENT: Mayor McGlashan, Deputy Mayor Eggen, Councilmember Hall, Councilmember McConnell, Councilmember Winstead, Councilmember Salomon, and Councilmember Roberts

ABSENT: None

3.   REPORT OF THE CITY MANAGER

Julie Underwood, City Manager, provided reports and updates on various City meetings, projects, and events.

Mayor McGlashan held a moment of silence for Kathi Goertzen.

4.   COUNCIL REPORTS

No Council reports were given.

5.   PUBLIC COMMENT

      a)   Don Dudley, Shoreline, on behalf of the Blakely Apartment residents, commended the City staff for thoroughly researching the Echo Lake traffic issue and supported the recommendation.

      b)   Charlotte Haines, Shoreline, announced the City of Shoreline 5th Annual Jazz Walk in North City.

6.   APPROVAL OF THE AGENDA

Upon motion by Councilmember Hall, seconded by Councilmember Roberts and unanimously carried, the agenda was approved.

7.   CONSENT CALENDAR

Upon motion by Councilmember Hall, seconded by Deputy Mayor Eggen and unanimously carried, the following Consent Calendar items were approved:

      (a)   Authorize the City Manager to Renew the Regional Affordable Housing Interlocal Cooperation Agreement and Guidelines with King County

      (b)   Authorize the City Manager to Execute an Interlocal Agreement with King County to Obligate FTA Grant Funds for the Aurora Corridor Project N 192nd - N 205th Streets

      (c)   Ordinance No. 637, Adoption of the Shoreline Water District Franchise Agreement

8.   PUBLIC HEARING

      (a)   Public hearing to receive citizens comments on the 2013 Human Services Funding Plan and the Proposed Use of 2013 Community Development Block Grant (CDBG) Funds

Rob Beem, Community Services Manager, presented the bi-annual community services funding plan. He communicated that the plan manages direct services and capital dollars which are made up of both local and federal funds and are jointly administered by the City of Shoreline and King County, better known as the CDBG partnership. He highlighted the application process, the number of applications received, and how the funds would be allocated.

Mayor McGlashan opened the public hearing.

      a)   Beratta Gomillion, Kenmore, Executive Director for Center for Human Services (CHS), thanked the City for its support and described the services provided by CHS and statistics.

      b)   Bob Lohmeyer, Seattle, Director of the Shoreline-Lake Forest Park Senior Center, stated that Shoreline provides 75% of the senior center funding and asked for the Council to support the item on the agenda.

Mayor McGlashan closed the public hearing.

9.   ACTION ITEMS: ORDINANCES, RESOLUTIONS, AND MOTIONS

      (a)   Motion to Authorize the City Manager to Execute the Contracts Implementing the Human Services Funding Plan

Councilmember Roberts moved to authorize the City Manager to execute the contracts implementing the Human Services Funding Plan, seconded by Councilmember McConnell.

A vote was taken on the motion, which carried 7-0.

10.   STUDY ITEMS

     (a)   Echo Lake Traffic Issue Report

Kirk McKinley, Transportation Manager, and Rich Meredith, Traffic Engineer, provided the staff report and recommendation. He continued and gave an overview of the background, history, and larger Echo Lake actions. He concluded by discussing the actions taken on 192nd and the next steps.

Councilmember Roberts discussed the narrowing of the street near the Interurban Trail and expressed concerns. He also noted that extending Midvale Avenue all the way to 192nd might be difficult in the future.

Councilmember Winstead communicated that removing some parking on 192nd is a good thing and confirmed that this work would be done within the next four-to-five weeks.

Councilmember Salomon felt this was moving in the right direction and that there are safety issues with having a median there. He noted that this is an example of openness and the accessibility of government.

Mr. Meredith described the design and the two-way left turn lane.

Councilmember McConnell commended the citizens and applauded the process.

Deputy Mayor Eggen commented on the Echo Lake project and stated that it is a thriving community.

Councilmember Hall communicated that he supported the changes and commended the City staff and everyone involved. He stated that the City needs to retain everything learned from this so it can do better next time and that he would like to see all factors evaluated in the future.

Councilmember Roberts agreed with Councilmember Hall and added that the City needs to consider what happens to current and future residents.

Mayor McGlashan thanked Mr. Don Dudley, the other Blakely Apartment residents, and the City staff for the work on this. He discussed the left-turn pocket into the YMCA and inquired if it would be an issue. Mr. Meredith replied that there shouldn't be any issues there. Mayor McGlashan confirmed with Mr. McKinley that reclassification is done through the comprehensive plan process and when a road gets reclassified it opens it up to more grant

funding. Mayor McGlashan confirmed and discussed with Mr. Meredith what the neighborhood recommendations were for the traffic grid.

Councilmember Salomon confirmed that the Midvale Avenue to 192nd connection isn't in the City's Transportation Master Plan.

    (b)   Community Renewal Areas

Dan Eernissee, Economic Development Manager, introduced Alice Ostdiek, Legal Counsel at Foster Pepper PLLC and Matt Kwatinetz, Managing Partner at Quadruple Bottom Line (QBL) Real Estate. Mr. Eernissee briefed the Council on the topic of Community Renewal Area (CRA). He noted that CRA aligns itself with the Council goal of sustainability. He described the seventy acre Aurora Square site and said this year marks its 45th anniversary. He commented that Aurora Square has dealt with some systemic challenges over its history and currently there are four abandoned buildings there and ten owners. The site, he described, has a poor lot, street, and pedestrian layout, to include acres of underutilized area. He summarized that the infrastructure is obsolete and the area needs social, environmental, and especially economic renewal. This, he communicated, is a site of opportunity and compared it to the Aurora Village site development that is pulling six and a half times more sales tax revenue per acre. Mr. Eernissee pointed out that RCW 35.81 gives cities the authority to designate areas needing economic renewal like this one by having the City obtain a CRA toolkit which forms partnerships with private enterprises, allows the City to borrow and accept grants to build infrastructure, provides incentives for job creation, and to own the property needing economic renewal. Additionally, he noted that condemnation or imminent domain cannot be utilized. He gave examples and noted that Vancouver and Bremerton have successfully utilized CRA.

Councilmember Roberts confirmed with Mr. Eernissee that both of the areas addressed by CRA were underperforming districts prior to CRA being implemented.

Ms. Ostdiek communicated that community renewal powers are unique powers for cities since cities in Washington are a bit restricted when it comes to working with the private sector on economic development. She noted that CRA allows cities to have more control of the area because of the perceived value that will come out of a project like this. CRA allows cities to work with the area landowners and possibly purchase one or more of the properties if the landowner is willing to sell them and analyze the area for improvements and more public space. There are two uses for community renewal powers and this one focuses on the economic renewal of these properties to exercise control and to enhance economic development. This is an economic blight and CRA would enhance the economic growth, affordable housing goals, and economic or social liability in terms of City's economic goals. She stated that the process involves public hearings and property owner involvement.

Councilmember Hall questioned what the City was hearing from the current property owners and Mr. Eernissee responded that some are generally supportive and there haven't been any negative opinions. The Joshua Green Corporation, he pointed out, is interested in doing something big. Ms. Ostdiek added that CRA won't increase taxes or make any zoning changes, etc.

Deputy Mayor Eggen posed questions about taxes, paying for improvements, and stated he envisions having a cooperative process. He also questioned the timing of this. Ms. Ostdiek communicated that the City could establish a local improvement district (LID) or use impact fees for this.

Mr. Eernissee explained the next steps to Councilmember McConnell, which would be for the Council to declare a CRA after holding a public hearing at the Council meeting on September 4.

Mr. Kwatinetz pointed out that the City has a unique opportunity with CRA and felt the economic cycle is working in the City's favor right now. He noted that there has been interest expressed from the landowners and there will be many interesting ideas that come up which can be investigated with a CRA.

Councilmember Winstead confirmed with Mr. Eernissee that there is a $25,000 request for professional services tied to planning and improvement ideas for Aurora Square. He added that without CRA this would be a gift of public funds and that this encourages partnership with private enterprise to bring about economic renewal.

Ms. Underwood communicated that this sends an expressive message to potential investors that this community would like to see an investment here. Mr. Kwatinetz further explained that the signaling effect of establishing a CRA is important to investors. Ms. Ostdiek added that CRA allows the City the opportunity to bring the people to the table and set the table. Mr. Eernissee also pointed out that large projects attract grants better than small ones do.

Councilmember Salomon stated that he has never seen the Aurora Square parking lot full. He felt there is a need to do something big because of the Aurora Avenue investment. He stated that this is a positive step forward and is excited about having a stormwater system on this site. He noted that the State constitution prevents public funds from going to private parties and it also prevents the City from doing creative things. However, he confirmed with Ms. Ostdiek that the Federal government provides these funds to economically develop areas such as this.

Councilmember Roberts favored moving forward on this and confirmed that it doesn't matter if the Northwest School is in or out. Mr. Eernissee responded about the benefits and disadvantages of participation in the CRA.

Councilmember Roberts questioned campus zoning and Ms. Underwood confirmed that campus zoning would only work if there was only one owner on the site. Ms. Ostdiek noted that CRA gives the ability to do spot zoning down the road as long as it is consistent with the comprehensive plan.

Councilmember McConnell noted that she would like to see the rehabilitative partner pointed out in any future ordinance. She commended the Council for expressing their desire to move forward with this on this property and is interested to hear from the community and the neighbors.

Deputy Mayor Eggen supported the City staff bringing forward an ordinance on September 4th for Council consideration following a public hearing.

Mayor McGlashan wrapped up the comments and thanked Mr. Eernissee and both presenters. He noted that he supported any assistance the City can get with this area.

11.   ADJOURNMENT

At 9:08 p.m., Mayor McGlashan declared the meeting adjourned.