



## SHORELINE CITY COUNCIL REGULAR MEETING AGENDA

Monday, June 27, 2022

7:00 p.m.

Council Chamber · Shoreline City Hall

<https://zoom.us/j/95015006341>

253-215-8782 | Webinar ID: 950 1500 6341

*This meeting is conducted in a hybrid manner with both in-person and virtual options to attend.*

	<u>Page</u>	<u>Estimated Time</u>
1. CALL TO ORDER		7:00
2. FLAG SALUTE/ROLL CALL		
(a) Proclamation of Parks, Recreation and Cultural Services Month	<u>2a-1</u>	
3. APPROVAL OF THE AGENDA		
4. REPORT OF THE CITY MANAGER		
5. COUNCIL REPORTS		
6. PUBLIC COMMENT		

*The City Council provides several options for public comment: in person in the Council Chamber; remote via computer or phone; or through written comment. Members of the public may address the Council during regular meetings for three minutes or less, depending on the number of people wishing to speak. The total public comment period will be no more than 30 minutes. If more than 10 people are signed up to speak, each speaker will be allocated 2 minutes. Please be advised that each speaker's comments are being recorded.*



**Sign up for In-Person Comment the night of the meeting.** *In person speakers will be called on first.*



**[Sign up for Remote Public Comment.](#)** *Pre-registration is required by 6:30 p.m. the night of the meeting.*



**[Submit Written Public Comment.](#)** *Written comments will be presented to Council and posted to the website if received by 4:00 p.m. the night of the meeting; otherwise, they will be sent and posted the next day.*

### 7. CONSENT CALENDAR

- |   |              |
|---|--------------|
| (a) Approval of Minutes of Special Meeting of June 6, 2022  | <u>7a1-1</u> |
| (b) Approval of Expenses and Payroll as of June 10, 2022 in the Amount of \$1,960,020.78  | <u>7b-1</u>  |
| (c) Authorizing the City Manager to Execute a Construction Contract with CDK Construction Services, Inc. in the Amount of \$6,122,540 for the Ballinger Maintenance Facility Project  | <u>7c-1</u>  |
| (d) Authorizing the City Manager to Execute a Supplemental Parks Property Tax Levy Agreement Between the Parks and Recreation Division of the King County Department of Natural Resources and Parks and the City of Shoreline for the 148 <sup>th</sup> Street Non-Motorized Bridge Project | <u>7d-1</u>  |

## 8. ACTION ITEMS

- |  |             |      |
|--|-------------|------|
| (a) Action on Ordinance No. 968 – Amending Chapters 20.30, 20.40, and 20.50 of the Shoreline Municipal Code to Modify Regulations for Development Within the MUR-70’ Zoning District | <u>8a-1</u> | 7:20 |
|--|-------------|------|

## 9. STUDY ITEMS

- |  |             |      |
|--|-------------|------|
| (a) Discussion of Resolution No. 492 – Providing for the Submission to the Qualified Electors of the City of Shoreline at an Election to be Held on November 8, 2022, a Proposition Authorizing the City to Increase its Regular Property Tax Levy Above the Limit Established in RCW 84.55.010 to Fund Public Safety and Community Services | <u>9a-1</u> | 8:05 |
|--|-------------|------|

## 10. ADJOURNMENT

8:35

*Any person requiring a disability accommodation should contact the City Clerk’s Office at 206-801-2230 in advance for more information. For TTY service, call 206-546-0457. For up-to-date information on future agendas, call 206-801-2230 or visit the City’s website at [shorelinewa.gov/councilmeetings](http://shorelinewa.gov/councilmeetings). Council meetings are shown on the City’s website at the above link and on Comcast Cable Services Channel 21 and Ziplly Fiber Services Channel 37 on Tuesdays at 12 noon and 8 p.m., and Wednesday through Sunday at 6 a.m., 12 noon and 8 p.m.*

### **DOWNLOAD THE ENTIRE CITY COUNCIL PACKET FOR JUNE 27, 2022**



**[LINK TO STAFF PRESENTATIONS](#)**



**[LINK TO PUBLIC COMMENT RECEIVED](#)**

## **CITY COUNCIL AGENDA ITEM**

### **CITY OF SHORELINE, WASHINGTON**

<b>AGENDA TITLE:</b>	Proclamation of Parks, Recreation and Cultural Services Month		
<b>DEPARTMENT:</b>	Recreation, Cultural and Community Services Administrative Services		
<b>PRESENTED BY:</b>	Mary Reidy, Recreation and Cultural Services Superintendent		
<b>ACTION:</b>	<input type="checkbox"/> Ordinance	<input type="checkbox"/> Resolution	<input type="checkbox"/> Motion
	<input type="checkbox"/> Discussion	<input type="checkbox"/> Public Hearing	<input checked="" type="checkbox"/> Proclamation

#### **ISSUE STATEMENT:**

July is National Parks and Recreation Month, which provides an opportunity to celebrate the value of Shoreline's parks, recreation programs, and cultural services, and to honor the community partners and programs that enrich the lives of Shoreline residents in many ways.

Parks and Recreation Month invites us to recognize the role parks and open spaces, recreation programs, and cultural services play in establishing and maintaining quality of life and in contributing to the community in service of equity, climate-readiness, and overall health and well-being. Parks and Recreation promotes time spent in nature, which positively impacts mental health by increasing cognitive performance and well-being, and alleviating illnesses such as depression, attention deficit disorders, and Alzheimer's.

The last two years have amplified the critical value of parks, recreation and cultural services as they offer opportunities for respite and connection; two critical aspects to our community's health as we move together out of the pandemic. During this time, Shoreline's parks, recreation and cultural services have responded to meet the community's evolving needs. This includes creating and maintaining safe, clean parks and open spaces as well as offering programs and events which foster both individual and community health in safe and accessible ways. One such event, the Winter Porchlight Parade, was recognized by Washington Recreation and Parks Association with a 2021 Spotlight Award for Program Excellence.

The Shoreline community illustrated their support of Parks and Cultural Services in passing the General Obligation Bonds for Parks Improvements and Park Land Acquisition on February 8<sup>th</sup> of this year. The bond approval was an expression of the high value residents place on Parks, Recreation and Cultural services in the community. The bond will allow for an equitable distribution of park amenities throughout the community as well as enhance public art in our parks. It will preserve and enhance

natural spaces supporting community connection with nature and mitigating climate change.

In Shoreline, we also celebrate the important work of many community partners, including ShoreLake Arts, the King County Library System, Kruckeberg Botanic Garden Foundation, Shoreline Historical Museum, the Shoreline-Lake Forest Park Senior Center, the Shoreline School District, the Dale Turner YMCA, and others. All of these organizations, plus many other local groups and organizations, are working collaboratively with City staff to provide opportunities for recreation and cultural activities so Shoreline residents of all ages can continue to have access to gain knowledge, develop skills, and stay healthy.

### **RECOMMENDATION**

The Mayor should read the proclamation declaring July as Parks, Recreation and Cultural Services Month in the City of Shoreline.

### **ATTACHMENTS:**

Attachment A: 2022 Parks, Recreation and Cultural Services Month Proclamation

Approved By:        City Manager **DT**    City Attorney **MK**



# PROCLAMATION

**WHEREAS**, parks, recreation and cultural services promote health and wellness, improving the physical and mental health of people who live near parks and engage in activities; and

**WHEREAS**, parks and recreation promote time spent in nature, which positively impacts mental health by increasing cognitive performance and well-being, and alleviating illnesses such as depression, attention deficit disorders, and Alzheimer's; and

**WHEREAS**, parks and recreation encourages physical activities by providing space for popular sports, hiking trails, swimming pools and many other activities designed to promote active lifestyles and improve the health of residents; and

**WHEREAS**, park and recreation programming and education activities, such as out-of-school time programming, youth sports and youth arts programs, are critical to childhood development; and

**WHEREAS**, cultural services celebrate the community's diversity and identity and support Shoreline's commitment to equity, social justice, and the arts; and

**WHEREAS**, our parks and natural recreation areas ensure the ecological beauty of our community, build climate change resilience, and provide a place for children and adults to connect with nature and recreate outdoors;

**NOW, THEREFORE**, I, Keith Scully, Mayor of the City of Shoreline, on behalf of the Shoreline City Council, do hereby proclaim the month of July 2022 as

## PARKS, RECREATION AND CULTURAL SERVICES MONTH

in the City of Shoreline.

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Keith Scully, Mayor

**CITY OF SHORELINE**  
**SHORELINE CITY COUNCIL**  
**SUMMARY MINUTES OF SPECIAL MEETING**

Monday, June 6, 2022  
5:30 p.m.

Conference Room 440 - Shoreline City Hall  
17500 Midvale Avenue North

**PRESENT:** Mayor Scully, Deputy Mayor Robertson, Councilmembers McConnell, Mork, Roberts, Pobe, and Ramsdell

**ABSENT:** None

**STAFF:** Melissa Muir, HR and Organizational Development Director;  
Jessica Simulcik Smith, City Clerk

**GUESTS:** Catherine Tuck Parish, Vice President, Raftelis (joined Remotely)

**1. CALL TO ORDER**

At 5:34 p.m., the meeting was called to order by Mayor Scully and introductions were made around the room. Human Resources and Organizational Development Director, Melissa Muir stated the City is contracted with Raftelis to work with Council on recruiting the next City Manager, and she introduced Raftelis Vice President, Catherine Tuck Parish. Ms. Tuck Parish stated she is looking forward to this process and shared a memo on a proposed plan for the job posting and outreach. She reviewed a list of websites where she recommends the job be posted and the reasons why, and she noted strategies for reaching out to BIPOC candidates. She said there will also be targeted outreach to passive candidates, primarily focused on recruiting current City Managers and Deputy or Assistant City Managers in the Washington, Oregon, California, and Denver, Colorado areas.

There was a question on the outcome of recent recruitments in hiring City Managers from smaller cities or Department Directors looking for a City Manager role. Ms. Tuck Parish said she expects to see applicants from smaller and larger cities and that Raftelis would target both current and Deputy or Assistant City Managers, but she admitted Department heads are challenging to target.

Councilmembers stated that instead of focusing on attracting a large pool of candidates, the goal should be attracting quality ones. They discussed the appropriate minimum qualifications for the job so that good candidates are not immediately filtered out during the screening process. Concern was expressed that someone would automatically be eliminated if they were just shy of a minimum qualification, and Ms. Tuck Parish replied that her staff reviews and sorts the applicants in a number of different ways and Council would receive a list of all the applicants, noting whether or not they met the minimum. And any Councilmember could request to take a closer look at any candidate.

When asked what the typical number of applicants for a City Manager position is nowadays, Ms. Tuck Parish said metro areas have more than rural areas but the number of applicants is lower than it was 5 years ago. She estimated around 30 would apply.

Ms. Tuck Parish then provided an overview of the proposed schedule, highlighting that she will be incorporating Council's feedback in the recruitment plan and brochure and the position will be posted on June 23. She said the "soft deadline" for applications is August 1; a Candidate Review Meeting for Council to determine semi-finalists is scheduled on August 18; virtual semi-finalist interviews would take place on August 31; and in-person finalist interviews would be on held on September 22, 2022.

Several Councilmembers expressed concern over the amount of time in-between the semi-finalist and finalist interviews and Ms. Tuck Parish said there is a ICMA conference that they are planning around but she would take another look and propose a new timeline.

There was discussion over the format and scheduling of the semi-finalists and finalist interviews, the value of a reverse interview (where the candidates meet and ask questions of Department heads), and the best way to involve the public in the interview process. Ms. Tuck Parish recommended that interviews be held as close together as possible and Councilmembers agreed on 2-7 p.m. time window. There was discussion over the value of interviews being conducted in open session versus in closed session and what would be gained or learned under each option. A majority of Council agreed that a public reception should be held the night before finalist interviews. Ms. Tuck Parish reminded Council that qualifications of candidates are discussed in Executive Session and noted it is important for all Councilmembers to be at every interview.

Council then reviewed the Recruitment Brochure draft text. There was debate over what the minimum number of years in local government a candidate should have; a request to add capital project management as a preferred qualification, and to change references of "light rail" to "transit" to acknowledge transit-oriented development is not only around light rail; and discussion around the residency requirement and comfort over salary.

Council agreed to reducing the local government experience from ten years to five years. There was no consensus on residency requirement or salary range, so Ms. Tuck Parish said the language would be left as is. She will ask candidates about their comfort with the salary range, share that the job is an in-person position and will ask their thoughts on living in the area. Ms. Tuck Parish concluded that she will wordsmith all of the other suggestions and send back an updated version for Council review.

At 6:47 p.m., Mayor Scully declared the meeting adjourned.

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Jessica Simulcik Smith, City Clerk

## **CITY COUNCIL AGENDA ITEM**

### **CITY OF SHORELINE, WASHINGTON**

**AGENDA TITLE:** Approval of Expenses and Payroll as of June 10, 2022  
**DEPARTMENT:** Administrative Services  
**PRESENTED BY:** Sara S. Lane, Administrative Services Director

#### **EXECUTIVE / COUNCIL SUMMARY**

It is necessary for the Council to formally approve expenses at the City Council meetings. The following claims/expenses have been reviewed pursuant to Chapter 42.24 RCW (Revised Code of Washington) "Payment of claims for expenses, material, purchases-advancements."

#### **RECOMMENDATION**

Motion: I move to approve Payroll and Claims in the amount of \$1,960,020.78 specified in the following detail:

##### **\*Payroll and Benefits:**

Payroll Period	Payment Date	EFT Numbers (EF)	Payroll Checks (PR)	Benefit Checks (AP)	Amount Paid
5/15/22 - 5/28/22	6/3/2022	102639-102865	17810-17844	85850-85853	\$646,339.94
5/15/22 - 5/28/22	6/9/2022			WT1267-WT1268	\$115,211.79
					<u>\$761,551.73</u>

##### **\*Wire Transfers:**

Expense Register Dated	Wire Transfer Number	Amount Paid
6/3/2022	WT1266	\$100,000.00
6/9/2022	WT1269	\$71,746.79
		<u>\$171,746.79</u>



**\*Accounts Payable Claims:**

Expense Register Dated	Check Number (Begin)	Check Number (End)	Amount Paid
6/1/2022	85741	85765	\$123,166.51
6/1/2022	85766	85787	\$309,119.99
6/8/2022	85788	85820	\$188,904.82
6/8/2022	85821	85847	\$310,487.90
6/8/2022	85848	85848	\$89,207.12
6/8/2022	85849	85849	\$5,835.92
			<u>\$1,026,722.26</u>

Approved By: City Manager **DT**

City Attorney **MK**

## **CITY COUNCIL AGENDA ITEM**

### **CITY OF SHORELINE, WASHINGTON**

**AGENDA TITLE:** Authorizing the City Manager to Execute a Construction Contract with CDK Construction Services, Inc. in the Amount of \$6,122,540 for the Ballinger Maintenance Facility Project

**DEPARTMENT:** Public Works

**PRESENTED BY:** Tricia Juhnke, City Engineer

**ACTION:**        ☐ Ordinance        ☐ Resolution        ☒ Motion  
                 ☐ Discussion        ☐ Public Hearing

**PROBLEM/ISSUE STATEMENT:**

The City Maintenance Facility program includes construction of three maintenance facilities for the City's Public Works, Parks and Facilities Maintenance Divisions: the North Maintenance Facility, Hamlin Maintenance Facility and the Ballinger Maintenance Facility. The first to be advertised for construction bids is the Ballinger Maintenance Facility Project. This project, which is sited at the City property west of Ballinger Way NE adjacent to King County's Brightwater maintenance portal, includes the development of structures and equipment to support vehicle washing, fueling, storage of salt and salt brine for snow operations and a spoils decant facility. The architect's estimate for construction of the project was \$4,300,000.

Between April 19 and May 17, 2022, the City solicited construction bids to construct the Ballinger Maintenance Facility as Bid #10326. Bids were opened on May 17, 2022, and three (3) bids were received, all above the architect's estimate. CDK Construction Services, Inc. was the low bidder with a bid of \$6,122,540. City staff determined that the bid from CDK Construction Services, Inc. is responsive and meets all requirements of the bid. Tonight, staff is recommending that City Council authorize the City Manager to execute a construction contract with CDK Construction Services, Inc. for the Ballinger Maintenance Facility Project.

**RESOURCE/FINANCIAL IMPACT:**

The close range of the bids received tends to confirm staff's analysis that the project scope was well understood by the bidders and that there were no errors or omissions that account for the bid results. Staff analyzed external factors including inflationary and supply chain challenges currently affecting the industry bidding environment and found that these factors are the likely source of the high bids that were received and are likely to continue for the remainder of 2022. Staff also reviewed the project to determine whether an element could be deleted with minimal cost or operational impact to the overall Maintenance Facility program. Staff recommends that this not be pursued as all elements are critical for maintenance operations and relocation alternatives are limited due to space constraints at the other sites.

The City has been setting aside \$1 million annually for City maintenance facilities; the total amount that has been designated through the end of 2021 is \$8 million. These funds are sufficient to cover both the streets and general fund contribution for construction of the Ballinger Maintenance Facility project.

With the City's commitment to set aside \$1 million annually for the Maintenance Facility program, it will take longer to build out the program as more funding than anticipated is proposed to be used on the Ballinger Maintenance Facility and escalation in construction costs over time will erode our funding ability to deliver the remaining projects. Staff are receiving project bids that are higher than anticipated and expect that cost escalation will continue such that additional funds may be needed to realize all the City maintenance facility needs. Updated cost estimates for the Hamlin and North Maintenance facilities will be developed as the designs are developed and related changes in the budget will be discussed in the 2023-2024 budget and Capital Improvement Program (CIP) presentations.

The Ballinger Maintenance Facility is used by, and benefits, several operations and maintenance groups, including Streets, the Surface Water utility, Wastewater utility, Parks, Fleet and Facilities and the Shoreline Police Department. The percentage of use of each of the Facility's components was used to calculate their respective cost shares as shown in the Expenditure and Funding table below. The combined, additional funding necessary for contract award is \$1,843,623. The final cost shares of each fund will be adjusted through the 2023 – 2024 CIP budget process later this year.

### **EXPENDITURES**

City Administration & Direct Costs	\$ 100,000
Design (TCF Architecture)	\$ 447,627
Construction Management & Inspection (TCF)	\$ 328,098
<i>Phase 1 Construction (CDK Construction Services Contract)</i>	<i>\$ 6,122,540</i>
Construction Contingency (5%)	<u>\$ 306,127</u>
<b><i>Expenditure Total</i></b>	<b><i>\$ 7,304,392</i></b>

### **REVENUES**

State Direct Appropriation Grant	\$ 500,000
Street Fund (Supported by General Fund)	\$ 2,492,189
Surface Water Utility Fund	\$ 1,498,425
Wastewater Utility Fund	\$ 464,453
General Fund Contribution	<u>\$ 2,349,325</u>
<b><i>Revenue Total</i></b>	<b><i>\$ 7,304,392</i></b>

### **RECOMMENDATION**

Staff recommends that City Council authorize the City Manager to execute a construction contract with CDK Construction Services, Inc. in the amount of \$6,122,540 for the Ballinger Maintenance Facility Project.

Approved By:            City Manager ***DT***    City Attorney ***MK***

## **BACKGROUND**

At the [January 29, 2018 Council meeting](#), the City Council approved a contract with TCF Architecture to complete a Distributed City Maintenance Facilities Analysis. This analysis produced multiple distribution scenarios for evaluation. At the [April 22, 2019 Council meeting](#), the Council selected City Maintenance Facility Project Scenario A for furthering design and construction.

At the [February 24, 2020 Council meeting](#), the Council executed an agreement with TCF Architecture to design the Ballinger Maintenance Facility Project, formerly known as the Brightwater Site Project. The project site is at the City property west of Ballinger Way NE, adjacent to King County's Brightwater maintenance portal. The project includes structures and equipment to support vehicle washing, fueling, storage of salt and salt brine for snow operations and a spoils decant facility. The architect's estimate for construction of the project was \$4,300,000.

The Maintenance Facility design was completed by TCF Architecture earlier this year, and between April 19 and May 17, 2022, the City solicited construction bids to construct the Ballinger Maintenance Facility as Bid #10326. Bids were opened on May 17, 2022, and three (3) bids were received from the following firms:

- Sea Con LLC \$6,821,671
- Kassel & Associates, Inc. \$6,471,301
- CDK Construction Services, Inc. \$6,122,540

CDK Construction Services, Inc. was the low bidder with a bid of \$6,122,540, which substantially exceeds the architect's estimate. City staff determined that the bid from CDK Construction Services, Inc. is responsive and has met the requirements of the bid. This was determined by:

- Evaluation of the bids through the creation of bid tabulations.
- Verification that the contractor is properly licensed in Washington and has not been barred from contracting on federal- and state-funded projects.
- Checking the contractor's references.

Given the amount of the low bid in relation to the architect's estimate, staff closely analyzed the contractor's bid and the architect's cost estimate to determine whether errors or omissions existed in either. Staff found no errors or omissions sufficient to account for the difference between the architect's estimate and the contractors' lowest bid.

## **ALTERNATIVES ANALYSIS**

Staff identified two potential alternatives to awarding this construction contract, which is the recommended action:

1. Council could decide to re-bid this contract in the hope that additional contractors would bid for this work or bids would come in at a lower cost. Given the analysis

performed that determined no errors or omissions existed in the bid, staff does not believe that this will occur and is *not* recommending this alternative be pursued further.

2. Council could decide to reject all bids, re-evaluate and potentially revise the design of the Maintenance Facility to produce lower bids either by cost evaluation or deletion of portions of the project scope. Staff is also *not* recommending this alternative because the current project scope is appropriate to the City's needs. Additionally, the time required and potential cost of analysis to re-evaluate this project would be significant, and design revision is unlikely to produce sufficient savings to substantially affect future bids. Moreover, staff's completed bid analysis and the close range of the bids received lead to the conclusion that the current bidding environment is heavily impacted by current rates of inflation and underlying supply chain issues, which are the most likely cause of the high bids received. Rejecting these bids and re-bidding at a later time will only exacerbate these factors and lead to potentially higher future bids for this work.

### **COUNCIL GOAL(S) ADDRESSED**

The execution of this construction contract addresses Council Goal #2: Continue to deliver highly valued public services through management off the City's infrastructure and stewardship of the natural environment, and specifically Action Step #7 under this Council Goal: "Implement Phase One of the City Maintenance Facility project: construction of the Ballinger Maintenance Facility and preliminary design of the Hamlin and North Maintenance facilities."

### **RESOURCE/FINANCIAL IMPACT**

The close range of the bids received tends to confirm staff's analysis that the project scope was well understood by the bidders and that there were no errors or omissions that account for the bid results. Staff analyzed external factors including inflationary and supply chain challenges currently affecting the industry bidding environment and found that these factors are the likely source of the high bids that were received and are likely to continue for the remainder of 2022. Staff also reviewed the project to determine whether an element could be deleted with minimal cost or operational impact to the overall Maintenance Facility program. Staff recommends that this not be pursued as all elements are critical for maintenance operations and relocation alternatives are limited due to space constraints at the other sites.

The City has been setting aside \$1 million annually for City maintenance facilities; the total amount that has been designated through the end of 2021 is \$8 million. These funds are sufficient to cover both the streets and general fund contribution for construction of the Ballinger Maintenance Facility project.

With the City's commitment to set aside \$1 million annually for the Maintenance Facility program, it will take longer to build out the program as more funding than anticipated is proposed to be used on the Ballinger Maintenance Facility and escalation in construction costs over time will erode our funding ability to deliver the remaining projects. Staff are receiving project bids that are higher than anticipated and expect that

cost escalation will continue such that additional funds may be needed to realize all the City maintenance facility needs. Updated cost estimates for the Hamlin and North Maintenance facilities will be developed as the designs are developed and related changes in the budget will be discussed in the 2023-2024 budget and Capital Improvement Program (CIP) presentations.

The Ballinger Maintenance Facility is used by, and benefits, several operations and maintenance groups, including Streets, the Surface Water utility, Wastewater utility, Parks, Fleet and Facilities and the Shoreline Police Department. The percentage of use of each of the Facility's components was used to calculate their respective cost shares as shown in the Expenditure and Funding table below. The combined, additional funding necessary for contract award is \$1,843,623. The final cost shares of each fund will be adjusted through the 2023 – 2024 CIP budget process later this year.

### **EXPENDITURES**

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### **RECOMMENDATION**

Staff recommends that City Council authorize the City Manager to execute a construction contract with CDK Construction Services, Inc. in the amount of \$6,122,540 for the Ballinger Maintenance Facility Project.

## **CITY COUNCIL AGENDA ITEM**

### **CITY OF SHORELINE, WASHINGTON**

**AGENDA TITLE:** Authorizing the City Manager to Execute a Supplemental Parks Property Tax Levy Agreement Between the Parks and Recreation Division of the King County Department of Natural Resources and Parks and the City of Shoreline for the 148<sup>th</sup> Street Non-Motorized Bridge Project

**DEPARTMENT:** Public Works

**PRESENTED BY:** Tricia Juhnke, City Engineer

**ACTION:**        ☐ Ordinance        ☐ Resolution        ☒ Motion  
                 ☐ Discussion        ☐ Public Hearing

**PROBLEM/ISSUE STATEMENT:**

The 2019-2024 Capital Improvement Plan, adopted by Ordinance No. 841, includes the 148<sup>th</sup> Street Non-Motorized Bridge project. The goal of this project is to provide a non-motorized bridge to directly connect neighborhoods west of Interstate-5 with the future Shoreline South/148<sup>th</sup> Light Rail Station, which will in turn connect users to centers of employment, commerce and educational opportunities, as well as enhance the trail connections between the Interurban Trail and the Burke Gilman Trail through the new "Trail Along the Rail".

Staff is requesting that Council authorize the City Manager to execute a Supplemental Parks Property Tax Levy Agreement, substantially in the form of Attachment A and as approved by the City Attorney, with the King County Department of Natural Resources and Parks (DNRP) to obligate \$4,750,000 in supplemental parks property tax levy funding for use on Phase 1 construction of the 148<sup>th</sup> Street Non-Motorized Bridge project.

**RESOURCE/FINANCIAL IMPACT:**

This \$4,750,000 King County DNRP funding enables the initial phase of the project to be constructed. The 2023-2024 Capital Improvement Program also includes \$450,000 from the Roads Capital Fund for the construction of Phase 1 and \$3,700,000 from the Sound Transit System Access Fund for design and construction, with an estimated \$2,520,000 of that remaining for construction of Phase 1. The budget shown below is for construction of Phase 1 of the project:

## **EXPENDITURES**

### **Construction (Phase 1)**

Construction (Includes 10% contingency)	\$ 5,795,000
Staff and Other Direct Expenses	\$ 300,000
Construction Management	\$ 1,450,000
Contingency (10% Staff + CM)	\$ 175,000

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<b>Total Phase 1 Construction Cost</b>	<b>\$ 7,720,000</b>
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## **REVENUE**

Sound Transit System Access Fund	\$ 2,520,000
<b>King County DNR and Parks – Property Tax Levy</b>	<b>\$ 4,750,000</b>
Roads Capital Fund	\$ 450,000

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<b>Total Phase 1 Construction Revenue</b>	<b>\$ 7,720,000</b>
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The project is currently fully funded through Phase 1 construction, fully funded for right-of-way acquisition and partially funded for Phase 2 construction. Revenue remaining after the Phase 1 construction phase will be carried over for use in the Phase 2 construction phase. The construction budget is preliminary and will be re-assessed at the completion of design. Staff is pursuing funding from multiple sources for Phase 2 construction, and additional revenue sources for future milestones may also be identified and pursued. Staff anticipates presenting a budget amendment later in 2022 to account for additional grant funding and other changes to the CIP.

## **RECOMMENDATION**

Staff recommends that the City Council authorize the City Manager to execute a Supplemental Parks Property Tax Levy Agreement, substantially in the form of Attachment A and as approved by the City Attorney, with the King County Department of Natural Resources and Parks to obligate \$4,750,000 in supplemental parks property tax levy funding for use on Phase 1 construction of the 148<sup>th</sup> Street Non-Motorized Bridge project.

Approved By:            City Manager **DT**    City Attorney **MK**



## **BACKGROUND**

Interstate-5 (I-5) forms a barrier to direct access to the Sound Transit Shoreline South/148<sup>th</sup> Light Rail Station from neighborhoods west of I-5. The 148<sup>th</sup> Street Non-Motorized Bridge project will design a pedestrian/bicycle bridge spanning I-5 and connecting to the north-end station plaza. Improvements will include integration with the station plaza area (east side of I-5) including ramps and stairs. West side landing improvements will include ramps and stairs, safe pedestrian and bicycle connections to 1<sup>st</sup> Avenue NE, and evaluation of the need for a drop-off/pick-up area.

A feasibility analysis of non-motorized crossing options to the Shoreline South/148<sup>th</sup> Station was conducted in 2016/2017 to determine the feasibility of a non-motorized bridge to connect the west side of I-5 to the Sound Transit station and east-side area. Based on the results of the feasibility study, Council adopted the 148<sup>th</sup> Street crossing as the preferred location. The cost estimate in the feasibility study was \$13,331,000. At the February 27, 2017 Council meeting, staff presented the [145<sup>th</sup> Street Station Access Non-Motorized Crossing Options Feasibility Analysis](#). The staff report for this discussion can be found at the following link: [February 27, 2017 Staff Report](#).

On June 24, 2019, the City Council authorized the City Manager to enter into a contract with KPFF, Inc. for the preliminary design services for the N 148<sup>th</sup> Street Non-Motorized Bridge project. The staff report for the Council authorization to enter into this contract can be found at the following link: [June 24, 2019 Staff Report](#).

On June 1, 2020, staff presented results of a [Type, Size and Location Analysis](#) with a recommended preferred design and project delivery approach options to the City Council. The recommended options were formally authorized and subsequently advanced to 30% design. The staff report for this council discussion can be found at the following link: [June 1, 2020 Staff Report](#).

On March 29, 2021, the City Council authorized the City Manager to enter into a contract with KPFF, Inc. for the final design services for the N 148<sup>th</sup> Street Non-Motorized Bridge project. The staff report for the Council authorization to enter into this contract can be found at the following link: [March 29, 2021 Staff Report](#). A phasing exhibit showing the design and phases of the 148<sup>th</sup> Street Non-Motorized Bridge project is attached to this staff report as Attachment B.

Since adoption of the CIP, this project has received local, regional and federal grants that have and will fund the project through final design, right-of-way and part of construction. Staff continues to pursue funding partners to move this project forward to completed construction.

## **DISCUSSION**

In January 2020, the King County Department of Natural Resources and Parks (DNRP) executed a Parks Property Tax Levy Agreement with the City of Shoreline (9533). In August 2020, King County DNRP confirmed a supplement amount of \$4,750,000 in Parks Property Tax Levy funding to be designated for the 148<sup>th</sup> Street Non-Motorized Bridge project. King County DNRP recognizes that this project provides a non-

motorized bridge to directly connect neighborhoods west of I-5 with the future Shoreline South/148<sup>th</sup> Station, which will in turn connect users to centers of employment, commerce and educational opportunities, as well as enhance the trail connections between the Interurban Trail and the Burke Gilman Trail through the new “Trail Along the Rail”.’

Tonight, staff is requesting that Council authorize the City Manager to execute the Supplemental Parks Property Tax Levy Agreement, substantially in the form of Attachment A and as approved by the City Attorney, with the King County DNRP.

The alternative to authorizing the City Manager to execute this Supplemental Parks Property Tax Levy Agreement with King County DNRP is to not enter into this agreement, and not utilize the awarded \$4,750,000 for this project. As the City does not currently have adequate funds available to complete Phase 1 construction for this project without the King County funding and other additional funding sources, loss of this funding would result in the inability to move this project forward.

### **COUNCIL GOAL(S) ADDRESSED**

This project supports 2022-2024 City Council Goal 3: “Continue preparation for regional mass transit in Shoreline”, and specifically Action Step #6 under this goal, which is to “complete design of the 148<sup>th</sup> Street Non-Motorized Bridge, construct the Phase 1 improvements, and work with regional, state, and federal partners to fully fund the project.”

### **RESOURCE/FINANCIAL IMPACT**

This \$4,750,000 King County DNRP funding enables the initial phase of the project to be constructed. The 2023-2024 Capital Improvement Program also includes \$450,000 from the Roads Capital Fund for the construction of Phase 1 and \$3,700,000 from the Sound Transit System Access Fund for design and construction, with an estimated \$2,520,000 of that remaining for construction of Phase 1. The budget shown below is for construction of Phase 1 of the project:

#### **EXPENDITURES**

##### ***Construction (Phase 1)***

Construction (Includes 10% contingency)	\$ 5,795,000
Staff and Other Direct Expenses	\$ 300,000
Construction Management	\$ 1,450,000
Contingency (10% Staff + CM)	\$ 175,000

<b>Total Phase 1 Construction Cost</b>	<b>\$ 7,720,000</b>
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#### **REVENUE**

Sound Transit System Access Fund	\$ 2,520,000
<b><i>King County DNR and Parks – Property Tax Levy</i></b>	<b>\$ 4,750,000</b>
Roads Capital Fund	\$ 450,000
<b>Total Phase 1 Construction Revenue</b>	<b>\$ 7,720,000</b>

The project is currently fully funded through Phase 1 construction, fully funded for right-of-way acquisition and partially funded for Phase 2 construction. Revenue remaining after the Phase 1 construction phase will be carried over for use in the Phase 2 construction phase. The construction budget is preliminary and will be re-assessed at the completion of design. Staff is pursuing funding from multiple sources for Phase 2 construction, and additional revenue sources for future milestones may also be identified and pursued. Staff anticipates presenting a budget amendment later in 2022 to account for additional grant funding and other changes to the CIP.

### **RECOMMENDATION**

Staff recommends that the City Council authorize the City Manager to execute a Supplemental Parks Property Tax Levy Agreement, substantially in the form of Attachment A and as approved by the City Attorney, with the King County Department of Natural Resources and Parks to obligate \$4,750,000 in supplemental parks property tax levy funding for use on Phase 1 construction of the 148<sup>th</sup> Street Non-Motorized Bridge project.

### **ATTACHMENTS**

Attachment A – Draft Supplemental Parks Property Tax Levy Agreement Between the City of Shoreline and King County DNRP

Attachment B – 148<sup>th</sup> Street Non-Motorized Bridge Project Phasing Exhibit

## Attachment A

**SUPPLEMENTAL PARKS PROPERTY TAX LEVY AGREEMENT**  
 between the  
**Parks and Recreation of the King County Department of Natural Resources and Parks**  
 and the  
**City of Shoreline**

This SUPPLEMENTAL PARKS PROPERTY TAX LEVY AGREEMENT (“Supplemental Levy Agreement”) is made and entered by and between King County, a home rule charter county, through the Parks and Recreation Division of the Department of Natural Resources and Parks, (hereinafter the “County” or “King County”) and the City of Shoreline (the “City”), an optional code city and municipal corporation organized pursuant to RCW Title 35A. The County and the City are singularly referred to as a “Party” and collectively referred to as the “Parties”.

### RECITALS

- A. On August 6, 2019, the King County voters approved Proposition No. 1 Parks Levy that authorized an additional six-year (2020-2025) property tax levy for specified park purposes, including the improvement of parks, development of regional trails, and enhancement of recreation, access, and mobility in King County.
- B. On January 6, 2020, the Parties executed a Parks Property Tax Levy Agreement (“Levy Agreement”) to establish the terms and conditions governing the distribution of levy proceeds, identified in King County Ordinance 18890, to the cities and towns of King County, Washington. The Levy Agreement is referenced by the City as Receiving No. 9533.
- C. King County is a home rule charter county that, among other things, provides regional and rural parks, recreation, and sports facilities for public use. RCW 36.89.030 authorizes King County to establish, acquire, develop, construct, and improve open space, park, recreation, and community facilities, including bicycle trails and bridal paths.
- D. The City is an optional code and municipal corporation organized pursuant to RCW Title 35A, with all of the applicable rights, powers, privileges, duties, and obligations of an optional code city as established by law.
- E. The City supports the development of public recreational facilities and desires to enhance trail connections between the Interurban Trail and the Burke Gilman Trail by developing the new “Trail Along the Rail” trail and a pedestrian/bicycle bridge spanning Interstate 5 proximal to N. 148<sup>th</sup> Street in Shoreline.
- F. RCW 36.89.050 authorizes King County to participate with other local governments in the financing, acquisition, construction, development, improvement, use, maintenance and operation of open space, park, recreation, and community facilities.
- G. Under King County Code, Section 2.16.045.E.1, the duties of the County’s Parks and Recreation Division include providing active recreation facilities by facilitating agreements with other jurisdictions and entities.
- H. The Parties intend by this Supplemental Levy Agreement to establish their respective rights, roles, and responsibilities regarding the funding provided pursuant to this Supplemental Levy Agreement.

NOW, THEREFORE, in consideration of the mutual promises and commitments made herein, the County and the City agree as follows:

**AGREEMENT**

1. **CONSIDERATION.**

- A. **Supplemental Funding.** The County will reimburse the City for costs and expenses identified in **Exhibit 1** incurred by the City, up to Four-Million-Seven-Hundred-Fifty-Thousand Dollars (\$4,750,000). The County, in its sole discretion, may increase the total reimbursement amount up to Two-Hundred-Fifty-Thousand Dollars (\$250,000), provided levy proceeds receipts during the Term support increased financial support of the City's project.
- B. The funding provided pursuant to this Supplemental Levy Agreement is in addition to the City's proportionate share of the levy proceeds collected by the County and distributed to the City under the terms and conditions of the Parks Property Tax Levy Agreement, dated January 6, 2020.
- C. **Invoices.** The City will submit written invoices to the County, which shall be paid by the County within thirty (30) days of receipt. Invoices will be submitted to the County representative at the address specified in Section 7 Notices.
- D. **Reporting.** On or before April 1 each year this Supplemental Levy Agreement is in effect, the City will provide the County's representative, identified in Section 7 Notices, with a written report detailing the use of the allocated levy funds in the prior year. The City may, at its sole discretion, provide additional reporting as provided in Section 10(K) of the Levy Agreement.

2. **USE OF SUPPLEMENTAL LEVY FUNDS.** All funds remitted pursuant to this Supplemental Levy Agreement to the City shall be used only and solely for the purpose of reimbursing costs and expenses incurred by the City for those activities identified in **Exhibit 1**.

3. **TERM.** Unless amended pursuant to Section 10(G) of the Levy Agreement or unless terminated as provided in Section 4, the term of this Supplemental Levy Agreement shall commence on the date it is fully executed, and end upon the earlier of the conclusion of the project identified in Exhibit 1, the expenditure of the maximum funding amount, or December 31, 2026.

4. **METROPOLITAN KING COUNTY COUNCIL APPROPRIATION CONTINGENCY.** The County's performance under this Supplemental Levy Agreement beyond the 2021-2022 appropriation biennium is contingent on the future appropriation by the Metropolitan King County Council of sufficient funds to carry out the performance contemplated herein. Should such sufficient funding not be approved, as determined by the County in its sole discretion, this Supplemental Levy Agreement shall terminate on December 31 of the then-applicable biennium for which sufficient funding has been appropriated.

5. INSURANCE. No insurance certification is required. The City is a member of the Washington Cities Insurance Authority (WCIA). The City agrees to maintain premises and vehicle liability insurance in force with coverages and limits of liability as provided by WCIA, and workers compensation insurance as may be required by Washington state statutes. The County will maintain a fully funded self-insurance program for the protection and handling of its liabilities including injuries to persons and damage to property.
6. INCORPORATION OF LEVY AGREEMENT PROVISIONS. The following provisions of the Levy Agreement, dated January 6, 2020, expressly apply to this Supplemental Levy Agreement:

Section 6 Title to Improvements  
Section 9 City Agreement to Comply with Audit Finding or Repay  
Section 10(A) Liability of the County  
Section 10(B) Dispute resolution  
Section 10(C) No Implied Waiver  
Section 10(D) Headings and Subheadings  
Section 10(E) Successors and Assigns  
Section 10(F) Agreement made in Washington  
Section 10(G) Integrated Agreement; Modifications  
Section 10(H) Counterparts  
Section 10(I) Time of Essence

7. NOTICES. Notices shall be given in the same manner as provided for in Section 7 of the Levy Agreement except that the representatives shall be as follows:

King County's representative is:

Heidi Kandathil, Program Manager  
Parks and Recreation Division  
201 South Jackson Street, #500  
Seattle, WA 98104-3855  
Mailstop – KSC-NR-5207

Email: heidi.kandathil@kingcounty.gov  
Phone: 206-263-1032

The City's representative is:

Lea Bonebrake, Capital Project Manager II  
City of Shoreline  
17500 Midvale Avenue N  
Shoreline, WA 98133

Email: lbonebrake@shorelinewa.gov  
Phone: 206-801-4275

8. MISCELLANEOUS PROVISIONS.

- A. Compliance with Laws; Police Powers. The Parties agree to comply with all applicable laws, ordinances, and regulations from any and all authorities having jurisdiction over the activities contemplated in this Supplemental Levy Agreement. Nothing contained herein shall be considered to diminish the governmental or police powers of the County or the City.
- B. Impossibility. The performance of this Agreement by either Party is subject to acts of nature, war, government regulation or advisory, disasters, fire, accidents or other casualty, strikes or threat of strikes, civil disorder, acts and/or threats of terrorism, or curtailment of transportation services or facilities, cost or availability of power, epidemics or public health emergencies, or similar causes beyond the control of either

Party making it illegal, impossible or impracticable to hold, reschedule, or relocate the activities as set forth in **Exhibit 1**. Either Party may terminate or suspend its obligations under this Agreement if such obligations are prevented by any of the above events to the extent such events are beyond the reasonable control of the Party whose reasonable performance is prevented.

- C. No Partnership. Nothing contained herein shall make, or be deemed to make, the County and the City a partner of one another, and this Agreement shall not be construed as creating a partnership or joint venture.
- D. No Employment Relationship. There is no employment relationship between the City and King County and neither the City nor its officers, agents, volunteers, employees, contractors or subcontractors are employees of the County for any purpose. The City shall be responsible for all federal and/or state tax, industrial insurance, and Social Security liability that may result from the performance of and compensation for these services and shall make no claim of career service or civil service rights which may accrue to a County employee under state or local law. The County assumes no responsibility for the payment of any compensation, wages, benefits, or taxes by, or on behalf of the City, its employees, volunteers, subcontractors, and/or others by reason of this Agreement. The City shall protect, indemnify, and save harmless the King County, its officers, agents, and employees from and against any and all claims, costs, and/or losses whatsoever occurring or resulting from the performance of this Agreement.
- E. Anti-Discrimination. In all hiring or employment made possible or resulting from this Agreement, there shall be no discrimination against any employee or applicant for employment because of sex, race, color, marital status, national origin, religious affiliation, disability, sexual orientation, gender identity or expression, age or retirement provisions, unless based upon a bonafide occupational qualification. This requirement shall apply to but not be limited to the following: employment, advertising, lay-off, or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Any violation of this provision shall be considered a violation of a material provision of this Agreement and shall be grounds for termination or suspension in whole or in part of this Agreement by King County and may result in ineligibility for further King County agreements.
- F. Public Records and Retention. The Parties are both public entities subject to Washington's Public Records Act, Chapter 42.56 RCW ("Act"), and acknowledge that all records pertaining to this Supplemental Levy Agreement may be subject to disclosure under the Act. Each Party shall be solely responsible for compliance with the Act in regard to public records request submitted to that Party. Each Party shall be solely responsible for complying with Chapter 40.14 RCW Records Retention as it pertains to this Supplemental Levy Agreement and activities made possible by this Supplemental Levy Agreement.

EXCEPT as provided for this this Supplemental Levy Agreement, all of the terms and conditions of the Levy Agreement remain in full force an effect.

[ SIGNATURE PAGE FOLLOWS ]

IN WITNESS WHEREOF, the parties hereto have executed this Supplemental Levy Agreement as of the last date set forth below.

KING COUNTY

CITY OF SHORELINE

\_\_\_\_\_  
Warren Jimenez, Director  
Parks and Recreation Division

\_\_\_\_\_  
Debby Tarry  
City Manager

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date



## Contract Name: 148<sup>th</sup> Street Non-Motorized Bridge Project

### Scope of Work

Project Dates: June 2022 – February 28, 2027

#### BACKGROUND & ENGAGEMENT GOALS

The 148th Street Non-Motorized Bridge (“Project”) is a pedestrian/bicycle bridge spanning I-5 in the proximity of N 148th Street in Shoreline, Washington. Design will include touch down areas with neighborhood connections and integrated connection to the Sound Transit Shoreline South/148th Station (light rail beginning service in 2024). Shoreline as a community is divided roughly in half by I-5 with limited east-west crossings.

This Project represents an essential connection in the Off Corridor Bike Network (<https://www.shorelinewa.gov/home/showpublisheddocument?id=46122>), which will link the Interurban Trail with the Burke Gilman Trail and provide access to the planned Trail Along the Rail (<http://www.shorelinewa.gov/government/projects-initiatives/trail-along-the-rail>). The bridge will also directly connect west side neighborhoods to/from the future light rail station which will in-turn connect users to local parks and schools as well regional centers of employment, commerce and education.

The City of Shoreline intends to construct this Project in two separate phases. Phase 1, anticipated to begin summer of 2022 and finish by the end of 2023, will construct all improvements on the east side of Interstate 5, including new bicycle/pedestrian pathway connections to the Trail Along the Rail (TAR) and the Shoreline South/148<sup>th</sup> Station. **The funds associated with this scope of work will be used for Phase 1 Construction.**

Phase 2 will include right-of-way acquisition and construction of all improvements on the west side of Interstate 5, which will include a new bicycle/pedestrian trail connection to 1<sup>st</sup> Ave NE and the bridge superstructure itself. The timeline for Phase 2 will occur at a date to be determined.

<b>Task: Phase 1 – Construction</b>	<b>Q2 2022 – Q4 2023</b>
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**Task Outline:** Phase 1 Construction includes construction of the bridge foundation on the east side of the freeway and completion of bicycle/pedestrian connections to both the Trail Along the Rail and Shoreline South/148<sup>th</sup> Station.

#### Activities

- Construction of the following elements:
  - East side bridge substructure (foundation)
  - Paved connecting bicycle/pedestrian pathway to the Trail Along the Rail (TAR) segment
  - Paved connecting bicycle/pedestrian pathway to the Shoreline South/148<sup>th</sup> Station
  - New retaining walls
  - New utility infrastructure
  - New landscaping work
- Construction management and project oversight, including but not limited to construction inspection, project documentation and construction engineering.

### **Deliverables**

- Project Schedule with target (planned) dates for the key milestones below:
  - Cultural Resources completed – (Feb 23, 2021)
  - SEPA/NEPA completed – (Anticipated May 2022)
  - 90% Plans, specs and estimate completed and submitted to KC Parks – (March 2022)
  - Bid ready plans and specifications submitted to KC Parks – (Phase 1, May 2022)
  - Bid Advertisement Date – (Phase 1, June 2022)
  - NTP date – (Phase 1, July 2022)
  - 50% Construction Complete – (Phase 1, April 2023)
  - Substantial Completion Date – (Phase 1, November 2023)
  - Project opening – (Phase 1, November 2023)
- Copies of the following construction documents to be submitted electronically to KC Parks
  - Bid Advertisement
  - Bid Tabulations
  - Notice of Award
  - Notice to Proceed (NTP)
  - Progress Summaries and Payments
  - Notice of Substantial Completion
  - Notice of Physical Completion
- Completed construction of elements including but not limited to those defined under the Activities heading.

### **Total Budget**

Pursuant to Section 1.A, the total amount for this scope of work is anticipated to be \$4,750,000.

See attached:

- Exhibit A for the City of Shoreline - Project Cost Summary
- Exhibit B for the City of Shoreline - Project Funding Summary
- Exhibit C for City of Shoreline – Milestone Table

### **Assumptions**

- Phase 1 construction will begin Q2 of 2022
- Right-of-Way acquisition will not be required for Phase 1 construction

### **Project Contacts**

#### **King County Parks**

Project Lead: Heidi Kandathil  
Title: Project/Program Manager IV  
Phone: 206.263.1032  
Email: heidi.kandathil@kingcounty.gov

#### **City of Shoreline**

Lea Bonebrake  
Capital Project Manager II  
Phone: 206.801.4275  
Email: lbonebrake@shorelinewa.gov

**EXHIBIT A - PROJECT COST SUMMARY**

**148th St Non-Motorized Bridge - 90% Cost Summary**  
**2/2/2022**

	90% Costs When Separated by Phase					
	Phase 1		Phase 2		Total by Phase	
DESIGN						
DESIGN COST					\$	3,045,327.00
CITY STAFF & OTHER RESOURCES					\$	350,000.00
CONTINGENCY (10%)					\$	340,000.00
SUBTOTAL	\$	-	\$	-	\$	3,735,327.00
ROW						
ROW COST	\$	-	\$	2,705,145.11	\$	2,705,145.11
CONTINGENCY (10%)	\$	-	\$	270,514.51	\$	270,514.51
SUBTOTAL	\$	-	\$	2,975,659.62	\$	2,975,659.62
CONSTRUCTION						
CONSTRUCTION COST (INCL 20% CONT)	\$	5,794,713.94	\$	18,181,853.50	\$	23,976,567.44
CM COST	\$	1,448,678.49	\$	4,370,637.86	\$	5,819,316.35
CITY STAFF & OTHER RESOURCES	\$	300,000.00	\$	300,000.00	\$	600,000.00
CONTINGENCY (CM, 10%)	\$	174,867.85	\$	467,063.79	\$	641,931.63
SUBTOTAL	\$	7,718,260.28	\$	23,319,555.14	\$	31,037,815.42
GRAND TOTAL	\$	7,718,260.28	\$	26,295,214.77	\$	37,748,802.05

**EXHIBIT B - PROJECT FUNDING SUMMARY****148th St Non-Motorized Bridge - 90% Funding Summary****3/10/2022**

<b>DESIGN</b>	<b>FUNDING</b>	
	<b>SECURED</b>	<b>UNSECURED</b>
FHWA (STP)	\$ 2,055,000	
Sound Transit (SA)	\$ 1,180,000	
Local Funds (City)	\$ 500,000	
<b>Subtotal</b>	<b>\$ 3,735,000</b>	<b>\$ -</b>

<b>RIGHT-OF-WAY</b>		
FHWA (TAP)	\$ 2,500,000	
Local Funds (City)	\$ 475,700	
<b>Subtotal</b>	<b>\$ 2,975,700</b>	<b>\$ -</b>

<b>CONSTRUCTION (PHASE 1)</b>		
Sound Transit (SA)	\$ 2,520,000	
King County	\$ 4,750,000	
Local Funds (City)	\$ 448,300	
<b>Subtotal*</b>	<b>\$ 7,718,300</b>	<b>\$ -</b>

<b>CONSTRUCTION (PHASE 2)</b>		
Local Funds (City)	\$ 8,000,000	
State Legislature**	\$ 7,000,000	
TBD		\$ 8,321,000
<b>Subtotal</b>	<b>\$ 15,000,000</b>	<b>\$ 8,321,000</b>

<b>GRAND TOTAL</b>	<b>\$ 29,429,000</b>	<b>\$ 8,321,000</b>
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\*Cost overruns to be paid for out of the City's Roads Cap Fund.

\*\*Subject to governor's signature

**Milestone Worksheet – Development Projects**

Project Number	N/A
Project Name	148th Street Non-Motorized Bridge Project
Sponsor Name	King County

The milestone worksheet is used to create the starting and ending dates for your project and to identify important project milestones that will help make sure your project stays on schedule. They should be realistic, attainable, and allow for quick implementation and expenditure of grant funds.

*Instructions:*

1. In the Target Date column, identify the estimated date that you expect to complete the milestone. If the milestone has already been completed put in the date it was completed. If it is not applicable to your project please do not delete the milestone; rather, put N/A.
2. Use the Comments/Description column if needed to write notes that will assist in describing the milestone. Examples are: permits in hand; property acquired under a waiver; in-water work window; etc.

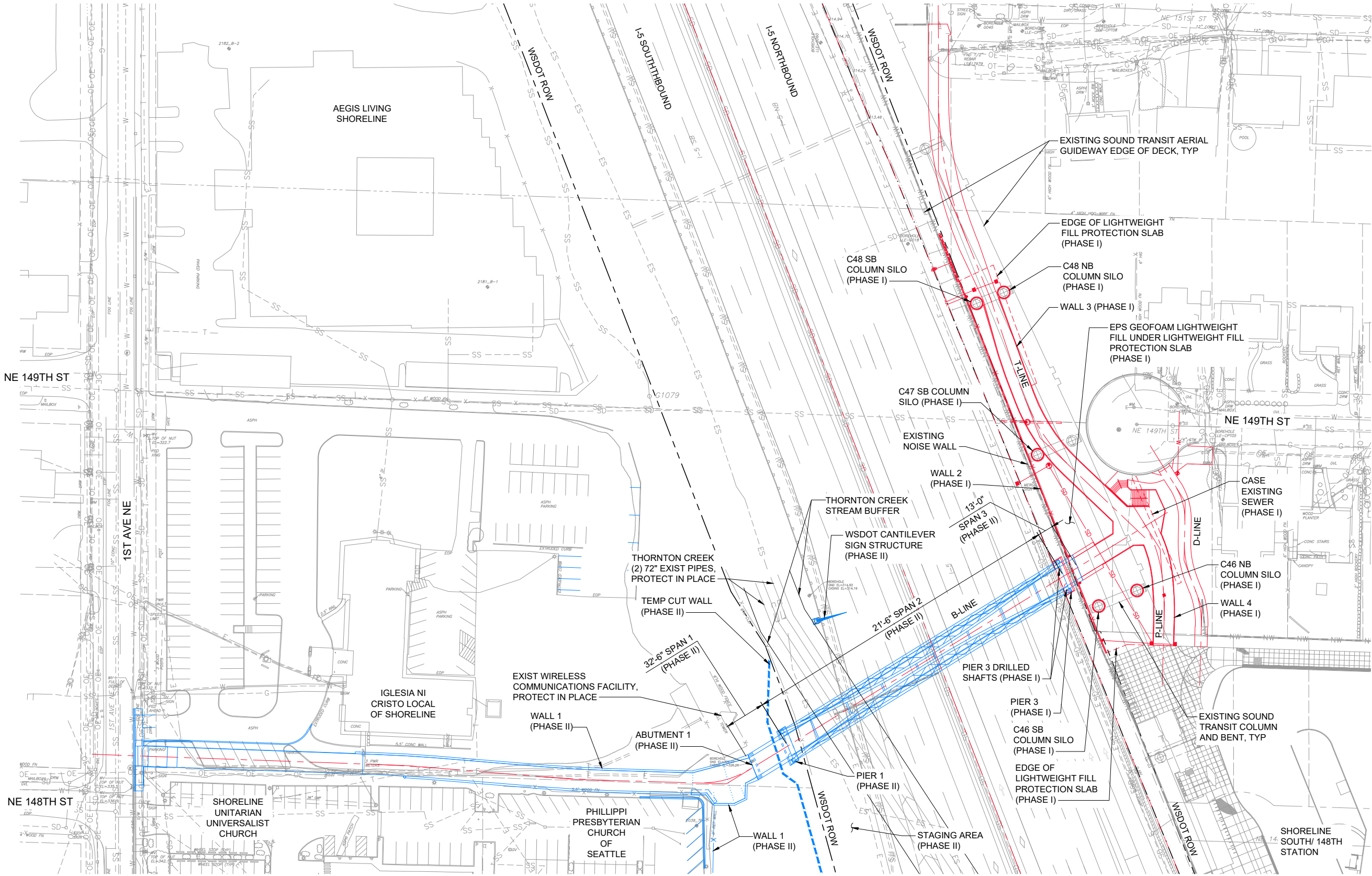
<b>Milestone</b>	<b>Target Date</b>	<b>Comments/Description</b>
Project Start	8/15/2019	NTP for design
Design Initiated	8/15/2019	NTP for design
Cultural Resources Complete	2/23/2021	
90% Plans to King County	3/15/2022	90% plans
Applied for Permits	2/8/2022	SEPA and Site Development (Phase 1)
SEPA/NEPA Completed	6/30/2022	NEPA completed 3/23/2022, SEPA anticipated by 6/30/22
All Bid Docs/Plans to King County	7/15/2022	(Phase 1)
Bid Awarded/Contractor Hired	8/30/2022	(Phase 1)
Construction Started	10/1/2022	Anticipated NTP (Phase 1)
50% Construction Complete	7/5/2023	(Phase 1)
90% Construction Complete	10/14/2023	(Phase 1)
Construction Complete	2/23/2024	(Phase 1)
Funding Acknowledgement Sign Posted	2/6/2024	At physical completion (Phase 1)
Proposed Agreement End Date	12/31/2027	Final project completion (Phase 1 and Phase 2)

NOTE that when writing the project agreement, King County may add a few other milestones such as Progress Reports, Billings, Inspections and Final Report. Special Conditions will also be added if applicable.



LEGEND

PHASE I  
PHASE II



PERMITTING EXHIBIT PLAN  
SCALE: 1" = 40'



Path: V:\1900267 (N 148th NMB)\02\_Design (v2019)\Permitting Exhibit.dwg Plot date: Mar 17, 2022-04:27:06pm CAD User: RICKT.

MARK	REVISION DESCRIPTION	BY	APP.	DATE



**kpff**  
1601 5th Avenue, Suite 1600  
Seattle, WA 98101  
206.622.5822  
www.kpff.com

7d-16

DRAWN BY	RRT
DESIGN BY	RCL
CHECK BY	AWO
PROJ MGR	AWO

CITY OF SHORELINE  
**N 148TH NON-MOTORIZED BRIDGE**  
ATTACHMENT B  
PHASING EXHIBIT

DRAWING NO.	
PROJECT NO.	9263
FED AID NO.	XXXX
DATE:	3/24/2022
SHEET NO.	OF

## **CITY COUNCIL AGENDA ITEM**

### **CITY OF SHORELINE, WASHINGTON**

**AGENDA TITLE:** Action on Ordinance No. 968 – Amending Chapters 20.30, 20.40, and 20.50 of the Shoreline Municipal Code to Modify Regulations for Development Within the MUR-70’ Zoning District

**DEPARTMENT:** Planning and Community Development

**PRESENTED BY:** Andrew Bauer, Planning Manager

**ACTION:**     ☒ Ordinance     ☐ Resolution     ☐ Motion  
                  ☐ Discussion     ☐ Public Hearing

**PROBLEM/ISSUE STATEMENT:**

With several years having passed since City Council adoption of the two light rail station subarea plans and initial development code regulations, opportunities have been identified to refine the MUR-70’ zone to better facilitate implementation of the plans. Stemming from the discussion at the October 25, 2021, joint meeting between the City Council and Planning Commission, the Planning Commission has continued work on Development Code amendments that would:

- Establish provisions to reduce off-street parking requirements up to 50%, with approval of a Transportation Demand Management (TDM) Plan; and
- Revise the process and requirements by which development may achieve the maximum allowable building height of 140 feet by removing the requirement for a Development Agreement.

Tonight, Council is scheduled to take action on the Planning Commission’s recommended MUR-70’ zone development code amendments, which were discussed by the City Council on June 6, 2022. These proposed amendments are in proposed Ordinance No. 968 (Attachment A). Following the June 6<sup>th</sup> Council discussion, Councilmembers proposed some amendments to the Planning Commission’s recommendation set forth in proposed Ordinance No. 968, which are included for Council’s consideration in this staff report.

**RESOURCE/FINANCIAL IMPACT:**

The proposed Development Code amendments in proposed Ordinance No. 968 will not have a direct immediate financial impact to the City. Additional staff resources would be needed to review traffic demand management (TDM) plans associated with new developments and periodically check-in on the performance in future years.

## **RECOMMENDATION**

The Planning Commission has recommended adoption of the proposed amendments in Attachment A, Exhibit A of proposed Ordinance No. 968. Staff further recommends adoption of Ordinance No. 968.

Approved By:        City Manager ***DT***    City Attorney ***MK***



## **BACKGROUND**

The City's light rail station subarea plans for the 185<sup>th</sup> and 145<sup>th</sup> Station Subareas were adopted in 2015 and 2016, respectively. The plans call for the subareas surrounding the future light rail stations to transform into compact transit-oriented communities with a range of housing types, open space, and services. The plans are generally performing as anticipated through the first 6+ years since adoption.

Many of the development challenges identified in the plans are playing out, such as aggregating small lots into sites large enough to accommodate the scale of development envisioned – particularly in the MUR-70' zone where the highest density development is allowed.

Even with these challenges, there are multiple new developments actively under review and in varying stages of the permit pipeline. However, as with any plan, refinements and updates are periodically needed to respond to feedback and observed outcomes. The purpose of these Development Code amendments included in proposed Ordinance No. 968 (Attachment A) is to refine the Code to facilitate better development outcomes in the MUR-70' zone without compromising on core elements of the plans which advance the broader citywide goals of creating housing choices affordable to range of income levels and supporting sustainability goals.

The Planning Commission's recommended Development Code amendments included in proposed Ordinance No. 969 were presented to the City Council at their June 6, 2022 meeting. This included a memorandum from the Planning Commission to the Council regarding their recommendation. The staff report for this June 6<sup>th</sup> Council discussion can be viewed at the following link:

<http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/council/staffreports/2022/staffreport060622-9b.pdf>.

## **DISCUSSION**

### **Council Amendments**

Following the Council discussion on June 6<sup>th</sup>, multiple Councilmembers proposed amendments to the Planning Commission recommendation. Below are the Councilmember proposed amendments (provided in *italics* and **highlighted** in the various Code sections), staff's recommendation, and a brief discussion. A summary table of the proposed Council amendments is included with this staff report in Attachment B.

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### **Council Amendment #1 – SMC 20.30.297(C)(3)**

**Staff Recommendation – *Neutral***

This proposed Council amendment would add additional requirements for noticing of the neighborhood meeting and opportunity for public comment.

### **Planning Commission Recommendation – SMC 20.30.297(C)**

- A. Administrative design review approval of departures from the design standards in SMC 20.50.160 through 20.50.190, 20.50.220 through 20.50.250, 20.50.450 through 20.50.510 and SMC 20.50.530 through 20.50.620 shall be granted by the Director upon their finding that the departure is:
1. Consistent with the purposes or intent of the applicable subsections; or
  2. Justified due to unusual site constraints so that meeting the design standards represents a hardship to achieving full development potential.
- B. Projects applying for the Deep Green Incentive Program by certifying through the Living Building or Community Challenge, Petal Recognition, Emerald Star, LEED-Platinum, 5-Star, 4-Star, PHIUS+, PHIUS+ Source Zero/Salmon Safe, or Zero Energy/Salmon Safe programs may receive departures from development standards under Chapters 20.40, 20.50, 20.60, and/or 20.70 SMC upon the Director's finding that the departures meet subsections (A)(1) and/or (2) of this section, and as further described under SMC 20.50.630. Submittal documents shall include proof of enrollment in the programs listed above.
- C. Developments in the MUR-70' zone exceeding the base height and which are not utilizing the significant tree retention height incentive in Table 20.50.020(2), footnote 12, or the height incentive within the Deep Green Incentive Program in SMC 20.50.630, shall be subject to Administrative Design Review approval. The Director shall grant approval of developments up to 140 feet in height upon their finding that the development:
1. Is consistent with the goals and policies of the Comprehensive Plan; and
  2. Will be supported by adequate infrastructure, facilities, and public services to serve the development; and
  3. Conducts a neighborhood meeting, in accordance with SMC 20.30.090, prior to application.

### **Proposed Council Amendment – SMC 20.30.297(C)(3)**

3. Conducts a neighborhood meeting, in accordance with SMC 20.30.090, and the additional requirements below, prior to application.
  - i. Notice Signs for the neighborhood meeting shall be designed and purchased by the developer and, at a minimum, be four feet by four feet in dimension. The signs shall be posted on all sides of the parcel(s) that front on a street. The signs must be posted at a minimum 14 days prior to the neighborhood meeting and remain on site a minimum of 14 days following the neighborhood meeting. The signs must include the date, time and location of the in-person neighborhood meeting and a description of the project, zoning of the property, a basic

site plan, and contact information for the developer for questions or more information.

ii. The developer shall host an online open house/website in addition to the in-person neighborhood meeting where people can read a description of the project, see plans and elevations of the project, and submit comments. The online open house/website must be viewable to the public a minimum 14 days prior to the in-person neighborhood meeting and 14 days after the in-person neighborhood meeting.

iii. The neighborhood meeting summary from the in-person neighborhood meeting and online open house/website shall be posted on the City's website.

## **Discussion**

In lieu of a development agreement, the draft amendments in proposed Ordinance No. 968 include a provision that developments exceeding the base height (and not qualifying for an existing incentive) conduct a neighborhood meeting and go through an Administrative Design Review (ADR) process. The ADR would be the mechanism for which a development could build above 90 feet and up to 140 feet in height. Attachment C to this staff report also includes examples of buildings at varying height. There are two primary reasons the ADR process is proposed to be used:

1. The amendments are leveraging and building on an existing process within the Code and one that is understood by both applicants and staff. Of the six developments in the MUR-70' zone thus far, all six have used the ADR process for design-related departures and/or utilization of the Deep Green Incentive Program (DGIP), which allows them expedited permit review and fee waivers, among other incentives. Albeit there are slightly different decision criteria proposed for the maximum height ADR, it could be combined with any other ADR-related reviews associated with a project. The hope with the proposed amendments is that maximum height considerations would be incorporated seamlessly into the existing list of items already reviewed through an ADR without creating more process.
2. The ADR is a "Type A" Director's decision (similar to other ministerial decisions such as building permits). There is no administrative appeal opportunity, and instead appeals would need to be filed to Superior Court under a Land Use Petition Act (LUPA) appeal. This decision type significantly streamlines the decision-making process from the current process which requires a Development Agreement (which includes a public hearing and Council decision).

The Final Environmental Impact Statement (FEIS) documents for both the 145<sup>th</sup> and 185<sup>th</sup> subarea plans noted the "public process" associated with the Development Agreement was a requirement to achieve additional height. The Planning Commission recommended amendments in proposed Ordinance No. 968 remove the need for a public hearing and City Council decision associated with a Development Agreement, but instead require a neighborhood meeting. Like other developments that must provide a

neighborhood meeting, notice would be provided to property owners within 500 feet of the development. The neighborhood meeting would provide an early opportunity for the applicant to share the project with the surrounding community and get comments and feedback prior to filing application with the City (SMC 20.30.090).

The typical sequence of steps in the development process could consist of:

- Pre-application meeting;
- Neighborhood meeting (proposed as part of maximum height);
- ADR application (if needed for design departures, DGIP, and proposed as part of maximum height); and
- Building permit and site development applications.

During the June 6<sup>th</sup> Council discussion, some Councilmembers had questions related to these existing requirements. Proposed Council Amendment #1 above would add additional notification requirements for a neighborhood meeting for any development in the MUR-70' zone seeking the maximum 140-foot height.

If a Councilmember is interested in making this proposed Amendment #1, Council should use the following amendatory language:

**Amendatory Motion #1 -**

***"I move to modify the Planning Commission's recommendation for SMC 20.30.297(C)(3) to add additional noticing and public comment requirements for proposed developments in the MUR-70's zone seeking the maximum 140-foot height as set forth on Pages 4 and 5 of tonight's Staff Report."***

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**Council Amendment #2 - SMC 20.50.020(A)(11)(b)(2) & SMC 20.50.250(C)**  
**Staff Recommendation – Approve**

These proposed Council amendments would provide more clarity for the ground floor commercial requirement and would be similar to existing standards that already apply to the North City and Ridgecrest neighborhoods.

**Planning Commission Recommendation – SMC 20.50.020(A)(11)(b)**

- (11) Developments that exceed the base height and do not qualify for a height bonus within the Deep Green Incentive Program in SMC 20.50.630, or the significant tree retention bonus in footnotes 12 below, or the allowable exceptions to height in SMC 20.50.050, may develop to the maximum allowable height of 140 feet, subject Administrative Design Review approval and to the following:~~The maximum allowable height in the MUR-70' zone is 140 feet with an approved development agreement.~~

a. The affordable housing requirements for MUR-70'+ in SMC 20.40.235 are satisfied;

b. One of the following are provided:

1. The development provides commercial space of at least 10,000 square feet; or

2. Thirty percent of the ground floor area within the development is devoted to neighborhood amenities that include areas open and accessible for the community, office space for nonprofit organizations, an eating or drinking establishment, or other space that may be used for community functions. The neighborhood amenity area should be at grade and adjacent to sidewalks or pedestrian paths.

### **Proposed Council Amendment – SMC 20.50.020(A)(11)(b)(2)**

(11) Developments that exceed the base height and do not qualify for a height bonus within the Deep Green Incentive Program in SMC 20.50.630, or the significant tree retention bonus in footnote 12 below, or the allowable exceptions to height in SMC 20.50.050, may develop to the maximum allowable height of 140 feet, subject Administrative Design Review approval and to the following:~~The maximum allowable height in the MUR-70' zone is 140 feet with an approved development agreement.~~

a. The affordable housing requirements for MUR-70'+ in SMC 20.40.235 are satisfied;

b. One of the following are provided:

1. The development provides commercial space of at least 10,000 square feet; or

2. Commercial space is constructed on the portion of the building's ground floor abutting a public right-of-way. Commercial space may be used for any allowed use in the MUR-70' zone in Table 20.40.160 – Station Area Uses, except the following general retail/trade/services: check-cashing services and payday lending. Residential dwellings are not allowed in commercial spaces. Ground floor commercial is subject to the standards in SMC 20.50.250(C).

### **Proposed Council Amendment – SMC 20.50.250(C)**

C. Ground Floor Commercial.

1. New buildings subject to SMC 20.40.465 and 20.50.020(A)(11)(b)(2) shall comply with these provisions.

2. These requirements apply to the portion of the building's ground floor abutting a public right-of-way (ROW).

3. A minimum of 75 percent of the lineal frontage shall consist of commercial space. Up to 25 percent of the lineal frontage may consist of facilities associated

with the multifamily use, such as lobbies, leasing offices, fitness centers and community rooms. Amenities, such as fitness centers that offer memberships to the general public, shall not be included in the maximum 25 percent lineal frontage limitation.

4. All ground floor commercial spaces abutting a ROW shall be constructed at a minimum average depth of 30 feet, with no depth less than 20 feet, measured from the wall abutting the ROW frontage to the rear wall of the commercial space.

5. All ground floor commercial spaces shall be constructed with a minimum floor-to-ceiling height of 18 feet, and a minimum clear height of 15 feet.

### **Discussion**

The Council proposed amendment would be similarly written to the ground floor commercial code already existing in the North City and Ridgecrest neighborhoods and include the prescriptive standards related to the commercial space depth and ceiling height, for example. The Council proposed amendment would also increase the requirement of ground floor commercial from 30 percent (Planning Commission recommendation) to 75 percent.

If a Councilmember is interested in making proposed Amendment #2, Council should use the following amendatory language:

#### **Amendatory Motion #2 -**

***“I move modify the Planning Commission’s recommendation for SMC 20.50.020(A)(11)(b)(2) related to ground floor commercial by deleting it in its entirety and replacing it with a new SMC 20.50.020(A)(11)(b)(2) as shown on Page 7 of tonight’s Staff Report, and to include a reference to this provision in SMC 20.50.250(C) Ground floor commercial, also as shown on Page 7 of tonight’s Staff Report.*”**

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#### **Council Amendment #3 - SMC 20.50.020(A)(11)(c)**

##### **Staff Recommendation – Approve**

This proposed Council amendment would provide more clarity to the requirement for open spaces and would allow a portion of the already required Public Places and Multifamily Open Space be open and accessible to the public.

#### **Planning Commission Recommendation – SMC 20.50.020(A)(11)(c)**

c. The development shall provide park, recreation, open space, or plaza area open and accessible to the public. The area shall be in addition to the requirements for Public Places and Multifamily Open Space in SMC 20.50.240 subsection (F) and (G);



## Proposed Council Amendment – SMC 20.50.020(A)(11)(c)

*c. At least 20 percent of the Public Places and Multifamily Open Space required in SMC 20.50.240 subsections (F) and (G) shall be open and accessible to the public. This requirement does not include any area required for a public access easement as described in SMC 20.70.340(E).*

### Discussion

Councilmember Roberts requested an amendment to replace Section 20.50.020(A)(11)(c) with new language that would require 20 percent of required Public Places and Multifamily Open Space be open and accessible to the public. As part of the Commercial and Multifamily Design Standards in SMC 20.50 Subchapter 4, Public Places and Multifamily Open Space is required at the following rates:

- Public Places, for commercial portions of development:
  - 4 sq ft per 20 sq ft of net commercial floor area, to a maximum of 5,000 square feet
- Multifamily Open Space, for residential portions of development
  - 800 sq ft per development, or 50 sq ft per dwelling unit, whichever is greater

This proposed amendment would provide better certainty to applicants as to how much publicly accessible open space is required, whereas the Planning Commission recommended amendments are more ambiguous. An example of recent developments and open space comparison is provided below in Table 1.

*Table 1 – Public Places and Multifamily Open Space Comparisons*

Project	The Line	Burl	Ion
Public Places	345 sq ft	n/a	500 sq ft
MF Open Space	12,050 sq ft	8,600 sq ft	12,600 sq ft
Total	12,395 sq ft	8,600 sq ft	13,100 sq ft
20%	2,479 sq ft	1,720 sq ft	2,620 sq ft

*\*sizes are approximate for permits not yet approved/issued*

A hypothetical mixed-use development with 350 dwelling units and 5,000 square feet of ground floor commercial would be required to provide a total of 1,000 square feet of public places and 17,500 square feet of multifamily open space. Consistent with the potential Council amendment #3 above, a total of 3,700 square feet would be required to be publicly open and accessible.

Furthermore, potential Council Amendment #3 would allow the already required open space be counted toward satisfying the requirement. The Planning Commission recommended amendments specify that open space would need to be in addition to the existing Public Places and Multifamily Open Space requirement.

If a Councilmember is interested in making proposed Amendment #3, Council should use the following amendatory language:

**Amendatory Motion #3 -**

***“I move to modify the Planning Commission’s recommendation for SMC 20.50.020(A)(11)(c) by deleting it in its entirety and replacing it with a new SMC 20.50.020(A)(11)(c) as shown on Page 9 of tonight’s Staff Report.”***

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**Council Amendments #4a & #4b - SMC 20.50.020(A)(11)(d)**

**Staff Recommendation – #4a - Not Approve; #4b – Approve**

These proposed Council amendments address the funding of parks, open space, art, or other recreational opportunities.

**PLEASE NOTE** that both of these proposed amendments pertain to SMC 20.50.020(A)(11)(d) and, therefore, adoption of one amendment could render the other proposed amendment unnecessary or requiring modification.

**Planning Commission Recommendation – SMC 20.50.020(A)(11)(d)**

d. The development shall provide one percent of the building construction valuation to be paid by the applicant for contribution toward art or placemaking amenities that are open and accessible to the public; and

**Proposed Council Amendment #4a - SMC 20.50.020(A)(11)(d)**

Following the Council discussion on June 6<sup>th</sup>, Councilmember Ramsdell requested that staff develop a proposed amendment to Section 20.50.020(A)(11)(d) that would keep the requirement that two (2) percent of the building valuation shall be paid by the property owner/developer to the City to fund parks, open space, art, or other recreational opportunities that are open and accessible to the public:

*d. The development shall provide two percent of the building construction valuation to be paid by the applicant for contribution to fund public parks, open space, art, or other recreational opportunities open and accessible to the public within the station subarea as defined in the City’s Parks, Recreation, and Open Space Plan. The applicant’s contribution shall be paid to the City; and*

**Proposed Council Amendment #4b - SMC 20.50.020(A)(11)(d)**

Additionally, Councilmember Roberts requested a proposed amendment to Section 20.50.020(A)(11)(d) that left in place the one percent contribution, but added more clarity to this section:

d. The development shall provide one percent of the building construction valuation to be paid by the applicant for contribution toward art or placemaking amenities that are open and accessible to the public. *The contribution shall take the form of either on-site installation of exterior artwork or placemaking amenities, reviewed by the City, or an equivalent cash donation to the City’s one percent for Arts program. All on-site works must include a plan for future maintenance and cleaning schedule where appropriate;*  
and



## Discussion

The proposed MUR-70' Development Code amendments are not anticipated to effect Park Impact Fees. The development agreement requirements for dedication of park/open space and payment of 2% of the construction valuation were in place prior to the City's adoption of Park Impact Fees in 2017 through Ordinance No. 786. The 2022 Park Impact Fee for multifamily development is \$3,077 per dwelling unit. Impact fees are paid by the applicant at the time a building permit is issued. SMC 3.70 outlines eligible exemptions and credits such as low-income housing provided by non-profit entities or dedication/construction of parks included in the capital facilities plan, among others.

In essence, prior to 2017, a development seeking the additional height was only required to pay the 2% construction valuation. In 2017, when Park Impact Fees were adopted, this same development would be required to pay the 2% construction valuation in addition to the Park Impact Fees (for residential construction). A nonresidential building, such as commercial or office, is not subject to Park Impact Fees, but would be required to provide 1% of the building construction valuation to art or place making amenities if they were seeking the maximum height. The current Planning Commission recommendation recognizes that a residential development, unless qualifying for exemptions, will be required to pay the Park Impact Fees, and therefore reduced the 2% requirement to 1%.

As proposed by the Planning Commission, the 1% contribution would not apply unless a development were seeking to go above the base height allowance and did not qualify for other existing height increases. The primary purpose is to require a 1% contribution to art or place making was to address feedback expressed by members of both the Planning Commission and City Council which related to the importance of creating a distinctive "place" as the station areas are developed over time. While the Development Code is not the only facet in achieving this goal, it can be one tool used to take an incremental step in doing so.

Table 2 below provides a breakdown of recent developments that could occur in the MUR-70' zone and compares the amount of the Park Impact Fee contributions and comparison of 1% and 2% contributions toward art/placemaking. It is important to note these construction valuations reflect a wood frame construction type and the valuation would increase for a high rise building going 8+ stories in height which would require a steel and concrete construction type.

*Table 2 – Park Impact Fees and 1-2% Valuation Comparison for Recent Developments*

Project	Geo	Geo 2	Canopy 1	Canopy 2	The Line	Burl	Ion
Constr. Value	\$27,546,658	\$32,045,983	\$48,509,040	\$27,179,366	\$38,449,285	\$30,416,668	\$44,342,863
Units	163	215	315	161	241	172	252
Park Impact Fee (2022)	\$501,551	\$661,555	\$969,255	\$495,397	\$741,557	\$529,244	\$775,404
2%	\$550,933	\$640,920	\$970,181	\$543,587	\$748,986	\$608,333	\$886,857
1%	\$275,467	\$320,460	\$485,090	\$271,794	\$384,493	\$304,167	\$443,429

Using the construction values above, a hypothetical residential building could be valued at \$6.3M per floor. A 12-story building with 460 dwelling units could be valued at \$75.6M (change in construction type is not accounted for). In this example, a 2% contribution for parks/art/placemaking would be \$1.51M, while a 1% contribution would be \$756,000. In addition, Park Impact Fees in the amount of \$1.42M would be required to be paid (460 units x \$3,077 per unit). Thus, for this hypothetical 460-unit residential building under the Planning Commission's recommendation, total park impact fees and 1% contribution for art/placemaking would total \$2.17M.

Staff recommends against proposed Council amendment #4a as it will add additional development costs for applicants as the two percent contribution was originally in place prior to the City's Park Impact Fee program.

If a Councilmember is interested in making proposed Amendment #4a, Council should use the following amendatory language:

**Amendatory Motion #4a -**

***"I move to modify the Planning Commission's recommendation for SMC 20.50.020(A)(11)(d) by deleting it in its entirety and replacing it with a new SMC 20.50.020(A)(11)(d) as shown on Page 10 of tonight's Staff Report."***

Staff recommends that Council approve proposed Council Amendment #4b as it provides more clarity to the intent of the regulations related to ongoing maintenance and an in-cash equivalent contribution.

If a Councilmember is interested in making proposed Amendment #4b, Council should use the following amendatory language:

**Amendatory Motion #4b -**

***"I move to modify the Planning Commission's recommendation for SMC 20.50.020(A)(11)(d) by adding new language related to on-site art or placemaking amenities as shown on Page 10 of tonight's Staff Report."***

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**Council Amendment #5 – SMC 20.50.020(A)(11)(e)**

**Staff Recommendation – Approve, in part**

This proposed Council amendment would provide more certainty with regard to the extent, or value, of which an improvement would need to be. The amendment also takes into consideration a high contribution in an instance where all off-street parking is eliminated.

**Planning Commission Recommendation – SMC 20.50.020(A)(11)(e)**

e. The development shall provide subarea improvements such as utility infrastructure system improvements, off-site frontage improvements (consistent with the Engineering Development Manual), or installation of amenities such as transit stop shelters, lighting, or wayfinding signage.

## Proposed Council Amendment – SMC 20.50.020(A)(11)(e)

*e. The development shall provide 0.25 percent of the building construction valuation to be paid by the applicant for subarea improvements such as off-site frontage improvements (consistent with the Engineering Development Manual), bicycle, pedestrian, or transit projects identified in the Transportation Master Plan, or installation of amenities such as transit stop shelters, lighting, or wayfinding signage. If the required off street parking is eliminated in accordance with SMC 20.50.400(C), the development contribution shall be 1 percent of the building construction valuation.*

### Discussion

Proposed Council Amendment #5 provides more certainty with regard to the extent, or value, of which an improvement would need to be. The amendment also takes into consideration a high contribution in an instance where all off-street parking is eliminated whereby some of the value for elimination of the parking is reinvested for subarea improvements. Table 3 below provides a cost comparison using building valuations for recent developments of similar scale that could be developed in the MUR-70' zone. It is important to note, the valuations do not take into account a change in the construction type as would be the case for buildings 8+ stories in height.

*Table 3 – Subarea Improvements, 0.25-1% Comparison*

Project	Geo	Geo 2	Canopy 1	Canopy 2	The Line	Burl	Ion
Constr. Value	\$27,546,658	\$32,045,983	\$48,509,040	\$27,179,366	\$38,449,285	\$30,416,668	\$44,342,863
0.25%	\$68,867	\$80,115	\$121,273	\$67,948	\$96,123	\$76,042	\$110,857
1%	\$275,467	\$320,460	\$485,090	\$271,794	\$384,493	\$304,167	\$443,429

Using the construction values above, a hypothetical building could be valued at \$6.3M per floor. A 12-story building could be valued at \$75.6M (change in construction type is not accounted for). In this example, a 0.25% contribution would be \$189,000, while a 1% contribution would be \$756,000.

Staff recommends the Council-proposed amendment be approved, with the exception that the reference to elimination of parking be removed. Staff does not recommend off street parking requirements be removed (see amendment #8 below).

If a Councilmember is interested in making proposed Amendment #5, Council should use the following amendatory language:

#### **Amendatory Motion #5 -**

***“I move to modify the Planning Commission’s recommendation for SMC 20.50.020(A)(11)(e) by deleting it in its entirety and replacing it with a new SMC 20.50.020(A)(11)(e) as shown on Page 13 of tonight’s Staff Report.”***

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**Council Amendment #6 – SMC 20.50.020(A)(11)(f)****Staff Recommendation – Approve**

This proposed Council amendment would require buildings above the base allowable height in the MUR-70' zone to achieve green certification, matching Tier 3 of the City's Deep Green Incentive Program (DGIP).

**PLEASE NOTE** that if proposed Council amendment #5 is not adopted, then this amendment would need to be modified to ensure correct number sequencing.

**Planning Commission Recommendation:**

The requirement that the entire development be built to LEED Gold standards set forth in SMC 20.30.355(D)(2) is proposed to be removed. This standard is duplicative because development in the MUR-70' zone must meet the Built Green 4-Star certification, which is a roughly equivalent (if not slightly higher) green certification (SMC 20.40.046.D).

**Proposed Council Amendment – SMC 20.50.020(A)(11)(f)**

*f. The development shall meet the requirements to achieve certification under one of the following sustainable development programs:*

- 1. LEED Platinum; or*
- 2. 5-Star Built Green; or*
- 3. Passive House Institute US (PHIUS)+ combined with Salmon Safe; or*
- 4. Zero Energy combined with Salmon Safe*

*Since certification under one of the above programs is required in order to build over the base height of 70' in the MUR zone, the Deep Green Incentive Program incentives listed in SMC 20.50.630 (D)(1) and (4) do not apply.*

**Discussion**

This proposed Council amendment would require buildings above the base allowable height in the MUR-70' zone to achieve green certification, matching Tier 3 of the City's Deep Green Incentive Program (DGIP). Of the MUR-70' development applications which have filed application, many are opting to build to LEED Platinum and are eligible for the DGIP incentives. The proposed amendments would not allow waivers of City application fees or expedited permit review. The requirement for green building certification would also add to the development costs for the applicant.

Staff recommends approval of proposed Council amendment #6. This proposed amendment supports citywide climate and sustainability goals by mandating new buildings seeking added height in the MUR-70' zone meet Tier 3 of the DGIP.

If a Councilmember is interested in making proposed Amendment #6, Council should use the following amendatory language:

**Amendatory Motion #6 -**

***“I move to modify the Planning Commission’s recommendation for SMC 20.50.020(A)(11) by adding a new subsection, subsection (f), related to the City’s Deep Green Incentive Program as set forth on Page 14 of tonight’s Staff Report.”***

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**Council Amendment #7 – SMC 20.50.020(A)(11)(g)**

**Staff Recommendation – Not Approve**

This proposed Council amendment would retain the existing requirement to purchase transfer of development rights (TDR) credits as a condition of obtaining maximum height.

**PLEASE NOTE** that if proposed Council amendments #5 or #6 are not adopted, then this amendment would need to be modified to ensure correct number sequencing.

**Planning Commission Recommendation – SMC 20.30.355(D)(4)**

~~4. An agreement to purchase transfer of development rights (TDR) credits at a rate of \$5,000 per unit up to a maximum of 50 TDRs per development agreement as authorized by the City Council and not to exceed Shoreline’s allocation of TDR credits.~~

**Proposed Council Amendment – SMC 20.50.020(A)(11)(g)**

***g. The development shall agree to purchase Transfer of Development Rights (TDR) credits as outlined in the City’s TDR program.***

**Discussion**

The Planning Commission recommendation is to remove the requirement to purchase Transfer of Development Rights (TDR) credits. Future proposed amendments will consider a TDR program with incentives and at that time it is possible TDR requirements could be included once again as a requirement.

The Planning Commission recommendation would remove the requirement that a development purchase TDR credits as a condition of achieving the maximum height. Staff is currently finalizing a consultant contract and work plan to prepare amendments that would establish a TDR program as part of the Development Code. The contract will also establish an interlocal agreement with King County to manage TDR transactions within the City. Draft amendments are anticipated to go to the Planning Commission for review in later 2022.

The Council proposed amendment has been revised to generally refer to the City’s TDR program to reflect anticipated amendments for consideration later this year.

Staff recommends against potential Council Amendment #7. As noted above, future Development Code amendments will incorporate a program for TDR. Currently, the City is not positioned to manage a TDR transaction.

If a Councilmember is interested in making proposed Amendment #7, Council should use the following amendatory language:

**Amendatory Motion #7 -**

***“I move to modify the Planning Commission’s recommendation for SMC 20.50.020(A)(11) by adding a new subsection, subsection (g), requiring the purchase of Transfer of Development Rights as a condition of achieving maximum height as set forth on Page 15 of tonight’s Staff Report.”***

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**Council Amendments #8a & #8b - SMC 20.50.400.C**

**Staff Recommendation – #8a – Neutral; #8b – Not Approve**

These proposed Council amendments would change incentives for reductions in parking.

**PLEASE NOTE** that if proposed Council amendment #8a is adopted, then proposed amendment #8b would be impacted as #8b does not seek to delete the language #8a does seek to delete.

**Planning Commission Recommendation – SMC 20.50.400.C**

C. Parking reductions of up to 50 percent may be approved for new residential, mixed-use, and commercial development in the MUR-70’ zone containing 100 dwelling units or more, or 10,000 gross square feet of commercial floor area or more, provided the following criteria are satisfied:

1. A Transportation Demand Management Plan is prepared by a qualified professional and shall:
  - a. Assess actual parking demand based on proposed land uses and the existing and future neighborhood land use context;
  - b. Identify project-specific strategies, which may include strategies on a list established and maintained by the Director, that will be implemented to reduce the development’s parking demand; and
  - c. Establish clear performance objectives and a mechanism for ongoing monitoring and adjustment of the TDM strategies to adapt to changing conditions throughout the life of the development.
2. Upon request by the City, the owner shall provide parking utilization data for the development and an assessment of the TDM Plan’s performance and whether it is meeting objectives. If deficiencies in meeting objectives are found, the owner shall revise the plan and it shall be reviewed pursuant to subsection (C) of this section.

**Proposed Council Amendment #8a – SMC 20.50.400.C**

C. Parking reductions of up to 50 percent may be approved for new residential, mixed-use, and commercial development in the MUR-70’ zone ~~containing 100 dwelling~~



units or more, or 10,000 gross square feet of commercial floor area or more,  
provided the following criteria are satisfied:

1. A Transportation Demand Management Plan is prepared by a qualified professional and shall:
  - a. Assess actual parking demand based on proposed land uses and the existing and future neighborhood land use context;
  - b. Identify project-specific strategies, which may include strategies on a list established and maintained by the Director, that will be implemented to reduce the development's parking demand; and
  - c. Establish clear performance objectives and a mechanism for ongoing monitoring and adjustment of the TDM strategies to adapt to changing conditions throughout the life of the development.
2. Upon request by the City, the owner shall provide parking utilization data for the development and an assessment of the TDM Plan's performance and whether it is meeting objectives. If deficiencies in meeting objectives are found, the owner shall revise the plan and it shall be reviewed pursuant to subsection (C) of this section.

#### **Proposed Council Amendment #8b – SMC 20.50.400.C**

C. Parking reductions of up to 50100 percent may be approved for new residential, mixed-use, and commercial development in the MUR-70' zone containing 100 dwelling units or more, or 10,000 gross square feet of commercial floor area or more, provided the following criteria are satisfied:

1. A Transportation Demand Management Plan is prepared by a qualified professional and shall:
  - a. Assess actual parking demand based on proposed land uses and the existing and future neighborhood land use context;
  - b. Identify project-specific strategies, which may include strategies on a list established and maintained by the Director, that will be implemented to reduce the development's parking demand; and
  - c. Establish clear performance objectives and a mechanism for ongoing monitoring and adjustment of the TDM strategies to adapt to changing conditions throughout the life of the development.
2. Upon request by the City, the owner shall provide parking utilization data for the development and an assessment of the TDM Plan's performance and whether it is meeting objectives. If deficiencies in meeting objectives are found, the owner shall revise the plan and it shall be reviewed pursuant to subsection (C) of this section.

#### **Discussion**

The Planning Commission recommended Development Code amendments for parking reductions would establish provisions to reduce off-street parking requirements up to 50%, with approval of a Transportation Demand Management (TDM) Plan.

### Parking Reductions

The Planning Commission recommendation for parking reductions includes dwelling unit and square foot size threshold to encourage larger scale developments in the MUR-70' zone and to minimize potential parking impacts associated with smaller developments.

There are examples of cities which have lifted off street parking requirements entirely and allow the development to determine a suitable amount of parking (if any). The City of Seattle is one local example which does not require off street parking in some station area overlays, such as Roosevelt and Northgate. Other nearby cities continue to allow a parking reduction.

The comparison in Table 2 below highlights the City's parking requirements without a reduction, with the current maximum 25% reduction, and with the Planning Commission recommended 50% reduction. The comparison is based on a residential development scenario of 200 units.

*Table 2 – Parking Comparison for 200 Residential Units*

Unit Type	Units	Shoreline	Mountlake Terrace	Lynnwood	Bellevue (Spring District)	Seattle (Northgate & Roosevelt Station Overlays)
Studio	50	37.5	25	25	37.5	0
1 BR	100	75	75	50	75	0
2 BR	50	75	50	25	37.5	0
<b>Total</b>	<b>200</b>	<b>188 w/o reduction</b> <b>139 w/25% reduction*</b> <b>94 w/50% reduction**</b>	<b>150</b>	<b>100</b>	<b>150</b>	<b>0</b>
<b>Ratio - Stalls per unit</b>	<b>--</b>	<b>1.06 w/o reduction</b> <b>0.70 w/25% reduction*</b> <b>0.47 w/50% reduction**</b>	<b>0.75</b>	<b>0.5</b>	<b>0.75</b>	<b>0 No minimum in overlay areas</b>

*\*25% reduction applies to properties within ¼ mile of light rail station*

*\*\*up to 50% reduction with approved TDM*



### Transportation Demand Management

TDM is a broad concept which has evolved over time. The US Department of Transportation notes that TDM is defined as a set of strategies aimed at maximizing travel choices. Traditionally, these strategies have been narrowly focused on commuter trips, but has evolved to encapsulate numerous strategies aimed to complement transportation infrastructure, including parking. TDM strategies have rapidly grown in recent years with the rise in new technologies. A list of example TDM strategies include:

- Bikeshare/carshare
- Free or reduced cost transit passes
- Enhanced bike facilities (e.g. storage, maintenance area, etc.)
- Wayfinding for non-vehicle trips
- Marketing and communications on alternative transportation options

TDM examples in the City include a recent multifamily development on Aurora which has committed to implementing bikeshare and is anticipating carshare options will be available to its residents in the future.

As noted above, the draft amendments would allow parking reductions up to 50%, provided the applicant prepares a TDM and it is approved by the City. In addition to project-specific strategies that could be included in a TDM, the amendments reference a list of strategies that will be maintained by the Director. Maintaining a list of TDM strategies as a companion to the Development Code (rather than adopted directly into the Code) allows for flexibility to respond to rapidly changing transportation technologies as well as a way to prioritize strategies that advance City goals. The proposed amendments also would require ongoing monitoring of the performance of the TDM strategies and allow for adjustments to be made throughout the life of the development.

At the request of the City, the owner would be required to provide parking utilization data and an assessment of the plan's performance. Changes would need to be made in instances where the plan is found to be underperforming. Understanding the off-street parking utilization trends and having a mechanism in place to adapt will be particularly important components of managing the overall parking system in the years to come as the light rail station subareas are built out and demands for parking evolve.

Generally speaking, the City should begin scoping and considering parking management strategies when a ¼ mile radius area reaches an average on street parking utilization of 60 percent or higher.

The funding allocation for parking utilization surveys ended in 2021 (some carryover from 2021 was used to conduct utilization surveys this year). Currently there is no resource to continue parking demand surveys that would track parking utilization. A supplemental budget request will be submitted for the 2023-24 biennium to continue the utilization surveys, which will help staff anticipate the need for parking management strategies.

Sound Transit is committed to studying parking around the light rail stations but this scope will likely cover a smaller geographic area that may not capture the full extent of

redevelopment related parking demand increases as their focus will be specific to light rail station related parking mitigation. New staff allocated to Traffic Services in 2022 is anticipated to manage some initial elements of expanding parking demand management needs, and a 2024 budget request is planned for a dedicated parking enforcement resource.

By 2025, it is likely that additional Streets Maintenance staff and materials budget will be needed to keep pace with signage and markings associated with active parking demand management. It should be noted that tools to manage specifically residential parking demand are somewhat limited.

While staff is neutral on proposed Council Amendment #8a, staff recommends against proposed Council Amendment #8b, which could allow elimination of all required off-street parking. Eliminating all off-street parking has the highest likelihood of impacts onto local streets and increased demand on City resources to actively manage and enforce on street parking.

If a Councilmember is interested in making proposed Amendment #8a, Council should use the following amendatory language:

**Amendatory Motion #8a -**

***“I move to modify the Planning Commission’s recommendation for SMC 20.50.400(C) by deleting the following language: “containing 100 dwelling units or more, or 10,000 gross square feet of commercial floor area or more” as shown on Pages 16 and 17 of tonight’s Staff Report.”***

If a Councilmember is interested in making proposed Amendment #8b, Council should use the following amendatory language:

**Amendatory Motion #8b -**

***“I move to modify the Planning Commission’s recommendation for SMC 20.50.400(C) by increasing the percentage of parking reduction from 50% to 100% as shown on Page 17 of tonight’s Staff Report.”***

**ANALYSIS**

In accordance with SMC 20.30.350.A, an amendment to the Development Code is a mechanism by which the City may bring its land use and development regulations into conformity with the Comprehensive Plan or respond to changing conditions or needs of the City.

The City Council may approve or approve with modifications an amendment to the Development Code if all of the following are satisfied:

1. *The amendment is in accordance with the Comprehensive Plan.*

The proposed amendments are consistent with the following goals and policies of the Comprehensive Plan:

- Framework Goal FG14: Designate specific areas for high-density development, especially along major transportation corridors.
- Land Use Goal LU II: Establish land use patterns that promote walking, biking and using transit to access goods, services, education, employment, recreation.
- Land Use Goal LU III: Create plans and strategies that implement the City's Vision 2029 and Light Rail Station Area Planning Framework Goals for transit supportive development to occur within a ½ mile radius of future light rail stations.
- Land Use Policy LU35: Allow and encourage uses in station areas that will foster the creation of communities that are socially, environmentally, and economically sustainable.
- Land Use Policy LU55: Parking requirements should be designed for average need, not full capacity. Include regulatory provisions to reduce parking standards, especially for those uses located within ¼ mile of high-capacity transit, or serving a population characterized by low rates of car ownership. Other parking reductions may be based on results of the King County Right-Sized Parking Initiative.
- Housing Policy H8: Explore a variety and combination of incentives to encourage market rate and non-profit developers to build more units with deeper levels of affordability.
- Economic Development Policy ED4: Use incentives and development flexibility to encourage quality development.
- Economic Development Policy ED9: Promote land use and urban design that allows for smart growth and dense nodes of transit-supportive commercial activity to promote a self-sustaining local economy.
- Natural Environment Policy NE1: Promote infill and concurrent infrastructure improvements in areas that are already developed in order to preserve rural areas, open spaces, ecological functions, and agricultural lands in the region.

*2. The amendment will not adversely affect the public health, safety or general welfare.*

If approved, the amendments would allow parking reductions of up to 50% with an approved TDM plan. The TDM plan would be a site-specific plan to reduce overall parking demand and mitigate potential parking impacts on nearby streets and properties. The amendments would also require the TMD plan be regularly monitored and revised as necessary to adapt to changing parking demand over time.

The amendments would also change the mechanisms by which a development could achieve the maximum building height of 140 feet. However, the development would be required to hold a neighborhood meeting, go through the Administrative Design Review process, and meet additional development requirements such as additional affordable housing, neighborhood amenities, and open space.

The amendments will not adversely affect the public health, safety or general welfare.

3. *The amendment is not contrary to the best interest of the citizens and property owners of the City of Shoreline.*

The amendments are intended to better facilitate and remove barriers to development in the MUR-70' zone to advance the vision for the light rail station subarea plans as created by the community and adopted by Council. The amendments are not contrary to the best interest of the citizens and property owners of the City.

### **RESOURCE/FINANCIAL IMPACT**

The proposed Development Code amendments in proposed Ordinance No. 968 will not have a direct immediate financial impact to the City. Additional staff resources would be needed to review TDM Plans associated with new developments and periodically check-in on their performance in future years.

### **RECOMMENDATION**

The Planning Commission has recommended adoption of the proposed amendments in Attachment A, Exhibit A of proposed Ordinance No. 968. Staff further recommends adoption of Ordinance No. 968.

### **ATTACHMENTS**

- Attachment A – Proposed Ordinance No. 968
- Attachment A, Exhibit A – Planning Commission Recommended Draft Development Code Amendments to Chapters 20.30, 20.40, and 20.50 SMC
- Attachment B – Summary of Council Proposed Amendments to Exhibit A of proposed Ordinance No. 968
- Attachment C – Building Height Examples

**ORDINANCE NO. 968**

**AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON  
AMENDING CHAPTERS 20.30, 20.40, AND 20.50 OF THE SHORELINE  
MUNICIPAL CODE TITLE 20, THE UNIFIED DEVELOPMENT CODE,  
TO MODIFY REGULATIONS FOR DEVELOPMENT WITHIN THE  
MUR-70' ZONING DISTRICT AND INCLUDE A 20-YEAR MULTI-  
FAMILY TAX EXEMPTION PERIOD.**

WHEREAS, the City of Shoreline is a non-charter optional municipal code city as provided in Title 35A RCW, incorporated under the laws of the state of Washington, and planning pursuant to the Growth Management Act, Title 36.70A RCW; and

WHEREAS, Shoreline Municipal Code (SMC) Title 20, sets forth the City's Unified Development Code; and

WHEREAS, in 2014 and 2016, the City established the Mixed Use Residential (MUR)-70' zoning district within the 145<sup>th</sup> Street and 185<sup>th</sup> Street Station Subareas and adopted regulations specific to that zoning district; and

WHEREAS, an October 25, 2021, joint meeting of the City Council and the Shoreline Planning Commission was held to discuss better development outcomes in the MUR-70' zoning district as envisioned in the light rail station subarea plans; and

WHEREAS, in 2021, the City Council adopted Ordinance No. 944, amending Chapter 3.27 SMC, Property Tax Exemption, to reflect new state legislation expanding the multi-family tax exemption (MFTE) program to allow for a 20-year MFTE program that, in return for the tax exemption, would require units be affordable for 99 years; SMC 20.40.235 requires amendment to reflect this change and its use within the MUR-70' zoning district; and

WHEREAS, on December 2, 2021, January 20, 2022, and April 7, 2022, the Planning Commission discussed potential amendments related to parking reductions and repealing the requirement for a development agreement for achieving building heights over the base height of 70 feet; and on May 19, 2022, the Planning Commission held a public hearing on the proposed amendments so as to receive public testimony; and

WHEREAS, at the conclusion of public hearing, the Planning Commission voted that the proposed amendments as presented by staff be approved by the City Council; and

WHEREAS, on June 6, 2022, the City Council held a study session on the proposed amendments; and

WHEREAS, pursuant to RCW 36.70A.370, the City has utilized the process established by the Washington State Attorney General so as to assure the protection of private property rights; and

WHEREAS, pursuant to RCW 36.70A.106, the City has provided the Washington State Department of Commerce with a 60-day notice of its intent to adopt the amendment(s) to its Unified Development Code; and

WHEREAS, the environmental impacts of the amendments to the MUR-70 zoning district resulted in the issuance of an addendum to the 145<sup>th</sup> Street Station Planned Action Final Environmental Impact Statement and an addendum to the 185<sup>th</sup> Street Station Planned Action Final Environmental Impact Statement, both were issued on May 5, 2022; and

WHEREAS, the City provided public notice of the amendments and the public hearing as provided in SMC 20.30.070; and

WHEREAS, the City Council has considered the entire public record, public comments, written and oral, and the Planning Commission's recommendation and has determined that the amendments to Title 20 are consistent with and implement the Shoreline Comprehensive Plan and serves the purpose of the Unified Development Code as set forth in SMC 20.10.020;

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON DO ORDAIN AS FOLLOWS:**

**Section 1. Amendments. Unified Development Code.** Title 20 of the Shoreline Municipal Code, Unified Development Code, is amended as set forth in Exhibit A to this Ordinance.

**Section 2. Transmittal of Amendments to Washington State Department of Commerce.** Pursuant to RCW 36.70A.106, the Director of Planning and Community Development, or designee, is directed to transmit a complete and accurate copy of this Ordinance and Exhibit A to the Washington State Department of Commerce within ten (10) calendar days of the date of passage of this Ordinance.

**Section 3. Corrections by City Clerk or Code Reviser.** Upon approval of the City Attorney, the City Clerk and/or the Code Reviser are authorized to make necessary corrections to this Ordinance, including the corrections of scrivener or clerical errors; references to other local, state, or federal laws, codes, rules, or regulations; or ordinance numbering and section/subsection numbering and references.

**Section 4. Severability.** Should any section, subsection, paragraph, sentence, clause, or phrase of this Ordinance or its application to any person or situation be declared unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of this Ordinance or its application to any person or situation.

**Section 5. Publication and Effective Dates.** A summary of this Ordinance consisting of the title shall be published in the official newspaper and shall take effect five days after publication.

**PASSED BY THE CITY COUNCIL ON JUNE 27, 2022.**

\_\_\_\_\_  
Keith Scully, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Jessica Simulcik Smith  
City Clerk

\_\_\_\_\_  
Julie Ainsworth-Taylor  
Assistant City Attorney  
On behalf of Margaret King  
City Attorney

Date of Publication:   , 2022  
Effective Date:       , 2022

**SMC 20.30.297 Administrative Design Review (Type A).**

A. Administrative design review approval of departures from the design standards in SMC 20.50.160 through 20.50.190, 20.50.220 through 20.50.250, 20.50.450 through 20.50.510 and SMC 20.50.530 through 20.50.620 shall be granted by the Director upon their finding that the departure is:

1. Consistent with the purposes or intent of the applicable subsections; or
2. Justified due to unusual site constraints so that meeting the design standards represents a hardship to achieving full development potential.

B. Projects applying for the Deep Green Incentive Program by certifying through the Living Building or Community Challenge, Petal Recognition, Emerald Star, LEED-Platinum, 5-Star, 4-Star, PHIUS+, PHIUS+ Source Zero/Salmon Safe, or Zero Energy/Salmon Safe programs may receive departures from development standards under Chapters 20.40, 20.50, 20.60, and/or 20.70 SMC upon the Director's finding that the departures meet subsections (A)(1) and/or (2) of this section, and as further described under SMC 20.50.630. Submittal documents shall include proof of enrollment in the programs listed above.

C. Developments in the MUR-70' zone exceeding the base height and which are not utilizing the significant tree retention height incentive in Table 20.50.020(2), footnote 12, or the height incentive within the Deep Green Incentive Program in SMC 20.50.630, shall be subject to Administrative Design Review approval. The Director shall grant approval of developments up to 140 feet in height upon their finding that the development:

1. Is consistent with the goals and policies of the Comprehensive Plan; and
2. Will be supported by adequate infrastructure, facilities, and public services to serve the development; and
3. Conducts a neighborhood meeting, in accordance with SMC 20.30.090, prior to application.

**SMC 20.30.355 Development agreement (Type L).**

A. **Purpose.** To define the development of property in order to implement framework goals to achieve the City's adopted vision as stated in the Comprehensive Plan. A development agreement is permitted in all zones and may modify development standards contained in Chapter 20.50 SMC. ~~A development agreement in the MUR-70' zone may be approved to allow increased development potential above the zoning requirements in Chapter 20.50 SMC.~~

B. **Development Agreement Contents (General).** A development agreement shall set forth the development standards and other provisions that shall apply to govern and vest the development, use, and mitigation of the development of the real property for the duration specified in the agreement (RCW 36.70B.170). Each development agreement approved by the



## Ordinance No. 968 - Exhibit A

City Council shall contain the development standards applicable to the subject real property. For the purposes of this section, “development standards” includes, but is not limited to:

1. Project elements such as permitted uses, residential densities, and nonresidential densities and intensities or building sizes;
2. The amount and payment of impact fees imposed or agreed to in accordance with any applicable provisions of State law, any reimbursement provisions, other financial contributions by the property owner, inspection fees, or dedications;
3. Mitigation measures, development conditions, and other requirements under Chapter 43.21C RCW;
4. Design standards such as maximum heights, setbacks, drainage and water quality requirements, landscaping, and other development features;
5. Affordable housing units;
6. Parks and open space preservation;
7. Phasing of development;
8. Review procedures and standards for implementing decisions;
9. A build-out or vesting period for applicable standards;
10. Any other appropriate development requirement or procedure;
11. Preservation of significant trees; and
12. Connecting, establishing, and improving nonmotorized access.

**C. Decision Criteria.** A development agreement (~~general development agreement and development agreements in order to increase height above 70 feet~~) may be granted by the City only if the applicant demonstrates that:

1. The project is consistent with goals and policies of the Comprehensive Plan. If the project is located within a subarea plan, then the project shall be consistent with the goals and policies of the subarea plan.
2. The proposed development uses innovative, aesthetic, energy-efficient and environmentally sustainable architecture and site design.
3. There is either sufficient capacity and infrastructure (e.g., roads, sidewalks, bike lanes) that meet the City’s adopted level of service standards (as confirmed by the performance of

a transportation impact analysis) in the transportation system (motorized and nonmotorized) to safely support the development proposed in all future phases or there will be adequate capacity and infrastructure by the time each phase of development is completed. If capacity or infrastructure must be increased to support the proposed development agreement, then the applicant must identify a plan for funding their proportionate share of the improvements.

4. There is either sufficient capacity within public services such as water, sewer and stormwater to adequately serve the development proposal in all future phases, or there will be adequate capacity available by the time each phase of development is completed. If capacity must be increased to support the proposed development agreement, then the applicant must identify a plan for funding their proportionate share of the improvements.

5. The development agreement proposal contains architectural design (including but not limited to building setbacks, insets, facade breaks, roofline variations) and site design standards, landscaping, provisions for open space and/or recreation areas, retention of significant trees, parking/traffic management and multimodal transportation improvements and other features that minimize conflicts and create transitions between the proposal site and property zoned R-4, R-6, R-8 or MUR-35'.

6. The project is consistent with the standards of the critical areas regulations, Chapter 20.80 SMC, Critical Areas, or Shoreline Master Program, SMC Title 20, Division II, and applicable permits/approvals are obtained.

**~~D.—Development Agreement Contents for Property Zoned MUR-70' in Order to Increase Height Above 70 Feet.~~** Each development agreement approved by the City Council for property zoned MUR-70' for increased development potential above the provision of the MUR-70' zone shall contain the following:

~~1.—Twenty percent of the housing units constructed on site shall be affordable to those earning less than 60 percent of the median income for King County adjusted for household size. The units shall remain affordable for a period of no less than 99 years. The number of affordable housing units may be decreased to 10 percent if the level of affordability is increased to 50 percent of the median income for King County adjusted for household size. A fee in lieu of constructing any fractional portion of mandatory units is based on the adopted fee schedule (Chapter 3.01 SMC). Full units are not eligible for the fee in lieu option and must be built on site. The fee will be specified in SMC Title 3.~~

~~2.—Entire development is built to LEED Gold standards.~~

~~3.—Structured parking for at least 90 percent of the required parking spaces for a development. Structured parking includes underground parking, under building parking and aboveground parking garage. Unstructured parking shall be located interior to the site.~~

~~4. An agreement to purchase transfer of development rights (TDR) credits at a rate of \$5,000 per unit up to a maximum of 50 TDRs per development agreement as authorized by the City Council and not to exceed Shoreline's allocation of TDR credits.~~

~~5. Applicant shall dedicate park space sufficient to accommodate each projected resident of the development, to be determined by a formula to be established by rule in consultation with the Parks Board. Dedicated space must be open and accessible to the public from a public street.~~

~~6. Development agreements in MUR 70' shall include at least two of the following components and may not be combined:~~

~~a. Entire site uses combined heat and power infrastructure or district energy.~~

~~b. Commercial space of at least 40,000 square feet.~~

~~c. Thirty percent of the ground floor area for neighborhood amenities that may include areas open and accessible for the community, office space for nonprofit organizations, an eating or drinking establishment, or other space that may be used for community functions.~~

~~d. Two percent of the building construction valuation shall be paid by the property owner/developer to the City to fund public parks, open space, art, or other recreational opportunities open and accessible to the public within the station subarea as defined in the City's Parks, Recreation, and Open Space Plan.~~

~~e. Provide additional off site frontage improvements (as required by the Engineering Development Manual) that connect a proposed development to amenities near the subject project. Amenities may include transit stops, light rail station, commercial uses, etc.~~

~~f. Providing street to street dedicated public access. Examples include an alley, pedestrian/bicycle path, or other nonmotorized vehicle trail.~~

**ED. Development Agreement Approval Procedures.** The City Council may approve development agreements through the following procedure:

1. A development agreement application incorporating the elements stated in subsection B of this section may be submitted by a property owner with any additional related information as determined by the Director. After staff review and SEPA compliance, the Planning Commission shall conduct a public hearing on the application. The Planning Commission shall then make a recommendation to the City Council pursuant to the criteria set forth in subsection C of this section and the applicable goals and policies of the Comprehensive Plan. The City Council shall approve, approve with additional conditions, or deny the development agreement. The City Council shall approve the development agreement by ordinance or resolution;

2. **Recorded Development Agreement.** Upon City Council approval of a development agreement under the procedure set forth in this subsection E, the property owner shall execute and record the development agreement with the King County Recorder's Office to run with the land and bind and govern development of the property.

**SMC 20.40.046 Mixed-use residential (MUR) zones.**

A. The purpose of the mixed-use residential (MUR) zones (MUR-35', MUR-45', and MUR-70') is to provide for a mix of predominantly multifamily development ranging in height from 35 feet to 70 feet in appropriate locations with other nonresidential uses that are compatible and complementary.

B. Specific mixed-use residential zones have been established to provide for attached single-family residential, low-rise, mid-rise and high-rise multifamily residential. The mixed-use residential zones also provide for commercial uses, retail, and other compatible uses within the light rail station subareas.

C. Affordable housing is required in the MUR-45' and MUR-70' zone and voluntary in the MUR-35' Zone. Refer to SMC 20.40.235 for affordable housing light rail station subarea requirements.

D. Construction in MUR zones must achieve green building certification through one of the following protocols: Built Green 4-Star or PHIUS+. If an affordable housing or school project is required to certify through the Evergreen Sustainable Development Standard, this protocol shall fulfill the requirement. If a project utilizes a more stringent certification protocol through the Deep Green Incentive Program, this shall fulfill the requirement.

~~E. All development within the MUR-70' zone that seeks additional height and alternative development standards shall be governed by a development agreement as provided in SMC 20.30.355.~~

**SMC 20.40.235 Affordable housing, light rail station subareas.**

A. The purpose of this index criterion is to implement the goals and policies adopted in the Comprehensive Plan to provide housing opportunities for all economic groups in the City's light rail station subareas. It is also the purpose of this criterion to:

1. Ensure a portion of the housing provided in the City is affordable housing;
2. Create an affordable housing program that may be used with other local housing incentives authorized by the City Council, such as a multifamily tax exemption program, and other public and private resources to promote affordable housing;
3. Use increased development capacity created by the mixed-use residential zones to develop voluntary and mandatory programs for affordable housing.

## Ordinance No. 968 - Exhibit A

B. Affordable housing is voluntary in MUR-35' and mandatory in the MUR-45' and MUR-70' zones. The following provisions shall apply to all affordable housing units required by, or allowed through, any provisions of the Shoreline Municipal Code:

1. The City provides various incentives and other public resources to promote affordable housing. Specific regulations providing for affordable housing are described below:

	<b>MUR-70'+</b>	<b>MUR-70'</b>	<b>MUR-45'</b>	<b>MUR-35'</b>
<b>Mandatory Participation</b>	Yes	Yes	Yes	No
<b>Incentives (3) (4)</b>	Height may be increased above 70 ft.; no density limits; and may be eligible for 12-year, or 20-year property tax exemption (PTE) pursuant to Chapter 3.27 SMC; permit fee reduction pursuant to SMC 20.40.235(F); and impact fee reduction pursuant to SMC Title 3.	Entitlement of 70 ft. height; no density limits; and may be eligible for 12-year, or 20-year property tax exemption (PTE) pursuant to Chapter 3.27 SMC; permit fee reduction pursuant to SMC 20.40.235(F); and impact fee reduction pursuant to SMC Title 3.	Entitlement of 45 ft. height; no density limits; and may be eligible for 12-year, or 20-year property tax exemption (PTE) pursuant to Chapter 3.27 SMC; permit fee reduction pursuant to SMC 20.40.235(F); and impact fee reduction pursuant to SMC Title 3.	No density limits; and may be eligible for 12-year, or 20-year property tax exemption (PTE) pursuant to Chapter 3.27 SMC; permit fee reduction pursuant to SMC 20.40.235(F); and impact fee reduction pursuant to SMC Title 3.
<b>Studio, 1 bedroom (3) (4)</b>	20% of rental units shall be affordable to households making 60% or less of the median income for King County adjusted for household size; or 10% of rental units shall be affordable to households making 50% or less of the median income for King County adjusted for household size.	20% of rental units shall be affordable to households making 70% or less of the median income for King County adjusted for household size; or 10% of rental units shall be affordable to households making 60% or less of the median income for King County adjusted for household size.		

	<b>MUR-70'+</b>	<b>MUR-70'</b>	<b>MUR-45'</b>	<b>MUR-35'</b>
<b>2+ bedrooms (3) (4)</b>	20% of the rental units shall be affordable to households making 70% or less of the median income for King County adjusted for household size; or 10% of the rental units shall be affordable to households making 60% or less of the median income for King County adjusted for household size.	20% of the rental units shall be affordable to households making 80% or less of the median income for King County adjusted for household size; or 10% of the rental units shall be affordable to households making 70% or less of the median income for King County adjusted for household size.		

2. Payment in lieu of constructing any fractional portion of mandatory units is available upon City Council's establishment of a fee in lieu formula. See subsection (E)(1) of this section. Full units are not eligible for fee in lieu option and must be built on site.

3. In order to be eligible for a property tax exemption pursuant to Chapter 3.27 SMC, 20 percent of units must be built to affordability standards.

4. In order to be eligible for permit or impact fee reductions or waivers, units must be affordable to households making 60 percent or less of the King County area median income.

...

### **SMC 20.50.020 Dimensional requirements.**

A. Table 20.50.020(1) – Densities and Dimensions in Residential Zones.

Note: Exceptions to the numerical standards in this table are noted in parentheses and described below.

<b>Residential Zones</b>								
<b>STANDARDS</b>	<b>R-4</b>	<b>R-6</b>	<b>R-8</b>	<b>R-12</b>	<b>R-18</b>	<b>R-24</b>	<b>R-48</b>	<b>TC-4</b>
Base Density: Dwelling Units/Acre	4 du/ac	6 du/ac (7)	8 du/ac	12 du/ac	18 du/ac	24 du/ac	48 du/ac	Based on bldg.

<b>Residential Zones</b>								
<b>STANDARDS</b>	<b>R-4</b>	<b>R-6</b>	<b>R-8</b>	<b>R-12</b>	<b>R-18</b>	<b>R-24</b>	<b>R-48</b>	<b>TC-4</b>
								bulk limits
Min. Density	4 du/ac	4 du/ac	4 du/ac	6 du/ac	8 du/ac	10 du/ac	12 du/ac	Based on bldg. bulk limits
Min. Lot Width (2)	50 ft	50 ft	50 ft	30 ft	30 ft	30 ft	30 ft	N/A
Min. Lot Area (2) (13)	7,200 sq ft	7,200 sq ft	5,000 sq ft	2,500 sq ft	2,500 sq ft	2,500 sq ft	2,500 sq ft	N/A
Min. Front Yard Setback (2) (3) (14)	20 ft	20 ft	10 ft	10 ft	10 ft	10 ft	10 ft	10 ft
Min. Rear Yard Setback (2) (4) (5)	15 ft	15 ft	5 ft	5 ft	5 ft	5 ft	5 ft	5 ft
Min. Side Yard Setback (2) (4) (5)	5 ft min.	5 ft min.	5 ft	5 ft	5 ft	5 ft	5 ft	5 ft
Base Height (9)	30 ft (35 ft with pitched roof)	30 ft (35 ft with pitched roof)	35 ft	35 ft	35 ft (40 ft with pitched roof)	35 ft (40 ft with pitched roof) (16)	35 ft (40 ft with pitched roof) (8) (16)	35 ft (16)
Max. Building Coverage (2) (6)	35%	35%	45%	55%	60%	70%	70%	N/A
Max. Hardscape (2) (6)	45%	50%	65%	75%	85%	85%	90%	90%

Table 20.50.020(2) – Densities and Dimensions in Mixed Use Residential Zones.

Note: Exceptions to the numerical standards in this table are noted in parentheses and described below.

<b>STANDARDS</b>	<b>MUR-35'</b>	<b>MUR-45'</b>	<b>MUR-70' (10)</b>
Base Density: Dwelling Units/Acre	N/A	N/A	N/A
Min. Density	12 du/ac (17)	18 du/ac	48 du/ac

STANDARDS	MUR-35'	MUR-45'	MUR-70' <del>(40)</del>
Min. Lot Width (2)	N/A	N/A	N/A
Min. Lot Area (2)	N/A	N/A	N/A
Min. Front Yard Setback (2) (3)	0 ft if located on an arterial street 10 ft on nonarterial street 22 ft if located on 145th Street (15)	15 ft if located on 185th Street (15) 0 ft if located on an arterial street 10 ft on nonarterial street 22 ft if located on 145th Street (15)	15 ft if located on 185th Street (15) 22 ft if located on 145th Street (15) 0 ft if located on all other streets
Min. Rear Yard Setback (2) (4) (5)	5 ft	5 ft	5 ft (20)
Min. Side Yard Setback (2) (4) (5)	5 ft	5 ft	5 ft (20)
Base Height (9) (16)	35 ft	45 ft	70 ft (11) (12) (13)
Max. Building Coverage (2) (6)	N/A	N/A	N/A
Max. Hardscape (2) (6)	85%	90%	90%

*Exceptions to Table 20.50.020(1) and Table 20.50.020(2):*

(1) Repealed by Ord. 462.

(2) These standards may be modified to allow unit lot developments, mixed single-family attached developments and zero lot line developments. Setback variations apply to internal lot lines only. Overall site must comply with setbacks, building coverage and hardscape limitations; limitations for individual lots may be modified.

(3) For single-family detached development exceptions to front yard setback requirements, please see SMC 20.50.070.

(4) For single-family detached development exceptions to rear and side yard setbacks, please see SMC 20.50.080.

(5) For developments consisting of three or more dwellings located on a single parcel, the building setback shall be 15 feet along any property line abutting R-4 or R-6 zones. Please see SMC 20.50.160.

(6) The maximum building coverage shall be 35 percent and the maximum hardscape area shall be 50 percent for single-family detached development located in the R-12 zone.



## Ordinance No. 968 - Exhibit A

(7) The base density for single-family detached dwellings on a single lot that is less than 14,400 square feet shall be calculated using a whole number, without rounding up, except when a single lot is divided by a zone boundary. Refer to subsection (D)(2)(a) of this section for calculation of density when a single lot is divided by a zone boundary.

(8) For development on R-48 lots abutting R-12, R-18, R-24, R-48, NB, CB, MB, CZ and TC-1, 2 and 3 zoned lots, the maximum height allowed is 50 feet and may be increased to a maximum of 60 feet with the approval of a conditional use permit.

(9) Base height for public and private K through 12 schools in all zoning districts except R-4 is 50 feet. Base height may be exceeded by gymnasiums to 55 feet and by theater fly spaces to 72 feet.

(10) ~~Dimensional standards in the MUR-70' zone may be modified with an approved development agreement. Repealed~~

(11) Developments that exceed the base height and do not qualify for a height bonus within the Deep Green Incentive Program in SMC 20.50.630, or the significant tree retention bonus in footnotes 12 below, or the allowable exceptions to height in SMC 20.50.050, may develop to the maximum allowable height of 140 feet, subject Administrative Design Review approval and to the following:~~The maximum allowable height in the MUR-70' zone is 140 feet with an approved development agreement.~~

a. The affordable housing requirements for MUR-70'+ in SMC 20.40.235 are satisfied;

b. One of the following are provided:

1. The development provides commercial space of at least 10,000 square feet; or

2. Thirty percent of the ground floor area within the development is devoted to neighborhood amenities that include areas open and accessible for the community, office space for nonprofit organizations, an eating or drinking establishment, or other space that may be used for community functions. The neighborhood amenity area should be at grade and adjacent to sidewalks or pedestrian paths.

c. The development shall provide park, recreation, open space, or plaza area open and accessible to the public. The area shall be in addition to the requirements for Public Places and Multifamily Open Space in SMC 20.50.240 subsection (F) and (G);

d. The development shall provide one percent of the building construction valuation to be paid by the applicant for contribution toward art or placemaking amenities that are open and accessible to the public; and

e. The development shall provide subarea improvements such as utility infrastructure system improvements, off-site frontage improvements (consistent with the Engineering

Development Manual), or installation of amenities such as transit stop shelters, lighting, or wayfinding signage.

(12) Base height in the MUR-70' zone may be increased up to 80 feet when at least 10 percent of the significant trees on site are retained and up to 90 feet when at least 20 percent of the significant trees on site are retained.

(13) All building facades in the MUR-70' zone fronting on any street shall be stepped back a minimum of 10 feet for that portion of the building above 45 feet in height. Alternatively, a building in the MUR-70' zone may be set back 10 feet at ground level instead of providing a 10-foot step-back at 45 feet in height. MUR-70' fronting on 185th Street shall be set back an additional 10 feet to use this alternative because the current 15-foot setback is planned for street dedication and widening of 185th Street.

(14) The minimum lot area may be reduced proportional to the amount of land needed for dedication of facilities to the City as defined in Chapter 20.70 SMC.

(15) The exact setback along 145th Street (Lake City Way to Fremont Avenue) and 185th Street (Fremont Avenue to 10th Avenue NE), up to the maximum described in Table 20.50.020(2), will be determined by the Public Works Department through a development application.

(16) Base height may be exceeded by 15 feet for rooftop structures such as elevators, arbors, shelters, barbeque enclosures and other structures that provide open space amenities.

(17) Single-family detached dwellings that do not meet the minimum density are permitted in the MUR-35' zone subject to the R-6 development standards.

(18) The minimum front yard setback in the MUR-70' zone may be reduced to five feet on a nonarterial street if 20 percent of the significant trees on site are retained.

(19) The maximum hardscape for public and private kindergarten through grade 12 schools is 75 percent.

(20) Setback may be reduced to zero feet when a direct pedestrian connection is provided to adjacent light rail transit stations, light rail transit parking garages, transit park and ride lots, or transit access facilities.

#### **SMC 20.50.400 Reductions to minimum parking requirements.**

A. Reductions of up to 25 percent may be approved by the Director when subsection (A)(1) of this section is met, or when a combination of two or more of the following subsections (A)(2) through (9) of this section is met:

1. A high-capacity transit service stop (e.g., bus rapid transit, light rail) is within one-quarter mile of the development's property line. This provision applies to

developments seeking reductions prior to and after commencement of revenue service at new stops.

2. A parking demand analysis prepared by a qualified professional demonstrates that parking demand can be satisfied with a reduced parking requirement.
  3. There is a shared parking agreement with nearby parcels within reasonable proximity where land uses do not have conflicting parking demands. A record on title with King County is required.
  4. A parking management plan is prepared by the applicant according to criteria established by the Director.
  5. A City-approved residential parking zone (RPZ) is established for the surrounding neighborhood within a one-quarter mile radius of the development's property line. The management cost for the RPZ must be paid by the applicant and/or property owner on an annual basis.
  6. A public access easement that is a minimum of eight feet wide, safely lit, and connects through a parcel between at least two different rights-of-way. The access easement shall be developed with a sidewalk or shared use path that complies with the Engineering Design Manual. This easement may include other pedestrian facilities such as plazas and bike facilities.
  7. Retention of at least 20 percent of the significant trees on a site zoned MUR-70'.
  8. Replacement of all significant trees removed on a site zoned MUR-70' as follows:
    - a. One existing significant tree of eight inches in diameter at breast height for conifers or 12 inches in diameter at breast height for all others equals one new tree.
    - b. Each additional three inches in diameter at breast height equals one additional new tree, up to three trees per significant tree removed.
    - c. Minimum Size Requirements for Replacement Trees Under this Subsection. Deciduous trees shall be at least one and one-half inches in caliper and evergreens at least six feet in height.
  9. On-site dedicated parking spaces for a car-sharing service with an agreement with the provider(s).
- B. Parking reductions for Deep Green Incentive Program projects are set forth in SMC 20.50.630. Reductions granted under the Deep Green Incentive Program shall not be combined with the parking reductions in subsections A and C of this section.

C. Parking reductions of up to 50 percent may be approved for new residential, mixed-use, and commercial development in the MUR-70' zone containing 100 dwelling units or more, or 10,000 gross square feet of commercial floor area or more, provided the following criteria are satisfied:

1. A Transportation Demand Management Plan is prepared by a qualified professional and shall:
  - a. Assess actual parking demand based on proposed land uses and the existing and future neighborhood land use context;
  - b. Identify project-specific strategies, which may include strategies on a list established and maintained by the Director, that will be implemented to reduce the development's parking demand; and
  - c. Establish clear performance objectives and a mechanism for ongoing monitoring and adjustment of the TDM strategies to adapt to changing conditions throughout the life of the development.
2. Upon request by the City, the owner shall provide parking utilization data for the development and an assessment of the TDM Plan's performance and whether it is meeting objectives. If deficiencies in meeting objectives are found, the owner shall revise the plan and it shall be reviewed pursuant to subsection (C) of this section.

~~ED.~~ A request for a parking reduction shall be processed as a Type A action, as set forth in SMC 20.30, Subchapter 2.

~~DE.~~ When granting a parking reduction, the Director may impose performance standards and conditions of approval on a project, including a financial guarantee.

~~EF.~~ Reductions of up to 50 percent may be approved by the Director for the portion of housing providing low-income housing units that are 60 percent of AMI or less as defined by the U.S. Department of Housing and Urban Development. This parking reduction may be combined with parking reductions identified in subsection A of this section.

~~F.~~ ~~Parking reductions for affordable housing or the Deep Green Incentive Program may not be combined with parking reductions identified in subsection A of this section.~~

**Proposed Council Amendments to Exhibit A of Proposed Ordinance No. 968**

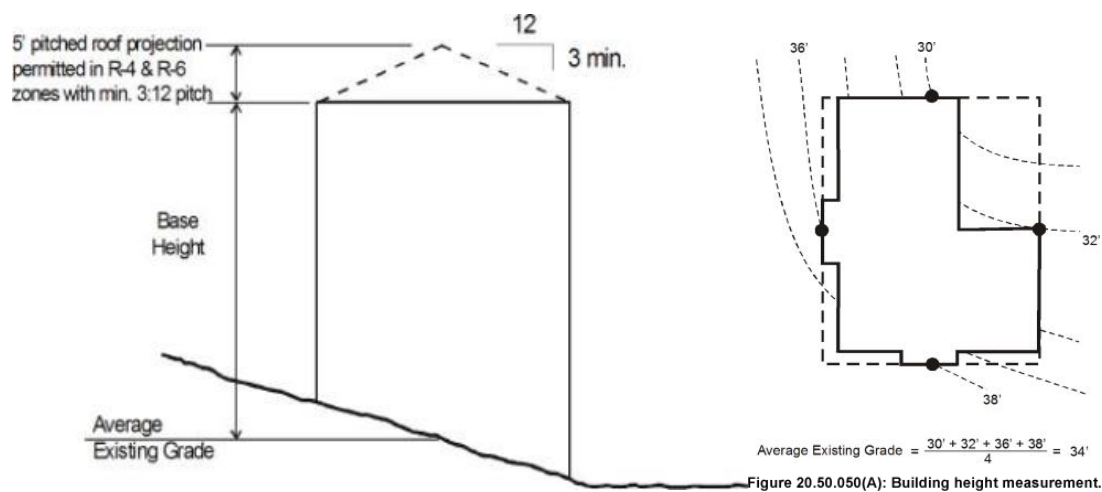
<b>Amendment No.</b>	<b>Proposing Councilmember</b>	<b>SMC Section</b>	<b>Topic</b>	<b>Staff Recommendation</b>
1	Mork	20.30.297(C)(3)	Neighborhood meeting	Neutral
2	Roberts	20.50.020(A)(11)(b)	Ground floor commercial	Approve
3	Roberts	20.50.020(A)(11)(c)	20% of public places open and accessible	Approve
4a	Ramsdell	20.50.050(A)(11)(d)	2% toward parks, open space, art	Not Approve
4b	Roberts	20.50.020(A)(11)(d)	1% to art, include provision for maintenance of art	Approve
5	Roberts	20.50.020(A)(11)(e)	0.25% off site improvements, 1% if required parking is eliminated	Approve, in part
6	Mork	20.50.020(A)(11)(f)	Green building requirement	Approve
7	Mork	20.50.020(A)(11)(g)	Transfer of Development Rights (TDR) requirement	Not Approve
8a	Roberts	20.50.400(C)	Remove development size threshold for parking reductions	Neutral
8b	Roberts	20.50.400(C)	Expand parking reductions up to 100%	Not Approve

# Building Height Examples

## Examples

Generally, a story of a building is anywhere from 10-15 feet high. The taller the structure, the larger the story is likely to be. Shoreline's commercial design standards require all ground floor commercial spaces to be constructed with a minimum floor-to-ceiling height of 18 feet, and a minimum clear height of 15 feet. This means that mixed-use buildings with ground floor commercial will have a larger ground level story.

For the purposes of the zoning code, building height is measured from the average existing grade to the peak of the structure:



## 35' Height

30-35' is the maximum height in the City's low density residential zone districts, as well as the MUR-35 zone district. This height allows for typical single-family dwellings, duplexes, and 2-3 story townhomes.

*Example: corner of 3<sup>rd</sup> Ave NE and NE 180<sup>th</sup> St (Shoreline)*





*Example: 18322 1<sup>st</sup> Ave NE (Shoreline)*



#### 45' Height

45' is the maximum height in the City's MUR-45 zone district. This height allows for 3-4 story townhomes, condos and apartments.

*Example: Townhomes at Northeast Ellis Drive and 8<sup>th</sup> Avenue Northeast (Issaquah Highlands)*

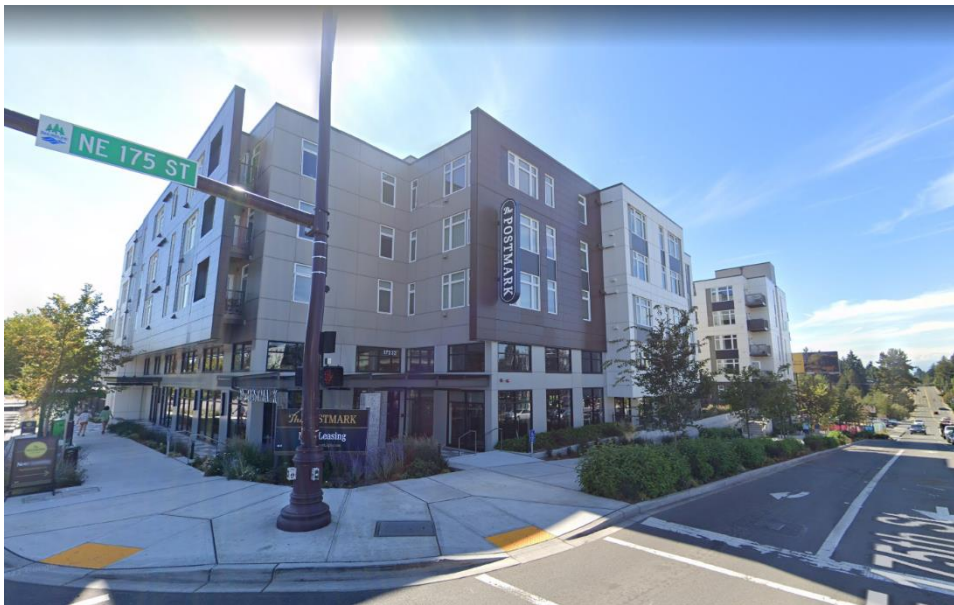




### 60' Height

A 60' height limit results in up to 4-5 stories, depending on grade change.

*Example: Postmark Apartments at NE 175<sup>th</sup> St and 15<sup>th</sup> Ave NE (Shoreline)*

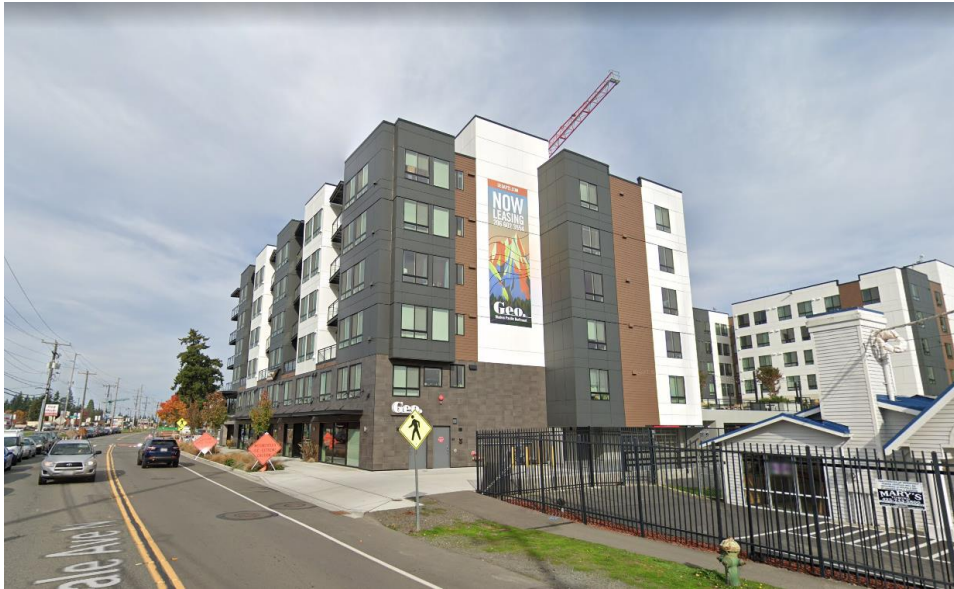




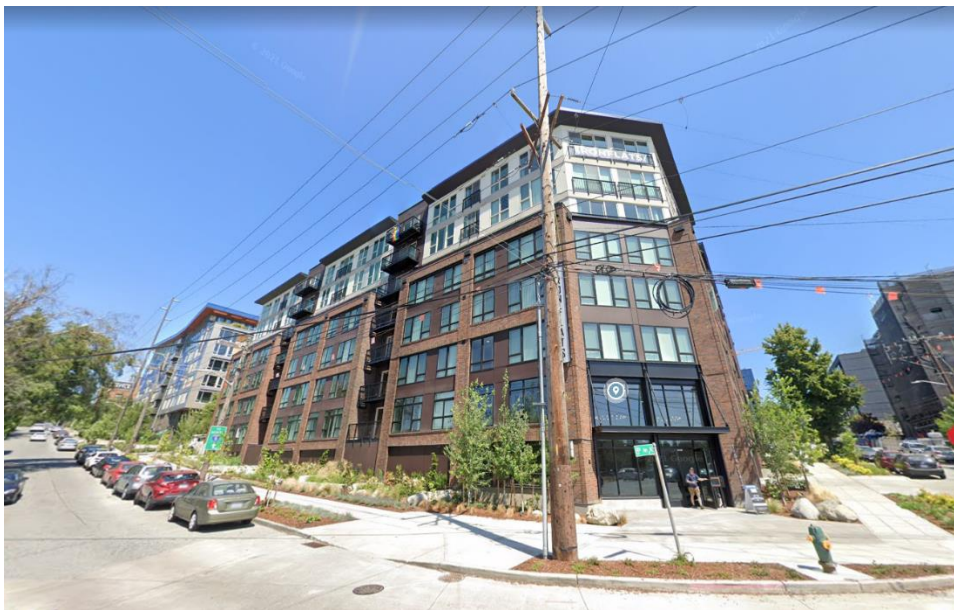
### 70' Height

A 70' height limit results in up to 7 stories, depending on grade change. Five-over-two or five-over-one podium designs, referencing five floors of timber frame over a concrete podium base, are popular given height limits and building code requirements. This mid-rise height is popular for apartment complexes throughout the region.

*Example: Geo Apartments at Midvale Ave N and NE 180<sup>th</sup> St (Shoreline)*



*Example: Ironflats Apartments, NE 66<sup>th</sup> St and 8<sup>th</sup> Ave NE (Seattle)*



## 100' Height

100' height limits allow for up to 9-10 stories, depending on grade change.

*Melrose Avenue and Pine Street (Seattle – Capitol Hill)*



*Staybridge Suites at Mercer Street and Fairview Avenue North (Seattle – SLU)*





### 120' Height

120' height limits allow for up to 10-11 stories, depending on grade change.

*Example: Seattle University residence hall at 1107 E Madison St (Seattle – Capitol Hill)*



### 140' height

140' height limits allow for up to 12-13 stories, depending on grade change.

*Example: Mirabella Retirement Community at 116 Fairview Ave N (Seattle – SLU) 12 stories above grade*



*Example: Amazon Brazil building, 400 9<sup>th</sup> Ave N (Seattle – SLU) approx. 12 stories above grade, ground floor commercial use.*



## **CITY COUNCIL AGENDA ITEM**

### **CITY OF SHORELINE, WASHINGTON**

**AGENDA TITLE:** Discussion of Resolution No. 492 – Providing for the Submission to the Qualified Electors of the City of Shoreline at an Election to be Held on November 8, 2022, a Proposition Authorizing the City to Increase its Regular Property Tax Levy Above the Limit Established in RCW 84.55.010 to Fund Public Safety and Community Services

**DEPARTMENT:** City Manager's Office

**PRESENTED BY:** Christina Arcidy, Management Analyst

**ACTION:**        ☐ Ordinance        ☐ Resolution        ☐ Motion  
                 ☒ Discussion        ☐ Public Hearing

**PROBLEM/ISSUE STATEMENT:**

The City Council last reviewed this topic on June 13, 2022. At that time, the Council directed staff to bring forward a proposal in July for consideration of replacement of the levy lid lift on the November 8, 2022, general election. Resolution No. 492 (Attachment A) proposes to submit a ballot measure to the Shoreline voters that if approved would reset the City's 2023 general property tax levy rate to \$1.40 per \$1,000 of assessed valuation and allows for annual levy increases up to the rate of inflation (Seattle Consumer Price Index for all Urban Consumers (CPI-U)) for the years 2024-2028 and uses the 2028 levy amount to calculate subsequent levy limits. Several Councilmembers expressed interest in further consideration of resetting the levy rate at \$1.49. This scenario option is also discussed in this staff report.

Without replacing the City's operating levy lid lift, the operating budget 10-year forecast chart from the 10 Year Financial Sustainability Model (10 YFSM) projects potential budget gaps to occur beginning in 2024 with a cumulative size totaling \$37.050 million over the 10-year forecast period. In reality, these budget gaps will not materialize, as the City of Shoreline is required to pass a balanced budget and does so each year within the following policies:

- On-going expenditures will be supported by on-going revenues.
- Resources (fund balance) greater than budget estimates in any fund shall be considered "one-time" and shall not be used to fund ongoing service delivery.

As such, expenditure reductions (service reductions) would be required to achieve the legally required balanced budget.

Tonight, the Council will discuss proposed Resolution No. 492. Proposed Resolution No. 492 is currently scheduled to be brought back to Council for potential action on July 18, 2022.

**RESOURCE/FINANCIAL IMPACT:**

Staff estimate election costs associated with placing the Levy Lid Lift replacement measure on the ballot at approximately \$120,000, which is appropriated in the 2022 operating budget.

### **RECOMMENDATION**

Staff recommends that Council discuss the proposed levy lid lift ballot measure and provide feedback to staff on any updates to proposed Resolution No. 492 at tonight's meeting. Staff also recommends that Council adopt proposed Resolution No. 492 when it returns to Council for action on July 18, 2022. If Council intends to consider adoption of proposed Resolution No. 492 on July 18, then staff further recommends that Council provides staff direction to start the recruitment process for members of the public to serve on the Pro and Con committees which are responsible to write the pro/con statements and the corresponding rebuttals for the Voter's Pamphlet.

Approved By:           City Manager **DT**   City Attorney **MK**

## **INTRODUCTION**

The 10 Year Financial Sustainability Plan (10 YFSP) accepted by Council on June 16, 2014, prioritized seven target strategies to reduce projected future revenue and expenditure gaps. More information on the 10 YFSP can be found here: [Acceptance of the 10-Year Financial Sustainability Plan](#). Strategy #7 of the plan was the potential renewal of the Levy Lid Lift. On June 13, 2022, staff provided Council with an update on Strategy #7, including the results of the City Manager's engagement of the public through the Financial Sustainability Advisory Committee 2022 (FSAC-22). More information on this update can be found here: [10 Year Financial Sustainability Plan Update: Strategy #7 – Levy Lid Lift Renewal](#).

The City Council directed staff to bring forward an Ordinance in June for consideration of placing a levy lid lift replacement on the November 8, 2022, General Election ballot.

## **BACKGROUND**

In November 2001, Washington State voters passed Initiative 747. This limited the increase in the City of Shoreline's levy by the lesser of one percent (1%) or the percentage increase in the implicit price deflator (IPD). Even though this ballot measure was found to be unconstitutional, the State met in a special legislative session and reinstated the one percent/IPD limitation (Ch. 1, Laws of 2007, sp. sess.).

Since the IPD percentage increase has been more than one percent in most years since the legislature reinstated the one percent limit, the effective limit has been one percent. One exception to the one percent rule is the levy lid lift. A levy lid lift can be done for any limited purpose; may be increased each year for up to six years; must state the new tax rate and how it will be "lifted" as follows:

- Purpose of lid lift: It may be done for any limited purpose, but the purpose(s) must be stated in the title of the ballot measure.
- Length of time of lid lift: The lid may be "bumped up" each year for up to six years.
- Subsequent levies: The "lift" for the first year must state the new tax rate for that year. For the ensuing years, the "lift" may be a dollar amount, a percentage increase amount tied to an index such as the CPI, or a percentage amount set by some other method. If the amount of the increase for a particular year would require a tax rate that is above the maximum tax rate of \$1.60, the assessor will levy only the maximum amount allowed by law.
- Majority Vote: The levy lid lift requires a simple majority vote by the residents of Shoreline. The election date must be the August primary or the November general election.

In the November 2010 general election, Shoreline voters approved a six-year maintenance and operations levy for basic public safety, parks, recreation, and community services that set the tax rate for 2011 at \$1.48/\$1,000 assessed valuation and allowed the lid for the ensuing years to be "lifted" each year by a percentage increase tied to the CPI-U for the Seattle, Tacoma and Bremerton area.



In 2012, the City Council adopted their 2012-14 Goals. Goal #1 was to “Strengthen Shoreline’s economic base,” with Action Step #3 directing staff to “Develop a 10-year Financial Sustainability Plan to achieve sufficient fiscal capacity to fund and maintain priority public services, facilities, and infrastructure.” To implement this Goal and Action Step, the City went through a comprehensive 10-year financial sustainability process, which included staff review and analysis and Council oversight and direction. Staff developed a 10 Year Financial Sustainability Model (10 YFSM) that stores historical financial data, is updated to convert projections into actual results, is used to inform the City’s annual budget process, and models the effects of changing conditions. Changing conditions can include economic events, unexpected cost increases, the results of implementing one or a combination of the sustainability strategies, etc.

In 2014, the City Council formed a subcommittee to study the information developed by City staff and the 10 YFSM to develop a 10 YFSP. The purpose of the 10 YFSP is to strengthen Shoreline’s economic base by prioritizing seven strategies (or tools) for the City to use to maintain financial resiliency and sustain existing services. The 10 YFSP was accepted by Council on June 16, 2014. More information on the 10 YFSP can be found here: [Acceptance of the 10-Year Financial Sustainability Plan](#).

In the November 2016 general election, Shoreline voters approved a six-year public safety, parks operations, and community services levy that set the tax rate for 2017 at \$1.39/\$1,000 assessed valuation and allowed the lid for the ensuing years to be “lifted” each year by a percentage increase tied to the CPI-U for the Seattle, Tacoma and Bremerton area.

The City continues to be engaged in implementing the strategies in the 10 YFSP. Staff provided an update on the seven strategies of the 10 YFSP, emphasizing Strategy #7 and the possibility of replacing the expiring 2016 Levy Lid Lift during Council’s June 13, 2022, meeting. Staff provided Council with four options for a replacement levy as compared to a “No Action” scenario. More information on this update can be found here: [10 Year Financial Sustainability Plan Update: Strategy #7 – Levy Lid Lift Renewal](#).

During the June 13 discussion, Council directed staff to return with legislation and other materials necessary for placing a Levy Lid Lift on the November 2022 General Election ballot, focusing on Options 1 and 2 from the June 13 staff report, which is the focus of tonight’s discussion.

## **DISCUSSION**

The Levy Lid Lift approved by voters in 2016 will expire at the end of 2022. Council has the authority to place a measure on the ballot to renew the Levy Lid Lift. Council can decide to seek a replacement of the Levy Lid Lift with an annual escalator alone or additionally seek to reset the 2017 levy rate to a specific rate up to \$1.60.

### **Rate Setting Considerations**

A replacement levy would go into effect on January 1, 2023, if passed by voters in the November 8 General Election. In 2023, Shoreline residents will be impacted by the passage of the 2022 Parks Bond and increases to wastewater rates (which also includes increases in the King County Wastewater Treatment charges included in the



wastewater rate) that Council will be discussing in late July. Council may want to keep these impacts in mind as they determine a rate for a potential 2022 Levy Lid Lift.

The City's current financial forecast projects potential budget gaps, where costs to maintain existing services will exceed revenue resources, to occur beginning in 2024 with a cumulative size totaling \$37.050 million over the 10-year forecast period. The City's financial forecast will be updated again in August as part of the 2023-2024 biennial budget process. The CPI and assessed valuations used to create the options below were early estimates.

In addition to evaluating service levels and the cost impact to Shoreline residents when setting it is important to recognize that the rate adopted by Council in the Resolution is the maximum levy rate that can be set. This means that if the maximum rate is set higher than the minimum the levy is intended to collect, it protects against potential impacts should the economic factors that are used in the final update to the forecast are less positive than the current forecast (i.e. CPI is higher and assessed valuation is lower). Conversely if the forecast is more positive and reflects that a lower rate could support Council priorities, Council would have the flexibility to set the rate lower in the Property Tax Levy Ordinance in November. Additionally, a higher rate increases the risk that if Assessed Valuations decrease significantly in future years that the City's levy rate might reach the \$1.60 cap. If the rate is set at \$1.40, staff estimate that assessed valuations would need to decrease by 9.55% in order to reach the \$1.60 cap. If the rate is set at \$1.49, they would need to decrease by 3.68%. In 2012, when the City was impacted by this situation, the assessed valuation citywide decreased by 5.04%.

### **Rate-Setting Options**

The following describe the impacts of two options as compared to a "No Action" scenario. Staff also provides additional information about the impacts to each \$0.01 to the City's budget and the owner of a median valued home. The No Action scenario assumes the 1% annual levy increase limitation. The options included are scenarios to demonstrate the services that each rate could support, however Council would make the final decision on the services that are funded by the Levy Lid Lift during the biennial budget process

### **No Action Alternative**

If Council took no action (or the Levy Lid Lift failed to pass), the new tax levy rate for 2023 would be calculated based on the City's assessed valuation (AV) for the 2023 tax year (currently projected to be \$1.02) and the lid for the ensuing years would be limited to one percent. Due to a projected shortfall starting in 2024, there would need to be significant reductions in service delivery across many General Fund funded departments, including Police; Recreation, Cultural and Community Services; Planning and Community Development; Public Works, Administrative Services (Finance, IT, and Parks, Fleets, and Facilities); and City Manager's Office (Clerks, Code Enforcement/Customer Response Team, Communications, Economic Development, Intergovernmental Relations).

**No Action: Estimated impact to the median homeowner if the Levy Lid Lift is not replaced.**

Year	Assessed Value	Per \$1,000 AV		Levy Rate		City Assessment
2023	\$630,100	\$630	X	\$1.02	=	\$642
2024	\$647,700	\$648	X	\$1.01	=	\$657
2025	\$662,900	\$663	X	\$1.00	=	\$662
2026	\$681,700	\$682	X	\$0.99	=	\$674
2027	\$703,900	\$704	X	\$0.97	=	\$684
2028	\$726,300	\$726	X	\$0.95	=	\$691
<b>Total over 6 Year Period 2023-2028</b>						<b>\$4,011</b>

**Option 1 – Enhance Program Service Levels to Address Emerging Issues and Fully Fund Support Services for Current Operational Programs**

This option would fund emerging issues aligned with current Council goals and provide funding to maintain current operational program service levels including the needed increase in support service resources. Emerging issues that would be added include Human Services and Housing Support, enhancing the RADAR Program for the North King County Regional Mobile Crisis Response Program to provide 24/7 coverage in Shoreline, adding recreation programming, and enhancing the City's urban forestry program. Maintaining program service levels would add positions for code enforcement, recreation, and park maintenance. Support service levels would add positions in information technology, human resources, legal, and finance.

In order to fund Option 1, the new tax rate for 2023 would be set at \$1.49 and the lid for the ensuing years would be “lifted” each year by a percentage increase tied to the CPI. This will generate approximately \$146.540 million of property tax revenue over the six-year period, which would result in \$50.297 million more than that generated if no action were taken. It is estimated that a homeowner of a median assessed valued home (estimated for 2023 to be \$630,100) will pay \$2,131 more than under the No Action alternative over the six-year period, or an increase on average of \$355 per year/\$30 per month. This option would increase revenues beginning in 2023 and would eliminate the potential budget gap projected to occur in 2024 through 2028.

**Option 1 (All Emerging Issues/Current Program Service Levels): Estimated impact to the median homeowner with Levy Lid Lift rate reset to \$1.49 and CPI-U Increase through 2028**

Year	Assessed Value	Per \$1,000 AV		Levy Rate		City Assessment	Difference to No Action (1% Limit)	Monthly
2023	\$630,100	\$630	X	\$1.49	=	\$937	\$295	\$25
2024	\$647,700	\$648	X	\$1.52	=	\$985	\$327	\$27
2025	\$662,900	\$663	X	\$1.52	=	\$1,010	\$348	\$29
2026	\$681,700	\$682	X	\$1.53	=	\$1,041	\$367	\$31

<b>2027</b>	\$703,900	\$704	X	\$1.52	=	\$1,072	\$387	\$32
<b>2028</b>	\$726,300	\$726	X	\$1.51	=	\$1,097	\$406	\$34
<b>Total over 6 Year Period 2023-2028</b>						\$6,142	\$2,131	

**Option 2 – Add Regional Mobile Crisis Response Program to Serve North King County Cities, Partial Funding of Emerging Issues and/or Support Services Staff, and Increased Park Maintenance Staff in Conjunction with New Park Properties to Maintain Level of Service (*Staff Recommendation*)**

This option increases the City's investment in the Regional Mobile Crisis Response Program to Serve North King County Cities (current RADAR Program) to allow for 24/7 coverage in Shoreline, would fund a very small portion of other emerging issues or staffing needed within support services, and will maintain park maintenance level of service as new park properties are developed. Depending on Council priorities, it would likely not provide funding to maintain service levels in areas such as code enforcement and recreation and would only fund a portion of the identified support service needs. The new tax rate for 2023 would be set at \$1.39766, close to the same rate that was established in the first year of the 2016 levy lid lift, and the lid for the ensuing years would be "lifted" each year by a percentage increase tied to the CPI. This will generate approximately \$137.658 million on property tax revenue over the six-year period, which would result in \$41.414 million more than that generated if no action were taken. It is estimated that a homeowner of a median assessed valued home will pay \$1,759 more than under the No Action alternative over the six-year period, or an increase on average of \$293 per year/\$24 per month. This option would increase revenues beginning in 2023 and could eliminate the potential budget gap projected to occur in 2024 through 2028.

**Option 2 (Regional Mobile Crisis Response, Partial Funding of Emerging Issues and/or Support Services, and Park Maintenance): Estimated impact to the median homeowner with Levy Lid Lift rate reset to \$1.40 and CPI-U Increase**

<b>Year</b>	<b>Assessed Value</b>	<b>Per \$1,000 AV</b>		<b>Levy Rate</b>		<b>City Assessment</b>	<b>Difference to No Action (1% Limit)</b>	<b>Monthly</b>
<b>2023</b>	\$630,100	\$630	X	\$1.40	=	\$881	\$239	\$20
<b>2024</b>	\$647,700	\$648	X	\$1.43	=	\$925	\$268	\$22
<b>2025</b>	\$662,900	\$663	X	\$1.43	=	\$948	\$287	\$24
<b>2026</b>	\$681,700	\$682	X	\$1.43	=	\$978	\$304	\$25
<b>2027</b>	\$703,900	\$704	X	\$1.43	=	\$1,007	\$322	\$27
<b>2028</b>	\$726,300	\$726	X	\$1.42	=	\$1,031	\$340	\$28
<b>Total over 6 Year Period 2023-2028</b>						\$5,770	\$1,759	

The following table shows a comparison of the two options against the No Action option using a median assessed value home:

<b>Comparison of Levy Lid Lift Options by Rate (Using Median Assessed Value Home)</b>						
<b>Option</b>	<b>Levy Rate</b>	<b>Increase by CPI-U (Y/N)</b>	<b>Six-Year Annual Avg. Difference to No Action (1% Limit)</b>	<b>Six-Year Monthly Avg. Difference to No Action</b>	<b>Difference to 2022 Levy Rate</b>	<b>Six-Year Contribution to Surplus/ (Deficit)</b>
<b>No Action</b>	\$1.02	N	\$0	\$0	(\$6)	(\$22.937M)
<b>Option 1</b>	\$1.49	Y	\$355	\$30	\$24	\$15.856M
<b>Option 2</b>	\$1.40	Y	\$293	\$24	\$18	\$15.119M

The following table shows a potential comparison of the program and support service levels included in each of the options. Staff understands that Council may make priority issues that would change the choices made for funding, but staff thought it helpful to quantify potential scenarios.

<b>Comparison of Potential Levy Lid Lift Options by Service Levels</b>		
	<b>Option 1</b>	<b>Option 2</b>
<b>Code Enforcement</b>	1.0 FTE	
<b>Recreation</b>	1.0 FTE	
<b>Parks maintenance</b>	1.0 FTE	1.0 FTE
<b>IT services</b>	2.75 FTE	1.5 FTE
<b>HR services</b>	1.0 FTE	1.0 FTE
<b>Legal services</b>	1.0 FTE	
<b>Finance services</b>	1.0 FTE	
<b>Regional Mobile Crisis Response Program</b>	24/7 program	24/7 program
<b>Housing and Human Services Program</b>	1.0 FTE	
<b>Enhanced Recreation</b>	1.0 FTE	
<b>Urban Forestry</b>	1.0 FTE	

The following table shows a current Shoreline median homeowner's total levy and current Shoreline levy compared with Option 1 and Option 2:

<b>Medium Valued Home</b>	<b>Current Levy</b>	<b>Current Shoreline Levy</b>	<b>Option 1</b>	<b>Monthly Difference between Current Shoreline and Option 1</b>		<b>Option 2</b>	<b>Monthly Difference between Current Shoreline and Option 2</b>	
				<b>\$</b>	<b>%</b>		<b>\$</b>	<b>%</b>
\$630,100	\$6,722	\$712	\$939	\$19	32%	\$882	\$14	24%

### **Additional Rate-Setting Options**

Council could also choose to set the rate at any increment between \$1.40 and \$1.49. The levy rate adopted by Council would serve as the maximum rate for collection in 2023. If the City's final forecast for 2023, proves to be more favorable (ie Assessed

Valuation is higher or CPI is lower) than our current forecast, the Council can choose to set the rate lower than the maximum in the first year of the levy. If the Council chose to set a rate between \$1.40-\$1.49 for the first year, each additional \$0.01 would raise approximately \$150,000 in the first year of the levy and would increase the monthly taxes for the owner of a median valued home by \$6 per year, or \$0.50 per month. The City's 10 YFSM ensures revenues exceed expenses in the early years of the levy to ensure it remains balanced in the outer years.

### **Ballot and Voter Pamphlet Requirements**

At the June 13 Council meeting, Council directed staff to return with legislation for Option 1 and Option 2. Staff prepared draft legislation for Option 2 (\$1.40 levy rate), which can be updated to include the Council's preferred levy rate for the July 18 meeting when Council is scheduled to take action on proposed Resolution No. 492. If the Council decides to move forward with placing a levy lid lift on the November ballot, a ballot measure's title and voter pamphlet are required to adhere to requirements administered by King County Elections.

#### *Ballot Title*

Ballot titles consist of three elements: ballot caption (name of jurisdiction and a statement of the subject matter); a concise description of the measure; and a question. The concise description must not exceed 75 words. The ballot title is prepared by the Prosecuting Attorney's Office; except ballot titles for a city or town which are prepared by the city attorney. King County Elections will send an order of election containing the official ballot title to the jurisdiction.

Within ten business days of a ballot title being filed, any persons dissatisfied with the ballot title may file a petition with the superior court to appeal the ballot title. The date the ballot title is filed is the date that the ballot title was first filed with King County Elections. The decision of the superior court is final. More information about appealing a ballot title can be found in [RCW 29A.36.090](#).

The following is a draft of the proposed ballot title, which must be adopted by City resolution:

### **CITY OF SHORELINE PROPOSITION 1**

#### **MAINTENANCE AND OPERATIONS LEVY FOR PUBLIC SAFETY AND COMMUNITY SERVICES**

The Shoreline City Council adopted Resolution No. 492 concerning a property tax levy for public safety and community services. If approved, this proposition would restore Shoreline's levy rate to help fund police/neighborhood services, including RADAR and crime prevention; preserve parks, trails, playgrounds/playfields; and provide human services.

This proposition sets Shoreline's maximum regular property tax rate to \$1.40/\$1,000 for collection in 2023; sets the limit factor for levy increases in 2024-2028 at 100% plus annual inflation (Seattle CPI-U); uses the 2028 levy amount to calculate subsequent levy limits; and exempts qualifying seniors and persons with disabilities per RCW 84.36.381.

Should this proposition be approved?

YES .....☐  
NO .....☐

Staff is still working to finalize the language of the ballot proposition and may continue to provide updates to the City Council during the week of July 18, prior to final adoption on July 18, 2022.

#### *Voters' Pamphlet*

King County publishes a voters' pamphlet. Districts placing measures on the ballot are automatically included in the voters' pamphlet. The City must pay for the costs of publishing the local voters' pamphlet.

Explanatory Statement: The City must coordinate with their legal counsel to prepare an explanatory statement. An explanatory statement is limited to 250 words and no more than five paragraphs. An explanatory statement states the effect of a ballot measure if passed into law, and only covers the anticipated effect of the measure should it be passed into law. The statement must not be an argument in favor of or in opposition to the measure. The statement can be prepared by the City or by the City's attorney. If the statement is prepared by the City, it must be signed-off by the City's attorney. The explanatory statement must be submitted by 4:30 p.m. on August 2, 2022.

Pro/Con Committees: The City is responsible for appointing pro and con committees to prepare statements in favor of and in opposition to the ballot measure. Pro and con committees consist of members of the public who commit to write a statement either in favor of or in opposition to a ballot measure. Each committee is limited to three members, but the committee can have an unlimited number of persons assist them to prepare the statements. Each committee must designate a spokesperson with whom King County Elections will communicate all matters related to the local voters' pamphlet. Once the committee members have been chosen, the City must complete the Committee Appointment Form which is included in the Local Voters' Pamphlet Packet and submit it to King County Elections by 4:30 p.m. on August 2, 2022.

Assuming that Council moves forward with adoption of Resolution No. 492, staff has scheduled Council to make pro and con committee appointments on July 25, 2022. Staff is recommending that Council direct staff to advertise for interested parties to submit applications starting June 28, 2022.

The pro and con committees submit statements in favor of and in opposition to the ballot measure for the local voters' pamphlet. Pro and con statements are limited to 200 words and no more than four paragraphs. Pro and con statements are to be submitted directly to King County Elections by the committee spokesperson, no later than 4:30 p.m. on August 2, 2022, regardless of postmark. Rebuttal statements are limited to 75 words and no more than two paragraphs. It is the responsibility of the committees to submit all statements to King County Elections by 4:30 p.m. on August 11, 2022, regardless of postmark. Submissions received after the deadline will not be accepted.

## **STAKEHOLDER OUTREACH**

Staff routinely makes efforts to ensure that residents are aware of both the services provided by the City as well as the City's financial position. The following are specific efforts that have been made to engage the community in discussion about the potential replacement of the Levy Lid Lift.

### **Currents**

Since passing the original levy lid lift in 2010, the City has consistently published articles in Currents to keep residents informed of the financial position of the City. In addition to regular Currents articles, the City has specifically addressed the challenges of financial sustainability and sought volunteers to participate in the Financial Sustainability Advisory Committee in the [February 2022](#) edition.

### **Financial Sustainability Advisory Committee 2022 (FSAC-22)**

The City Manager engaged an Advisory Committee through the months of March through May 2022. The outcome of the FSAC-22 work was reported in detail in the 10 YFSP Update provided to Council on June 13, 2022. The Committee learned about City Services, revenue options available to the City, and the 10YFSP with a focus on the potential replacement of the Levy Lid Lift.

The FSAC-22 reached consensus on several recommendations to the City Manager. The following is a summary of those recommendations with staff discussion.

- 1. The City Council should place a measure on the November 2022 ballot for a Levy Lid Lift.** A few key messages the Committee recommends the City share include the following:
  - Why the levy lid lift is needed and what services it buys
  - It is a replacement levy to continue funding services we know residents want and value (through Resident Satisfaction Survey and other opportunities for input)
  - The City is fiscally responsible, has a reserve policy, and is responsive to community priorities
  - The City's approach to surplus budget funds and how they are allocated
- 2. The Levy Lid Lift should seek to maintain the current level of City services.** As staff has previously shared with the City Council, there is a need to increase staffing resources in our support service areas, such as Human Resources, Purchasing, Payroll, Information Technology, and Legal, to maintain the City's current portfolio of services. The maintain scenario is about ensuring that the City can continue to deliver its current service level commitments by ensuring that appropriate level of support service staffing is in place to support operating programs. In a few instances, growth in external activity levels (i.e., code enforcement cases/calls for service, recreation participants, etc.) or in assets to maintain (i.e., park acres, landscaped median strips, etc.), will necessitate the addition of staffing resources to maintain service levels.
- 3. Committee members had differences of opinion on if the Levy Lid Lift should expand services to address emerging issues.** Emerging issues

presented and discussed by the Committee included expanding services related to human services, the mobile crisis response team (current RADAR program), urban forestry, and recreation. Generally, the Committee agreed that the services may be needed and/or desired by residents. However, they encouraged the Council to consider the cost of services and the impact to the levy rate.

- 4. The Committee did not come to an agreement on a recommended first year Levy Lid Lift rate.** As noted earlier, the services proposed for expansion were generally supported by the Committee in that they reflect community priorities. However, there was concern that adding these services would result in a levy reset rate that is much higher than the current rate and might not be approved by voters in November. Committee members also shared concerns about adding to the tax burden given inflation, the recently passed 2022 school levies and parks bond, and increasing property taxes. Concerns are related to levy fatigue and a household's ability to pay. The Committee expressed concern about homeowners with fixed incomes or others who may struggle to afford to stay in (or move to) Shoreline.

No FSAC-22 member supported the No Action option of not placing a renewal of the levy lid lift on the ballot.

### **City Website**

In addition to the many financial documents available on the City's website, including monthly revenue reports, quarterly financial reports, audited financial statements, and budgets, the City has also included all documents reviewed by current and past advisory committees with information and links to a number of documents about the City's long-term financial challenges.

### **COUNCIL GOAL(S) ADDRESSED**

This item addresses the 2022-2024 City Council Goal 1, Action Step 12:

- Goal 1: Strengthen Shoreline's economic climate and opportunities
  - Action Step 12: Pursue replacement of the City's Levy Lid Lift, expiring in 2022, to ensure the ability to deliver valued public services to the Shoreline community.

### **RESOURCE/FINANCIAL IMPACT**

Staff estimate election costs associated with placing the Levy Lid Lift replacement measure on the ballot at approximately \$120,000, which is appropriated in the 2022 operating budget.

### **RECOMMENDATION**

Staff recommends that Council discuss the proposed levy lid lift ballot measure and provide feedback to staff on any updates to proposed Resolution No. 492 at tonight's meeting. Staff also recommends that Council adopt proposed Resolution No. 492 when it returns to Council for action on July 18, 2022. If Council intends to consider adoption



of proposed Resolution No. 492 on July 18, then staff further recommends that Council provides staff direction to start the recruitment process for members of the public to serve on the Pro and Con committees which are responsible to write the pro/con statements and the corresponding rebuttals for the Voter's Pamphlet.

### **ATTACHMENTS**

Attachment A – Proposed Resolution No. 492

**RESOLUTION NO. 492**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON, PROVIDING FOR THE SUBMISSION TO THE QUALIFIED ELECTORS OF THE CITY OF SHORELINE AT THE NOVEMBER 8, 2022 GENERAL ELECTION OF A PROPOSITION AUTHORIZING THE CITY TO INCREASE ITS REGULAR PROPERTY TAX LEVY ABOVE THE LIMIT OTHERWISE ALLOWED BY RCW 84.55.010 TO FUND PUBLIC SAFETY AND COMMUNITY SERVICES; SETTING FORTH THE BALLOT PROPOSITION; DIRECTING THE CITY CLERK TO CERTIFY TO THE KING COUNTY AUDITOR THIS RESOLUTION FOR THE AUDITOR TO PLACE THE PROPOSITION ON THE NOVEMBER 8, 2022 BALLOT; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATED THERETO.**

WHEREAS, the City of Shoreline is an optional code city, located in King County, Washington, duly organized and existing pursuant to the laws of the State of Washington; and

WHEREAS, the City is authorized to levy a permanent regular property tax not to exceed the rate of \$1.60 per \$1,000 of assessed value permitted by statute; and

WHEREAS, RCW 84.55.005 - .0101 limits the incremental increase in property tax revenues to the City to a rate that has been less than the actual rate of inflation for the costs of providing services to the citizens of the City, causing total projected budget deficits over the next six years of over \$22.9 million despite cost saving measures and efficiencies in City government; and

WHEREAS, the City's regular property tax levy rate was \$1.39 per \$1,000 assessed valuation in 2017, that rate has fallen to \$1.13 per \$1,000 assessed valuation in 2022 and that rate is projected to fall further in 2023; and

WHEREAS, RCW 84.55.050 authorizes the voters of a City to permit the levy of taxes in excess of the levy limitations in RCW 84.55.010; and

WHEREAS, the City Council desires to address these ongoing deficits by allowing the electors to approve or reject a proposition under RCW 84.55.050(2), authorizing the City Council to levy the City's regular property tax in an amount that exceeds the incremental limit factor that would otherwise be prescribed by RCW 84.55.010; and

WHEREAS, to fund a portion of the cost of the basic public safety programs and to fund a portion of the cost of maintaining and operating community services, the proposition should authorize: 1) an increase in the City's regular property tax levy by up to a total rate not to exceed of \$1.40 per \$1,000 of assessed valuation for collection in 2023; 2) an increase in the regular property tax levy by the June to June Seattle/Tacoma/Bremerton CPI-U annual inflation rate for each of the succeeding five (5) years; and 3) use of the dollar amount of the 2028 levy for calculating subsequent levy limits;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE,  
WASHINGTON, HEREBY RESOLVES:**

**Section 1.** Pursuant to RCW 84.55.050(2), an election is hereby requested to be called, conducted, and held within the City of Shoreline on November 8, 2022, for the purpose of submitting to the qualified voters of the City, for their ratification or rejection, a proposition approving a six (6) year increase in the City's regular property tax levy exceeding the limit factor provided in RCW 84.55.005-.0101 to fund a portion of the cost of basic public safety programs and to fund a portion of the cost of maintaining and operating community services as more specifically described in Section 2 below.

**Section 2.** The proposition shall propose an increase in the City's regular property tax levy by up a total rate not to exceed \$1.40 per \$1,000 of assessed valuation for collection in 2023. The proposal shall also authorize an increase in the levy limit factor as allowed by chapter 84.55 RCW for each of the five (5) succeeding years (2024-2028) by the inflation rate of the Consumer Price Index for all Urban Consumers for the Seattle-Tacoma-Bremerton Area published for June. Finally, the proposition shall authorize the use of the dollar amounts of the 2028 levy for the base in computing the maximum levy that may be imposed in years after 2028.

The City Council shall determine the basic public safety programs and to fund a portion of the cost of maintaining and operating community services to be funded as well as the timing, order and manner of funding these programs and services. The City Council shall determine the application of moneys available for these programs and services, including the final funding amount for each, so as to accomplish, as nearly as may be, the programs and services described. If the City Council, by ordinance, shall determine that it has become impractical to fund any portion of the planned programs or services by reason of changed conditions, including without limitation due to costs substantially in excess of the amount of tax levies and other City funds estimated to be available, the City shall not be required to fund such portions. If all of the planned programs and services have been duly provided for, or found to be impractical, the City may apply the levy proceeds (including earnings thereon) or any portion thereof to other City purposes as the Council, by ordinance and in its discretion, shall determine.

**Section 3.** The City Clerk is hereby authorized and directed, not later than August 2, 2022, prior to the general election date requested hereunder, to certify the proposition to the King County Records, Elections and Licensing Services Division, as *ex-officio* Supervisor of Elections in King County, Washington, in substantially the following form:

**CITY OF SHORELINE PROPOSITION 1****MAINTENANCE AND OPERATIONS LEVY  
FOR PUBLIC SAFETY AND COMMUNITY SERVICES**

The Shoreline City Council adopted Resolution No. 492 concerning a property tax levy for public safety and community services. If approved, this proposition would restore Shoreline's levy rate to help fund police/neighborhood services, including RADAR and crime prevention; preserve parks, trails, playgrounds/playfields; and provide human services.

This proposition sets Shoreline's maximum regular property tax rate to \$1.40/\$1,000 for collection in 2023; sets the limit factor for levy increases in 2024-2028 at 100% plus annual inflation (Seattle CPI-U); uses the 2028 levy amount to calculate subsequent levy limits; and exempts qualifying seniors and persons with disabilities per RCW 84.36.381.

Should this proposition be approved?

YES .....☐

NO .....☐

**Section 4.** The City Manager and City Attorney are authorized to make such minor adjustments to the wording of such proposition as may be recommended by the King County Records, Elections, and Licensing Services Division, so long as the intent of the proposition remains consistent with the intent of this Resolution.

**Section 5.** The King County Records, Elections, and Licensing Services Division, as the City's *ex officio* Supervisor of Elections, is hereby requested to call and conduct said election on November 8, 2022, and submit to the qualified electors of the City the proposition set forth herein. The King County Records, Elections, and Licensing Services Division shall conduct the election, canvas the vote, and certify the results in the manner provided by law.

**Section 6.** If any one or more sections, subsections, or sentences of this Resolution are held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portion of this Resolution and the same shall remain in full force and effect.

**Section 7.** This Resolution shall take effect and be in full force immediately upon passage by the City Council.

**ADOPTED BY THE CITY COUNCIL ON JULY 18, 2022.**

\_\_\_\_\_  
Mayor Keith Scully

**ATTEST:**

\_\_\_\_\_  
Jessica Simulcik Smith  
City Clerk