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CITY OF SHORELINE

SHORELINE CITY COUNCIL SUMMARY MINUTES OF DINNER MEETING

Monday, January 6, 2003
6:00 p.m.

Shoreline Conference Center
Highlander Room

PRESENT: Mayor Jepsen, Deputy Mayor Grossman, Councilmembers Chang, Gustafson, Hansen, Montgomery, and Ransom

ABSENT: none

STAFF: Steve Burkett, City Manager; Bob Olander, Deputy City Manager; Julie Modrzejewski, Assistant City Manager; Joyce Nichols, Communications and Intergovernmental Relations Director; and Kristen Stouffer-Overleese, Mayor for the Day

GUESTS Senator Darlene Fairley; Representative Maralyn Chase; and Representative Ruth Kagi

Mayor Jepsen convened the meeting at 6:15 p.m., welcoming the legislators and calling for introductions around the table. He then explained two legislative items that were discussed at today's Northend Mayors' meeting. One was the bill proposing to expand gambling activities to include electronic games like video poker. He reported that the City of Kenmore wanted to make electronic gambling a separately-regulated activity from existing forms; Lake Forest Park was opposed to any expansion of gambling. He noted that King County Councilmember Carolyn Edmonds indicated that King County was opposed as well. Senator Fairley said there are three separate bills addressing gambling. One proposal would allow up to five state-owned electronic gaming machines in any establishment licensed to serve liquor.

Another item discussed by Northend Mayors was the legislative proposal that would allow cities to increase utility taxes by two percent, from six percent to eight percent. None of the state officials believed this proposal would be approved by the legislature.

Mayor Jepsen asked each state legislator to share her perspective on the upcoming session.

Senator Fairley said she will be minority Chair of the Senate Ways and Means Committee, which writes the Senate budget. She said this will be a very "tough" session because of the projected state budget deficit of \$2.4 billion. She said legislators will be looking at all options to reduce expenses and possibly increase revenues.

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Deputy Mayor Grossman arrived at the meeting at 6:30 p.m.

Rep. Kagi, who will Chair the House Children and Family Services Committee, expressed concern that there hasn't been a public outcry about the drastic cuts to children's and family programs in the Governor's proposed budget. She said children's programs and schools are facing deep cuts. She felt these cuts should be balanced by looking at how to do things differently and by raising revenues.

Councilmembers Hansen and Gustafson mentioned the Governor's proposal to put Initiatives 728 and 732 (teacher cost of living raises/class size reductions) "on hold" until a funding source can be identified. Councilmember Gustafson mentioned the teachers' rally scheduled for January 14th in Olympia to focus attention on the need to fund schools. Councilmember Hansen said the voters put the legislature in an impossible situation by approving initiatives without providing funding.

Rep. Chase said she is not surprised that there has been no outcry from the public about the human services cuts in the Governor's budget. She said that the people who have been advising the Governor are representatives of groups who believe government must live within its revenues—with no increases.

Responding to Mayor Jepsen's question about which issues the City should track in the coming session, Senator Fairley mentioned gambling. City Manager Steve Burkett added that the City was in the same bind as the legislature in having lost 17 percent of its discretionary revenue when the legislature did away with the Motor Vehicle Excise Tax. On top of that, Shoreline lost \$500,000 in road funds when I-776 passed. He pointed out that gambling tax revenue is very important to Shoreline. The City receives about \$2.5 million in gambling taxes, about the same amount as it receives in property taxes.

Sen. Fairley said she plans to introduce a bill to allow cities to charge residential prisoners \$50/day or actual cots of their jail time. She suggested that the City of Lake Forest Park was doing this with some success.

In response to Rep. Kagi's question about City priorities for the session, Mayor Jepsen said the City Council would be discussing these next week.

Joyce Nichols, Communications and Intergovernmental Affairs Director, said the City's chief goal in this session is to have the legislature refrain from giving local governments unfunded mandates and to review existing mandates for possible removal.

Mayor Jepsen thanked the legislators for coming and declared the meeting adjourned at 7:00 p.m.

Joyce Nichols, Communications and Intergovernmental Relations Director