

CITY OF SHORELINE

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

Monday, March 22, 2004
7:30 p.m.

Shoreline Conference Center
Mt. Rainier Room

PRESENT: Mayor Hansen, Deputy Mayor Jepsen, Councilmembers Chang, Fimia, Grace, Gustafson, and Ransom

ABSENT: none

1. CALL TO ORDER

The meeting was called to order at 7:30 p.m. by Mayor Hansen, who presided.

2. FLAG SALUTE/ROLL CALL

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

(a) Proclamation of "Family Support Day"

Mayor Hansen presented the proclamation to representatives of the Center for Human Services: Beratta Gomillion, Executive Director; Matthew Fairfax, Board President; and Marcella Scott, Family Support Center Coordinator. He also thanked Rom Beem, Human Services Manager, for his work with this agency.

(b) Recognition of Outgoing Library Board Members and Library Board Report

Mayor Hansen presented plaques of appreciation to Dale Stirling and Mary Jo Heller and thanked them for their contributions to the community as members of the Library Board.

Mr. Stirling provided a Library Board report, outlining the key accomplishments and milestones for the Board over the past four years and setting out recommended goals for the incoming board members: raising the profile of the Library Board; attending King County Library System meetings; and educating themselves about everything related to libraries.

3. CITY MANAGER'S REPORT

Steve Burkett, City Manager, noted that three forums to solicit comments about the Council's process for gathering public input will be held on March 29, April 1, and April 10. The locations are the Conference Center, the Bethel Lutheran Church, and the Richmond Highlands Recreation Center.

Councilmember Grace encouraged citizens to attend the public forums and provide input.

Councilmember Gustafson encouraged citizens to attend upcoming Brightwater meetings as noticed in the mail.

4. REPORTS OF BOARDS AND COMMISSIONS: none

5. PUBLIC COMMENT

(a) Bob Phelps, Shoreline, withdrew the assertion he made at last week's meeting that Shoreline is not adequately equipped with emergency shelters. He said he was recently informed that Shoreline has a number of emergency shelters. He said shelters are of particular interest to the Shoreline Auxiliary Communication Service (Amateur Radio group), because the best way to provide effective communication is to have pre-installed antennas on the structures.

(b) Jean Christensen, Lynnwood, reiterated her concern from a prior Council meeting that changes made to Ronald Place N. adversely impact her business. She said the City has not adequately followed up on this problem. She also described the ongoing problem of illegally parked cars at her business, which presents a significant inconvenience for her. She asked that someone from the police department enforce the parking laws on Ronald Place.

(c) Don Dally, Seattle, said while he is generally enthusiastic about the Aurora Corridor project, the proposed design does not provide left-turn lanes at many key locations. He said his property, the Pepper Hill Center, would be totally cut off from left-turn access. He asked Council to reconsider providing two-way left-turn lanes.

(d) Rocky Piro, Shoreline, invited the Council to attend this week's general assembly event at the Puget Sound Regional Council. He said the event would include electronic polling to help identify issues related to Vision 2020, the multi-county policy on regional transportation growth strategies.

6. APPROVAL OF THE AGENDA

Councilmember Ransom moved approval of the agenda. Councilmember Grace seconded the motion, which carried 7-0.

7. CONSENT CALENDAR

Upon motion by Councilmember Ransom, seconded by Councilmember Gustafson and unanimously carried, the following consent calendar items were approved:

**Minutes of Dinner Meeting of February 9, 2004
Minutes of Dinner Meeting of February 23, 2004
Minutes of Regular Meeting of February 23, 2004**

Approval of expenses and payroll as of February 27, 2004 in the amount of \$2,053,714.72

Motion to authorize execution of a contract in an amount not to exceed \$9,650 plus Washington State sales tax with Cobra Construction Co. for the demolition of the Robinson Water Tower

Ordinance No. 349 amending Ord. No. 342 by increasing the appropriation for the General Fund and Development Services Fund for completion of operating projects and contracts; increasing the appropriation for the General Capital Fund, the Roads Capital Fund and the Surface Water Capital Funds to complete capital projects

Motion to authorize the City Manager to execute the 2004-05 State of Washington Department of Ecology Coordinated Prevention Grant Agreement for \$53,113

8. ACTION ITEMS: OTHER ORDINANCES, RESOLUTIONS AND MOTIONS

- (a) Ordinance No. 347 approving a Special Use Permit to intensify a nonconforming gambling use by adding satellite off-track wagering at 16708 Aurora Avenue N. (Drift on Inn Casino)

Matt Torpey, Planning and Development Services, explained the proposal to intensify a nonconforming gambling use at the Drift on Inn Casino by adding satellite off track wagering as a new use as conditioned by the Planning Commission. He described the site and the proposal to install off-track wagering in the upstairs of the restaurant of the casino Thursday and Friday evenings and Saturday and Sunday afternoons. No exterior construction or building expansion is involved. After describing the public process, Mr. Torpey highlighted the special use criteria that triggered the conditions on the proposal. He noted that the project will be conditioned to require easements to properties to the north to allow connection to the onsite storm drainage system located at Club Hollywood,

which is owned by the same party. Additionally, the applicant would be required by conditions to bring the parking lot lighting and garbage collection area up to Development Code standards. The permit is also conditioned to provide that pedestrian and vehicular traffic associated with the use will not be hazardous or conflict with existing and anticipated traffic in the neighborhood. The project will provide an additional 62 parking spaces, and “no parking” signs will be installed on 167th Street N.

Mr. Torpey concluded that the applicant will be required to fund a traffic and parking study to focus on off-track racing hours. This will be reviewed and staff will make a recommendation to the Planning Commission regarding the operation of the casino during this racing season. The recommendation will be brought to the Council to make a final determination as to the future of off-track wagering.

Councilmember Ransom moved to pass Ordinance No. 347. Councilmember Gustafson seconded the motion.

Councilmember Ransom pointed out that the Drift On Inn has more than adequate parking space. He noted that parking was not a problem at Parker’s, which formerly had off-track wagering.

Mayor Hansen concurred, adding that the City thoroughly reviewed this issue when Parker’s originally had off-track racing, and it did not prove to be a problem.

A vote was taken on the motion, which carried 7-0, and Ordinance No. 347 was adopted.

- (b) Ordinance No. 348 approving a preliminary long plat for ten lots and two private land tracts from two contiguous lots located at 14515 Dayton Avenue N. and 422 N. 145th Street

Jeff Thomas, Planning and Development Services, reviewed the staff report on this item. It involves approval to build nine zero-lot-line townhomes with a private land tract for access on one lot and one home with a private land tract for storm water infiltration and passive open space. He also reviewed the public process and noted that the only concerns were regarding the retention of significant trees on the site when the right-of-way is expanded.

Councilmember Fimia moved to approve Ordinance No. 348. Councilmember Ransom seconded the motion.

Deputy Mayor Jepsen advised that the City carefully examine the five-foot easement on the north side of the north lot along unit 2B. He wished to ensure that the building foundation does not intrude into the easement as the project moves forward.

Mr. Thomas noted that the lines represent the actual footprint of the unit, so the building itself would be inside those lines.

Responding to Councilmember Fimia, Mr. Thomas explained that the code requires that four out of 21 significant trees be retained on the subject property. He noted that most of the trees on the east side of the property would likely be removed when the full 60-foot right-of-way (ROW) is granted to the City and road improvements are made.

Councilmember Fimia was concerned about the loss of most of the trees from the site. She wished to amend the language of the recommendation to encourage retention of more significant trees on the site.

A discussion followed about how to add this legislative intent to the recommendation. It was noted that the developer is required to dedicate 60-foot ROW to the City, and the City's responsibility is to ensure the developer makes improvements consistent with the City's standards for street design. Mayor Hansen said although he does not oppose the amendment, he questions putting restrictions on the City in a document that is directed toward a developer.

Mr. Burkett noted that the street would be designed to meet City standards, and then funded and constructed by the developer. He said City code requires that developers donate the ROW and make the street improvements for such projects.

Responding to Councilmember Fimia, Mr. Thomas explained that the street improvements are required only on the west side of Dayton Avenue N, along the property frontage. Most of Dayton Avenue N is designed with a 60-foot ROW, and this is one of the few remaining properties that still have a 30-foot ROW.

After further discussion, Ian Sievers, City Attorney, provided language to address Councilmember Fimia's concern that the City do all it could to preserve the remaining significant trees.

Councilmember Fimia moved an amendment to Ordinance No. 348 (Exhibit 1) to amend Recommendation #8 as follows: "Developer shall have a Right-of-Way Use Permit reviewed and approved by the City of Shoreline that includes (a) pedestrian sidewalk, (b) non-glare street lighting and (c) curb and gutters all designed to City of Shoreline guidelines on the west side of Dayton Avenue North adjacent to the project site. Design for road improvements shall be approved by the City to preserve significant trees where traffic safety is not compromised. The completion of this work shall be secured by a plat performance financial guarantee."

Councilmember Gustafson seconded the motion, which carried 7-0.

Responding to Councilmember Chang, Mr. Burkett noted that the application meets the requirements for onsite parking; however, parking on the street is not part of the requirements for this development. He clarified that additional parking will be created because the developer is dedicating the ROW and constructing the street.

Mr. Thomas noted that the Director approved a parking reduction of one space per unit based on code criteria. He said any additional parking would be achieved by on-street spaces created by the ROW dedication.

Deputy Mayor Jepsen expressed support for the amendment, but wished to ensure that it would not create an inability to meet expectations. He felt that despite the amendment, several trees abutting Dayton Avenue N would need to be removed to accommodate the ROW width. Mayor Hansen felt the amendment would not provide any significant protections.

A vote was taken on the motion to pass Ordinance No. 348 as amended, which carried 7-0.

- (c) Appointment of five Planning Commissioners for four-year terms ending March 31, 2008 and three Library Board members for four-year terms ending March 31, 2008 and one unexpired term ending March 31, 2006

Mayor Hansen suggested that the Library Board appointments be considered first. Councilmember Ransom reported that the subcommittee, composed of himself and Councilmembers Grace and Gustafson, interviewed 9 of the 12 applicants and recommended the following individuals for four-year terms ending March 31, 2008:

- Mary Lynn Potter
- Edward Renouard
- Yoshiko Saheki

Councilmember Ransom moved appointment of these individuals to the Library Board. Councilmember Gustafson seconded the motion, which carried 7-0. Mayor Hansen confirmed the appointments.

Councilmember Fimia explained that her subcommittee, composed of herself, Deputy Mayor Jepsen and Councilmember Chang, interviewed 11 of the 23 applicants for the Planning Commission. She and Councilmember Chang recommended the following appointments to the Planning Commission:

- Will Hall
- Ginger Botham
- Phisuthikul Chakorn
- Christopher Eggen
- Robin McClelland

After noting that Planning Commission Chair Brian Doennebrink had withdrawn his name for reappointment, Deputy Mayor Jepsen recommended that the three incumbents (Robin McClelland, David Harris and Carol Doering) be reappointed. He pointed out that the Planning Commission is in the middle of an extensive review of the Comprehensive Plan, and he felt the continuity of this effort should be a deciding factor. He also recommended Parks, Recreation and Cultural Services Board member Michael Broili for his environmental background.

Mayor Hansen noted that Robin McClelland's name is on everyone's list. Councilmember Chang added that Will Hall was also on everyone's list.

After emphasizing the importance of maintaining continuity on the Planning Commission, **Councilmember Gustafson moved to reappoint all three current Commissioners. Deputy Mayor Jepsen seconded the motion.**

Councilmember Ransom was concerned that not accepting the subcommittee recommendation would set a bad precedent. He stated that if the Council is not going to accept the recommendation, then it should act as a committee-of-the-whole to interview all the applicants before making any other decision.

Mayor Hansen said even though the subcommittee makes a recommendation, it's the Council's decision to accept it. Noting that Planning Commission terms expire at the end of March, he wondered what would happen if the appointments were delayed.

Councilmember Fimia described the subcommittee's effort to try to reach a consensus.

Councilmember Grace suggested that the subcommittee meet again and try to develop a unanimous recommendation.

Councilmember Gustafson spoke in support of his motion, emphasizing the importance of continuity on the Commission and the fact that the Council already knows the incumbents. He felt the subcommittee should consider incumbents if the matter is remanded back.

Councilmember Chang pointed out that five positions were advertised and he felt the majority recommendation should be accepted. He said he is willing to meet again as a subcommittee to try to reach a consensus. He said if incumbents are going to be appointed automatically, then the current process is not necessary.

Councilmember Ransom noted that some incumbents have not been reappointed in the past.

Deputy Mayor Jepsen expressed support for the incumbents, noting that they are among the most qualified.

Mayor Hansen noted that incumbents generally have an advantage, but they are not automatically selected. He felt the Council could serve as a committee-of-the-whole if the subcommittee could not reach a unanimous recommendation.

Councilmember Fimia expressed support for a committee-of-the-whole approach as long as the Council interviews everyone. She commented on William Hall's strong environmental credentials.

After further discussion, **Councilmember Gustafson withdrew his motion and Deputy Mayor Jepsen his second.**

Councilmember Grace moved to reappoint Robin McClelland. Councilmember Ransom seconded the motion, which carried unanimously. Mayor Hansen confirmed Ms. McClelland's appointment to a term expiring March 31, 2008.

Deputy Mayor Jepsen asked if the two other current commissioners could be reappointed on an interim basis until this matter is resolved in order to ensure the commission has a quorum. Mr. Sievers stated that the ordinance creating the Planning Commission does not provide for interim appointments.

Councilmember Fimia moved to appoint Will Hall. Councilmember Chang seconded the motion.

Councilmember Ransom noted that Mr. Hall was acceptable to all members of the subcommittee, and his appointment would better ensure a quorum of commissioners until the remaining appointments are made.

Deputy Mayor Jepsen opposed making any other appointments this evening, pending a decision on the reappointment issue. A vote was taken on the motion, which carried 5-2, with Mayor Hansen and Deputy Mayor Jepsen dissenting. Mayor Hansen confirmed Mr. Hall's appointment to a term expiring March 31, 2008.

Mayor Hansen remanded to the subcommittee the goal of coming to a consensus recommendation on the three remaining vacancies. If no such consensus is possible, the subcommittee was directed to return with a short list of individuals to be interviewed by the Council as a committee-of-the-whole.

9. NEW BUSINESS

(a) 2003 Fourth Quarter Financial Report

Steve Oleson, Budget Analyst, provided an overview of the City's year-end financial condition. His presentation included the following points:

- The City collected less revenue than projected (\$206,685) and spent less than projected (\$8.7 million) for all City funds.
- Ending reserves finished greater than projections and within minimum policy guidelines established by the City Council.
- General Fund revenues finished greater than projected (4.4%), with a greater than expected ending fund balance (actual \$7.9 million, projected \$6.1 million)
- The Ending Fund Balance combined with General Reserve Fund results in reserves equivalent to 33% of 2003 budgeted General Fund revenues.
- Cellular and telephone utility tax revenue increased \$237,632, or 18%. Past audits have generated higher ongoing revenues.
- Gambling tax revenue increased by 14.2%. Gambling revenue accounts for 11.18% of General Fund Revenue. Shoreline's five mini-casinos generate 87% of all gambling revenue.
- Criminal justice sales tax, state revenue, and parks fee revenue all finished higher than projected.
- General Fund expenditures finished \$703,000 (2.5%) below projections.
- Reserves in the Development Services Fund totaled \$421,690 and exceed minimum policy. Building permit revenues finished slightly above projections at \$14,040 (0.8%). Permit activity increased from 2002 by 8.5%. 2003 expenditures totaled \$89,976, or 4.9% below projections.
- Street Fund revenues finished slightly above projections at \$49,659 (1.8%). 2003 actual expenditures and carryover requests resulted in a total of \$3,454 above projections, but still below 2003 budget. Reserves totaled \$589,098, or 19% of budgeted revenues.
- Surface Water Management Fund revenues finished slightly above projections by \$2,940 (0.1%). Total 2003 actual expenditures and carryover requests result in a total that is 10.5% below projected 2003 expenditures.
- 2003 revenues in the General Capital Fund exceeded projections by \$130,130 (3.42%). Real Estate Excise Tax (REET) exceeded projections by \$201,457. Total 2003 actual expenditures and carryover requests result in a total that is \$53,720 (2.2%) below projections.
- Roads Capital Fund revenues finished below projections at \$1,083,753, or 20.8%. Total actual expenditures and carryover requests result in a total that is \$300,354 (3.4%) below projections.
- Surface Water Capital Fund revenues finished \$384,005 (19.69%) below projections. Total 2003 expenditures and carryover requests result in a total that is \$137,850 (8.3%) below projections.

Mr. Oleson concluded that the challenges for 2004 include whether the recession is over, whether REET revenue will continue to increase, and what interest rates will be. He stressed the importance of implementing long-range financial policies.

Councilmember Fimia asked that reserve policies and amounts be discussed at the Council Retreat.

Councilmember Ransom pointed out that the Council has deliberately put additional money in reserve for major capital projects like City Hall. He felt strongly that the City should have adequate funds in reserve, and not necessarily a predetermined, percentage amount. He also requested that animal control contracting options, such as with the City of Edmonds, be considered at the Council Retreat.

10. ADJOURNMENT

At 9:52 p.m., Mayor Hansen declared the meeting adjourned.

Sharon Mattioli, City Clerk