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CITY OF SHORELINE

SHORELINE CITY COUNCIL SUMMARY MINUTES OF SPECIAL MEETING

Monday, March 21, 2005
6:30 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 6:30 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) Shoreline Star – Dwight Stevens

Mayor Hansen and the City Council honored the first Shoreline Star, Dwight Stevens, and reviewed Dwight's contributions to the Shoreline community, including his service on Vision Shoreline, the Transition Team, the Echo Lake Neighborhood, the Council of Neighborhoods and the Parks, Recreation and Cultural Services Board.

Mr. Stevens accepted the award and thanked the City for this recognition.

3. CITY MANAGER'S REPORT

City Manager Steve Burkett reported on the following items:

- work on the North City Apartments
- the Planning Commission hearing on the Critical Areas Ordinance
- community workshops on financial planning
- the Code Enforcement workshop on April 6
- status of the 3rd Avenue drainage project

4. REPORTS OF BOARDS AND COMMISSIONS: none

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5. PUBLIC COMMENT

(a) Elaine Phelps, Shoreline, read portions of the Hearing Examiner's decision on the appeal of the Innis Arden tree cutting permit, noting that "the director failed to exercise adequate control of the review process and studies submitted." She said the director's conclusions "are not supported by substantial evidence related to issues of slope stability, surface water runoff, erosion control, wildlife habitat, and cumulative impact of tree removal and topping on adjacent properties and in the Blue Heron Reserve." She commented on the thousands of dollars spent by the appellants, noting that it would not have been necessary if the City had done its job. She said this is one example where environmental protection was not a focus of the permitting process.

(b) Paul Blauert, Shoreline, noted that City staff did not consider the 2001 University of Washington Forestry Report in processing the aforementioned permit. He characterized the report as a "critical document" because it was done independently. He suggested that City staff needs more training, urging the City to consider whether changes to the critical areas ordinance will weaken or strengthen environmental protections. He also suggested that the City hire an experienced law firm in Seattle to review recommendations proposed by City staff. He felt such counsel could save money and help the City to avoid future legal problems. He said the City does a good job on routine matters but a poor job on controversial matters.

(c) Debbie Polley, Shoreline, urged the Council to address the potential code enforcement issue related to parked vehicles on N 152nd Street. She noted that many recreational vehicles, campers, and other vehicles are parked along this street for weeks at a time. She suggested that some people might be using them for habitation. She described the scene as an "eyesore" and suggested there might be health and safety problems as well.

(d) Ken Cottingham, Shoreline, wondered if the City conducted a financial analysis to determine if purchasing the buildings it currently leases for City Hall would save money in the long term. On another topic, he pointed out that he did not receive the Council meeting packet until Friday. He wondered how late the Council could notify the public of items on the agenda prior to the next meeting. He also wondered how late the Council could change the agenda, noting that the one he received in the mail is different from tonight's version.

(e) Fran Lilliness, Shoreline, encouraged the City to use the City of Seattle's viewpoint park on Queen Anne Hill as a model for Innis Arden. She felt this model could be used to resolve the controversial issues of views, soil stability, and critical areas. She pointed out that the Seattle park sits above the houses, but the slopes and critical areas in Innis Arden are below the houses.

(f) Janet Way, Shoreline, thanked the City for its prompt response to a code enforcement issue in Paramount Park involving tree cutting in a wetland. She encouraged the City to highlight environmental issues at its code enforcement workshop

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on April 6. She commended the Council for considering the acquisition of the South Woods property as part of the Parks Master Plan, noting the possibility of working with the Cascade Conservancy and the Shoreline School District to accomplish it.

(g) Tracy Tallman, Edmonds, urged the Council to remove itself from the City Hall project at Echo Lake, noting that the Council should only act as an oversight body to this development proposal. She felt the City should consider a different site for City Hall, since it is difficult to separate the rezone issue from the purchase and sale issues. She reported that a King County planner felt a home on the Echo Lake property could be eligible for landmark status, but the City never considered this issue. She said the City made the decision on Echo Lake with incomplete information, noting that the park is a "token" and the public space is located almost entirely within the buffer. She felt the City should ensure there is a substantial public park at Echo Lake, and that the property should not be overbuilt just because it is on the Aurora Corridor. She said the City either treated the environmental issues casually or falsified documentation so a determination on non-significance could be made.

(h) Larry Bingham, Shoreline, encouraged the Council to consider building City Hall at Cromwell Park in order to maximize efficiencies that are created through the consolidation of municipal services in one location. He noted that the Cromwell Park site can be accessed by all four sides, thereby minimizing the traffic impact on Meridian Avenue. He urged the Council to consider Echo Lake from a more long-range perspective, noting that it is a wetland and a headwater of the McAleer Creek drainage area. He said the City has a responsibility to make sure it is protected from negative downstream consequences. He suggested the City establish an ordinance to acquire properties in that area for this purpose, and to think about the more distant future in terms of environmental protection.

(i) H.K. Pugmeyer, Shoreline, said he opposes the City Hall project at Echo Lake because of the cumulative costs of land, parking, the park, and buffer area. He said the proposal indicates the City is buying much more property than it needs to build a City Hall, and it is already \$1 million over budget. He felt the park should be discussed separately from City Hall so citizens know what the City is paying for. He pointed out that the City already owns the property at Cromwell Park.

Robert Olander, Deputy City Manager, responded to several of the public comments. He said staff would follow up with additional information on the Hearing Examiner's decision, as well as the parking issue on N 152nd Street. Regarding Council packet distribution, he noted that the Council and public occasionally receive the packet late due to late-breaking issues, although the practice is to distribute it on the Tuesday before the Council meeting. He said staff would look into Seattle's efforts regarding view preservation.

Councilmember Fimia suggested that the Human Services Manager should be aware of the potential social service issue related to parking on N 152nd Street.

6. WORKSHOP ITEM**(a) North City Traffic Report**

Paul Haines, Public Works Director, and Rich Meredith, Traffic Engineer, reviewed the traffic study done to compare the traffic behavior since the change to a three-lane configuration on 15th Avenue NE between NE 175th St. and NE 150th St. The study looked at volumes, speeds, and accidents on 15th Avenue NE and parallel arterial collectors (5th Ave. NE, 10th Ave. NE and 25th Ave. NE) and neighborhood streets. The study found that the operation of 15th Avenue NE as a three-lane roadway is meeting expectations. Some local streets are experiencing small increases in traffic volumes and speeds, and some experienced small reductions. The increases on local streets are within the range that these streets can accommodate, and are manageable with controls through the Neighborhood Traffic Safety Program. The North City project includes funding to monitor the impacts and construct calming devices as necessary to mitigate impacts. The City's next steps include optimizing and synchronizing traffic signals, constructing traffic islands in the center turn lane, and minor adjustments to improve traffic flow at NE 168th St. and at bus zones.

Mayor Hansen called for public comment.

(a) Virginia Paulsen, Shoreline, commented on the increased traffic volumes and speeds on 12th Avenue NE during the evening commute. She also noted the increased traffic congestion on 15th Avenue, which she said is backed up to NE 155th Street. She felt drivers are using 12th Avenue to circumvent 15th Avenue.

(b) Ken Cottingham, Shoreline, questioned the validity of the study, noting that while traffic volumes have decreased on 15th Avenue, congestion has increased. He expressed concern about increasing traffic speeds on adjacent streets, and said these are not the results the City should expect to see. He felt that people could probably legally use the center lane on 15th Avenue to pass buses and other obstructing traffic if done within 300 feet. He said the police would not further congest traffic by writing additional traffic tickets. He urged the City to finish the study, which he said is incomplete.

(c) Sally Grainger, Shoreline, supported the three lane configuration, noting that she can now safely make a left turn from 15th Avenue to 16th Avenue. She said despite the traffic volumes during peak hours, it is safer for pedestrians because they only have to consider the traffic in two lanes instead of four lanes.

Councilmember Ransom expressed concern about the findings of the study, noting that the margin of error for statistical analysis is much greater than the differences shown on the preliminary study. He said the difference of 39.3 miles per hour to 38.6 miles per hour is not significant and should not be the basis for forming a reliable statistical conclusion. He said the only statistic that might meet the standard is the 15% reduction in reported collisions, although this statistic is still somewhat questionable. He felt the conclusions would be more properly viewed as "suggestions," and with the exception of reported collisions, nothing has really changed.

Councilmember Grace asked about the potential causes of the reduction in traffic volumes on 15th Avenue south of NE 175th Street, but a nearly equivalent increase in volumes north of NE 175th Street.

Mr. Meredith speculated that this might be caused by traffic diverting from 15th Avenue to Interstate 5, and then accessing 15th Avenue again via NE 175th Street.

Councilmember Grace wondered if the increased congestion on 15th Avenue could be quantified so that Council can understand how it might improve the situation.

Mr. Haines suggested that one technique is to compare the statistics to the City's adopted policies related to level of service (LOS). He said the current study does not provide enough information to conduct this analysis.

Councilmember Grace expressed interest in additional studies in order to get the necessary information.

Mr. Haines noted that North City, Briarcrest, and Ridgecrest have been targeted for additional study through the NTSP and neighborhood traffic plans, regardless of the North City project. He said the City would come up with a "plan of attack" as soon as it identifies the priorities of all stakeholders.

Mr. Meredith noted that he is already working on a traffic plan for Ridgecrest.

Councilmember Gustafson concurred that apart from the safety aspect, there doesn't seem to be much of a difference in the traffic statistics. He felt reducing 15th Avenue from four lanes to three lanes makes it a safer street.

Councilmember Fimia felt the entire traffic picture would not be clear until the City gets a comprehensive study of the frequency and severity of traffic accidents in the whole monitoring area. She felt the City is using the wrong applications to achieving the goals of the original North City plan, which included redevelopment and creating a "walkable" community. She said an enormous amount of money is being considered for goals that cannot be achieved. She felt the road reconfiguration has caused more congestion and fewer cars on 15th Avenue, which will hurt local businesses by discouraging people from shopping there. She felt that reducing the speed limit would be safer for pedestrians and prevent drivers from diverting onto neighborhood streets. She said if the City wants to achieve livable, walkable communities, it must increase transit use and foot traffic. She said the current North City plan discourages bus use. She felt the Council should reanalyze its goals for this corridor.

Mr. Haines noted that two bus stops on 15th Avenue were eliminated because of their close proximity to other stops. He felt the biggest improvement to make is to clarify for drivers that they can pass buses that are stopped.

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Councilmember Fimia said the incentive for getting people to use the bus is that it can go faster than a car. She felt that a dedicated bus lane during peak hours would help encourage bus use in the corridor.

Councilmember Chang suggested that staff consider the possibility of installing islands in the center lane to prevent cars from using it to pass. He expressed concerns about changing a major arterial from four lanes to three.

Mr. Haines noted that traffic islands would double as a refuge area for pedestrians.

Councilmember Ransom noted that the complaints he receives on 10th Avenue and 25th Avenue seem to be consistent with the study findings.

Mr. Haines emphasized the need to conduct further studies, noting that this study is only a "snapshot" comparing two points in time. He said more information is needed in order to draw any valid conclusions.

Deputy Mayor Jepsen commented on the possible reasons for the increase in traffic on 25th Avenue north of NE 150th Street. He speculated that the road reconfiguration may have caused a change in the behavior of drivers accessing Shorecrest High School.

Mr. Haines agreed, noting that it appears people have found alternative routes to the school.

7. ACTION ITEM

- (a) Motion to pass Ordinance No. 376 to increase the North City/ 15th Avenue NE project programmed funds to \$9,761,831; and to authorize the City Manager to execute a construction contract with SCI Infrastructure, LLC for an amount not to exceed \$6,563,802 and authorize the use of up to an 8.5% contingency authority (which is included in the recommended funding strategy) to complete the North City Project

Mr. Burkett reviewed that this is project was first bid last summer. The Council directed changes in the design and the project was rebid in March. The staff report includes options that would allow Council to include additive items to the base bid amount.

Jill Marilley, City Engineer, explained that all the bids were above the engineer's estimate but within two percent of each other. She said higher oil prices and actual costs for undergrounding account for the majority of the increase in bids. She felt these results accurately reflect the current bidding climate. She pointed out that the bid was structured to allow some flexibility.

Mr. Burkett explained the funding sources and staff's recommendation to award the bid to the lowest bidder. He noted that Seattle City Light has agreed to pay an additional \$1

million above the original estimate to complete the undergrounding work. He explained the total expenditure for the North City/15th Avenue project, noting that staff has identified some one-time funding from Seattle Public Utility that can be used for the project. He explained the rationale for the recommendation, noting that this is the second time the project has been bid, the project has been a Council goal for several years, and the City has already invested nearly \$2 million in the North City Subarea Plan. He pointed out that investors have made significant plans based on the City's design for North City and the 15th Avenue Corridor. He said staff recommends awarding the full bid because the additive items are the most visible elements of the project.

Mayor Hansen called for public comment.

(a) Charlotte Haines, Shoreline, supported the staff recommendation, noting that the City has been planning a project in this area for the past ten years. She said over the years North City has developed strong community pride, and that it has received a national award for neighborhood revitalization. She said North City businesses have recently gained recognition as an area of potential growth, and that the City must encourage economic development in the area. She said "before the City can afford to put in sidewalks where we'd all like to have them, we've got to spend money to make money."

(b) Gretchen Atkinson, Shoreline, also supported the staff recommendation, explaining that while construction will be hard on businesses, the economic development that will follow will outweigh any temporary negative impacts. She noted that newspaper articles have touted the coming improvements in North City since the late 1990's, and several projects have already started. She said six developments halted when the Council voted not to start the project last summer, and two of those projects will probably never materialize. She said over \$17 million has been invested in new construction in North City, which will bring about 300 new customers to the area. She said the project is a worthwhile investment and it will create a better living environment, increased tax dollars, and a "win-win" situation for the City.

(c) David Anderson, Shoreline, expressed concern about the project's potential to degrade surface water quality in violation of the City's Surface Water Master Plan. He said deciduous street trees are an ongoing source of organic pollution because fallen leaves generate a pollutant load on downstream waters at the same time that salmon are in the streams. He said the surface water management funds used in the project do not address this problem. He said City staff has stated in various meetings that Shoreline is currently in violation of surface water criteria, and that the North City project might violate state and federal regulations. He pointed out that Lynnwood and Bellevue have avoided this problem by planting trees further away from the street, and urged Shoreline to do likewise.

(d) Ken Cottingham, Shoreline, said the recommendation is difficult to understand because the low bidder is dependent upon which additives are selected. He said the low bidder remains the same only if all the additives are selected.

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(e) Virginia Paulsen, Shoreline, commented on the declining bus service and the increasing congestion that higher densities will create if service is not improved. She said she would like North City to retain its "small town character." She said unless there is a rapid transit system to move all these people, building huge housing developments will create more problems than it solves.

Mr. Burkett clarified that staff is recommending the Council award the bid to SCI, which is the low bidder if all additives are included.

Councilmember Gustafson moved to pass Ordinance No. 376 to increase the North City/15th Avenue NE project programmed funds to \$9,761,831; and to authorize the City Manager to execute a construction contract with SCI Infrastructure, LLC for an amount not to exceed \$6,563,802 and authorize the use of up to an 8.5% contingency authority (which is included in the recommended funding strategy) to complete the North City Project. Deputy Mayor Jepsen seconded the motion.

Councilmember Gustafson spoke in support of his motion, noting that this project has been a major City Council goal for several years and is a component of the larger goal of economic development in Shoreline. He noted that the City has already invested \$1.6 million in the project and spent thousands of staff and citizen hours to get to this point.

Councilmember Fimia asked there is any kind of economic study that shows the rate of return to the City for this large an investment.

Mr. Burkett said there is no specific study, and while it certainly will not yield returns as would a private sector development, it is not purely an economic development plan. He felt the project is comparable to building a city park or similar facilities, which do not necessarily yield a high return rate but do create a sense of community.

Councilmember Fimia felt the project has divided the community, and that it has proceeded under the guise of economic development. She supported an investment in North City, but not in this amount and on this plan. She pointed out that many other priorities have been identified throughout the City, including sidewalks. She noted that the Seattle City Light component will ultimately be paid by Shoreline ratepayers. She felt the area could be improved through a local improvement district (LID), in which businesses and residents pay for improvements through a property tax assessment. Councilmember Ransom also opposed the motion, noting the increasing costs. He said King County rejected a similar project in the 1980's because it was too expensive. He commented on the increasing costs of the project over the years, noting that it was originally estimated to cost the City only \$1 million, with any remaining costs being funded by grants. He stated that 15th Avenue NE is not eligible for state or federal funding because it is not a state road. He supported a Local Improvement District for at least part of the funding. He opposed the project because it spends too much money on a relatively small area. The City's investment in North City will represent three times the amount being spent for the entire Aurora Corridor project.

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Councilmember Chang asked about the storm water concerns expressed by Mr. Anderson, wondering if there is sufficient funding in the project to address this issue.

Mr. Haines said deciduous trees were chosen for color and architectural reasons, but he was not certain whether the placement of such trees substantially contribute to the pollutant loading in the stormwater drainage system. He said the North City project does not propose to increase impervious surface, but the Surface Water Master Plan anticipates investment in water quality and quantity measures in the Ronald Bog basin as it goes into Thornton Creek.

Mr. Burkett clarified that the North City project does not violate any federal or storm drainage regulations.

Councilmember Grace said he had hoped the project will be less costly but he felt it is a good long-term investment and a good project. He said the collaboration with SCL will save the community added disruption and the project will attract additional development.

Mayor Hansen supported the motion, noting that SCL has agreed to pay the additional \$1 million required to complete the undergrounding work. He clarified that a considerable portion of the \$6.6 million contract will be reimbursed by SCL.

A roll call vote was taken on the motion. Mayor Hansen, Deputy Mayor Jepsen, and Councilmembers Grace and Gustafson supported the motion, and Councilmembers Chang, Fimia and Ransom opposed it; therefore, on a vote of 4 – 3, Ordinance No. 376 to increase the North City/15th Avenue NE project programmed funds to \$9,761,831 was passed and the motion to authorize the City Manager to execute a construction contract with SCI Infrastructure, LLC for an amount not to exceed \$6,563,802 and authorize the use of up to an 8.5% contingency authority (which is included in the recommended funding strategy) to complete the North City Project was adopted.

8. EXECUTIVE SESSION

At 8:55 p.m. Mayor Hansen announced that the Council would recess for thirty minutes into executive session to discuss property acquisition. At 9:35 p.m. the executive session concluded and the meeting reconvened.

9. CONTINUED ACTION ITEM

- (a) Consideration of Echo Lake Option Agreement and Purchase and Sale Agreement

Mr. Burkett explained that after doing due diligence and refining the project budget, there are still major issues of concern regarding the purchase of the Echo Lake site for City Hall. The joint development agreement has not been finalized; the structured parking is

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now estimated to cost \$2.3 million, or 10% of the project budget; and the estimated costs exceed the budget by \$1 million. Therefore, staff recommends that the option agreement and purchase and sale agreement be terminated.

Councilmember Grace moved to reject the Echo Lake site as the site for the construction of the new City Hall and authorize the City Manager to take the appropriate action. Councilmember Ransom seconded the motion.

Mayor Hansen called for public comment.

(a) Virginia Paulsen, Shoreline, said she has opposed this site because of its size, location, and cost. It is not centrally located, and the costs are high compared to other alternatives, such as purchasing the current City Hall. She said she prefers a site that consolidates municipal services in one location. She expressed concern about the limited ingress and egress at the Echo Lake site, noting it would not adequately accommodate the number of people likely to use the facilities.

(b) Bill Bear, Shoreline, encouraged the City to help the mobile home park residents find equivalent housing. He felt the City should think in terms of what will do the City the most good, noting that not helping the displaced residents will negatively impact the City. He urged the City to avoid situations that hurt any one subgroup.

(c) LaNita Wacker, Shoreline, urged the Council to reject the motion and continue negotiating a development agreement. She said structured parking is needed in order to avoid "paving over the City." She said the Echo Lake site is easily accessible and fulfills her dream of creating a "public green." It also provides an opportunity to partner with the YMCA on creating a community center. She reiterated that structured parking is a critical part of any future investment that will benefit the City in the long term.

(d) Elaine Phelps, Shoreline, supported the motion and urged the City to consider other viable options for City Hall. She said the park area at Echo Lake would only be a "pocket park" because of the buffer area. She agreed that structured parking is preferred as long as there is usable space above it. She urged the City to consider the proposal to purchase the existing City Hall property.

(e) H.K. Pugmeyer, Shoreline, said rejecting the Echo Lake site is a fiscally responsible decision. He said the property owner stated that the site was purchased in order to retain part of it as a City park, no matter who bought it. He noted that the buffer zone at Echo Lake would become a park whether the City buys the property or not.

(f) Larry Bingham, Shoreline, urged the City to retain at least a portion of the Echo Lake site for a City park. He felt it is critical to begin addressing the issue of the wetlands. He felt the City could acquire the Echo Lake property in trade for other City-owned property.

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(g) Janet Way, Shoreline, noted that the Echo Lake site was deeply flawed in terms of its size, location, cost, and environmental analysis. She said the buffer area would be compromised by extreme use and by the addition of impervious surface. She felt the City should consider sites that are not geologically hazardous or hydrologically sensitive. She asked that the City apply some money to acquire some property to protect the wetland. She concurred with previous speakers that the City should consider purchasing the current City Hall site.

Councilmember Ransom commented that the motion is a "bitter pill" but he could no longer support the project. He said despite sincere efforts to reach a joint agreement, the cost for structured parking has become prohibitive and the terms are being changed against the City's will. He said although the City cannot continue pursuing this proposal, hopefully it can still create a park.

Deputy Mayor Jepsen said the issue for him is the failure to agree on a joint development agreement within the appropriate time frame. He felt the technical and cost issues could be resolved.

Councilmember Gustafson concurred with Deputy Mayor Jepsen and Councilmember Ransom.

Councilmember Fimia said she never supported this site but is still interested in a park site, retaining the historic home, and providing some affordable housing. She supported looking at other sites for city hall and involving the public in the process.

A vote was taken on the motion, which carried 7 – 0 and the Council rejected Echo Lake as a site for City Hall.

10. ADJOURNMENT

At 9:50 p.m., Mayor Hansen declared the meeting adjourned.

Sharon Mattioli, City Clerk

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