



SHORELINE CITY COUNCIL WORKSHOP DINNER MEETING

Monday, March 26, 2007
6:00 p.m.

Shoreline Conference Center
Highlander Room

TOPICS/GUESTS: Community Capital Development (CCD)
Environmental Coalition of South Seattle (ECOSS)

SHORELINE CITY COUNCIL BUSINESS MEETING

Monday, March 26, 2007
7:30 p.m.

Shoreline Conference Center
Mt. Rainier Room

	<u>Page</u>	<u>Estimated Time</u>
1. CALL TO ORDER		7:30
2. FLAG SALUTE/ROLL CALL		
(a) Update from Metropolitan King County Councilmember Bob Ferguson	<u>1</u>	
3. REPORT OF THE CITY MANAGER		8:00
4. REPORTS OF BOARDS AND COMMISSIONS		
5. GENERAL PUBLIC COMMENT		8:00
<i>This is an opportunity for the public to address the Council on topics other than those listed on the agenda, and which are not of a quasi-judicial nature. The public may comment for up to three minutes; the Public Comment under Item 5 will be limited to a maximum period of 30 minutes. The public may also comment for up to three minutes on agenda items following each staff report. The total public comment period on each agenda item is limited to 20 minutes. In all cases, speakers are asked to come to the front of the room to have their comments recorded. Speakers should clearly state their name and city of residence.</i>		
6. APPROVAL OF THE AGENDA		8:20
7. CONSENT CALENDAR		8:20
(a) Minutes of Business Meeting of November 13, 2006	<u>3</u>	
Minutes of Study Session of March 5, 2007	<u>15</u>	
(b) Approval of expenses and payroll as of March 14, 2007	<u>27</u>	
in the amount of \$22,235,589.07		

- (c) Ordinance No. 463 Amending the 2007 Budget for Uncompleted 2006 Capital and Operating Projects and Increasing Appropriations in the 2007 Budget 29
- (d) Ordinance No. 462 Deleting All References to Cottage Housing and Amending Shoreline Municipal Code Sections 20.20.014, 20.40.030, 20.40.230, and 20.50.020 45
- (e) Ordinance No. 465 Reclassifying the Human Services Manager within the City's Classification and Compensation Plan and creating the Community Services Division 53
- (f) Motion to Authorize the City Manager to Approve a Settlement in the amount of \$199,000 for a portion of the Joshua Green Corporation parcel required for the Aurora Corridor Project Phase 1 63
- (g) Motion to Authorize the City Manager to execute a contract with Susan Black & Associates, Inc. for professional services in an amount not to exceed \$146,007 for the Cromwell Park and Hamlin Park Facility Upgrade Improvements and Shoreline Park Tennis Court Lighting Projects 65

8. ACTION ITEMS: OTHER ORDINANCES, RESOLUTIONS, AND MOTIONS

- (a) Ordinance No. 460 amending the City's Official Zoning Map changing the zoning from Office (O) and Residential 48 DU-AC (R-48) to Community Business of two parcels located at 18501 and 18511 Linden Avenue North (parcel numbers 7283900302 and 7283900303). 69 8:30
- (b) Ordinance No. 461 amending the City's Official Zoning Map changing the zoning from R-4 to R-6 of two parcels located at 20309 8th Avenue NW and 20320 10th Avenue NW (parcel numbers 0126039216 and 0126039632). 129 9:00
- (c) Ordinance No. 464 Increasing the Cable Utility Tax to 6% of Gross Receipts and Motion Authorizing the City Manager to Notify Seattle City Light of the City's Intent to Apply a 3% Contract Payment to the Distribution Portion of Electric Revenues Effective April 1, 2008, and an Additional 3% Effective January 1, 2009. 167 9:30

9. ADJOURNMENT

10:00

The Council meeting is wheelchair accessible. Any person requiring a disability accommodation should contact the City Clerk's Office at 546-8919 in advance for more information. For TTY service, call 546-0457. For up-to-date information on future agendas, call 546-2190 or see the web page at www.cityofshoreline.com. Council meetings are shown on Comcast Cable Services Channel 21 Tuesdays at 12 noon and 8 p.m., and Wednesday through Sunday at 6 a.m., 12 noon and 8 p.m. Council meetings can also be viewed on the City's Web site at <http://cityofshoreline.com/cityhall/citycouncil/index.cfm>.

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Update from Metropolitan King County Councilmember Bob Ferguson, District 1
DEPARTMENT:	City Manager's Office, Communications & Intergovernmental Relations Office
PRESENTED BY:	Julie Modrzejewski, Assistant City Manager Joyce Nichols, Director of Communications & Intergovernmental Relations

BACKGROUND:

From time-to-time, the Shoreline City Council invites elected officials, who serve Shoreline residents, to provide an update to the Council and community on their priorities and activities. This evening the Council has invited Metropolitan King County Councilmember Bob Ferguson. With Councilmember Ferguson is Office Operations Director and Shoreline liaison, Shari Tracey.

RECOMMENDATION

This is for informational purposes only; no action is required.

Approved By: City Manager  City Attorney _____

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CITY OF SHORELINE

SHORELINE CITY COUNCIL SUMMARY MINUTES OF BUSINESS MEETING

Monday, November 13, 2006
7:30 p.m.

Shoreline Conference Center
Mt. Rainier Room

PRESENT: Deputy Mayor Fimia and Councilmembers Gustafson, Hansen, McGlashan, Ryu, and Way

ABSENT: Mayor Ransom

1. **CALL TO ORDER**

The meeting was called to order at 7:34 p.m. by Deputy Mayor Fimia, who presided.

2. **FLAG SALUTE/ROLL CALL**

Deputy Mayor Fimia led the flag salute. Upon roll call by the City Clerk, all Councilmembers were present with the exception of Mayor Ransom and Councilmember Ryu.

Upon motion by Councilmember Way, seconded by Councilmember McGlashan and carried 6-0, Mayor Ransom was excused. Councilmember Ryu arrived at 7:45 p.m.

3. **REPORT OF THE CITY MANAGER**

Julie Modrzejewski, Assistant City Manager, introduced Arvilla Ohlde, Board of Trustees Chair for the National Parks and Recreation Association Pacific Northwest Regional Council. Ms. Ohlde presented Lynn Cheeney with the Citation of Merit Award. Ms. Cheeney thanked Ms. Ohlde for presenting her the award and introduced her family.

Ms. Modrzejewski continued and discussed the following items:

- The Annual Workplace United Way Campaign was a huge success as the City staff exceeded its campaign goal of \$25,000 by 8 percent. She introduced Kristin Austin who presented the Outstanding Employee Campaign Award to the City. Ms. Modrzejewski also noted that the per capita amount given per City employee was \$183.00.
- The City recently donated 60 surplus computer equipment items to 11 local non-profit agencies.

- The Aurora Corridor/Interurban Trail project is progressing on multiple fronts. Street trees are being planted and work is being done on the walls supporting the bridge ramps.
- The Shoreline Police Department is sponsoring a crime-free multi-housing seminar from 8:00 am – 4:00 pm in the Cromwell Room at the Shoreline Conference Center to assist rental managers and property owners in crime prevention.
- The next Planning Commission meeting is Thursday at 7:00 p.m. in the Mt. Rainier Room.
- The 2nd Annual Holiday Craft Market will be on November 18 at the Spartan Recreation Center, which will feature local artisans selling their wares.

Councilmember Way asked who is accepting RSVPs and if the crime-free seminars were open to the public and tenants.

Ms. Modrzejewski stated that they are open anyone, however, the class is designed for property managers. She added that people can RSVP to Officers Obstler and Elfenson at the Neighborhood Police Centers.

4. REPORTS OF BOARDS AND COMMISSIONS

No reports were given.

5. GENERAL PUBLIC COMMENT

(a) Jerome Burns, Shoreline, discussed the Comprehensive Housing Strategy Citizen Advisory Committee. He asked the Council to consider including a member with some affordable housing experience. He believed this is an important element in the process of developing a housing strategy plan over the next twenty years. He said he works for a non-profit in the area of affordable housing for seniors and families. He said the industry is complex and that person could educate the committee and share their insights.

(b) Vicki Stiles, Director, Shoreline Historical Museum, reported on the \$500,000 seismic upgrade and historic restoration of the museum. The building has also had some structural reinforcement and a new roof installed. She added that the restoration of the bell tower will be the next project. She said the first Trillium Awards were handed out to two homeowners in Shoreline for their efforts in maintaining Shoreline's historical properties. The two winners were the owners of the Florence Burke Ericson House and the Charmland Restaurant (now Debbie's Drift-on Inn). Other winning properties in Seattle were the Haller Lake Community Club and the Dr. Joseph Alexander House.

(c) Patty Crawford, Shoreline discussed Initiative 933. She said critical areas and land use regulations finally mean something. She said if I-933 would have passed, there would be no environmental laws to enforce. All permits would be approved by all

municipalities because of lawsuit threats by developers, and I-933 would have pit neighbor against neighbor. She felt the Critical Areas Ordinance isn't being enforced by the City's legal staff. She said the Aegis hearing is scheduled for April 16, 2007. She also felt that I-933 has resolved conflicts between property rights and the environment. The Aegis and Gaston cases are still ongoing, and the City's legal opinions can change.

(d) Tim Crawford, Shoreline, said his property is still flooding and Peverly Pond is still filling in. He said the City has proposed to grant the permit to Gaston with no revisions. There is a remand hearing and then they will be back in Superior Court. He commented that they are still on track to have the north Aegis building torn down. He added that Judge Erlick is suspicious of local control. He concluded that the wildlife is happy that I-933 failed.

(e) Judy Allen, Shoreline, read a statement on behalf of Stacy Gillette who is dissatisfied with the people that were chosen for the Comprehensive Housing Strategy Advisory Committee. She felt the choices were political and not based on qualifications. She said Dot Brenchley and Chrie Eggen were chosen for political reasons.

Councilmember Ryu said that Mr. Cohn gave a good summary on the Comprehensive Housing Strategy Committee expectations. She asked if Mr. Tovar could give the Council a summary on the list of nominees.

Deputy Mayor Fimia asked Mr. Tovar to address why this is not an issue of the Fircrest institution, but one of the Fircrest campus.

Joe Tovar, Planning and Development Services Director, stated that Fircrest is one of the Council goals, but the Comprehensive Housing Strategy is a different goal. The housing strategy goal deals with the broad range of housing issues in Shoreline and the different housing types now and in the future. He added that Mr. Cohn and Rob Beem, Human Services Manager, solicited applications and screened a group of sixty-eight individuals. They tried to come up with a balance of attributes, he stated. The Council hasn't taken action yet and they have the City staff recommendation with sixteen specific names on the agenda tonight. He said the solicitation was very open-ended and there was a strong response from the many qualified residents. However, the nominees that were chosen are those that Mr. Cohn and Mr. Beem felt would work best together.

Councilmember Ryu inquired if the intent of this group is to come up with implementation strategies at this point.

Mr. Tovar responded that the initial focus of the group is to survey the community needs, values, opinions, and desires of Shoreline residents. At some point the committee will look at the list of recommended priorities for the Council to consider. The Comprehensive Housing Strategy should address all housing in Shoreline, and Fircrest is just one type of housing. Based on the fact that Fircrest is in the City of Shoreline and it is currently being used, it will be included in the analysis. The future of Fircrest site will be resolved by Council Goal #8, not Goal #5.

Councilmember Way said Fircrest has the potential for any number of options for housing and there are many topics that need to be discussed by this committee concerning Fircrest.

Mr. Tovar said there are many other areas to study too. He said there is no “brick wall” between Goal #5 and Goal #8; however, Goal 8 has a very broad scope.

Deputy Mayor Fimia noted that Fircrest is a residential habilitation facility and Council Goal #8 states that the City is to work with the State to keep it functioning. Based on this she inquired if it would have made sense to have someone on the committee that knows the facility. She added that the Council wants people that are collaborative on the committee.

Councilmember Gustafson recommended treading carefully on the subject of Fircrest, noting that he didn’t think Fircrest needed to be a part of the housing committee plan.

6. APPROVAL OF THE AGENDA

There was Council consensus to pull Item 7(c), Appointment of Comprehensive Housing Strategy Citizens Advisory Committee, from the Consent Calendar. Upon motion by Councilmember Hansen, seconded by Councilmember Gustafson and carried 6-0, the agenda was approved as amended.

7. CONSENT CALENDAR

Councilmember Gustafson moved approval of the Consent Calendar as amended. Councilmember Hansen seconded the motion, which carried 6-0, and the following items were approved:

**Approval of expenses and payroll as of November 1, 2006
in the amount of \$3,289,578.67**

**Ordinance No. 450 amending Franchise Ordinance with Electric
Lightwave, LLC**

8. ACTION ITEM: PUBLIC HEARING

- (a) Public hearing to receive citizens’ comments on the 2007
Proposed Budget including the 2007 Proposed Property Tax
Levy and Other Budget Resources

Debbie Tarry, Finance Director, presented the 2007 budget revenue sources and the 2007 proposed property tax levy. She noted that there is also a budget workshop scheduled for November 20 with the budget and the property tax levy scheduled for adoption on November 27. She highlighted that the total budget for 2007 will be slightly less than the

\$68.2 million previously announced due to the removal of business licensing revenues. She noted that 41% of the overall budget is for operating expenditures, which provides services to the community on a day-to-day basis (police services, planning and development, street maintenance, and parks). Additionally, 45% of the expenditures are for capital improvements and relates to the capital budget for 2007. Property and sales tax make up for an abundance of the operating budget revenue. The City also receives revenue from utility franchise fees, utility contract payments, gambling taxes, Parks and Recreation programs, and building permits. The capital improvements are funded through grants and loans.

The 2007 property tax in the budget contains approximately \$7 million in funding for the operating budget and the City is anticipating a property tax levy rate of \$1.14 per household, which is 3 cents less than the current rate. She noted that the property tax is the largest revenue source the City has and that the City only receives about 10% of the total property tax funds that residents pay to the Assessor's Office. She pointed out that the sales tax revenue has grown at a steady pace over the past five years while the utility tax and franchise fees have remained constant. Meanwhile, the Parks and Recreation revenue has grown over the past two years and the recreation and aquatic programs have been expanded due to more users. She added that there is also a scholarship program in the 2007 budget for those who cannot afford the cost of the Parks and Recreation programs. The Planning and Development Services revenue is a little over \$1.2 million dollars for 2007 and this is a fairly steady revenue stream, she said. Lastly, she said the Real Estate Excise Tax (REET) revenue funds capital improvement projects and is limited to that usage. It is anticipated that the City will receive \$1.6 million in revenue from REET in 2007.

Ms. Tarry noted that the City received \$2.5 million in REET in 2005 which is reflective of the national housing market at the time. Fee changes include a \$10.00 background check fee for regulatory licenses, and since the Council adopted fees for inflation, the land use and non-building permit fees will increase their hourly rates by 4.2% which is consistent with the 2007 Consumer Price Index (CPI). Additionally, there are some Parks and Recreation fees that are recommended to be raised based on inflation. She said that based on the Surface Water Master Plan there is a recommended annual rate increase from \$111 to \$120 per resident to meet the revenue stream that would be necessary to cover the operational and the capital improvements necessary for the utility.

Deputy Mayor Fimia opened the public hearing. No public comment was given and the public hearing was closed.

Councilmember McGlashan asked staff to clarify if the REET would offset some of the lost gambling tax revenues.

Ms. Tarry responded that there were some one-time REET tax funds that were utilized to supplement capital funds in 2006.

Councilmember McGlashan inquired if the \$10.00 background check fee went to the City.

Scott Passey, City Clerk, responded that those funds are collected by the Washington State Patrol for each individual background check, and that despite a few administrative changes, the City Clerk's Office is still handling the adult entertainment licenses.

Councilmember Hansen asked what rate was utilized for projecting the gambling tax revenue.

Ms. Tarry responded that a rate of 7% was used for the first quarter of 2007 and a rate of 10% was used for the remainder of the year according to the adopted ordinance.

Councilmember Hansen inquired if the 2006 projections include the closings of the properties on Aurora Avenue. He commented that he was surprised 2006 is being projected based on the 2004 tax rates.

Ms. Tarry responded that the specific properties would not be identified, however, the City staff is aware because it was anticipated that a certain amount of properties would close in 2006.

Responding to Councilmember Ryu, Ms. Tarry clarified that REET revenue could only be utilized for capital improvements.

Councilmember Way asked about the difference between utility tax revenues and franchise fees.

Ian Sievers, City Attorney, responded that the ordinance would allow the City to collect 6% as a utility tax or as a franchise fee, or as a combination of both for cable services.

Councilmember Ryu discussed the local sales tax rate. She asked if it was possible to compare the collected taxes with the regional trend.

Ms. Tarry said the information can be compared to the Puget Sound region and can be obtained by the Department of Revenue. She said she would provide the information to the Council.

Councilmember Ryu stated that the Parks Department revenue isn't strictly derived from the residents of Shoreline. She noted that 82% of the total revenue is from Shoreline residents and stated if the department can continue to grow their programs there will be more revenue. She noted that the YMCA is acquiring a part of the Echo Lake property and asked if City aquatics usage and revenues are expected to decrease.

Dick Deal, Parks, Recreation and Cultural Services Director, responded that they do anticipate that when the YMCA opens there will be an initial decrease in the pool revenue. He said the City plans on meeting with them in order to not create competing

programs. The YMCA has a regional focus and he felt the pool revenue will bounce back after this initial year and will continue to grow.

Councilmember Gustafson said the recreational fees need to be increased for non-residents of Shoreline. He said he wanted to ensure no students are turned away from any program because they can't afford to pay. Scholarships should cover everyone and he is comfortable with the recreation and parks fees. He commented that the YMCA will cater to a different clientele than what the City does and it will enhance, even complement, the City's offerings.

Councilmember McGlashan discussed the fee schedule recommendations and asked Mr. Deal why the fees only increased 50 cents on the lighted playing fields since lighting is expensive.

Mr. Deal responded that the Parks staff is comfortable with the fee schedule. However, they will monitor the lighting costs over the course of the year.

Deputy Mayor Fimia felt that the non-resident recreation fees are not much higher than resident fees. She asked to see what the difference would be if the non-resident fees are raised.

Mr. Deal responded that traditionally non-resident fees are 10% - \$15% higher than resident fees. He said that if the City's rates are raised an additional 10% they would be 20% higher than resident fees.

Deputy Mayor Fimia asked for a fee schedule to be done that would reflect a 20% increase for non-resident programs.

Councilmember Way asked if that would decrease the participation of non-residents. Mr. Deal responded that he didn't see any decrease two years ago in participation when the City raised their rates.

Councilmember Way wondered if the City tracked where the non-residents who participated in the recreation programs came from. Mr. Deal said he can get that information to the Council.

Councilmember Way asked if many of the soccer players from other cities were utilizing the new soccer fields. Mr. Deal responded affirmatively; however, first priority for the new fields (Soccer Fields A&B) goes to Shoreline residents. In other words, Shoreline soccer leagues fill the majority of time on these fields.

Deputy Mayor Fimia inquired about the School Resource Officer (SRO) program. She stated that the school district had to cut back their SRO participation and this budget proposes backfilling a small amount of that need. She wanted to know how much backfill would be needed to increase the revenues.

Captain Dan Pingrey stated that on a weekly basis the SRO was working four hours at the elementary schools, eight hours at each middle school, and one full-time SRO sharing duties between each high school. The current budget is down to the sharing of one full-time SRO at each high school. However, he said the calls have increased and the schools have had to call 911 instead of having their own SRO. He noted that calls for service from the schools have doubled since September 2006.

Ms. Tarry said the cost of the SRO program was equally shared between the school district and the City.

Deputy Mayor Fimia asked what the program would look like if the officers were assigned to the Recreation Center and the SRO portion. Ms. Tarry said it would cost about half of the cost of a regular full-time officer position.

Deputy Mayor Fimia said there is a need and it is growing but there is no real determination on who is supposed to pay for it.

Councilmember McGlashan questioned if the City needs to pay for the SRO program without the assistance of the school district. Ms. Tarry responded that the school district has allocated \$30,000 towards the SRO program and the City pays for one full-time SRO at a cost of \$110,000.

Captain Pingrey explained that the allocation of an SRO is done by overtime hours by several different officers.

Councilmember Way felt that the anti-bullying strategy is very important to have, as it is like having insurance against problems in the future.

Captain Pingrey stated that there are several schools asking for the anti-bullying program. He said they are looking for officers who have the time to teach it within their work schedules. The problem is time and hours and it does have an impact on the schools.

Councilmember Way urged the Council to support the anti-bullying program.

Councilmember Ryu wanted to know the amount and types of situations that the SRO gets "swamped" with and the benefits the City receives by having crime prevention programs in the schools.

Captain Pingrey responded that the SRO officers are able to get to the students before they commit crimes. There are potential situations that are discussed by the students in the schools and the officers get their information from the students about them so they are able to prevent them from occurring. The SRO has lots of influence on the kids since they are present at the school and have contact with them on a daily basis.

Councilmember Gustafson felt that SROs are valuable in the schools. He said Mr. Olander wrote a proposed budget memorandum to the Council. He thanked Ms. Tarry

and the staff for putting together the budget. He said Mr. Olander's proposed budget makes sense. He agreed with Mr. Olander's suggestion to leave the budget as-is. He said the Council needs to prioritize any service enhancements and to develop a strategic plan in 2007. He is in favor of adopting the budget as-is and felt the youth master plan would help. Being proactive with the youth in the Shoreline community would reduce crime, he commented, but a strategic plan needs to come first. He noted that the City of Claremont has an excellent youth master plan and it is very successful. He urged the Council to have some dialogue about a youth master plan in the future.

Councilmember Ryu asked Councilmember Gustafson if he was suggesting that a youth master plan be adopted in 2007.

Councilmember Gustafson replied that the City needs a strategic plan first, but perhaps a youth master plan can be a part of it.

Councilmember Ryu summarized that the funding of the youth master plan would be in 2008, and that is a long time to wait.

Deputy Mayor Fimia highlighted that the residents elected the Council to overlook and "fine tune" the budget, and now is the time. She supported the youth master plan but said it is not feasible to put in place this year because there is a desperate need for SRO officers. She added that the budget for travel, food, lodging, dues memberships, and registrations for the City is over \$458,000 and some of those funds could go to the SRO program. Maybe there is a need to reduce public safety costs as a whole, she said. Investing in our youth is a good investment and the City needs to look at some non-essentials and make some reductions. Public safety is a major reason why people form governments, she added, and there is an eventual need for bicycle patrols on the Interurban Trail. She questioned the cost for bike patrols.

Captain Pingrey said there are bike-trained officers on each shift, including SROs. However, the officers are not consistently patrolling the trail.

Councilmember Way said she is hearing about an increase in graffiti in the City and wondered if it is an indication of anything larger happening.

Captain Pingrey responded that graffiti has increased, but it is not significant. He said the storefronts have been working with the residents and the parks personnel have been doing a great job removing it. Each officer has to be highly visible in their areas to have it reduced.

Councilmember Way said there is a person who goes around removing graffiti in the County. She asked if the increase is an indication of a bigger problem.

Captain Pingrey said it potentially can be, and we all need to be aware and address graffiti when we see it. Graffiti can mean different things but cleaning it up needs to be addressed.

Deputy Mayor Fimia asked if there would be any disadvantages to providing another full-time street crimes officer on a two-year basis.

Captain Pingrey said it takes six-months to get an officer trained, so the impact wouldn't be felt until after that period.

Deputy Mayor Fimia felt the City would be able to see the savings in the jail and court costs, but it takes more officers for more enforcement.

Councilmember Ryu said the collection of more sales tax is great news. She asked if there was any way to increase the sales tax revenue and if there needed to be a marketing campaign to increase sales in Shoreline. She said more revenues will assist the City in keeping the utility and property taxes and other fees low. She asked if the 3.28% increase was a cautious estimate.

Ms. Tarry responded that it was a cautious estimate, but it is fair. She said there is no indication that it will go higher than 3.28%. She felt it will increase over time, however, and she advised against increasing it without a valid reason.

Ms. Modrzejewski noted that the projections were also adjusted based on development proposals.

Councilmember Ryu noted that the entire economic development piece in Shoreline is critical and every new commercial business helps the City.

Deputy Mayor Fimia discussed the \$258,000 Economic Development Budget. She mentioned that the projected increase in sales tax is \$240,000; she felt the City may want to be more aggressive in targeting those funds. She said the City has great resources in its local businesses and maybe some of it should be tied to the economic development budget. She asked how the City could take advantage of these funds.

Ms. Tarry responded that the City is starting to see some things happen in this area but it takes a lot of activity to increase the sales tax revenue.

Councilmember Way said the proposed Natural Resource Plan was very intriguing and could be very useful. She inquired how it could be connected to the existing urban forestry efforts.

Mr. Tovar responded that the first step would be to complete a natural resource inventory as part of the "sustainable community" goal. There are a whole range of things underway, he stated, in the Planning and Public Works departments but none of them are joined together by any goals or strategies. The Natural Resource Plan would provide some direction for hopefully pulling all of the goals together by the end of the year.

Councilmember Way noted that this would assist the City in fulfilling its legal requirements, meet public expectations, and “transform perceived liabilities into assets.” She said assessing the City’s carbon footprint is important. She also said she has been keeping up with the Green Cities Partnership, which is affiliated with the Cascade Land Conservancy. She said investing in the environment is a good investment in the budget, and, if managed properly, Aurora Avenue could be an asset.

Deputy Mayor Fimia said the Sustainable Development Plan and the Natural Resources Plan should be done in concert with other plans. Both of these have great synergy with the Economic Development Plan. She added that Shoreline Community College will be working with the City on some of these. Shoreline Solar is also leveraging that with sustainability. She also mentioned that there should be some signage along the Interurban Trail advertising local businesses. She said there is a tremendous budget fund balance that will be put on the table.

Ms. Tarry said there is \$55,000 in the budget for Interurban Trail signage.

Deputy Mayor Fimia responded that the \$55,000 in the City’s budget is different than the marketing signage that the businesses should have on the trail.

Mr. Tovar agreed that there is a major opportunity for effective public signage on the trail.

Deputy Mayor Fimia stated that there also needs to be a community identity developed.

Councilmember Ryu suggested that Shoreline could be called the “Greener” City.

Ms. Modrzejewski read the City Manager’s memo advising against reducing training, memberships, and dues because it adversely affects recruitment. She highlighted that having training opportunities bolsters recruitment and retains City staff.

Deputy Mayor Fimia said her proposal would not include specific instructions on where the reductions should be made.

10. ADJOURNMENT

At 9:57 p.m., Deputy Mayor Fimia declared the meeting adjourned.

Scott Passey, CMC
City Clerk

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CITY OF SHORELINE

**SHORELINE CITY COUNCIL
SUMMARY MINUTES OF STUDY SESSION**

Monday, March 5, 2007
6:30 PM
Shoreline Conference Center
Mt. Rainier Room

PRESENT: Mayor Ransom, Deputy Mayor Fimia, Councilmember Gustafson,
Councilmember Hansen, Councilmember McGlashan, Councilmember
Ryu, and Councilmember Way.

ABSENT: None.

1. CALL TO ORDER

At 6: 36 p.m. the meeting was called to order by Mayor Ransom, who presided.

2. FLAG SALUTE/ROLL CALL

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

3. CITY MANAGER'S REPORT AND FUTURE AGENDAS

Mr. Olander provided an update of the second Ridgecrest Neighborhood Visioning Workshop and commented on the closure of the Shoreline Pool for annual maintenance. He outlined upcoming meetings of the Aurora Business and Community (ABC) Team, the Library Board, Planning Commission, and the Comprehensive Housing Strategy Citizen Advisory Committee. There will be no Council meeting on March 12; the next City Council meeting will be held March 19.

4. COUNCIL REPORTS

Councilmember Way reported on her tour of the Brightwater Treatment facility in Woodinville. She said there are many opportunities to take a tour and recommended that members of the public avail themselves of the opportunity.

Deputy Mayor Fimia reported on her attendance at the Citizen Advisory Committee meeting, which featured Arthur Sullivan, who gave a presentation on affordable housing. She recommended that he provide a presentation to Council. She requested a discussion at the end of the meeting regarding the possibility of broadcasting some of the performances of the School District's "History Day" event, which will be held March 21.

Councilmember Gustafson reported on his attendance at the Suburban Cities Association meeting, where Puget Sound Energy and Seattle City Light reported about the power outages during the windstorm of 2006.

Mayor Ransom noted that the discussion at the North end Mayor's meeting involved the North King County Economic Engine Survey Summit, sponsored by Forward Shoreline and King County Councilmember Bob Ferguson. He said he and other mayors questioned the statistics, because it only counted 1,154 employees in the 29 government agencies in Shoreline. However, there are at least 3,500 employees when considering Shoreline School District, Shoreline Community College, City of Shoreline, Washington State Department of Transportation, and Fircrest Habilitation Center. He said as of yet it is undecided whether they will rehire the firm that provided the survey statistics.

Councilmember Gustafson felt that Channel 26 would be the ideal venue for showing the History Day performances. He said it would behoove the School District to broadcast them.

5. GENERAL PUBLIC COMMENT

(a) Gloria Bryce, Shoreline, thanked the Council for awarding the Highland Terrace Neighborhood with the mini-grant that is allowing them to improve the Fremont Trail area. They worked with the Native Plant Society and Kruckeberg Gardens on the landscape design, as well as to remove invasive species. She invited the public to participate in a work party on Saturday, March 10 to help plant the native plants at the site. The site is located on Fremont Avenue just off 160th Street.

(b) Tim Crawford, Shoreline, provided a copy of the Washington Department of Fish and Wildlife (WDFW) letter regarding the Ronald Bog project. He said some Councilmembers gave him assurances that they would protect the creek, but the Council went ahead and approved the flawed project anyway. He read the WDFW letter which stated that a project of this size requires removal of the fish barriers, which would require daylighting of the stream. He concluded that he will be appealing the SEPA determination for the project.

(c) Patty Crawford, Shoreline, noted that the Ronald Bog Project will increase flooding on her property, and that the Surface Water Department doesn't know the extent of the illegal pipe system. She expressed concern that the SEPA comment period was only extended for an additional week. She said it is clear from the Surface Water Master Plan that staff is worried about the long-term classification of the creek. She suggested creating a citizen action panel, because they weren't notified the project was being transformed into a second project.

Councilmember Way said that her understanding of the Ronald Bog Project is that it is a "work in progress" and only at 30% design. She said the plan can still be amended and she encouraged citizens to send in their comments.

Councilmember Ryu wondered if the Ronald Bog project warrants consideration by a City Council committee.

Mr. Olander noted that the project has been in development for 8 years, and many smaller projects have been completed in the Ronald Bog basin to address flooding. He said there have been significant improvements and increased maintenance efforts which have resulted in successful reduction of inflow into that basin. He noted that the neighborhood supports the pipe replacement and opposes daylighting the stream in the middle of the road. He felt that the WDFW letter was a somewhat impractical approach to this issue.

Jesus Sanchez, Public Works Operations Manager, said staff will be meeting with WDFW staff and will be conducting a second walk-through of the project site. He clarified that the project entails pipe replacement and should be viewed as maintenance rather than as a redevelopment project.

Deputy Mayor Fimia pointed out that the two major issues seem to be: 1) flooding on the Crawford property; and 2) daylighting of the stream. She also noted that there is great resistance to daylighting by the neighbors. She stressed the importance of balancing competing needs and interests.

Mr. Sanchez stated that WSDOT gave the City permission to inspect the flow restrictor, and he is committed to preventing additional downstream flows. Regarding daylighting, he said whether the flows are daylighted or in the pipe, the real issue is considering the overall system capacity.

Councilmember Way said this is the first time she has seen the WDFW letter, but she would like us to work with Crawford's and look for opportunities to improve upstream capacity to help alleviate flooding, which the City is legally required to do.

6. STUDY ITEMS

(a) Boryeong Trip Report and Future Sister Cities Activities

Mr. Olander reported briefly on the Sister Cities trip to Boryeong, Korea, noting that he has a better appreciation of the value of the Sister City relationship. Others in attendance who participated in the trip included John Chang, Shoreline Sister Cities Association President, Dan Mann, Shoreline School Board Member, and Stuart Trippel, Vice President of Administrative Services, Shoreline Community College.

Mr. Trippel thanked the City for the opportunity to participate, noting that the City's participation made the trip possible for everyone else. He reported that the trip was very rewarding for the College in terms of future student prospects. He outlined the financial benefits the College and the City receives from international students, adding that they contribute approximately \$12 million to the local economy each year. He noted that President Lee Lambert signed a Memorandum of Understanding with Boryeong's Aju

Motor College, which will likely lead to further faculty, student, and technology exchanges with Shoreline Community College's automotive school.

Mr. Mann reported on the success of the trip and the many contacts that were made. He noted that the trip opened many real opportunities for continued educational exchanges as well as commercial exchanges. He commented on their hospitality and graciousness and said that Boryeong has a sincere desire to enhance the relationship with the City. He noted that the trade relationship and the large native Korean population in Shoreline is a basis for furthering the relationship. He concluded that the relationship can become a substantial benefit, but it is a long-term investment in time and effort.

Mr. Olander noted that a significant part of the trip was the effort to let Boryeong know what educational resources we have. Promoting the educational opportunities that Boryeong students have both in Shoreline specifically and in the United States in general was a primary goal of the trip.

Councilmember Ryu asked Mr. Trippel to let the automotive program know that the Chamber of Commerce is offering scholarships to the automotive program at the College.

Mr. Chang reported on the success of the trip and thanked City staff for their help in coordinating the effort. He noted that the Sister Cities Association is very vibrant and active, thanks to the solid foundation laid by former President Cheryl Lee. He commented on the value of cultivating human-to-human relationships and gaining friends abroad. He said although there is still much work to do, the relationship is progressing very well. He reported on the recent visit to Shoreline by a delegation of Boryeong students, noting the future educational exchange opportunities that might arise from that visit. He announced that a Boryeong government delegation is planning to visit Shoreline the week of May 28-June 1, 2007.

Mr. Olander displayed the various articles given to the Shoreline delegation to demonstrate Boryeong's culture, arts, and industries. He noted that Boryeong's economy is largely based on tourism, agriculture, fishing, education, and mud cosmetic products. He commented on the potential for commercial trade opportunities.

Mayor Ransom reported on his impressions of the Korean people and of the City of Boryeong, noting that the relationship is very encouraging. He described aspects of the trip, the many formal speeches and meals offered, and the visits to the local sites. He said they are very interested in enhancing trade relations and their impression is that Shoreline is a Korea-friendly city. He said their hope for the May 28-June 1 visit is to tour Boeing, the West Sewage Treatment facility, the Shoreline Chamber of Commerce, Shoreline Community College, University of Washington, and the Port of Seattle. He concluded it is very encouraging that we are developing a wonderful relationship.

Mr. Olander commented on Boryeong's high level of hospitality and said that in order to reciprocate, a strong Sister Cities Association is vital. He encouraged the public to join the

Association, noting that the relationship is only as effective as the community that supports it.

Councilmember McGlashan was pleased to hear that the Association is organized and running effectively. He thanked staff for the presentation.

Councilmember Hansen noted that Aju Motor College was part of Taechon College back in 2004 when he visited Boryeong. Mr. Trippel noted that Aju Motor College has a relationship with Taechon College, but has since reorganized its facility.

Mayor Ransom noted that the Aju Motor College now provides a four-year degree program. He asked about the possibility of offering a four-year program in automotive technology at Shoreline Community College. Mr. Trippel said that although the opportunity appears limited, it is a subject being explored in the Higher Education Coordinating Board.

Councilmember Gustafson asked about the composition of the public schools in Boryeong, and if they were all segregated. It was noted that the elite high schools are segregated, but other high schools are not, and they also have co-ed vocational schools. There are a total of six high schools in the Boryeong district.

Deputy Mayor Fimia commented on the generous hospitality she received as part of a King County Council delegation that traveled to Seoul. She said while it is impossible to match the Korean level of hosting, it is important that Shoreline demonstrate the same planning and organization when Boryeong visits Shoreline. She emphasized the need for goal-setting and long-term planning and on the need for public involvement. She pointed out that the City cannot shoulder the entire relationship alone.

Mr. Olander was confident that by sharing the responsibility among the Community College, the Chamber of Commerce, the City, and the Sister Cities Association, Shoreline could put together a "first class" itinerary for the upcoming visit.

Councilmember Way thanked Mr. Chang for his help in reviving the Sister Cities Association. She wondered if Boryeong had corporate sponsors to help fund their sister city activities.

Mr. Chang explained that Boryeong has three sister cities, and the activities are mostly funded by the City itself. However, they do have a citizen group similar to the Shoreline Sister Cities Association, and they are interested in learning our system.

Councilmember Way suggested ways to fund and promote the organization such as using web site resources, inviting corporate sponsorships, and encouraging membership growth.

Mr. Chang concluded that despite the challenges, we have great intentions for the sister city relationship as well as pride in Shoreline, and if the citizens come together we can really show Boryeong what Shoreline is all about.

RECESS

At 8:06 p.m., Mayor Ransom called for a five minute recess. At 8:15 p.m. the recess concluded and the Council meeting reconvened.

(b) Long Range Financial Strategy Implementation Study

Debbie Tarry, Finance Director, described the City's current financial condition and the revenue and expenditure forecasts for coming years. She outlined the City's long-term financial projections, which indicate budget gaps starting in 2008 and continuing into future years. In order to continue providing the same level of essential services to the Shoreline community it will be necessary to implement new revenue sources. Her presentation included the following points:

- During the last few years the forecasts have shown that the City would experience budget gaps as expenditure growth outpaces revenue growth. The last few years the City has been able to close any projected gaps as a result of unexpected revenues (i.e., correction in how the water contract payment from Seattle Public Utilities was calculated), efficiencies and service delivery changes (e.g., jail contract with Yakima, change in employee health benefits, change in method for police canine services), or base budget reductions. If the City is going to provide the same level of services on an on-going basis it is necessary to implement new revenue resources.
- Revenues: The projected long-term budget gaps are a result of revenues not keeping pace with the cost of base expenditures such as fuel, supplies, jail contract, cost of living adjustments, etc.
- The City's four primary sources of revenue to support the City's operating budget include: 1) Property Tax; 2) Sales Tax (Local Sales Tax and Criminal Justice Per Capita Sales Tax); 3) Utility Revenues (Utility Tax, Franchise Fees, and Utility Contract Payments); and 4) Gambling Tax. In addition to these revenue sources there are various fees and charges that are collected for specific services such as recreational activities and building and development related revenues. Also the City receives some revenues on a per capita basis from the State of Washington (liquor profits, liquor excise tax, and fuel taxes) and investment interest.
- A review of the four primary operating revenue sources shows that most of these revenue sources have either grown at a low rate or have experienced declines as a result of market conditions. The four primary revenues comprise over 80% of the revenues used to provide on-going operational services to the Shoreline community. The City's 2007-2012 financial forecast projects overall operating revenue to grow on average at 2.33% for the next five years.
- Expenditures: The City's three primary operating type expenditures include: 1) Personnel: Salary and benefit costs for the City's employees; 2) Intergovernmental: Although this category would include any contracts with other governmental agencies it primarily represents the costs for jail services and the City's contract with King County for police services; and 3) Services and Charges:

Includes a variety of expenditures such as utilities (electricity, water, natural gas, street lights, telephone), contributions to agencies to provide human services, maintenance services such as landscape maintenance and janitorial services, liability insurance, lease and debt service costs for City Hall and other facilities, printing, postage, memberships and dues to both city-wide organizations (i.e., Association of Washington Cities, Puget Sound Regional Council, Suburban Cities Association, etc.) and professional organizations, training and costs related to training such as travel and registrations.

- The three categories of expenditures represent approximately 97% of the City's operating expenditures. Overall expenditures are projected to increase annually by 4.24%. This is approximately 2% more than the annual change in revenues.
- Reserves: The City has three types of reserves: 1) Reserves that are legally restricted for a specific purpose; 2) Reserves that are designated for a specific purpose; and 3) Unreserved/undesignated operating reserves. Staff is recommending that Council consider revising the policy to focus on the need to establish a revenue stabilization reserve "rainy day account", a minimum reserve to manage cash-flow, and a budget contingency reserve component. It is anticipated that the total reserve to meet these needs will be between \$9 and \$9.5 million. Staff will bring a recommended policy to Council in late March or early April.
- Despite several ideas explored at the Long-Term Financial Strategy Retreat on January 29, 2007, there was general consensus among the Council that closing the gap strictly with expenditures reductions would not be the recommended option. In examining the possibilities to close the projected budget gap for both the short-term and the long-term there was consensus to pursue the following:

Short-Term

Increase the cable utility tax rate from 1% to 6%

Implement the Seattle City Light distribution contract payment at 3% in 2008 and an additional 3% in 2009

Reduce the General Fund contribution to capital

Review the existing budget for any further cost savings

Provide opportunities for employees and citizens to identify additional budget efficiencies

Develop a citizen communication plan regarding the City's long-term financial strategy

Long-Term

Pursue with a citizen committee the possibility of a levy lid lift (election in 2009)

Implement the business registration program

Review the possibility of impact fees

- As staff and Council have discussed the most likely options for the short-term (2008-2009) are an increase in the cable utility tax rate from 1% to 6% and the

implementation of a 3% contract payment on the distribution portion electric revenues in 2008 and an additional 3% in 2009. In addition to this staff is recommending approximately \$125,000 in base budget changes as a result of both expenditure reductions and fee increases.

Deputy Mayor Fimia asked staff to respond to the charge that the Council was favoring only one sector of the business community, the gambling establishment, by reducing the gambling tax.

Ms. Tarry explained that the casinos are the only businesses that pay a cardroom tax, which is similar to a Business & Occupation (B&O) tax, and there are no other businesses that pay such tax. So in this sense they are unique among businesses in Shoreline.

Mr. Olander commented on the unstable nature of the economy and the fact that we experience recessionary periods approximately every eight years. He said although the City has implicitly used the General Fund Reserves as a "rainy day" fund to maintain basic levels of service, the proposal would establish this practice more explicitly.

Councilmember Hansen noted that when the Council implemented the 10% General Fund Reserve, it was intended to serve as a separate fund and not part of the system of carryovers and reserves to balance the budget.

Mayor Ransom concurred, adding that the original intent was to put 10% aside every year for capital projects.

Deputy Mayor Fimia asked if there was a minimum reserves limit established by the state. She also asked staff to respond to the charge that the budget amendments proposed by Councilmembers during the 2007 budget deliberations would cause deficits.

Ms. Tarry noted that the state limit, which is based on property valuation, is relatively small and not nearly enough to serve as a "rainy day" cash management fund. She clarified that the Council adopted a balanced budget and the proposed amendments related to the use of excess funds, so they did not have bearing on deficits.

Councilmember Way asked how much additional revenue would be generated by the proposed recreation fee increases. Ms. Tarry noted that the fee increase would apply mainly to adult recreation/facility rentals and totaled approximately \$30,000. Councilmember Way pointed out that there is a limit to what people can pay, especially in the case of specialized services for the disabled. Mr. Olander added that because the fee structure is market-based, there is a practical limit on how much the City can raise fees.

Councilmember Ryu agreed that if fees are raised, some people may choose not to participate. She speculated whether promoting a healthy lifestyle and more physical activity on the part of residents would lead to reductions in jail costs, since there would be

more crime awareness and monitoring in the community. She favored a financial approach that maximizes short-term resources in order to reduce long-term court and jail expenses.

Mr. Olander noted the City has some flexibility to increase adult recreation rates and still be competitive with surrounding jurisdictions.

Councilmember Hansen favored staff bringing back the proposed ordinances for future consideration.

Councilmember Ryu said that although the Council discussed these proposals at its January 29 Retreat, there were only three members of the public present. Therefore, she considers tonight's discussion a "first reading" and favors taking more time to discuss and finalize the financial strategy.

Mr. Olander said that such an approach is perfectly appropriate. He added that the City continues to advertise the financial strategy, and the Shoreline Enterprise ran a fairly good article about the City's financial projections.

There were no members of audience wishing to speak on this agenda item.

Councilmember Way concurred with Councilmember Ryu and suggested using all available resources to publish the financial proposals. She asked for clarification on the City's increasing fuel costs as described on page 5 of the Council packet.

Ms. Tarry explained that although the City does not have a large fleet, 2007 fuel costs are budgeted at \$74,000, compared with \$43,000 in 2006. She noted that while fuel and jail costs are increasing, the actual inflation rate is decreasing. Jail costs are primarily driven by usage and secondarily by rate changes.

Councilmember Way asked if the number of misdemeanants increased because the police are apprehending more suspects. Mayor Ransom pointed out that judges are issuing longer sentences, and Ms. Tarry added that the City is maximizing jail days using the Yakima contract, which helps keep the costs down. Councilmember Way was interested in hearing more about the juvenile diversion program, to which Mr. Olander responded that County staff could be asked to provide a detailed briefing on that program.

Councilmember Gustafson thanked staff for the detailed information and said he will provide the bulk of his questions in writing. He asked about potential grant opportunities as well as the status of the dispute with Seattle City Light regarding street lights. He also asked about the status of the dispute regarding fire hydrants.

Mr. Olander said staff is currently working on the street light issue, and a decision is expected this week on the fire hydrant dispute.

Councilmember Hansen noted that the Enterprise article might have created some misconceptions regarding the permit services department. He said the implication was that

King County has a self-sustaining program, but that we use General Funds to run our program.

Ms. Tarry clarified that the permit services program is partially funded by fees and partially funded by tax subsidies. She added that permit fees cover most of the direct costs, but some indirect costs on some of the smaller development permits are not covered. She said the philosophy is that there is some general community benefit that results from helping people through the permit process. She said the 2007 permit services budget is about 53% tax supported, but the building and inspection services are 100% supported by fees.

Councilmember Hansen said there is a perception in the citizen's mind that developers are not paying their share of the permitting costs, however, he does not agree that's true.

Mr. Olander said that developers are paying their fair share, and while the City still subsidizes smaller projects, he is comfortable with the current fee structure. He noted the department is keeping closer track of the hours spent on projects. He added that permit fees also need to be competitive because the City has a strong policy of encouraging economic development.

Councilmember McGlashan noted that the Council did not approve the business licensing program, yet the financial strategy implied \$90,000 in revenues from this source.

Ms. Tarry clarified that the anticipated business licensing program was not a revenue-generating program, so the \$90,000 was removed from the revenue side of the budget equation. She also confirmed that the utility tax would impact both residential and commercial customers, and it is still cheaper to use the Yakima jail contract, even when considering transportation costs.

Deputy Mayor Fimia thanked staff for the clear and straightforward explanation of the City's financial outlook. She pointed out that during the 2007 budget discussions she proposed hiring an additional street crimes officer due to recent police activity. She used this example to illustrate that the public would be more supportive of tax increases if there is a visible increase in service levels. She reminded the Council that she also suggested cutting travel, dues, and registration line items rather than reducing overtime for traffic safety. She requested information on the cumulative impacts of all the different taxes that residents pay. She questioned what Shoreline residents are getting in return for their Sound Transit tax dollars, and requested permit fee information from other jurisdictions. She preferred looking at development fees for additional revenue rather than considering recreation fee increases.

Mayor Ransom was pleased with the thoroughness of the report and agreed that the Council should have a full public process before approving any financial strategies or any new taxes. He pointed out that the City functions with fewer employees because they are well-trained, and this is the advantage to having travel and training funds. He summarized Council consensus to proceed with a public hearing and discussion on March 19.

Deputy Mayor Fimia and Councilmember Way clarified that people can continue to send comments by phone, e-mail, and during the public comment periods at the Council meetings.

Councilmember Ryu also requested an analysis of the cumulative impacts of the various taxes on Shoreline residents. She noted that she vigorously objected to the Seattle City Light increase and she felt that the cable tax is regressive. She said with all the major tax and ballot issues, the cumulative tax impacts should be considered. Mr. Olander indicated that staff could provide some approximations.

(c) Arterial Speed Limit Study Update

Mark Relph, Public Works Director, provided a brief introduction and explained the proposal to proceed with a public process to get input on the short list of streets proposed for speed limit adjustments. He emphasized that it will take a balancing of public input with engineering, education, and police resources.

Rich Meredith, Traffic Engineer, further explained the proposal to move forward with a community process. He said the intent is to collect data over the next few months and present it in a number of forums for public review. He noted that changing the speed limit can be a very emotional issue, so staff wants to ensure the process is complete. He provided a handout to the Council and noted that streets highlighted in blue will be disregarded because they do not warrant further consideration at this time.

There was no one in the audience wishing to provide public comment on this agenda item.

Councilmember Gustafson agreed that it's important to bring the public into the process. He asked if the City is working with the police department in developing the final list. Mr. Meredith said that as staff collects the traffic speed/volume data for each roadway, they will consult with the police department. Mr. Meredith affirmed that both City and police staff agreed that citations would be considered in the plan. He said he hopes to start the public participation process in early summer.

Councilmember McGlashan noted that he would forward some questions to staff regarding speed limits on Richmond Beach Road as well as Innis Arden Drive. He said some Shorewood Hills residents have expressed concerns about the proposed speed limit reduction to Innis Arden Drive.

Councilmember Way thanked staff for being so responsive to the concerns of the Council and the public, especially regarding NE 152nd Street and 10th Avenue NE. She pointed out that despite the budget proposal to reduce police overtime, the residents of North City actually want more traffic enforcement, not less. She suggested starting the public process before school gets out because the typical pattern of traffic and driving occurs during the school year.

Deputy Mayor Fimia agreed with starting the public process earlier and advertising it in Currents and on the City web site. She recommended erring on the side of lower speed limits rather than higher speed limits. She wondered about the effect of reducing the speed limits on Aurora Avenue and 15th Avenue NE. She also asked for public input on her suggestion to reduce the speed limit on residential streets from 25 MPH to 20 MPH. She said she would like Shoreline to have a strong reputation for traffic enforcement.

Councilmember Gustafson noted that Aurora Avenue is included on the list of streets to be considered.

7. ADJOURNMENT

Upon motion by Councilmember Gustafson, seconded by Deputy Mayor Fimia and unanimously carried, the meeting was adjourned at 10:02 p.m.

Scott Passey, CMC
City Clerk

CITY COUNCIL AGENDA ITEM

CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Approval of Expenses and Payroll as of March 14, 2007
DEPARTMENT:	Finance
PRESENTED BY:	Debra S. Tarry, Finance 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 expense, material, purchases-advancements."

RECOMMENDATION

Motion: I move to approve Payroll and Claims in the amount of \$2,235,589.07 specified in the following detail:

***Payroll and Benefits:**

Payroll Period	Payment Date	EFT Numbers (EF)	Payroll Checks (PR)	Benefit Checks (AP)	Amount Paid
01/28/07-02/10/07	2/16/2007	17779-17962	6048-6090	31819-31832	\$454,842.84
2/11/07-2/24/07	3/2/2007	17963-18147	6091-6136	32006-32016	\$367,772.27
					\$822,615.11

***Accounts Payable Claims:**

Expense Register Dated	Check Number (Begin)	Check Number (End)	Amount Paid
2/15/2007	31796	31805	\$4,499.27
2/15/2007	31806		\$30,991.56
2/15/2007	31807	31818	\$4,259.69
2/21/2007	31833	31864	\$81,847.25
2/22/2007	31865		\$827.00
2/22/2007	31866		\$6,500.00
2/23/2007	31867	31869	\$19,312.05
2/23/2007	31870	31872	\$37,972.60
2/23/2007	31873		\$1,277.66
2/23/2007	31874	31892	\$30,443.27
3/1/2007	31893	31895	\$25,487.66
3/1/2007	31896		\$98,060.00
3/2/2007	31897	31921	\$28,064.17
3/4/2007	31743		(\$150.00)
3/4/2007	31768		(\$1,992.13)
3/4/2007	31648		(\$144.00)

***Accounts Payable Claims:**

Expense Register Dated	Check Number (Begin)	Check Number (End)	Amount Paid
3/6/2007	31922	31948	\$82,509.39
3/6/2007	31949	31955	\$21,221.47
3/6/2007	31956	31986	\$70,310.68
3/6/2007	31987	32005	\$10,296.42
3/8/2007	32017	32024	\$835,427.59
3/14/2007	32025	32029	\$25,590.32
3/14/2007	32030		\$362.04
			<u>\$1,412,973.96</u>

Approved By: City Manager _____ City Attorney _____

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Adoption of Ordinance No. 463, Amending the 2007 Budget for Uncompleted 2006 Capital and Operating Projects and Increasing Appropriations in the 2007 Budget
DEPARTMENT:	Finance
PRESENTED BY:	Debbie Tarry, Finance Director

PROBLEM/ISSUE STATEMENT:

In July 2006, as part of the 2007 budget development, departments projected their actual year end expenditures for year 2006. The actual year end results differ somewhat from those projections, as some projects that were in progress in year 2006 are actually going to be completed in year 2007. This results in year 2006 expenditures being less than projected and the 2006 ending fund balance being greater than projected. This is true for both capital and operating projects. In order to provide adequate budget resources to complete the projects initiated in 2006, additional budget authorization is needed for 2007. This is accomplished by re-appropriating a portion of the 2006 ending fund balance for expenditures in 2007.

In addition to re-appropriating monies not spent in 2006, Ordinance No. 463 amends the 2007 budget to provide budget authority to do the following operating projects:

- Appropriate \$35,000 to purchase 100 additional Plum Tree software licenses.
- Appropriate \$9,000 in Police Car Club Program. This cost will be offset by increased Police revenue due to the success of this program.
- Appropriate \$10,908 in Human Services to increase the contract with the Center for Human Services. This cost will be covered by General Fund balance from 2006 savings.
- Appropriate \$100,000 in Emergency Management Planning for the King County Zone 1 Planner. This is fully funded by a grant.
- Appropriate \$84,000 in capital funds for the Public Arts Fund based on the City's policy for allocating 1% of certain projects funds for public art.

Staff is also requesting to make the following revisions to the Capital Improvement Plan:

- Appropriate an additional \$200,000 for Hamlin Park Open Space Acquisition from a King County Conservation Future grant.
- Appropriate an additional \$208,739 in Priority Sidewalks. Unspent 2006 sidewalk funding will be used to increase the number of projects to be completed in 2007.

- Appropriate \$254,000 for the Retaining Wall at N. 175th and Dayton Ave. N as approved by the Council on February 12, 2007. This cost will be covered as follows: \$15,000 from the Surface Water Utility Fund, \$100,000 from the North City project savings in 2006, \$20,000 from Sidewalk "in lieu" funds and \$119,000 from the excess Real Estate Excise Taxes in 2006.
- Appropriate \$15,000 of fund balance in the Surface Water Utility Fund to fund a portion of the Retaining Wall at N. 175th and Dayton Ave. N.
- Appropriate \$48,226 for the Aurora Utility Improvement (145th – 165th) project. This is fully funded by Seattle City Light reimbursement.
- Appropriate \$11,000 to cover the increased purchase price of the street sweeper. The increased cost will be covered by the Surface Water Utility fund 2006 savings.

ALTERNATIVES ANALYZED:

Alternative 1: Take no action.

If the Council chose not to approve this budget amendment either the projects that were initiated in 2006 would not be completed or to complete the projects, monies that were budgeted for 2007 programs would need to be redirected for the completion of projects already in progress. In the case of capital projects, there would not be sufficient budget authority to complete ongoing projects. For those projects that are not part of the re-appropriation process, there would not be budget authority to proceed with the projects.

Alternative 2: Approve Ordinance No. 463 (Recommended)

Approval of ordinance No. 463 will provide the budget authority for the completion of projects that were initiated in 2006 without negatively impacting the programs and projects that are to be provided in year 2007. Also the budget amendment will result in accurately reflecting the anticipated expenditures in the City's operating and capital funds.

FINANCIAL IMPACT:

The following tables summarize the budget amendment request for each of the affected City funds and the impact that this has on the City's reserve levels.

Fund	2007 Current Budget (A)	CIP Revision (B)	2007 Budget Amendment (C)	Carryover Amount (D)	Amended 2007 Budget (E) (A+C+D)	Total Change in Budget (F) (E-A)
General Fund	\$ 28,373,333	\$ -	\$ 154,908	\$ 398,157	\$28,926,398	\$ 553,065
Street Fund	2,422,087	-	-	134,442	2,556,529	134,442
Public Art Fund	-	-	84,000	-	84,000	84,000
General Capital Fund	23,691,223	200,000	-	11,458,623	35,349,846	11,658,623
Roads Capital Fund	7,233,434	490,605	-	8,464,515	16,188,554	8,955,120
Surface Water Utility Fund	5,968,957	15,000	11,000	747,828	6,742,785	773,828
All Other Funds not requesting carryovers	2,119,716				2,119,716	-
Total	\$ 69,808,750	\$ 705,605	\$ 249,908	\$ 21,203,565	\$91,967,828	\$ 22,159,078

Fund	Projected 2007 Beginning Fund Balance (A)	Actual 2007 Beginning Fund Balance (B)	Budget Amendment Request (C)	Revenue Adjustments (D)	Resulting 2007 Available Beginning Fund Balance (E) (B - C+D)	Amount Over/(Under) Projected Beginning Fund Balance (F) (A-E)
General Fund	\$ 7,394,350	\$ 8,578,781	\$ 553,065	\$ 249,364	\$ 8,275,080	\$ 880,730
Street Fund	795,243	1,058,527	134,442	-	924,085	128,842
Public Art Fund	212,240	262,992	84,000	-	178,992	(33,248)
General Capital Fund	12,232,990	23,787,129	11,658,623	1,112,612	13,241,118	1,008,128
Roads Capital Fund	7,885,027	10,838,958	8,955,120	5,703,306	7,587,144	(297,883)
Surface Water Utility Fund	6,363,913	6,661,020	773,828	308,306	6,195,498	(168,415)
Total	\$34,883,763	\$51,187,407	\$22,159,078	\$7,373,588	\$36,401,917	\$1,518,154

RECOMMENDATION

Staff recommends that Council approve Ordinance No. 463, amending the 2007 budget.

Approved By:

City Manager 

City Attorney 

INTRODUCTION

Annually the City reviews the financial results of the prior year and identifies any expenditures that were anticipated to occur in the previous year, but which will actually occur in the current year. We have completed our review of the 2006 activity and have identified over \$21.2 million of 2006 expenditures that will actually occur in 2007. Since the expenditures did not occur in 2006, the City started 2007 with fund balance in excess of projections. These expenditures were not included in the 2007 Budget adopted by the City Council in December 2006, and therefore staff recommends the 2007 budget be amended to provide adequate budget authority for the expenditures in 2007. In most cases the funding source is from fund balance or from grants.

There are also four operating programs, one general capital, three roads capital programs, a surface water program and the public arts program that are requesting additional appropriation that was not included in the original 2007 budget. These projects are included as a budget amendment and CIP Revision in Ordinance 463.

BACKGROUND

Re-appropriations

It is often difficult to fully project the status of a project. In some cases, projects are initiated in one year, but do not get completed until the following year. This is not always known when planning the next budget cycle and therefore the unexpended funds from one year become part of the fund balance carried into the next year. It is necessary to take the portion of the fund balance actually needed to complete the projects and re-appropriate those dollars for expenditure.

There are projects that were not completed in 2006 as projected, and a resulting under-expenditure occurred in both operating and capital funds. The proposed ordinance re-appropriates available fund balances from these funds to complete these projects. The following table summarizes the re-appropriation request for each affected fund.

Fund	Dept/Program	Project/Item	Carryover Amount
General Fund	City Manager's Office	Department Evaluation	\$15,000
		Clearpath (Wedge Property)	\$11,600
	C&IR/Communications	Strategic Communication	\$8,303
	C&IR/Neighborhoods	Highland Terrace Mini-Grant Trail planting	\$4,500
		Ballinger Mini-Grant / Signs	\$450
		Westminster Mini-Grant / Signs	\$400
		Department Retreat	\$2,500
	CRT	Generator installation	\$56,531
	Emergency Management Planning	Housing Consultant	\$7,130
	Human Services	Adobe Software	\$896
	Parks-Administration	Parks Sign Construction	\$20,825
	Parks-Maintenance	Park Entry Signage	\$14,175
		Urban Forestry Assessment	\$50,000
		Shoreline A & B Lights	\$4,500
		Real Estate Services	\$5,707
	Economic Development	CCD - Community Capital Development	\$12,500
		UW (Ridgecrest Charette)	\$13,500
	PW - Administration	Prothman Contract - PW Director Recruitment	\$21,716
	PW - Environmental Services	KC Recycling Program	\$32,844

Fund	Dept/Program	Project/Item	Carryover Amount
		DOE CPG Grant	\$49,988
		Waste Management Fund	\$15,045
		Transfer Station Mitigation	\$45,560
	PW - Facilities	Blood Borne Pathogen Waste Removal	\$2,438
		Shoreline Pool ADA door repair	\$2,050
Total	General Fund		\$398,157
Street Fund	PW/Street Operations	SCL Street Lights	\$90,842
	Traffic Services	N155th St between Linden & Westminster Sidewalk	\$43,600
Total	Street Fund		\$134,442
General Capital Fund	CIP	City Hall	\$563,162
		Maintenance Facility Study	\$1,949
		Police Security	\$7,144
		Spartan Gym	\$19,048
		Parks Repair & Maintenance	\$7,888
		Soccer Field Upgrades	\$28,173
		Hamlin Park Open Space	\$3,750,000
		Richmond Beach Saltwater Master Plan	\$68,525
		South Woods Acquisition	\$6,105,010
		Richmond Beach Area Park Improvements/Acquisition	\$75,000
		Kruckeberg Garden	\$750,000
		Off-Leash dog park	\$10,000
		Trail Corridors	\$25,000
		Boeing Creek Park Improvements	\$22,724
		Saltwater Park Ped Bridge Replacement Study	\$25,000
Total	General Capital Fund		\$11,458,623
Roads Capital Fund	CIP	Curb Ramp, Ramp, Gutter & Sidewalks	\$50,933
		Interurban Trail Pedestrian Crossing	\$1,163,259
		Traffic Small Works Program	\$17,000
		Interurban Trail - North Central	\$2,021,544
		Richmond Beach Overcrossing	\$450,025
		Traffic Signal Rehab	\$101,762
		Neighborhood Traffic Safety Program	\$24,702
		North City Business District/15th Ave. Improvements	\$596,119
		Meridian & 175th Subarea	\$81,000
		Traffic Calming Improvements	\$37,248
		Aurora Corridor (145th - 165th)	\$3,035,114
		Annual Road Surface Maintenance Program	\$116,532
		Aurora 165th - 205th	\$112,136
		N 185th & Aurora Intersection Imp.	\$17,087
		Retaining Wall at N. 175 th and Dayton Ave. N.	\$266,504
		Aurora Corridor Utility Improvements (145th - 165th)	\$373,550
Total	Roads Capital Fund		\$8,464,515
Surface Water Utility Fund		SW Ops - APS Survey & Mapping	\$14,450
		SW Ops - Green Tree Initiative	\$24,930
		SW Ops - Water Quality/Habitat Survey	\$20,000
		SW Ops - NPDES	\$17,000
		SW Ops - Lake Ballinger Study	\$2,750
		SW Roads - Open Work Orders	\$142,863
	CIP	Surface Water Small Projects	\$5,014
		Boeing Creek Stormwater Project	\$4,633
		Pan Terra Pond & Pump Project	\$11,457

Fund	Dept/Program	Project/Item	Carryover Amount
		Thornton Creek Corridor	\$297,156
		Pump Station No. 25	\$24,000
		Cromwell Park	\$68,000
		Third Ave. Storm Water Treatment	\$47,687
		Stream Rehab/Habitat Enhancement Program	\$67,888
Total	Surface Water Utility Fund		<u>\$747,828</u>
GRAND TOTAL			<u>\$21,203,565</u>

Budget Amendment

Ordinance No. 463 also includes items that are not considered re-appropriations, but rather are amendments to the 2007 budget.

The items included in Ordinance No. 463 that are budget amendments include the following:

General Fund – Finance/IT Operations and Security Administration: The appropriation will be increased by \$35,000 to purchase 100 additional portal licenses (Plum Tree software). This will bring the City in compliance with the license requirement to use the software on a city-wide basis. The City has used Plum Tree to build the City's intranet and City Clerk's records retention system. This was one of the 2004-2005 IT Strategic Plan projects. Monies were included in the strategic plan for licensing but the City did not need full licensing until late 2006. The monies were not carried forward from 2005.

General Fund – Police: The appropriation for Police will be increased by \$9,000 to purchase 600 car clubs and 200 truck clubs. This increased expenditure will be offset by increased club program revenue.

General Fund – Emergency Management Planning: The appropriation will be increased by \$100,000 for the King County Zone 1 Planner to hire a consulting firm to coordinate the project for Zone 1. This increased expenditure will be offset by the King County Zone 1 Planner grant.

General Fund – Human Services: The appropriation will be increased by \$10,908 to increase the contract with the Center for Human Services. Funds were set aside for teen counseling in 2006. The contract was never executed as the provider chose not to participate. Staff would like to use these 2006 savings to expand the level of services provided by the Center for Human Services.

Public Arts Fund: Appropriations for expenditures related to the Public Arts Fund were not included in the 2007 budget. Funds are available within the Public Arts Fund since various projects have contributed 1% of construction contracts as they have been awarded. The fund currently has a balance of \$178,992. This appropriation will provide \$84,000 for artwork as approved by the Parks Board during 2007.

The items included in Ordinance No. 463 that are CIP Revisions include the following:

General Capital Fund – Hamlin Park Open Space Acquisition: The appropriation will be increased by \$200,000 to add additional funding from KC Conservation Futures Grant.

Roads Capital Fund – Priority Sidewalks: The appropriation will be increased by \$208,739. In 2006, the Sidewalks - Priority Routes project focused on completing three projects on 10th Avenue N.E., 3rd Avenue N.W. and 8th Avenue N.W. near Einstein Middle School and Ridgecrest Elementary School. The scope of projects was reduced last year in order to have all construction work completed prior to the start of the school year. Work completed in 2006 had a total cost of \$631,621 which left a savings balance of \$208,379. Staff is requesting to appropriate this savings into the 2007 budget to complete additional locations as presented to the City Council on January 8th.

Roads Capital Fund – Retaining Wall at N. 175th and Dayton Ave. N: The appropriation will be increased by \$254,000 as approved by council on February 12, 2007. This increased cost will be covered as follows: \$15,000 from the Surface Water Utility fund, \$100,000 from the North City project savings in 2006, \$20,000 from Sidewalk “in lieu” funds and \$119,000 from the excess Real Estate Excise Taxes collected in 2006.

Roads Capital Fund – Aurora Utility Improvements (145th – 165th): The appropriation will be increased by \$48,226. This increased will be fully funded by Seattle City Light reimbursement.

SW Utility Fund – SW Roads: The appropriation will be increased \$11,000 to cover the purchase of the Street Sweeper. The quote received was higher than the budgeted amount. The increased cost will be covered by savings from 2006.

SW Utility Fund – Admin: The appropriation will be increased \$15,000 to fund a portion of the Retaining Wall at N 175th and Dayton Ave. N project as described previously.

ALTERNATIVES ANALYSIS

Alternative 1: Take no action.

If the Council chose not to approve this budget amendment either the projects that were initiated in 2006 would not be completed or to complete the projects, monies that were budgeted for 2007 programs would need to be redirected for the completion of projects already in progress. For those projects that are not part of the re-appropriation process, there would not be budget authority to proceed with the projects.

Alternative 2: Approve Ordinance No. 463 (Recommended)

Approval of ordinance No. 463 will provide the budget authority for the completion of projects that were initiated in 2006 without negatively impacting the programs and projects that are to be provided in year 2007. Also the budget amendment will result in accurately reflecting the anticipated expenditures in the City's operating and capital funds.

SUMMARY

The following table summarizes the budget amendments to each fund and the resulting 2007 appropriations for each of the affected funds.

Fund	Projected 2007 Beginning Fund Balance (A)	Actual 2007 Beginning Fund Balance (B)	Budget Amendment Request (C)	Revenue Adjustments (D)	Resulting 2007 Available Beginning Fund Balance (E) (B - C+D)	Amount Over/(Under) Projected Beginning Fund Balance (F) (A-E)
General Fund	\$ 7,394,350	\$ 8,578,781	\$ 553,065	\$ 249,364	\$ 8,275,080	\$ 880,730
Street Fund	795,243	1,058,527	134,442	-	924,085	128,842
Public Art Fund	212,240	262,992	84,000	-	178,992	(33,248)
General Capital Fund	12,232,990	23,787,129	11,658,623	1,112,612	13,241,118	1,008,128
Roads Capital Fund	7,885,027	10,838,958	8,955,120	5,703,306	7,587,144	(297,883)
Surface Water Utility Fund	6,363,913	6,661,020	773,828	308,306	6,195,498	(168,415)
Total	\$34,883,763	\$51,187,407	\$22,159,078	\$7,373,588	\$36,401,917	\$1,518,154

RECOMMENDATION

Staff recommends that Council approve Ordinance No. 463, amending the 2007 budget.

ATTACHMENTS

Attachment A - Ordinance 463, Amending the 2007 Budget

ORDINANCE NO. 463

AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON, AMENDING ORDINANCE 457 BY INCREASING THE APPROPRIATION IN THE GENERAL FUND, STREET FUND, PUBLIC ARTS FUND, GENERAL CAPITAL FUND, ROADS CAPITAL FUND AND SURFACE WATER UTILITY FUND.

WHEREAS, the 2007 Budget was adopted in Ordinance 449 and amended by Ordinance 457; and

WHEREAS, the 2007–2012 Capital Improvement Plan was adopted in Ordinance 436; and

WHEREAS, the 2007 Budget has assumed completion of specific capital improvement projects in 2006; and

WHEREAS, some of these capital projects were not completed and need to be continued and completed in 2007; and

WHEREAS, due to these 2006 projects not being completed, the 2006 ending fund balance and the 2007 beginning fund balance for the General Capital Fund, Roads Capital Fund, and Surface Water Utility Fund is greater than budgeted; and

WHEREAS, the City wishes to appropriate a portion of these greater than budgeted beginning fund balances in 2007 to complete 2006 capital projects; and

WHEREAS, various projects were included in the City's operating funds' 2006 budget and were not completed during 2006; and

WHEREAS, due to these projects not being completed, the 2006 ending fund balances and the 2007 beginning fund balances for the General Fund, Street Fund, and Surface Water Utility Fund are greater than budgeted; and

WHEREAS, the City has available fund balance within the Public Arts Fund; and

WHEREAS, the Public Arts Plan has been reviewed; and

WHEREAS, the City of Shoreline is required by RCW 35A.33.00.075 to include all revenues and expenditures for each fund in the adopted budget:

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

Section 1. Amending Section 2 of Ordinance No. 457. The City hereby amends Section 2 of Ordinance No. 457, the 2007 Amended Budget, by increasing the appropriation

from the General Fund by \$553,065; for the Street Fund by \$134,442; for the Public Arts fund by \$84,000; for the General Capital Fund by \$11,658,623; for the Roads Capital Fund by \$8,955,120; for the Surface Water Utility Fund by \$773,828 and by increasing the Total Funds appropriation to \$91,967,828 as follows:

General Fund	\$28,373,333	\$28,926,398
Street Fund	\$2,422,087	\$2,556,529
Arterial Street Fund	\$0	
General Reserve Fund	\$0	
Code Abatement Fund	\$100,000	
Asset Seizure Fund	\$23,500	
Public Arts Fund	\$0	\$84,000
General Capital Fund	\$23,691,223	\$35,349,846
City Facility-Major Maintenance Fund	\$110,000	
Roads Capital Fund	\$7,233,434	\$16,188,554
Surface Water Utility Fund	\$5,968,957	\$6,742,785
Vehicle Operations/Maintenance Fund	\$139,988	
Equipment Replacement Fund	\$100,000	
Unemployment Fund	\$10,000	
Unltd Tax GO Bond	\$1,636,228	
Total Funds	<u>\$69,808,750</u>	<u>\$91,967,828</u>

Section 2. Re-appropriation of Unused 2006 Budget Appropriation. The 2007 Budget is amended as set forth in Exhibit 1 and increases the Total Funds appropriation by \$21,203,565.

Section 3. Amending the 2007 Budget. The 2007 Budget is amended as set forth in Exhibit 1 and increases the Total Funds appropriation by \$249,908.

Section 4. Amending the 2007-2012 Capital Improvement Plan. The 2007-2012 Capital Improvement Plan is amended as set forth in Exhibit 1 and increases the Hamlin Park Open Space Acquisitions project from \$3,750,000 to 3,950,000, increases the Priority Sidewalks project by adding \$208,379 from the Roads Capital Fund balance, increases the Aurora Utility Improvement (145th-165th) project by adding Seattle City Light funds for of \$48,226 for a total project budget of \$5,345,065 and increases the Retaining Wall at N 175th and Dayton Ave. N project by \$254,000 to a total of \$1,432,533. This increases the Total Funds appropriation by \$705,605.

Section 5. Effective Date. A summary of this ordinance consisting of its title shall be published in the official newspaper of the City. The ordinance shall take effect and be in full force five days after passage and publication.

PASSED BY THE CITY COUNCIL ON March 26, 2007

Mayor Robert L. Ransom

ATTEST:

APPROVED AS TO FORM:

Scott Passey
City Clerk

Ian Sievers
City Attorney

Publication Date:
Effective Date:

Fund	Dept/Program	Orgkey	Object	JL Number	Project/Item	2007 Current Budget	CIP Revision	2007 Budget Amendment	Carryover Amount	Amended 2007 Budget	Revenue Amount	Revenue account	Revenue Source	Justification	
General Fund 001	City Manager's Office	1100001	5410000		Department Evaluation				\$15,000		-		Fund Balance	Project completion estimated March 2007	
					Clearpath (Wedge Property)				\$11,600				Fund Balance	This work extended into 2007 due to complex property issues.	
					Sub-Total			\$0	\$0	\$26,600		\$0			
	C&IR/Communications	1300006	5410000		Strategic Communication				\$8,303		-		Fund Balance	Contract work continues to June 2007	
					Sub-Total			\$0	\$0	\$8,303		\$0			
	C&IR/Neighborhoods	1300008	5495000	NG253500		Highland Terrace Mini-Grant				\$4,500			Fund Balance	Volunteers completed the clearing of trail and are ready to plant in March 2007	
			5495000	NG250000		Ballinger Mini-Grant				\$450			Fund Balance	KC did not complete signs ordered in 2006 until 01/07	
			5495000	NG250900		Westminster Mini-Grant				\$400			Fund Balance	KC did not complete signs ordered in 2006 until 01/07	
					Sub-Total			\$0	\$0	\$5,350		\$0			
	Finance	1602145	5480000			PlumTree Licenses			\$35,000				Fund Balance	100 Additional licenses needed in 2007	
	CRT	1900061	5410000			Synergy				\$2,600			Fund Balance	Work completed in 2006 - Invoice received in January 2007	
	Police	2005031	5340000			Club Program			\$9,000			\$10,000	3415000	600 Car Clubs and 200 Truck Clubs	Program very successful, need to expand
	Emergency Management Planning	2005062	5110000			Roads Maintenance Labor				\$5,000		\$56,531	3340184	WA State Emergency Management	Funding expires April 2007. Contractor hired and installation will occur 1st quarter 2007
			5360000			Fencing purchase and install				\$3,000				WA State Emergency Management	
			5630000			Generator Purchase and install (Boyer)				\$48,531				WA State Emergency Management	
			5410000			KC Zone 1 Planner Grant			\$100,000			\$100,000	NEW	KC Zone 1 Planner Grant	Grant Funding 3/1/07 - 3/31/08.
						Sub-Total			\$0	\$100,000	\$56,531	\$166,531			
	Human Services	2400011	5495000			Human Services			\$10,908				Fund Balance	Use 2006 savings to increase 2007 level of the Human Services contract.	
			5495000			Housing Consultant				\$7,130			Fund Balance	Housing committee start date delayed	
						Sub-Total			\$0	\$10,908	\$7,130	\$0			
	Parks Administration	2409037	5330000			Software Purchase				\$896			Fund Balance	Item not received until January 2007.	
	Parks-Maintenance	2409036	5630000			Parks Signs Construction				\$20,825			Fund Balance	Construction not scheduled until Summer 2007	
			5410000			Park Entry Signage				\$14,175			Fund Balance	Contract executed. Work to begin Spring 2007	
			5410000			Urban Forestry Assessment				\$50,000			Fund Balance	Contract executed. Work to begin in Spring 2007	
			5410000			Shoreline A & B Lights				\$4,500			Fund Balance	Work completed in January 2007	
						Sub-Total			\$0	\$0	\$89,500	\$0			
Economic Dev.	2506046	5410000			Real Estate Services (Roger Harmon)				\$5,707			Fund Balance	On-going program - Needs carry into 2007 to complete work		
		5410000			Community Capital Development				\$12,500			Fund Balance	Contract started Mid - 2007		
					UW (Ridgecrest Charette)				\$13,500			Fund Balance	Planned to take place in 2006 - delayed into 2007		
					Sub-Total			\$0	\$0	\$31,707	\$0				
PW/Administration	2708052	5410000			Prothman Contract (PW Director hiring)				\$21,716			Fund Balance	Carryover needed to complete contract in 2007		
					Sub-Total			\$0	\$0	\$21,716	\$0				
PW/Environmental Services	2708092	5112000			KC WRR 2-year Grant				\$855		\$32,845	3372101	KC Recyl-Cty Opt Pgm	2-year grant continuing in 2007	
		5330000			KC WRR 2-year Grant				\$3,500			3372101	KC Recyl-Cty Opt Pgm	2-year grant continuing in 2007	
		5410000			KC WRR 2-year Grant				\$24,489			3372101	KC Recyl-Cty Opt Pgm	2-year grant continuing in 2007	
		5425000			KC WRR 2-year Grant				\$1,000			3372101	KC Recyl-Cty Opt Pgm	2-year grant continuing in 2007	
		5493000			KC WRR 2-year Grant				\$3,000			3372101	KC Recyl-Cty Opt Pgm	2-year grant continuing in 2007	
		5330000			DOE CPG 2-year Grant				\$12,823		\$49,988	3340311	DOE CPG Grant	2-year grant continuing in 2007	
		5410000			DOE CPG 2-year Grant				\$37,165			3340311	DOE CPG Grant	2-year grant continuing in 2007	
		5410000			Waste Management Fund				\$10,695				Fund Balance	2-year-grant / 06 WM Funds collected in full	
		5425000			Waste Management Fund				\$4,350				Fund Balance	2-year-grant / 06 WM Funds collected in full	
		5410000			Transfer Station Mitigation Funds				\$45,560				Fund Balance	2-year grant / 06 TSM Funds collected in full	
					Sub-Total			\$0	\$0	\$143,437	\$82,833				
PW/Facilities	2712053	5410000			Blood Borne Pathogen Waste Removal				\$2,438			Fund Balance	Contract continues until City terminates		
		5480000			Automatic Entries, Inc				\$2,050			Fund Balance	ADA door repair for the Women's locker Room at the Shoreline Pool.		
					Sub-Total			\$0	\$0	\$4,488	\$0			Install new Horton Auto Series 700.	
Total General Fund						\$28,373,333	\$0	\$164,908	\$398,167	\$28,926,398	\$249,364				

Fund	Dept/Program	Orgkey	Object	JL Number	Project/Item	2007 Current Budget	CIP Revision	2007 Budget Amendment	Carryover Amount	Amended 2007 Budget	Revenue Amount	Revenue account	Revenue Source	Justification
Street Fund 101	PW/Street Operations	2709054	5471001		Seattle City Light Street Lights				\$90,842				Fund Balance	SCL is in the process of investigating and verifying numerous street light accounts prior to these being transferred over to the City. It is taking much longer than anticipated.
	Traffic Services	2709168	5410000		Benjamin Asphalt - Sidewalk N 155th St between Linden & Westminster				\$43,600				Fund Balance	Project still in progress
Total Street Fund						\$2,422,087	\$0	\$0	\$134,442	\$2,556,529	\$0			
Public Arts Fund 109	Public Art Projects	2411155	5630000		Other Improvements			\$84,000					Fund Balance	To fund 2007 projects as approved by the Public Arts Committee
Total Public Arts Fund						\$0	\$0	\$84,000	\$0	\$84,000	\$0			
General Capital Fund 301		2819148	5630000	GN107900	City Hall				\$563,162					
		2819170	5410000		Maintenance Facility Study				\$1,949				Fund Balance	Work continues into 2007
		2819158	5630000	GN105700	Police Security				\$7,144				Fund Balance	Work continues into 2007
		2820081	5510000	GN106600	Spartan Gym				\$19,048				Fund Balance	Waiting for School Dist Final Billing
		2820122	5630000	GN106800	Parks Repair & Maintenance				\$7,888				Fund Balance	Shoreline A and B Fencing Finished in January 2007
		2820216	5110000	GN110000	PM Salary/Benefits				\$5,000				Fund Balance	Project Management to closeout project.
		2820216	5350000	GN110000	Soccer Field Upgrades				\$23,173				Fund Balance	Purchase of equipment to maintain the fields will occur in 2007
					Sub-Total				\$28,173					
		2819154	5610000	GN111800	Hamlin Park Open Space		\$200,000				\$200,000	3378200	K.C. Conservation Levy funding	New revenue
		2819154	5610000	GN111800	Hamlin Park Open Space				\$3,750,000		\$450,000	3378200	K.C. Conservation Levy funding	Park land will be purchased in 2007
					Sub-Total		\$200,000	\$0	\$3,760,000		\$650,000			
		2820072	5410000	GN103100	Richmond Beach Saltwater Master Plan				\$68,626				Fund Balance	Work continues into 2007
		2820219		GN110597	South Woods Acquisition						\$300,000	3378200	K.C. Conservation Levy funding	New grant revenue awarded in 2007
		2820219	5610000	GN110597	South Woods Acquisition				\$6,105,010		\$87,612	3378200	K.C. Conservation Levy funding	Purchase began in 2006 and due to deal complexities extended into 2007
					Sub-Total				\$6,105,010		\$387,612			
		2820210	5410000	GN108800	Richmond Beach Area Park Improvements/Acquisition				\$76,000		76,000	3379000	Brightwater Mitigation	
		2820237	5610000	GN252137	Kruekeberg Garden				\$760,000				Fund Balance	Property purchase delayed into 2007
		2820238	5410000	GN252237	Off-leash dog park				\$10,000				Fund Balance	Project moved into 2007
		2820240	5410000	GN252437	Trail Corridors				\$26,000				Fund Balance	Project moved into 2007
		2820218	5410000	GN110497	Boeing Creek Park Improvements				\$22,724				Fund Balance	Project not completed in 2006 work continues into 2007
		2820174	5410000	GN107100	Saltwater Park Ped Bridge Replacement				\$26,000				Fund Balance	Project moved into 2007
Total General Capital Fund						\$23,691,223	\$200,000	\$0	\$11,468,623	\$36,349,846	\$1,112,612			
Roads Capital Fund 330	CIP	2914096	5630000		Curb, Ramp, Gutter & Sidewalk Program				\$35,689		\$35,689	3331000	CDBG Grant	CDBG curb ramp funds remaining from the completed 2006 program
			5630000		Curb, Ramp, Gutter & Sidewalk Program				\$4,919		\$4,919	3331000	CDBG Grant	CDBG additional fund made available in 06 after carryover process was completed.
			5630000		Curb, Ramp, Gutter & Sidewalk Program				\$10,325				Fund Balance	4 Ramps removed from project due to engineering design not meeting ADA requirements. Will be completed in 2007
					Sub-Total		\$0	\$0	\$60,933		\$40,608			
	CIP	2914160	5410000		Interurban Trail Ped. Crossing				\$82,336		60,000	3330100	FHWA	To complete the construction work
			5630000		Interurban Trail Ped. Crossing				\$1,080,923		592,922	3312021	Federal Safetee-Lu	
					Interurban Trail Ped. Crossing						393,848	3332057	Federal CMAQ	
					Interurban Trail Ped. Crossing						116,489	3332058	WSDOT-Target Zero	
					Sub-Total		\$0	\$0	\$1,163,269		\$1,163,269			
		2914179	5630000		Traffic Small Works Program				\$17,000				Fund Balance	
		2914211	5650000		Interurban Trail North Central Section				\$2,021,544		\$885,769	3340231	IAC Grant-Interagency for Outdorr Recreation	Funds Needed to complete construction work
					Interurban Trail North Central						\$100,556	3458110		In-Lieu of Sidewalks Fee

Exhibit 1

Fund	Dept/Program	Orgkey	Object	JL Number	Project/Item	2007 Current Budget	CIP Revision	2007 Budget Amendment	Carryover Amount	Amended 2007 Budget	Revenue Amount	Revenue Account	Revenue Source	Justification
Sub-Total						\$0		\$0	\$2,021,644		\$988,326			
CIP		2914221	5410000		Priority Sidewalks		\$208,379						Fund Balance	2006 Savings will supplement 2007 budget to complete additional work
CIP		2915098	5410000		Richmond Beach Overcrossing				\$460,026		\$446,372	3332058	HBRRP/STP Grant	Needed to finalize design
		2915228	5630000		Traffic Signal Rehab				\$101,762				Fund Balance	To cover open KC work orders
CIP		2816100	5630000		Neighborhood Traffic Safety Program				\$24,702				Fund Balance	To finalize traffic circles - to install curbing in intersection corners at the new traffic circle location
		2916101	5630000		NCBD/15th Ave. Improvements				\$596,119		\$49,624	3340692	Hazard Elimination Grant	Project Includes 150th/15th Signal and timing for signals on corridor.
Sub-Total						\$0		\$0	\$596,119		\$49,624			
CIP		2916222	5410000		Meridian & 175th Subarea				\$81,000				Fund Balance	Work to be completed in 2007
CIP		2916230	5630000	ST111600	Traffic Calming Improvements				\$37,248				Fund Balance	Installation of circles and curbing to secure them
CIP		2918120	5410000	ST101900	Aurora Corridor 145th - 165th				\$110,675		1,110,327	3332058	Federal STP - C	Project is still ongoing - Will be completed in 2007
			5630000	ST101900	Aurora Corridor 145th - 165th				\$18,809		24,250	3332059	Federal STP - N	
			5650000	ST101900	Aurora Corridor 145th - 165th				\$30,787		90,000	3311000	Hazard Elimination	
			5630000	ST101900	Aurora Corridor 145th - 165th				\$2,874,843		707,687	3330100	Federal Demo Program	
			5630000	ST101900	Aurora Corridor 145th - 165th						375,000	3378000	KC Metro	
			5630000	ST101900	Aurora Corridor 145th - 165th						28,451	3332059	Federal STP - N	
Sub-Total						\$0		\$0	\$3,036,114		\$2,336,716			
CIP		2918151	5510000	ST107400	Annual Road Surfacing Program				\$116,632				Fund Balance	N 5th St and NE 161 st were delayed due to Shoreline Water line replacement program
CIP		2918161	5410000		Aurora 165th - 205th				\$112,136		\$89,427	3332058	STP Grant	To continue preliminary engineering and environmental work.
		2918171	5410000	ST107500	N. 185th & Aurora Intersection Imp				\$17,087				Fund Balance	Work continues into 2007.
CIP		2918162	5630000	ST106200	Ret Wall at N./175th and Dayton Ave. N		\$264,000				15,000	3970000	SWM Fund	To fund BA for Dayton Wall
			5630000	ST106200	Ret Wall at N./175th and Dayton Ave. N						20,000	3300000	3458110 - In Lieu	To fund BA for Dayton Wall
			5410000	ST106200	Ret Wall at N./175th and Dayton Ave. N									
Sub-Total						\$264,000		\$0	\$266,504		135,200	3340365	TIB Grant	Work is ongoing, construction delayed.
CIP		2999213	5630000	ST109400	Aurora Util Impr (145th - 165th)				\$373,550		307,294	3371010	SCL	To fund BA for Dayton Wall
			5630000	ST109400	Aurora Util Impr (145th - 165th)						57,008	3371020	SPU	
			5630000	ST109400	Aurora Util Impr (145th - 165th)						9,248	3371000	Ronald Wastewater	
			5630000	ST109400	Aurora Util Impr (145th - 165th)						48,226	3371010	SCL	
Sub-Total						\$48,226		\$0	\$373,660		\$421,776			
Total Roads Capital Fund						\$7,233,434	\$490,606	\$0	\$8,484,516	\$16,188,664	\$6,703,306			

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Fund	Dept/Program	Orgkey	Object	JL Number	Project/Item	2007 Current Budget	CIP Revision	2007 Budget Amendment	Carryover Amount	Amended 2007 Budget	Revenue Amount	Revenue account	Revenue Source	Justification
Surface Water Utility Fund 401		2709000	5410000		SW Ops - APS Survey & Mapping				\$14,450			Fund Balance		
					SW Ops - Green Street Initiative				\$24,930			Fund Balance		Continue contract for surveying of SWM easements implementation of Initiative funded in 2006
					SW Ops - Water Quality/Habitat Survey				\$20,000			Fund Balance		Loss of Staff prevented completing this in biological window
					SW Ops - NPDES mailings				\$9,000			Fund Balance		State delayed NPDES permit until January 2007
					SW Ops - NPDES printing				\$8,000			Fund Balance		State delayed NPDES permit until January 2007
					SW Ops - Lake Ballinger Study				\$2,750			Fund Balance		Agreement Delayed by other Cities
					Sub-Total		\$0	\$0	\$79,130	\$79,130	\$0			
		2709169	5640000		SW Roads - Street Sweeper			\$11,000				Fund Balance		Street Sweeper quote was higher than budgeted amount and 2006 savings are being used to fund the BA
			5510000		SW Roads - KC Work orders				\$100,054			Fund Balance		SH444 - Linden & 148th. Design in progress, construction planned in 2007
			5510000		SW Roads - KC Work orders				\$6,000			Fund Balance		SH455 - Drainage project on 3rd Ave. completed. Waiting for invoice
			5510000		SW Roads - KC Work orders				\$36,809			Fund Balance		SH456 - Drainage Project on N 169th @ 121st. Need 20K for paving after drainage project completed.
					Sub-Total		\$0	\$11,000	\$142,863	\$163,863	\$0			
CIP		3017105	5480000	SW100700	Surface Water Small Projects				\$6,014			Fund Balance		To complete contract for maintenance & repair of Pump Station
CIP		3017214	5410000	SW109800	Boeing Creek Stormwater Project				\$4,633			Fund Balance		Needed to Finalize design
CIP		3017215	5410000	SW109800	Pan Terra Pond & Pump Project				\$11,467			Fund Balance		Needed to Finalize design
CIP		3017217	5410000		Thornton Creek Corridor				\$297,166		\$230,106	PWTFL		Design extended into 2007 due to regulatory issues.
CIP		3017224	5410000	SW110230	Pump Station No. 25				\$24,000		\$20,400	PWTFL		The pump station is located on land the City does not own so there are legal issues to work out in order to complete the project.
CIP		3017226	5410000	SW111200	Cromwell Park Wetland				\$68,000		\$57,800	PWTFL		Parks Bond passed May 06. All storm water projects scheduled for Cromwell Park are postponed and will be integrated into the Parks Master Planning process
CIP		3017227	5630000	SW111300	Third Ave. Storm Water Treatment				\$47,687			Fund Balance		In the process of planning how to integrate this project with the completed 3rd Ave. Drainage project
CIP		3018112	5630000	SW101000	Stream Rehab/Habitat Enhance				\$67,888			Fund Balance		Work planned on Thornton Creek in 2007.
CIP		4010000	5970000		SW Admin		\$15,000					Fund Balance		To fund BA for Dayton Wall
Total Surface Water Utility Fund						\$6,968,967	\$15,000	\$11,000	\$747,828	\$6,742,786	\$308,306			
GRAND TOTAL AMENDED FUNDS *						\$67,689,034	\$706,606	\$249,908	\$21,203,666	\$89,848,112	\$7,373,688			
* Funds not being amended for a total of \$2,119,716 are not included in the detail						\$2,119,716	\$0	\$0	\$0	\$2,119,716				
TOTAL BUDGET						\$69,808,750	\$706,606	\$249,908	\$21,203,666	\$91,967,828				

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Council Meeting Date: March 26, 2007

Agenda Item: 7(d)

CITY COUNCIL AGENDA ITEM
(a) CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Ordinance 462 Proposed Amendments to the Development Code
DEPARTMENT:	Planning & Development Services
PRESENTED BY:	Joe Tovar, Director Steven Szafran, Planner II

PROBLEM/ISSUE STATEMENT:

The proposed amendments are to the following chapters of the Development Code: 20.20, 20.40, and 20.50. This group of code amendments deletes all references to cottage housing that were not included in the original ordinance. A companion Comprehensive Plan Amendment to delete the cottage housing references in the Comprehensive Plan will be sent to the Planning Commission later this year.

Recommended changes include, but are not limited to, the following: Delete the definition of "Cottage Housing", Delete the words "Cottage Housing" in section 20.40.030 A and B, Delete the words "provisions for cottage housing" under the affordable housing section of the code and Delete exception #1 from Table #1 which is the densities and dimensions table in residential zones.

FINANCIAL IMPACT:

Staff does not anticipate that any of the amendments recommended for approval would have a financial impact on the City.

RECOMMENDATION

Planning Commission and staff recommend approval of Ordinance 462, amending the Shoreline Development Code.

In the event that the Council wishes to modify provisions of the recommended amendments, or to add additional provisions to the cited code sections, the public participation requirements of the GMA would require that such changes be supported by the record below and notice already given. The staff will be able to assist in determining if those facts exist. If such were not the case, and the Council wished to consider such changes, it would be necessary to refer those matters back to the Planning Commission for further review.

Approved By: City Manager  City Attorney 

INTRODUCTION

An amendment to the Development Code may be used to bring the City's land use and development regulations into conformity with the Comprehensive Plan, or to respond to changing conditions or needs of the City. The Development Code Section 20.30.100 states that "Any person may request that the City Council, Planning Commission, or Director initiate amendments to the Development Code." Development Code amendments are accepted from the public at any time and there is no charge for their submittal.

During this Development Code review cycle, the City Planning Department has initiated this round of code amendments to delete all references to cottage housing that were not deleted when the Council repealed the cottage housing ordinance.

BACKGROUND

The Shoreline City Council approved Ordinance 408 on February 13, 2006 which repealed cottage housing from the Shoreline Development Code. This group of code amendments deletes all references to cottage housing that were not included in the original ordinance. A companion Comprehensive Plan Amendment to delete the cottage housing references in the Comprehensive Plan will be sent to the Planning Commission later this year.

Amendments to the Development Code are processed as legislative decisions. Legislative decisions are non-project decisions made by the City Council under its authority to establish policies and regulations and subject to the goals and requirements of the Growth Management act (RCW 36.70A). Staff conducts State Environmental Policy Act (SEPA) review of the amendments and prepares a list of proposed amendments for the Planning Commission Public Hearing. The Public Hearing is noticed, and the amendment list is sent to the State Department of Community, Trade and Economic Development (CTED). This notice to CTED must be sent at least 60 days prior to Council action. The Planning Commission is the review authority for legislative decisions and is responsible for making a recommendation to the City Council on each amendment.

CTED was notified of the proposed changes in November 2006. A Public Hearing was held February 1, 2007, wherein the Planning Commission formulated a recommendation on each of the amendments for Council review. A SEPA Determination of Nonsignificance was issued in December 2006, and no appeals were filed. Ordinance 462 (**Attachment A**) will enact the Planning Commission recommended amendments. **Attachment B** contains a summary of the amendment proposals.

The Planning Commission first looked at the official list of Development Code Amendment and had the opportunity to ask questions. A notice of Public Hearing, request for public comment, and preliminary SEPA threshold determination was

published December 2006. No comment letters were received from citizens or public agencies receiving the notice. The Public Hearing was held February 1, 2007. There was no public comment, nor were there any citizens in attendance.

The list of amendments was discussed and a recommendation on each of the proposed amendments was made. The following analysis contains the issues and Planning Commission recommendation for the proposed amendments.

ALTERNATIVES ANALYSIS - AMENDMENTS AND ISSUES

Exhibit 1 to Attachment A includes a copy of the original and proposed amending language shown in legislative format. Legislative format uses ~~strikethroughs~~ for proposed text deletions and underlines for proposed text additions. The following is a summary of the proposed amendments, with staff analysis.

- **Amendment #1:** 20.20.014 (C Definitions). Delete the definition of "Cottage Housing".
- **Amendment #2:** 20.40.030(A) (Residential Zones). Delete the words "Cottage Housing".
- **Amendment #3:** 20.40.030(B) (Residential Zones). Delete the words "Cottage Housing".
- **Amendment #4:** 20.40.230(A) (Affordable Housing). Delete the words "provisions for cottage housing".
- **Amendment #5:** 20.50.020(1) (6) (Densities and Dimensions in Residential Zones). Delete exception #1 from Table #1.

DECISION CRITERIA

According to Section 20.50.350 of the Shoreline Municipal Code (SMC), an amendment to the development code may be approved if:

1. The amendment is in accordance with the Comprehensive Plan; and
2. The amendment will not adversely affect the public health, safety or general welfare; and;
3. The amendment is not contrary to the best interest of the citizens and property owners of the City of Shoreline.

Staff has concluded that the proposed amendments do not conflict with any of the decision criteria.

OPTIONS

1. Approve Ordinance 462 as recommended by the Planning Commission.
2. Modify Ordinance 462 or remand to the Planning Commission for further study
3. Deny Ordinance 462

RECOMMENDATION

Planning Commission and staff recommend approval of Ordinance 462, amending the Shoreline Development Code.

ATTACHMENTS

Attachment A: Ordinance 462.
Attachment B: Table of Proposed Development Code Amendments and associated language changes in legislative format.

ORDINANCE NO. 462

AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON, DELETING ALL REFERENCES TO COTTAGE HOUSING AND AMENDING SHORELINE MUNICIPAL CODE SECTIONS 20.20.014, 20.40.030, 20.40.230, AND 20.50.020

WHEREAS, the City Council repealed Cottage Housing Bonus Densities in Ordinance No. 408;

WHEREAS, the Shoreline Municipal Code includes other references to cottage housing which are no longer relevant;

City staff drafted several amendments to the Development Code;

WHEREAS, the Planning Commission held a Public Hearing, and developed a recommendation on the proposed amendments; and

WHEREAS, a public participation process was conducted to develop and review amendments to the Development Code including:

- A public comment period on the proposed amendments was advertised from December 14, 2006 to December 28, 2006 and
- The Planning Commission held a Public Hearing and formulated its recommendation to Council on the proposed amendments on February 1, 2007.

WHEREAS, a SEPA Determination of Nonsignificance was issued on December 28, 2006, in reference to the proposed amendments to the Development Code; and

WHEREAS, the proposed amendments were submitted to the State Department of Community Development for comment pursuant WAC 365-195-820; and

WHEREAS, the Council finds that the amendments adopted by this ordinance are consistent with and implement the Shoreline Comprehensive Plan and comply with the adoption requirements of the Growth Management Act, Chapter 36.70A. RCW; and

WHEREAS, the Council finds that the amendments adopted by this ordinance meet the criteria in Title 20 for adoption of amendments to the Development Code;

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

Section 1. Amendment. Shoreline Municipal Code Sections 20.20.014, 20.40.030, 20.40.230, and 20.50.020 are amended to delete all references to cottage housing as set forth in Exhibit 1, which is attached hereto and incorporated herein.

Section 2. Severability. Should any section, paragraph, sentence, clause or phrase of this ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this ordinance be preempted by state or federal law or regulation, such decision or preemption shall not affect the validity of the remaining portions of this ordinance or its application to other persons or circumstances.

Section 3. Effective Date and Publication. A summary of this ordinance consisting of the title shall be published in the official newspaper and the ordinance shall take effect five days after publication.

PASSED BY THE CITY COUNCIL ON March 26, 2007.

Mayor Robert Ransom

ATTEST:

APPROVED AS TO FORM:

Scott Passey
City Clerk

Ian Sievers
City Attorney

20.20.014. C definitions

Cottage

A small, detached dwelling unit.

20.40.030 Residential zones.

- A. The purpose of low density residential, R-4 and R-6 zones, is to provide for a mix of predominantly single detached dwelling units and other development types, such as accessory dwelling units, ~~cottage housing~~ and community facilities that are compatible with existing development and neighborhood character.

20.40.030 Residential zones.

- B. The purpose of medium density residential R-8 and R-12 zones, is to provide for a mix of single-family homes, duplexes, triplexes, townhouses, ~~cottage housing~~ and community facilities, in a manner that provides for additional density at a modest scale.

20.40.230 Affordable housing.

- A. Provisions for density bonuses for the provision of affordable housing apply to all land use applications, except the following which are not eligible for density bonuses: (a) the construction of one single-family dwelling on one lot that can accommodate only one dwelling based upon the underlying zoning designation, (b) provisions for accessory dwelling units, (c) ~~provisions for cottage housing~~, and (d) projects which are limited by the critical areas requirements.

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

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

Residential Zones							
STANDARDS	R-4	R-6	R-8	R-12	R-18	R-24	R-48
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
Min. Density	4 du/ac	4 du/ac	4	6	8 du/ac	10 du/ac	12 du/ac

			du/ac	du/ac			
Min. Lot Width (2)	50 ft	50 ft	50 ft	30 ft	30 ft	30 ft	30 ft
Min. Lot Area (2)	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
Min. Front Yard Setback (2) (3)	20 ft	20 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
Min. Side Yard Setback (2) (4) (5)	5 ft min. and 15 ft total sum of two	5 ft min. and 15 ft total sum of two	5 ft	5 ft	5 ft	5 ft	5 ft
Base Height	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)	35 ft (40 ft with pitched roof) (8) (9)
Max. Building Coverage (6)	35%	35%	45%	55%	60%	70%	70%
Max. Impervious Surface (6)	45%	50%	65%	75%	85%	85%	90%

Exceptions to Table 20.50.020(1):

~~(1) In order to provide flexibility in types of housing and to meet the policies of the Comprehensive Plan, the base density may be increased for cottage housing in R-6 (low density) zone subject to approval of a conditional use permit.~~

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Approval of Ordinance No. 465 to Reclassify the Human Services Manager within the City's Classification and Compensation Plan and Create Community Services Division
DEPARTMENT:	Human Resources
PRESENTED BY:	Julie Modrzejewski, Assistant City Manager Marci Wright, Human Resources Director

ISSUE STATEMENT: In an effort to gain strategic benefits and tighter connections among single functions, the City Manager has decided to restructure the City Manager's Office to form a new division: Community Services Division. The new division will combine the following functions/positions:

- Human Services (Human Services Manager, Planner II)
- Customer Response Team (CRT Supervisor, Lead CRT Representative, 2 CRT Representatives, Administrative Assistant II)
- Emergency Management (Emergency Management Coordinator)
- Neighborhoods (Neighborhoods Coordinator)

The new division will be headed by Rob Beem and the title of his position will be changed from Human Services Manager to Community Services Manager. His position will continue to report to the Assistant City Manager.

Because the new position of Community Services Manager will be responsible for three additional functions (CRT, Emergency Management and Neighborhoods) and will have three additional direct reports, we believe these duties warrant a revised classification. We are recommending we reclassify the incumbent to the new classification Community Services Manager to be effective April 1, 2007.

ANALYSIS: With Emergency Management, Human Services, the Customer Response Team, and Neighborhood Resources more tightly connected, the City would benefit in the following ways:

1. The community would benefit with more outreach by the Customer Response Team to Neighborhoods through the sharing of information and education on a variety of issues including code enforcement, general citizen interest and calls, etc. The Customer Response Team would have a visible presence to the Neighborhoods and, in turn, the Neighborhoods can provide valuable information and feedback for future City actions to address neighborhood issues and concerns as well as receive information about what is going well.
2. This shift would also enhance the coordination with Emergency Management Planning and the role the public must play in the first critical 72 hours in any

emergency. Neighborhoods and CRT can be an important link to the community in terms of disseminating information, training, and organization for post event activities.

3. This organizational change would also strengthen the City's public involvement - public involvement strategies are critical to the success of major capital projects, bond issues, land use issues and other sometimes controversial issues. Neighborhoods can play a strategic and useful role in actively engaging the community, gaining valuable input and providing an important access point for the City.
4. By having Human Services, the Customer Response Team, and Neighborhoods greater connected, it with would help in disseminating information to the public about the range of human services that are available and how to access them.

In addition to the above strategic benefits, this new reporting structure would allow the Assistant City Manager to shift her workload to further support and assist the City Manager. This change would result in the Assistant City Manager having two less direct reports (CRT Supervisor and Emergency Management Coordinator).

Due to the additional responsibilities for functions, budget and staff resulting from this reorganization, we recommend the creation of the new classification of Community Services Manager. Because we know from previous surveys that the Customer Response Team and Emergency Management functions are fairly unique in our defined labor market, we do not believe conducting a survey of our market would be helpful in establishing a salary range for this new classification. Instead we have looked at internal comparisons to develop a salary recommendation. We compared components of the job including size of staff, level in the organization and key responsibilities. We believe the closest internal "matches" for the Community Services Manager are the following division managers: Building Official; Finance Manager and Permit Services Manager. All of the classifications are assigned to salary range 59.

We recommend reclassifying the Human Services Manager to Community Services Manager and moving the position from Range 55 to Range 59.

FINANCIAL IMPACT: The 2007 cost to implement this reclassification is estimated to be approximately \$7,146 and can be absorbed within the general fund budget.

RECOMMENDATION

Staff recommends that Council adopt Ordinance No. 465 reclassifying a position within the City of Shoreline Classification and Compensation Plan.

ATTACHMENTS

- Attachment A An Ordinance Reclassifying the Human Services Manager to a new classification Community Services Manager and amending the 2007 Budget by amending the 2007 Exempt Salary Table
- Attachment B Classification Specification for Community Services Manager

Approved By:

City Manager  City Attorney 

ORDINANCE NO. 465

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON, RECLASSIFYING THE HUMAN SERVICES MANAGER TO A NEW CLASSIFICATION COMMUNITY SERVICES MANAGER AND AMENDING THE 2007 BUDGET, AS AMENDED, BY AMENDING THE 2007 EXEMPT SALARY TABLE AND ORGANIZATION CHART

WHEREAS, the 2007 Budget for the City of Shoreline was adopted by Ordinance No. 449, Section 1, and amended by Ordinance No. 457;

WHEREAS, City staff have determined it is appropriate to reclassify the Human Services Manager to a new classification specification, Community Services Manager; and

WHEREAS, a salary range should be set which is commensurate with the new classification; and

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

Section 1. Amendment to the 2007 Budget. The Exempt Salary Table of the 2007 Budget as adopted by Ordinance No. 449, as amended and as shown on Exhibit A attached hereto is amended as follows:

The classification "Human Services Manager" is deleted from Range 55 and new classification "Community Services Manager" is added to Range 59

Section 2. Amendment to the 2007 Budget. The City organization chart of the 2007 Budget as adopted by Ordinance 449, as amended, is amended as set forth in Exhibit B attached hereto.

Section 3. Effective date. A summary of this ordinance consisting of its title shall be published in the official newspaper of the City and the ordinance shall take effect and be in full force five (5) days after the date of publication.

PASSED BY THE CITY COUNCIL ON MARCH 26, 2007.

Robert Ransom, Mayor

ATTEST:

APPROVED AS TO FORM:

Scott Passey
City Clerk

Ian Sievers
City Attorney

Date of Publication:
Effective Date:

Mkt Adj. 3.78%

City of Shoreline
Range Placement Table

2.5% Between Ranges; 4% Between Steps

Salary Table 01 - EXEMPT

EFFECTIVE JAN 1, 2007

Range	Title	Salary	Min Step 1	Step 2	Step 3	Step 4	Step 5	Max Step 6
1		Annual	17,410	18,125	18,840	19,580	20,371	21,188
2		Annual	17,869	18,559	19,299	20,065	20,856	21,699
3		Annual	18,278	19,018	19,784	20,575	21,392	22,260
4		Annual	18,737	19,503	20,269	21,086	21,928	22,822
5		Annual	19,222	19,988	20,805	21,622	22,490	23,383
6		Annual	19,707	20,473	21,316	22,158	23,052	23,971
7		Annual	20,218	21,009	21,852	22,720	23,639	24,583
8		Annual	20,729	21,545	22,388	23,307	24,226	25,196
9		Annual	21,214	22,082	22,949	23,868	24,839	25,834
10		Annual	21,775	22,643	23,537	24,481	25,451	26,472
11		Annual	22,286	23,205	24,124	25,094	26,089	27,136
12		Annual	22,847	23,766	24,736	25,706	26,753	27,825
13		Annual	23,435	24,379	25,349	26,370	27,417	28,515
14		Annual	24,022	24,966	25,987	27,034	28,106	29,229
15		Annual	24,609	25,604	26,625	27,698	28,795	29,944
16		Annual	25,247	26,268	27,315	28,387	29,536	30,710
17		Annual	25,885	26,906	27,978	29,102	30,276	31,476
18		Annual	26,498	27,570	28,668	29,816	31,016	32,267
19		Annual	27,162	28,259	29,382	30,557	31,782	33,058
20		Annual	27,851	28,974	30,123	31,348	32,599	33,901
21		Annual	28,540	29,689	30,889	32,114	33,390	34,743
22		Annual	29,280	30,429	31,654	32,931	34,233	35,611
23		Annual	29,995	31,195	32,446	33,748	35,101	36,505
24		Annual	30,761	31,961	33,263	34,590	35,969	37,398
25		Annual	31,501	32,778	34,080	35,458	36,862	38,343

City of Shoreline
Range Placement Table
2.5% Between Ranges; 4% Between Steps

Salary Table 01 - EXEMPT

EFFECTIVE JAN 1, 2007

Range	Title	Salary	Min Step 1	Step 2	Step 3	Step 4	Step 5	Max Step 6
26		Annual	32,293	33,595	34,922	36,326	37,781	39,313
27		Annual	33,110	34,437	35,841	37,271	38,751	40,283
28		Annual	33,952	35,305	36,709	38,190	39,721	41,304
29		Annual	34,794	36,198	37,653	39,134	40,717	42,325
30		Annual	35,662	37,092	38,572	40,130	41,712	43,397
31		Annual	36,556	38,036	39,543	41,125	42,759	44,469
32		Annual	37,475	38,981	40,538	42,146	43,831	45,593
33		Annual	38,419	39,951	41,534	43,219	44,929	46,741
34		Annual	39,364	40,947	42,580	44,291	46,052	47,890
35		Annual	40,334	41,968	43,627	45,388	47,201	49,090
36		Annual	41,381	43,014	44,750	46,512	48,375	50,315
37		Annual	42,376	44,086	45,848	47,686	49,575	51,566
38		Annual	43,423	45,159	46,971	48,860	50,826	52,843
39		Annual	44,520	46,307	48,171	50,086	52,102	54,170
40		Annual	45,644	47,482	49,371	51,362	53,404	55,548
41	Planner I	Annual	46,792	48,681	50,622	52,638	54,732	56,927
42		Annual	47,967	49,881	51,872	53,940	56,085	58,357
43		Annual	49,167	51,132	53,174	55,293	57,514	59,812
44		Annual	50,392	52,409	54,502	56,672	58,944	61,292
45	Planner II Executive Assistant to the City Manager	Annual	51,643	53,710	55,855	58,101	60,424	62,849
46	Budget Analyst Management Analyst Staff Accountant Recreation Coordinator Grants Specialist	Annual	52,919	55,063	57,259	59,531	61,930	64,407
47	Human Resources Analyst	Annual	54,298	56,442	58,714	61,037	63,488	66,040
48	Purchasing Officer	Annual	55,625	57,846	60,169	62,569	65,070	67,674

City of Shoreline
Range Placement Table

2.5% Between Ranges; 4% Between Steps

Salary Table 01 - EXEMPT

EFFECTIVE JAN 1, 2007

Range	Title	Salary	Min Step 1	Step 2	Step 3	Step 4	Step 5	Max Step 6
49	Neighborhoods Coordinator Emergency Management Coordinator Planner III Parks & Rec Project Coordinator	Annual	57,029	59,301	61,675	64,126	66,704	69,359
50	Communications Specialist Senior Accountant Recreation Coordinator II	Annual	58,433	60,756	63,207	65,734	68,363	71,095
51	Web Developer	Annual	59,888	62,288	64,790	67,368	70,074	72,882
52	Associate Traffic Engineer Public Works Administrative Manager Development Review Engineer I CRT Supervisor	Annual	61,420	63,871	66,423	69,078	71,835	74,720
53	Network Administrator	Annual	62,952	65,453	68,083	70,814	73,648	76,583
54	PW Maintenance Supervisor	Annual	64,509	67,087	69,767	72,575	75,486	78,498
55	Capital Projects Manager I GIS Specialist Human Services Manager City Clerk	Annual	66,117	68,772	71,529	74,388	77,375	80,464
56	Parks Superintendent Recreation Superintendent	Annual	67,802	70,508	73,316	76,251	79,289	82,480
57	Database Administrator	Annual	69,487	72,269	75,154	78,166	81,280	84,548
58	Assistant City Attorney	Annual	71,223	74,056	77,017	80,106	83,323	86,641
59	Building Official Economic Development Program Mgr Finance Manager Capital Projects Manager II Surface Water & Enviro Services Manager Traffic Engineer Development Review Engineer II Permit Services Manager <u>Community Services Manager</u>	Annual	73,009	75,945	78,957	82,123	85,416	88,811
60		Annual	74,822	77,809	80,923	84,165	87,535	91,032
61		Annual	76,711	79,774	82,965	86,284	89,730	93,330
62	Information Systems Manager Assistant Director PADS	Annual	78,626	81,791	85,059	88,454	91,977	95,653
63		Annual	80,566	83,808	87,152	90,649	94,274	98,052

City of Shoreline
Range Placement Table

2.5% Between Ranges; 4% Between Steps

Salary Table 01 - EXEMPT

EFFECTIVE JAN 1, 2007

Range	Title	Salary	Min Step 1	Step 2	Step 3	Step 4	Step 5	Max Step 6
64	Aurora Corridor Project Manager Communications & IR Director Capital Project Administrator	Annual	82,608	85,901	89,347	92,921	96,623	100,503
65		Annual	84,650	88,045	91,568	95,219	99,048	103,005
66	Public Works Operations Manager	Annual	86,769	90,241	93,866	97,618	101,524	105,583
67		Annual	88,964	92,513	96,214	100,069	104,077	108,212
68	Human Resources Director	Annual	91,160	94,810	98,588	102,545	106,655	110,918
69		Annual	93,457	97,184	101,064	105,123	109,310	113,701
70	Assistant City Manager	Annual	95,780	99,609	103,617	107,753	112,067	116,534
71		Annual	98,180	102,111	106,196	110,433	114,849	119,444
72	Finance Director Parks, Rec & Cultural Services Director Planning & Devel. Svcs. Director Public Works Director	Annual	100,656	104,664	108,850	113,216	117,734	122,431
73	City Attorney	Annual	103,158	107,293	111,582	116,049	120,670	125,495
74	Deputy City Manager	Annual	105,736	109,948	114,364	118,934	123,708	128,634
75		Annual	108,391	112,731	117,224	121,921	126,796	131,851



Citizens of Shoreline

03/09/07

Shoreline City Council

City Manager
Bob Olander

Support
Department
on Request

City Attorney
Ian Sievers

Communications &
Intergovernmental
Relations
Joyce Nichols

Finance
Debbie Tarry

Human
Resources
Marc Wright

Assistant City
Manager
Julie Modrzejewski

Parks,
Recreational &
Cultural
Services
Dick Deal

Planning &
Development
Services
Joe Tovar

Police
Tony Burt

Public Works
Mark Relph



City Clerk
Scott Passey

Community
Services
Manager
Rob Beem

Management
Analyst
Bernard
Seeger

Management
Analyst
John Norris

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CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Motion to authorize the City Manager to approve settlement in the amount of \$199,000 for a portion of the Joshua Green Corporation parcel required for the Aurora Corridor Project Phase I
DEPARTMENT:	City Attorney's Office
PRESENTED BY:	Ian Sievers, City Attorney

PROBLEM/ISSUE STATEMENT:

The City and Joshua Green Corporation (Pizza Hut) have reached agreement on the fair market value and other associated costs for acquisition of a portion of the Joshua Green Corporation property for the Aurora Corridor Project Phase I. The agreed-upon settlement amounts to \$199,000, which is above the City Manager's authorization amount of \$150,000 and requires approval by the City Council.

FINANCIAL IMPACT:

The City has already paid \$137,900 to the Joshua Green Corporation for acquisition of the parcel. The difference between the previously-paid amount and the new offer of \$199,000 is \$62,000. There are sufficient funds in the Aurora Corridor Project Phase I budget to cover the difference.

RECOMMENDATION

Staff recommends that Council authorize the City Manager to pay the Joshua Green Corporation an additional \$62,000, for a new total of \$199,000, for the portion of the Joshua Green property required for the Aurora Corridor Project Phase I.

Approved By: City Manager  City Attorney 

INTRODUCTION

The City and Joshua Green Corporation recently agreed upon a purchase price for the Joshua Green acquisition parcel in the amount of \$197,500, plus \$1,500 in professional services costs, for a total settlement of \$199,000. Since the City Manager only has \$150,000 settlement authority for Aurora, the City Council must approve this new settlement offer.

DISCUSSION

The City had previously offered Joshua Green Corporation \$137,900 as payment for the fair market value for a portion of their property required for the Aurora Corridor Project Phase I. (The \$137,900 was placed in the court's registry after execution of the possession and use agreement, and has been withdrawn from the registry by Joshua Green.) Joshua Green responded to the City's \$137,900 offer with a counter-offer of \$232,000 plus \$880/month for the temporary construction easement ("TCE").

The main reason for the large discrepancy between the two offers was the square footage valuation. The City's appraiser valued the property at \$33/sf, whereas Joshua Green's appraiser placed a \$60/sf value on the property.

The City adjusted its square footage fair market value after considering the judgment in the *Catania* (Seattle Restaurant Supply) case, where the property was valued at \$40/sf. The Seattle Restaurant Supply parcel is located close to the Pizza Hut parcel, and date of valuation for both appraisals was roughly the same time. The City also added an annual 12% time adjustment to the \$40/sf value from the July 2005 appraisal date, which increased the FMV to \$43/sf. After adding in landscaping, asphalt, and sign costs, the TCE payment, and the professional services costs, the proposed settlement is 7% over the City's appraised fair market value. Considering the imprecise nature of appraisal opinions and risks of litigation, including the condemnee's attorney fees, staff recommends Council approve this settlement.

Since the City has already paid Joshua Green \$137,900, only the difference of \$62,000 is due.

RECOMMENDATION

Staff recommends that Council authorize the City Manager to pay the Joshua Green Corporation an additional \$62,000, for a new total of \$199,000, for the portion of the Joshua Green property required for the Aurora Corridor Project, Phase I.

CITY COUNCIL AGENDA ITEM

CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Motion to Authorize the City Manager to execute a contract with Susan Black & Associates, Inc. for professional services in an amount not to exceed \$146,007 for the Cromwell Park and Hamlin Park Facility Upgrade Improvements and Shoreline Park Tennis Court Lighting projects.
DEPARTMENT:	Parks, Recreation & Cultural Services
PRESENTED BY:	Dick Deal, Director of Parks, Recreation, and Cultural Services Maureen Colaizzi, Parks Project Coordinator

BACKGROUND:

The City Council work plan for 2007-2008 emphasizes the importance to complete the projects approved in the 2006 Parks Bond (Council Goal #1). The following projects are Parks Bond projects and are identified in the City's Capital Improvement Program (CIP): Cromwell Park Improvements, Hamlin Park Facility Upgrade Improvements and the Shoreline Center Tennis Court Lighting project.

On May 16, 2006, the citizens of the City of Shoreline passed an \$18.5 million dollar Park and Open Space Bond Levy to complete eleven projects. The Cromwell and Hamlin Park Master Plans and Shoreline Center Tennis Court Lighting Improvement project were approved as part of the Bond Levy totaling \$1.81 million dollars.

Cromwell Park History

Cromwell Park is located at 18009 Corliss Avenue North in Shoreline WA. This 9-acre park is located in the central portion of the City in the Meridian Park Neighborhood. The park is comprised of two separate parcels. The Park is located on the original Cromwell Elementary School site and is named after a nearby housing development. King County bought the property from the Shoreline School District. After the school closed, King County developed the park and the District Court building on the property. The Northern portion of the site is open and is highly visible to the neighborhood. The southern portion of the site is smaller, heavily wooded and lacks any significant development. A wetland area exists between the two portions of the site. This park site is located in the area of the headwaters for Thornton Creek. Within the Meridian Park Neighborhood and adjacent to the Echo Lake Neighborhood, the Park is surrounded by a completely developed, mostly single family neighborhood. King County District Court building is located on the north and west boundary of the park. Key features include a soccer field, baseball field, basketball court, picnic tables, benches; children's play area, pathways and natural wooded area.

Cromwell Park Improvement Project Background

This is a joint project between PRCS and the Surface Water Division of Public Works. Prior to the passing of the Parks Bond, the Surface Water Division had planned to complete a series of projects at Cromwell Park that would site a storm water pond, improve drainage and wetland conditions at Cromwell Park (see CIP projects-Cromwell Park Wetpond, Cromwell Park Pond and Cromwell Park Wetland) These improvements will address downstream flooding concerns in that watershed basin. Combining the two City projects will assure that proposed improvements will be integrated producing a site that looks like and feels natural. Susan Black & Associates and the selected design team including Gaynor Inc, Pace Engineering and Touchstone Ecoservices have worked on other municipal projects in Puget Sound that integrate storm water facilities, stream and wetland restoration projects with existing and proposed park facilities. The master planning process will include a community involvement process for consideration of all City improvements including but not limited to walking paths, play equipment, wetland and natural area enhancements, storm water facilities, additional parking, restrooms, signage, landscaping and irrigation, picnic facilities, benches, additional parking and drinking fountains.

Hamlin Park History

Hamlin Park is located at 16006 15th Avenue NE in Shoreline WA. This 80-acre park is located in the southeastern central portion of the City in the Ridgecrest Neighborhood. Hamlin Park is named for the owners of the property who may have donated at least a portion of the land to be used as a park. Hamlin Park is the oldest park in the system and was likely acquired between 1939 and 1950.

The park has both recreational facilities and a wooded area with a trail network. Key features of the park include two athletic fields. The lower field is lighted with baseball (1 regulation and 3 youth baseball fields), soccer, football and adult ultimate Frisbee programmed. The upper field is lighted with two softball fields and adult ultimate Frisbee programmed. Also on the site is: a large wooded area with informal trails, a play area; picnic shelter and tables; two restrooms; drinking fountains and two parking areas for 160 vehicles.

The area surrounding the park is well developed and consists primarily of single family residences. There are several other public facilities in the area including Shoreline's Maintenance facility, Shoreline School District warehouse, Kellogg Middle School, Shorecrest High School, and the Washington State Department of Social and Health Services' (DSHS) 78-acre Fircrest School, an institution for people with developmental disabilities. The Park is surrounded by the Ridgecrest, North City and Briarcrest neighborhoods.

Hamlin Park Facility Upgrade Improvements Background

The planning and design process will focus on athletic field safety improvements that would include field lighting, replacing three old backstops and creating spectator seating. Also included would be a new picnic shelter, playground equipment and erosion control measures through the wooded trails. The construction project will include making the picnic shelter, playground and restroom accessible to people with disabilities.

Shoreline Center Tennis Courts History & Background

Shoreline Park is an 8.68-acre community park located at 19030 1st Avenue NE in the north central portion of the City in the Echo Lake Neighborhood. A portion of the park is owned by the Shoreline School District. The park has two new synthetic turf soccer fields, the Shoreline Pool, two sets of tennis courts, a small play area and a natural wooded area to the north. The site is adjacent to the Spartan Gym, the Shoreline Center and the Shoreline Stadium. The remainder of the surrounding area is completely developed and consists primarily of single family residences. Two tennis courts at the Shoreline Center are well used by Shoreline residents. One of the goals of the passing of the Bond Levy was to light these tennis courts so that they are more playable year round.

PROBLEM/ISSUE STATEMENT: This contract will provide the resources to begin the master planning process for Cromwell Park, the Hamlin Park Facility Upgrade planning and construction drawings for the lighting system at the Shoreline Center's Tennis Courts.

FINANCIAL IMPACT:

The budget for the Cromwell Park Improvements is \$1,634,000. Of this total, \$1 million is Bond funding, and \$634,000 is Surface Water Capital funds. The budget for Hamlin Park Improvements is \$750,000 and for the Shoreline Center Tennis Court Lighting project is \$60,000 both funded by the Parks Bond.

Cromwell Park Project Cost	Cost Amount
Master Planning for the Park and Storm Water Improvements	\$ 92,580
Hamlin Park Facility Upgrade	\$ 36,630
Shoreline Tennis Court Lighting Cost	\$ 11,797
Multiple Project Coordination Cost	\$ 5,000
Council Authorization Total	\$146,007
Cromwell Park Revenue Sources	Amount
Parks Bond	\$1,000,000
Public Works Surface Water Capital Funds	\$ 634,000
IAC Grant (if awarded)	\$ 500,000
Cromwell Revenue Total	\$2,134,000
Hamlin Park Revenue Sources	Amount
Parks Bond	\$750,000
Hamlin Revenue Total	\$750,000
Shoreline Tennis Courts Revenue Sources	Amount
Parks Bond	\$60,000
Shoreline Revenue Total	\$60,000

NEXT STEPS:

Schedule:**Cromwell Park Master Plan: 2007 Q2 – Q4**

With Council authorization, the master planning process will begin this spring and continue through the end of 2007. The Parks Board and City Council will approve the final Master Plan prior to awarding the contract for design.

Cromwell Park Design: 2008 Q1 – Q2

Design Development and construction documents will begin in the fall of 2007 and then put out for bids. The Parks Board and City Council will approve the final design prior to bid for construction.

Cromwell Park Improvements Construction 2008 Q2 – Q4

The project is scheduled to go out to bid spring 2008. Construction of park and improvements will run through the summer and fall 2008.

Hamlin Park Master Plan: 2007 Q2 – Q4

With Council authorization, the master planning process will begin this spring and continue through the end of 2007. The Parks Board and City Council will approve the final Master Plan prior to awarding the contract for design.

Hamlin Park Design: 2008 Q1 – Q2

Design Development and construction documents will begin in the fall of 2007 and then put out for bids. The Parks Board and City Council will approve the final design prior to bid for construction.

Hamlin Park Improvements Construction 2008 Q4 – Q2 2009

The project is scheduled to go out to bid spring 2008. Construction of park and improvements will run through the summer and fall 2008.

Shoreline Center Tennis Courts Design: 2007 Q2 – Q3

With Council authorization, the design for the tennis court lighting project will begin this spring and finish this summer. PRCS will hold one public meeting to inform the community of the design and construction schedule.

Shoreline Center Tennis Courts Construction: 2007 Q3-Q4

The Parks Board and City Council will award the construction contract this summer. The project is scheduled to be complete this winter for ideal use of the lights.

RECOMMENDATION

Staff requests that Council authorize the City Manager to execute a contract with Susan Black & Associates, Inc. for professional services in an amount not to exceed \$146,007 for the Cromwell Park and Hamlin Park Facility Upgrade Improvements and Shoreline Center Tennis Court Lighting Projects.

Approved By: City Manager  City Attorney ____

**CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON**

AGENDA TITLE: Adoption of Ordinance No.460, a Site Specific Rezone located at 18501 and 18511 Linden Ave. N.
File No. 201570
DEPARTMENT: Planning and Development Services
PRESENTED BY: Joe Tovar, PADS Director
Steven Szafran, Planner II

PROBLEM/ISSUE STATEMENT:

The issue before the City Council is a Site Specific Rezone for two parcels located at 18501 and 18511 Linden Ave. N (see **Attachment C1**). The Planning Commission recommends that the parcels be rezoned from Office and R-48 to Community Business ("CB"). The applicant originally requested a change to Regional Business ("RB") but supports the Planning Commissions recommendation with the understanding that the Planning Commission will consider a proposal that allows higher residential densities on properties adjacent to a near Aurora Avenue North

The proposed zone change will allow more commercial space with greater residential density in close proximity to transit routes.

A rezone of property in single ownership is a Quasi-Judicial decision of the Council. An open record public hearing was conducted before the Planning Commission during two meetings in January and February 2007. Council's review must be based upon the written record and no new testimony may be accepted. The Planning Commission completed its recommendation to Council on the proposed Rezone on February 1, 2007.

ALTERNATIVES ANALYZED: The following options are within Council's discretion and have been analyzed by staff:

- The Council could adopt the zoning recommended by the Planning Commission and Staff and supported by the applicant (a rezone from O and R-48 to CB).
- The Council could deny the rezone request, leaving the zoning at O and R-48 (as it currently exists) or remand the request back to the Planning Commission for additional review and analysis.

FINANCIAL IMPACTS:

- There are no direct financial impacts to the City.

RECOMMENDATION

Staff recommends that the Council adopt Ordinance No.460, (**Attachment A**) thereby approving the rezone located at 18501 and 18511 Linden Avenue North from Office and R-48 to Community Business (CB).

Approved By: City Manager  City Attorney Fpc

INTRODUCTION

The rezone recommendation before Council is a request to change the zoning designation for two parcels located at 18501 and 18511 Linden Ave N. from Office and R-48 to Community Business.

A public hearing before the Planning Commission occurred on January 4 and February 1, 2007. The Planning Commission Findings and Recommendation are included in **Attachment B**

The Planning Commission recommended that the rezone of the property from Office and R-48 to Community Business be approved. The draft minutes of the public hearing are included in **Attachment D and E**.

BACKGROUND

In 1998 the City of Shoreline adopted its first Comprehensive Plan. This document includes a map that identifies future land use patterns by assigning each area a land use designation. One of the subject parcels, the James Alan Salon Site, has a land use designation of Community Business. Appropriate zoning designations for the Community Business land use designation include R-12, R-18, R-24, R-48, O, NB, CB and RB. The parcel directly to the north and those adjoining it to the north are designated Mixed Use in the Comprehensive Plan. Appropriate Zoning designations for the Mixed Use land use designation include R-8, R-12, R-18, R-24, R-48, O, NB, CB, RB and I.

The site is currently zoned Office and R-48. The James Alan Salon sits on the Office zoned parcel and a single-family home used as office and storage space sits on the R-48 zoned parcel. Under the proposed zone change, both parcels would be zoned Community Business to allow for a future mixed use development.

The proposed zone change will allow more commercial space with greater residential density. The recommended CB zoning will allow approximately 5000 square feet of commercial space with approximately 15 dwelling units above the retail space. If the Development Code is modified by the Planning Commission, a mixed use development might be expected to have between 20-30 residential units.

APPLICATION PROCESS

The application process for this project began on June 19, 2006, when the applicant held a pre-application meeting with city staff. A neighborhood meeting was held on July 31, 2006 with property owners within 500 feet of the proposed rezone. The formal application was submitted to the city on August 31, 2006 and was determined complete on September 14, 2006.

The requisite public hearing was held before the Planning Commission on January 4, 2007. The Planning Commission made a recommendation and formulated Findings

and Determination on February 1, 2007. The Planning Commission voted to recommend approval of the rezone to Community Business with no added conditions. Prior to making the recommendation, the Commission was informed that the next set of Development Code Amendments would include one to permit added density on CB parcels adjacent to or near Aurora Avenue North.

PUBLIC COMMENT

The City received 2 comment letters in response to the standard notice procedures for this application prior to the public hearing. The property owner's agent testified at the Planning Commission public hearing on this proposed action. No one from the public was in attendance at the public hearing.

The comments (Attachments C4 and D) focused on the following issues:

- Pedestrian safety
- Traffic
- Parking
- Commercial uses in a residential area

The Planning Commission addressed the comments in its Findings and Determination (Attachment B).

PLANNING COMMISSION RECOMMENDATION: Rezone to Community Business

The applicant has requested that the subject parcels be rezoned to **Regional Business**. Planning Commission in its Findings and Determination found that a rezone to **Community Business** has been evaluated and found to be consistent with the rezone decision criteria, listed below, provided in Section 20.30.320(B) of the Development Code.

- Criteria 1: The rezone is consistent with the Comprehensive Plan.*
- Criteria 2: The rezone will not adversely affect the public health, safety or general welfare.*
- Criteria 3: The rezone is warranted in order to achieve consistency with the Comprehensive Plan.*
- Criteria 4: The rezone will not be materially detrimental to uses or property in the immediate vicinity of the subject rezone.*
- Criteria 5: The rezone has merit and value for the community.*

OPTIONS FOR CITY COUNCIL

The options available to the City Council are:

- 1) Adoption of the Planning Commission and Staff's recommendation of Community Business.

- 2) Remand the rezone back to the Planning Commission for additional review.
- 3) Denial of the rezone request. The Council may review the written record and determine that the existing Office and R-48 zoning is the most appropriate designation for the subject parcel. This determination would be consistent with the *Community Business* and *Mixed Use* Comprehensive Plan designation for the parcels, as this designation includes both the existing zoning (Office and R-48) and the requested and recommended zoning (RB and CB).

RECOMMENDATION

Staff recommends that Council adopt Ordinance No.460, (**Attachment A**) thereby approving the rezone of a portion of one parcel located at 18501 and 18511 Linden Avenue North from Office and R-48 to Community Business (CB).

ATTACHMENTS

- Attachment A: Ordinance No.460: Office and R-48 to CB.
 - Exhibit A – Legal Description
- Attachment B– Planning Commission Findings and Determination- February 1, 2007
- Attachment C: Planning Commission Staff Report
 - C1: Existing Conditions Site Plan
 - C2: Vicinity Map with Zoning Designations
 - C2: Vicinity Map with Comprehensive Plan Land Use Designations
 - C3: Public Comment Letters
- Attachment D: Planning Commission Minutes- January 4, 2007
- Attachment E: Planning Commission Minutes- February 1, 2007

ORDINANCE NO 460

AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON AMENDING THE CITY'S OFFICIAL ZONING MAP CHANGING THE ZONING FROM OFFICE (O) AND RESIDENTIAL 48 DU-AC (R-48) TO COMMUNITY BUSINESS OF TWO PARCELS LOCATED AT 18501 AND 18511 LINDEN AVENUE NORTH (PARCEL NUMBERS 7283900302 AND 7283900303).

WHEREAS, the owner of the property, with parcel number 7283900302 and 7283900303, has filed an application to reclassify the property from Office (O) and Residential 48 units per acre (R-48) to Regional Business (RB); and

WHEREAS, on January 4, 2007 and February 1, 2007, a public hearing on the application for reclassification of property was held before the Planning Commission for the City of Shoreline pursuant to notice as required by law; and

WHEREAS, on February 1, 2007, the Planning Commission recommended approval of the reclassification to Community Business (CB) and entered findings of fact and conclusions based thereon in support of that recommendation; and

WHEREAS, the City Council does concur with the Findings and Determinations of the Planning Commission specifically that the reclassification of property, located at 18501 and 18511 Linden Avenue North (parcel numbers 7283900302 and 7283900303), to Community Business is consistent with the goals and policies of the Comprehensive Plan and appropriate for this site;

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

Section 1. Findings. The Findings and Determinations on File No. 201570 as set forth by the Planning Commission on February 1, 2007 and are hereby adopted.

Section 2. Amendment to Zoning Map. The Official Zoning Map of the City of Shoreline is hereby amended to change the zoning classification of said parcels, located at 18501 and 18511 Linden Avenue North (parcel numbers 7283900302 and 7283900303) from Office and R-48 to Community Business.

Section 3. Severability. If any provision of this ordinance or the application of a provision to any person or circumstance is declared invalid, then the remainder of this Ordinance, or the application of such provision to other persons or circumstances, shall not be affected.

Section 4. Effective Date. This ordinance shall go into effect five days after passage, and publication of the title as a summary of this ordinance.

PASSED BY THE CITY COUNCIL ON March 26, 2007.

Mayor Robert L. Ransom

ATTEST:

APPROVED AS TO FORM:

Scott Passey
City Clerk

Ian Sievers
City Attorney

Date of Publication:
Effective Date:

**CITY OF SHORELINE
PLANNING COMMISSION**

FINDINGS, CONCLUSIONS AND RECOMMENDATION

PROJECT INFORMATION SUMMARY

Project Description: Rezone application to change the zoning designation of two parcels from Residential – 48 dwelling units per acre and Office to Regional Business.

Project File Number: 201570

Project Address: 18501 and 18511 Linden Avenue North, Shoreline, WA 98133

Property Owner: Hanfax Properties LLC.

SEPA Threshold: Determination of Non-Significance (DNS)

Staff Recommendation: Recommend approval of a rezone of the two parcels to Community Business.

FINDINGS OF FACT

Current Development

1. The parcels at issue are located at 18501 and 18511 Linden Avenue North, the northwest corner of North 185th Street and Linden Avenue North.
2. 18501 Linden Avenue North (tax ID # 7283900302) is 7,079 square feet and is developed with the James Alan Salon. The site is zoned Office (“O”) and has a Comprehensive Plan Land Use designation of Community Business (“CB”). *Attachment 1 to January 4, 2007 Planning Commission Staff Report.*
3. 18511 Linden Avenue North (tax ID # 7283900303) is 6,648 square feet, directly to the north of 18501 Linden Avenue North, and developed with one single-family residence used as storage space. The site is zoned Residential – 48 dwelling units per acre (“R-48”) and has a Comprehensive Plan Land Use designation of Mixed Use (“MU”).
4. The surrounding neighborhood has experienced development recently: four townhomes have been approved directly to the west of the subject parcels (732 N. 185th) and a demolition permit for a single-family home was approved in preparation for additional townhome units (742 N. 185th).
5. There are existing sidewalks along N 185th Street adjacent to the applicant’s property. No sidewalks exist along Linden Ave N. A traffic signal with crosswalks is located at the intersection of Linden Ave N and N 185th Street.

Proposal

6. The applicant proposes to rezone both parcels to Regional Business ("RB").
7. A pre-application meeting was held with the applicant and City staff on June 19, 2006, the applicant held the requisite neighborhood meeting on July 31, 2006, and a Public Notice of Application was posted at the site.
8. Comments received at the neighborhood meeting addressed a desire to see more condominiums, redevelopment and mixed use buildings in the area. The two written comments received during the public comment period included concerns about ample customer parking, traffic, pedestrian safety, commercial zoning on the west side of Linden and commercial uses in a residential area.
9. Advertisements were placed in the Seattle Times and Shoreline Enterprise, and notices were mailed to property owners within 500 feet of the site on September 21st, 2006. The Notice of Public Hearing and SEPA Determination were posted at the site, advertisements were placed in the Seattle Times and Shoreline Enterprise, and notices were mailed to property owners within 500 feet of the site on October 12th, 2006.
10. The Planning Department issued a SEPA Determination of Non-Significance and notice of public hearing on the proposal on October 12, 2006. The DNS was not appealed.
11. An open record public hearing was held by the Planning Commission for the City of Shoreline on January 4, 2007.
12. The City's Long Range Planner, Steven Cohn, and Planner II, Steve Szafran, have reviewed the proposal and recommend that the parcels be rezoned to Community Business.

Comprehensive Plan Land Use Designations.

13. Parcels to the north and to the east have a Comprehensive Plan Land Use designation of Mixed Use, which allows R-8 through R-48 residential zoning and all commercial and industrial zoning; parcels to the south have a Community Business designation, which allows R-12 through R-48, Office, Neighborhood Business, Community Business and Regional Business; and parcels to the west are designated Medium Density Residential, which allows R-8 and R-12. *Attachment 3 to January 4, 2007 Planning Commission Staff Report.*
14. The Comprehensive Plan describes Mixed Use as applicable "to a number of stable or developing areas and to the potential annexation area at Point Wells," and intended "to encourage the development of pedestrian oriented places, with architectural interest, that integrate a wide variety of retail, office, and service

uses with residential uses.” Regional Business is allowed under Mixed Use land use designation.

15. The Comprehensive Plan describes Community Business as areas within the Aurora Corridor, North City and along Ballinger Road. This designation provides for retail, office, and service uses and high density residential uses. Significant pedestrian connection and amenities are anticipated. Some limited industrial uses might be allowed under certain circumstances. Appropriate zoning designations for this area might include the Neighborhood Business, Community Business, Regional Business, Office, R-12, R-18, R-24, or R-48.

Current Zoning

16. Parcels immediately to the north of the subject parcels are zoned R-18 and developed with a public utility building, single-family homes and condominiums; parcels to the south (across 185th) have a variety of uses and zoning designations including offices zoned R-12, R-18 and Office, the Fred Meyer shopping center zoned RB, and a fire station; parcels to the west are zoned R-12 and townhomes are currently under development; and parcels to the east (across Linden Avenue North) have a variety of uses and zoning designations including retail, office and apartments zoned RB, Office, and R-48. *Attachment 2 to January 4, 2007 Planning Commission Staff Report.*
17. The purpose of Office zones, as set forth in Shoreline Municipal Code 20.40.040, is to “allow for low intensity office, business and service uses located on or with convenient access to arterial streets” and to “accommodate medium and higher density residential, townhouses, mixed use types of development, while serving as a buffer between higher intensity uses and residential zones.”
18. The purpose of R-48 zones, as set forth in Shoreline Municipal Code 20.40.040, is to “provide for a mix of predominantly apartment and townhouse dwelling units and other compatible uses.”

Proposed Zoning

19. Under SMC 20.30.060, a rezone is Type C action, decided by the City Council upon recommendation by the Planning Commission. The decision criteria for deciding a rezone, as set forth in SMC 20.30.320, are:
 - The rezone is consistent with the Comprehensive Plan; and
 - The rezone will not adversely affect the public health, safety or general welfare; and
 - The rezone is warranted in order to achieve consistency with the Comprehensive Plan; and
 - The rezone will not be materially detrimental to uses or property in the immediate vicinity of the subject rezone; and
 - The rezone has merit and value for the community.

20. The purpose of a Regional Business zoning district, as set forth in the Shoreline Municipal Code 20.40.040, is to “provide for the location of integrated complexes made up of business and office uses serving regional market areas with significant employment opportunities”. The Regional Business category permits intense land uses such as warehousing, kennels, construction, retail, and auto rental and allows unlimited residential density.
21. The purpose of a Community Business zoning district, as set forth in Shoreline Municipal Code 20.40.040, is to “provide location for a wide variety of business activities, such as convenience and comparison retail, personal services for local services and to allow for apartments and higher intensity mixed use developments.”

Impacts of the Zone Change

22. The following table outlines the development standards for the current zoning, the proposed zoning (RB) and the staff recommended zoning (CB):

	Office (Current)	R-48 (Current)	RB (Applicant Proposed)	CB (Staff recommended)
Front Yard Setback	10' (0 if improved)	10' (0 if improved)	10' (0 if improved)	10' (0 if improved)
Side Yard Setback	10'	5'	15'	10'
Rear Yard Setback	10'	5'	15'	N/A
Building Coverage	N/A	70%	N/A	N/A
Max. Impervious Surface	85%	90%	90%	85%
Height	35' (50' for mixed-use)	50'	65'	60'
Density (residential development)	24 du/ac	48 du/ac	No maximum	48 du/ac
Total Units	8	15	35	15
Likely no. of parking stalls	30	22	76	45

CONCLUSIONS

1. The purpose of a rezone is to provide a mechanism to make changes to a zoning classification, conditions or concomitant agreement applicable to property. Rezone criteria must be established by substantial evidence.
2. The notice and meeting requirements set out in SMC 20.30 for a Type C action have all been met in this case.

Rezone criteria

Is the rezone consistent with the Comprehensive Plan?

3. a. Under the first criterion, both RB and CB are appropriate under Land Use Element Goals I and V of the Comprehensive Plan.

- Land Use Element Goal I of the Comprehensive Plan is to “[e]nsure that the land use pattern of the City encourages needed, diverse, and creative development, protects existing uses, safeguards the environment, reduces sprawl, promotes efficient use of land, encourages alternative modes of transportation and helps maintain Shoreline’s sense of community.”
- Land Use Element Goal V of the Comprehensive Plan is to “assure that a mix of uses, such as services, office, retail, and residential, are allowed either in low intensity buildings placed side by side or within the same building in designated areas, on arterials, or within close walking distance of high frequency transit, serving a neighborhood commercial and residential function.”

The RB rezone proposal is consistent with Land Use Element Goal I and V because a more intense commercial zone will promote redevelopment and allow for a greater mix of uses. CB is also consistent with these goals.

b. However, the proposed rezone to RB is not consistent with Community Design Element Policy CD 48. CD 48 states: “Develop attractive, functional, and cohesive commercial areas that are harmonious with adjacent neighborhoods, by considering the impacts of the land use, building scale, views and through-traffic.”

The RB zoning would result in greater development intensity and use than is appropriate in this area, an area of transition between the commercial area of Aurora and the residential neighborhoods to the west. Specifically, the RB zoning category could result in structures that are taller and bulkier, and do not fit as well with other buildings in the area, even after nearby properties are redeveloped.

c. Rezoning the parcels to CB is consistent with the Comprehensive Plan as it would allow commercial, residential or a mix of both uses, is supported by land use and community design goals of the Comprehensive Plan. CB zoning would allow for height and density that would be more compatible with what currently exists in the neighborhood and more harmonious with adjacent land uses.

Will the rezone adversely affect the public health, safety or general welfare?

4. The GMA planning process of developing Comprehensive Plan designations which allows this level of development and the City’s development standards in

its zoning regulations for the RB or CB zone protect against uses that would be contrary to the public health, safety or general welfare.

Is the rezone warranted in order to achieve consistency with the Comprehensive Plan?

5. Both RB and CB zoning maintain consistency with the Comprehensive Plan. However, CB provides better compatibility with Comprehensive Plan goals and policies than the existing zoning. Linden Ave N is a dividing line between more intense commercial uses that front along Aurora Ave N and lower intensity commercial, single-family and multi-family uses that exist west of Linden Ave N. A Community Business rezone would allow a wide range of commercial uses and achieve approximately 15 new dwelling units if the property develops with multi-family uses.

Will the rezone be materially detrimental to uses or property in the immediate vicinity of the subject rezone?

6. The proposed rezone will have minimal negative impacts to the properties in the immediate vicinity. Concerns have been raised by adjacent neighbors concerning appropriateness of the commercial zoning, increased traffic and parking, and pedestrian safety. The following summary addresses each of these.

- a. Appropriateness of Commercial Zoning

Although, historically, the area west of Linden Ave N was not planned for commercial uses, the Comprehensive Plan has identified this area as being appropriate for mixed use development which permits a variety of uses—single-family and multifamily uses, offices, and retail businesses.

As the two parcels have Mixed Use and Community Business land use designations, commercial zoning is appropriate. A Community Business zoning designation will result in new structures that will be compatible with existing densities, uses, and building heights.

- b. Traffic/Parking

Depending on the uses of any new future structures, adequate parking requirements must be met.

- c. Pedestrian Safety

Development on one or both of the properties will require sidewalks be installed the length of the applicant's property along Linden Ave N. .

Will the rezone have merit and value for the community?

7. The proposed rezone will allow commercial expansion to meet the changing needs of the community. This criterion is met since the rezone provides an opportunity to accommodate more jobs and multi-family dwelling units in an area not immediately adjacent to existing single-family neighborhoods and in close proximity to services and transportation.

RECOMMENDATION

The Planning Commission recommends that the City Council approve a rezone of the two parcels to Community Business, but deny the request for rezone to Regional Business.

Date: 15 February 2007

By: Rocky Kuo
Planning Commission Chair

PLANNING COMMISSION AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE: Type C Action: Rezone Application #201570 for two parcels generally located at 18501 and 18511 Linden Ave N from R-48 (Residential 48 dwelling units/acre) and Office (O) to Regional Business (RB).

DEPARTMENT: Planning and Development Services

PRESENTED BY: Steven Szafran, Planner II

I. PROPOSAL

The applicant, James Alan Salon, applied for a rezone to modify the existing zoning category for a 6,648 square foot parcel zoned R-48 and a 7,079 square foot parcel zoned Office located at 18511 and 18501 Linden Ave N. This application before the Planning Commission is a request to *change the zoning designation from R-48 (Residential - 48 dwelling units per acre) and Office (O) to RB (Regional Business)*. The applicant is not proposing any development plans at this time. A site plan showing the site configuration of the proposal (existing site conditions) is included as **Attachment 1**. A vicinity map showing existing zoning for the project site and adjacent properties is located in **Attachment 2**. The parcels have Comprehensive Plan Land Use designations of Community Business and Mixed Use. (**Attachment 3** illustrates the comprehensive plan land use designations of the surrounding vicinity).

Staff is proposing that the parcels be rezoned to Community Business (CB). Staff's rationale for its recommendation is presented in the Findings section. The applicant has verbally conveyed to staff that he is comfortable with staff's recommendation.

Under the Appearance of Fairness Doctrine, local land use decisions that are not of areawide significance shall be processed as quasi-judicial actions. Because this is a Site Specific Zone Change it shall be processed per RCW 42.36.010 as a Type C quasi-judicial action.

This report summarizes the issues associated with this project and discusses whether the proposal meets the criteria for rezone outlined in the Shoreline Municipal Code and the goals of the Comprehensive Plan. Type C Actions are reviewed by the Planning Commission, where an Open Record Public Hearing is held and a recommendation for approval or denial is developed. The recommendation is then forwarded to City Council, which is the final decision making authority for Type C Actions.

II. FINDINGS

1. SITE

The subject sites are located on the northwest corner of N 185th Street and Linden Avenue North. As indicated previously the sites are zoned Office and R-48 and have a land use designation of Community Business and Mixed Use, respectively.

The corner parcel is developed with the James Alan Salon and the parcel directly north is developed with one single-family residence. Together, the parcels measure 13,727 square feet in area (approximately .3 acres). The sites are generally flat and there are two significant trees.

Access to the salon is from a commercial driveway off of N 185th Street and the single-family home is accessed from a residential driveway off of Linden Avenue N (**Attachment 1**). If the site is redeveloped, access will most likely be from N. 185th Street.

Parking requirements for the site are based on use. Currently the James Alan site has sufficient parking for the salon. When a development proposal is submitted to the City, parking will be calculated using the square footage of any new structures. The Shoreline Development Code specifies 1 parking space for every 300 square feet accessible to the public for office/commercial uses. Along with the required amount of parking, the applicant will have to provide parking lot landscaping as well.

A traffic study will be required if P.M. Peak Hour Trips exceed 20. Since no development proposal is being submitted at this time, a traffic study will not be required. When a proposal for development is submitted to the City, the structure will be evaluated for traffic impacts at that time.

2. NEIGHBORHOOD

The project site is located in the Hillwood Neighborhood. Access to the property is gained from N 185th Street, a street that is classified as a Minor Arterial and Linden Ave. N., a street that is classified as a local street.

Surrounding Zoning

The zoning of the parcels immediately north of the subject parcels are R-18 and developed with a public utility building, single-family homes and condominiums. To the west are parcels zoned R-12 and are in the process of developing with townhomes. To the south, across N 185th Street, is a fire station, offices zoned R-12, R-18 and Office and the Fred Meyer shopping center zoned RB. To the east, across Linden Avenue N is a mix of uses including retail, office and apartments zoned RB, Office and R-48.

Surrounding Comprehensive Plan Land Use Designations

Parcels to the north and east are all designated for Mixed Use. The Mixed Use land use designation includes R-8 through R-48 residential zoning and all commercial and

industrial zoning. Parcels to the west are designated Medium Density Residential and parcels to the south are designated Community Business which allows R-12 through R-48 and Office, Neighborhood Business, Community Business and Regional Business. The zoning classifications and Comprehensive Plan Land Use designations for the project sites and immediate vicinity are illustrated in **Attachments 2 and 3**.

3. TIMING AND AUTHORITY

The application process for this project began on June 19th, 2006, when a pre-application meeting was held with the applicant and City staff. The applicant held the requisite neighborhood meeting on July 31st, 2006. The application was determined complete on September 14th, 2006. A Public Notice of Application was posted at the site, advertisements were placed in the Seattle Times and Shoreline Enterprise, and notices were mailed to property owners within 500 feet of the site on September 21st, 2006. The Notice of Public Hearing and SEPA Determination was posted at the site, advertisements were placed in the Seattle Times and Shoreline Enterprise, and notices were mailed to property owners within 500 feet of the site on October 12th, 2006.

Comments were received at the neighborhood meeting and during the public comment period. The comments are included in **Attachment 4** and discussed as part of Criteria #4 (below).

Rezone applications shall be evaluated by the five criteria outlined in Section 20.30.320 (B) of the Shoreline Municipal Code (SMC). The City Council may approve an application for rezone of property if the five decision criteria are met.

5. CRITERIA

The following discussion addresses whether the proposal meets or does not meet the decision criteria listed in Section 20.30.320(B) of the SMC.

Criteria 1: The rezone is consistent with the Comprehensive Plan.

The Comprehensive Plan land use map identifies the subject parcels as *Community Business* and *Mixed Use*. One parcel is developed with one single family home and the other is developed with a salon. The salon is consistent with the *Community Business* land use designation in use though not in building intensity. The single-family home is not consistent with the goals and policies of the *Mixed Use* land use category.

The following are zoning category definitions for the Shoreline Development Code (20.40.040).

Community Business: The purpose of the community business zone (CB) is to provide the location for a wide variety of business activities, such as convenience and comparison retail, personal services for local services and to allow for apartments and higher intensity mixed use developments.

Regional Business: The purpose of the regional business (RB) and industrial (I) zones is to provide for the location of integrated complexes made up of business and office uses serving regional market areas with significant employment opportunities.

The MU (Mixed Use) designation has no uniquely equivalent zoning designation. Below is the Comprehensive Plan description of the MU district:

“The mixed use designation applies to a number of stable or developing areas and to the potential annexation area at Point Wells. This designation is intended to encourage the development of pedestrian oriented places, with architectural interest, that integrate a wide variety of retail, office, and service uses with residential uses.”

Although the proposed Regional Business zoning is permitted by the *Community Business* and *Mixed Use* Comprehensive Plan land use designations, staff believes that it would result in greater development intensity and use than is appropriate in this area, an area of transition between the commercial area of Aurora and the residential neighborhoods to the west. Therefore staff is recommending CB (Community Business) zoning on both sites.

The following table summarizes the bulk requirements for the current zoning and the potential Regional Business zoning. (Note: The following standards apply to new construction.

Standard	RB(Applicant Proposed)	Office (Current)	R-48 (Current)
Front Yard Setback	10' (0 if improved)	10' (0 if improved)	10' (0 if improved)
Side Yard Setback	15'	10'	5'
Rear Yard Setback	15'	10'	5'
Building Coverage	N/A	N/A	70%
Max Impervious Surface	90%	85%	90%
Height	65'	35'(50' for mixed-use)	50'
Density (residential development)	No Maximum	24 du/ac	48 du/ac

The following table summarizes the bulk requirements for the requested RB zoning and the recommended alternative of Community Business.

Standard	RB (Proposed)	CB (Recommended)
Front Yard Setback	10' (0 if improved)	10' (0 if improved)
Side Yard Setback	15'	10'
Rear Yard Setback	N/A	N/A
Building Coverage	N/A	N/A
Max Impervious Surface	90%	85%
Height	65'	60'
Density	No Maximum	48 du/ac

Both the Regional Business and Community Business zoning designations may be appropriate for the site in order to achieve the following goals of the Comprehensive Plan, including:

Goal LU I: Ensure that the land use pattern of the City encourages needed, diverse, and creative development, protects existing uses, safeguards the environment, reduces sprawl, promotes efficient use of land, encourages alternative modes of transportation and helps maintain Shoreline's sense of community.

Goal LU V: To assure that a mix of uses, such as services, office, retail, and residential, are allowed either in low intensity buildings placed side by side or within the same building in designated areas, on arterials, or within close walking distance of high frequency transit, serving a neighborhood commercial and residential function.

The proposed rezone will allow commercial, residential or a mix of both uses on the two subject parcels. The two parcels are located adjacent to N 185th Street, a Collector Arterial, and 600 feet east of the Aurora Corridor. One of the parcels currently offers services to the Shoreline community (James Alan Salon) while the other will most likely serve that purpose in the future.

The proposed zone change complies with both the Comprehensive Plan designations of Community Business and Mixed Use. Practically, there are minor differences between the requested Regional Business and Community Business zoning in terms of permitted uses, but the use differences are important. The Regional Business category permits more intense land uses such as Warehousing, Kennels, Construction Retail and Auto Rental and allows unlimited residential density.

CD 48: Develop attractive, functional, and cohesive commercial areas that are harmonious with adjacent neighborhoods, by considering the impacts of the land use, building scale, views and through-traffic.

The following table outlines the differences among the likely development possibilities in the following zoning categories:

	RB	CB	NB	O	R-48
Floor Area Ratio	.5	.5	.4	.4	.4
Max Height	65 ft	60 ft	50 ft	50 ft	50 ft
Max DU's/ Acre	No Max	48	24	24	48
Likely Bldg Sq. Ftg	41,818	34,848	22,303	22,303	22,303
Likely Bldg footprint	6,970	6,970	5,576	5,576	0
Total Units	35	15	8	8	15
Site Area	13,727	13,727	13,727	13,727	13,727
Likely no. of parking stalls	76	45	30	30	22

With Community Business zoning, the height and density of the subject parcels would more compatible with what currently exists in the neighborhood. The requested Regional Business zoning category could result in structures that are taller and bulkier, and do not fit as well with other buildings in the area, even after nearby properties are redeveloped. Development under Community Business zoning would be more harmonious with adjacent land uses.

Criteria 2: The rezone will not adversely affect the public health, safety or general welfare.

Staff concludes that a rezone to Community Business will not adversely affect the public health, safety or general welfare of the surrounding neighborhood and community. The James Alan Salon has been part of this community for many years without any ill effects. The rezoning would allow the expansion of the use onto the parcel directly north of the salon. Since the parcels are currently zoned for business (O) and high-density residential (R-48), more intense development can occur on the subject parcels whether the rezone is approved or not.

This area has seen changes recently. Four townhomes have been approved directly to the west of the subject parcels (732 N. 185th). In addition, a demolition permit for a single-family home was approved in preparation for additional townhome units (742 N. 185th).

Criteria 3: *The rezone is warranted in order to achieve consistency with the Comprehensive Plan.*

The sites' Comprehensive Plan land use designations are *Community Business* and *Mixed Use*. Consistent zoning designations for these land uses include R-8 through R-48 and all commercial zoning categories. The subject parcels are currently zoned Office and R-48. Right now, one site is developed with a single-family house at a density of 6.6 dwelling units an acre, which is underdeveloped under the R-48 zoning category. The other site is the James Alan Salon zoned for Office uses (retail and personal services are allowed under the Office zoning category). The application to change the zoning of the parcels to Regional Business was made for future expansion of the salon and potentially developing a mixed-use building in the future.

The current zoning in the immediate vicinity of the project includes R-6, R-12, R-18, Office and Regional Business. The uses in the area include single-family houses, townhomes/condos, a fire station, offices, a bank and shopping centers.

Staff has recommended that Community Business be the approved zoning. Linden Ave N is a dividing line between more intense commercial uses that front along Aurora Ave N and lower intensity commercial, single-family and multi-family uses that exist west of Linden Ave N. Staff's proposal of Community Business would allow a wide range of commercial uses and achieve approximately 15 new dwelling units if the property develops for multi-family uses.

Criteria 4: *The rezone will not be materially detrimental to uses or property in the immediate vicinity of the subject rezone.*

At this time the proposed rezone appears to have minimal negative impacts to the properties in the immediate vicinity. The property owner plans to expand the existing salon onto the property to the north.

Concerns have been raised by adjacent neighbors concerning appropriateness of the commercial zoning, increased traffic and parking, and pedestrian safety. The following summary addresses each of these.

Appropriateness of Commercial Zoning

Staff received comments that this area, west of Linden Ave N, was not planned for commercial uses. Historically, this has been true, but the Comprehensive Plan has identified this area as being appropriate for mixed use development which permits a variety of uses—single-family and multifamily uses, offices, and retail businesses.

The City adopted the Comprehensive Plan and designated certain areas as areas where a mix of uses should occur. The subject parcel is in one of those areas. Commercial zoning is appropriate under the Mixed Use and Community Business land use designation. A Community Business zoning designation will result in new structures that will be compatible with existing densities, uses, and building heights.

Traffic/Parking

At this time, the applicant is proposing to rezone the parcels with no new changes to the site.

Currently the James Alan Salon has 9 parking spaces where 8 are required under the Shoreline Development Code. Depending on the uses of any new future structures, adequate parking requirements must be met.

Pedestrian Safety

There are existing sidewalks along N 185th Street adjacent to the applicant's property. No sidewalks exist along Linden Ave N. Development on one or both of the properties will require sidewalks be installed the length of the applicant's property along Linden Ave N. In addition to the sidewalks, there is a traffic signal with crosswalks at the intersection of Linden Ave N and N 185th Street.

Criteria 5: The rezone has merit and value for the community.

The proposed rezone will allow a commercial use that has been located in Shoreline for a number of years expand to meet the changing needs of the community. A bigger building will employ more people, provide more services to the residents of Shoreline, provide adequate parking, and potentially add to the housing stock of the City.

This rezone provides an opportunity to accommodate more jobs and multi-family dwelling units in an area not immediately adjacent to existing single-family neighborhoods and in close proximity to services and transportation.

In summary, staff concludes that the proposed zoning change will benefit the community.

III. CONCLUSIONS

1. **Consistency-** The proposed reclassification for the subject properties is consistent with the Washington State Growth Management Act, the City of Shoreline Comprehensive Plan, and the City of Shoreline Development Code.
2. **Compatibility-** The proposed and recommended zoning is consistent with existing and future land use patterns identified in the Comprehensive Plan.
3. **Housing / Employment Targets-** The current residential density of 6.6 dwelling units per acre on one of the sites indicates the site is underutilized per the density guidelines listed in the Comprehensive Plan for the *Mixed Use* land use designation. By changing the zoning to Community Business, the proposal can the City of Shoreline in meeting employment targets as well as housing targets established by King County to meet requirements of the Growth Management Act.
4. **Environmental Review-** It has been determined that per WAC 197.11.600 (2) the SEPA obligations for analyzing impacts of the proposed rezone are fulfilled by previous environmental documents on file with the City. The FEIS prepared for the

City of Shoreline's Comprehensive Plan, dated November 9, 1998, and is incorporated by reference to satisfy the procedural requirements of SEPA.

5. **Infrastructure Availability-** There appears to be adequate infrastructure improvements available in the project vicinity. This includes adequate storm, water, and sewer capacity for the future development.

IV. PROPOSED PLANNING COMMISSION FINDINGS AND DETERMINATIONS

Summary-

Following the public hearing and deliberation on the request to change the zoning designation of two parcels totaling 13,727 square feet at 18501 and 18511 Linden Ave N, the City of Shoreline Planning Commission has determined that the request is in compliance with City codes and not detrimental to the health, safety, or welfare of the City of Shoreline, and therefore recommends approval of such action.

I. FINDINGS OF FACT

Project Description-

- 1.1 Rezone the subject parcels from Office (O) and R-48 (Residential 48 units per acre) to Community Business on 18501 and 18511 Linden Ave n for future development opportunities.
- 1.2 Site Address: 18501 and 18511 Linden Avenue N.
- 1.3 Parcel Number: 7283900302 and 7283900303
- 1.4 Zoning: Office and R-48
- 1.5 The property at 18501 Linden Ave N has a land use designation of *Community Business* and the property at 18511 Linden Ave N has a land use designation of *Mixed Use* identified on the City of Shoreline's Comprehensive Plan Land Use Map. Community Business zoning is consistent with the Community Business and Mixed Use land use designations.

Procedural History-

- 2.1 Public hearing held by the Planning Commission: January 4th, 2007
- 2.2 Notice of Public Hearing and SEPA Determination of Nonsignificance: October 12th, 2006
- 2.3 End of 14 day Public Comment Period: October 5th, 2006
- 2.4 Notice of Application with Optional DNS: September 21st, 2006
- 2.5 Complete Application Date: September 21st, 2006
- 2.6 Application Date: August 31st, 2006
- 2.7 Neighborhood meeting Date: July 31st, 2006

Public Comment-

The following individuals participated in Neighborhood Meetings:

Four people attended the required Neighborhood Meeting. General comments included wanting to see more redevelopment and mixed-use buildings and wanting more condos in the area.

Written Comments have been received from:

Two letters were received in response to the standard notice procedures for this application and included concerns about ample customer parking, traffic, pedestrian safety, commercial zoning on the west side of Linden and commercial uses in a residential area.

SEPA Determination-

The optional DNS process for local project review, as specified in WAC 197-11-355, was used. City staff determined that the proposal will not have a probable significant adverse impact on the environment and that an environmental impact statement is not required under RCW 43.21C.030 (2) (c). A notice of determination of non-significance was issued on October 12th, 2006.

Consistency –

Site Rezone:

The application has been evaluated and found to be consistent with the five criteria listed in Shoreline Municipal Code Section 20.30.320 (B).

A recommendation to approve the Rezone does not constitute approval for any development proposal. Applicable permits shall be obtained prior to construction. Permit applications shall show compliance with the 1998 King County Storm Water Design Manual and Title 20 of the Shoreline Municipal Code (SMC). Applicable sections of the SMC include but are not limited to the following: Dimensional and Density Standards 20.50.010, Tree Conservation 20.50.290, Surface and Stormwater Management 20.60.060, and Streets and Access 20.60.140 and any conditions of the Rezone.

V. PLANNING COMMISSION ROLE AND OPTIONS

As this is a Type C action, the Planning Commission is required to conduct a Public Hearing on the proposal. The Commission should consider the application and any public testimony and develop a recommendation for rezone approval or denial. The City Council will then consider this recommendation prior to their final adoption of the application.

The Planning Commission has the following options for the application:

1. Adopt staff's recommendation to rezone the 18501 and 18511 Linden Avenue N (parcel numbers 7283900303 and 7283900303) from Office and R-48 to Community Business based on findings presented in this staff report.
2. Adopt the applicant's proposal to rezone the sites from Office and R-48 to Regional Business based on specific findings of the Planning Commission,
3. Recommend denial of the rezone application. The existing Office and R-48 zoning remains based on specific findings made by the Planning Commission.

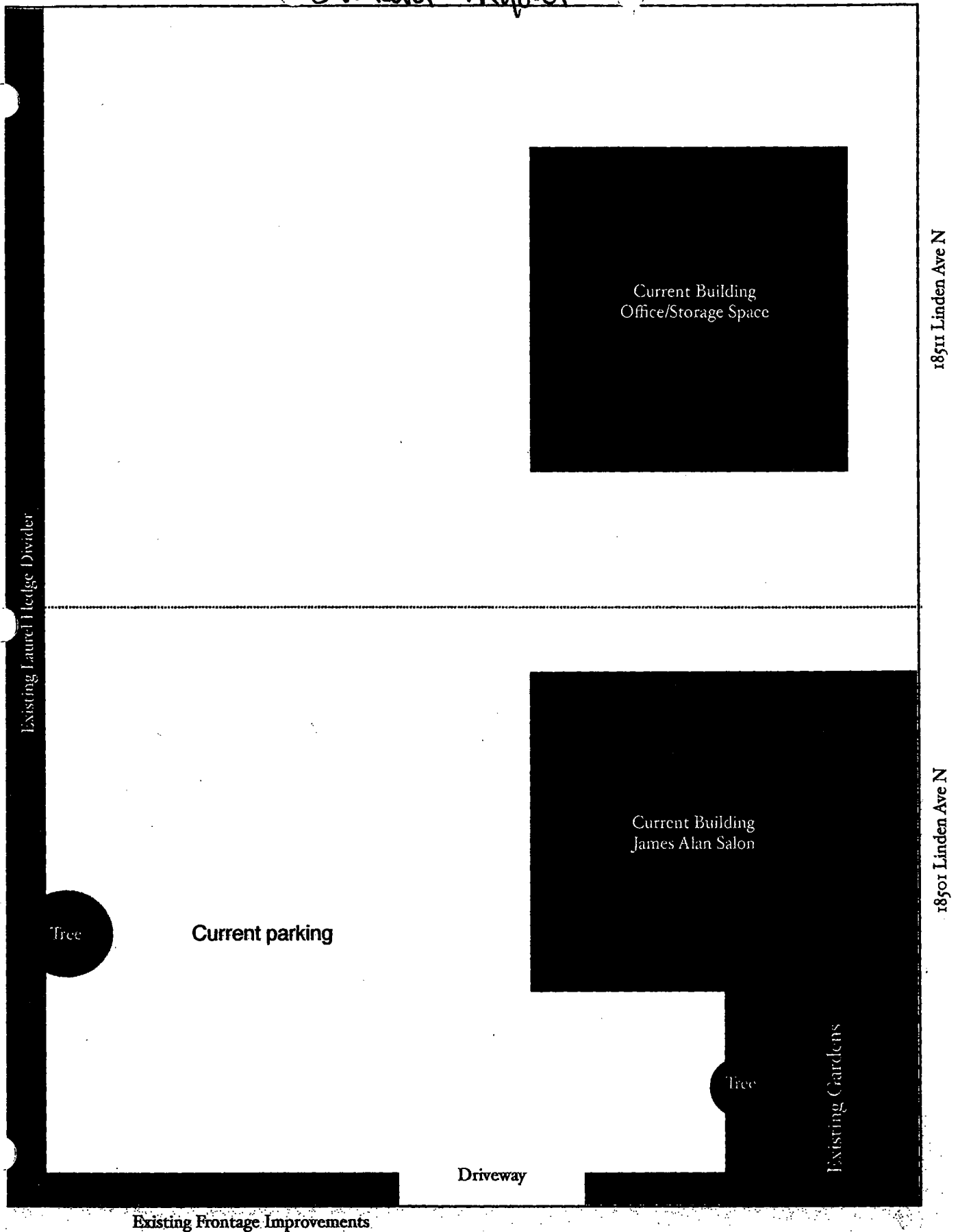
VI. PRELIMINARY STAFF RECOMMENDATION

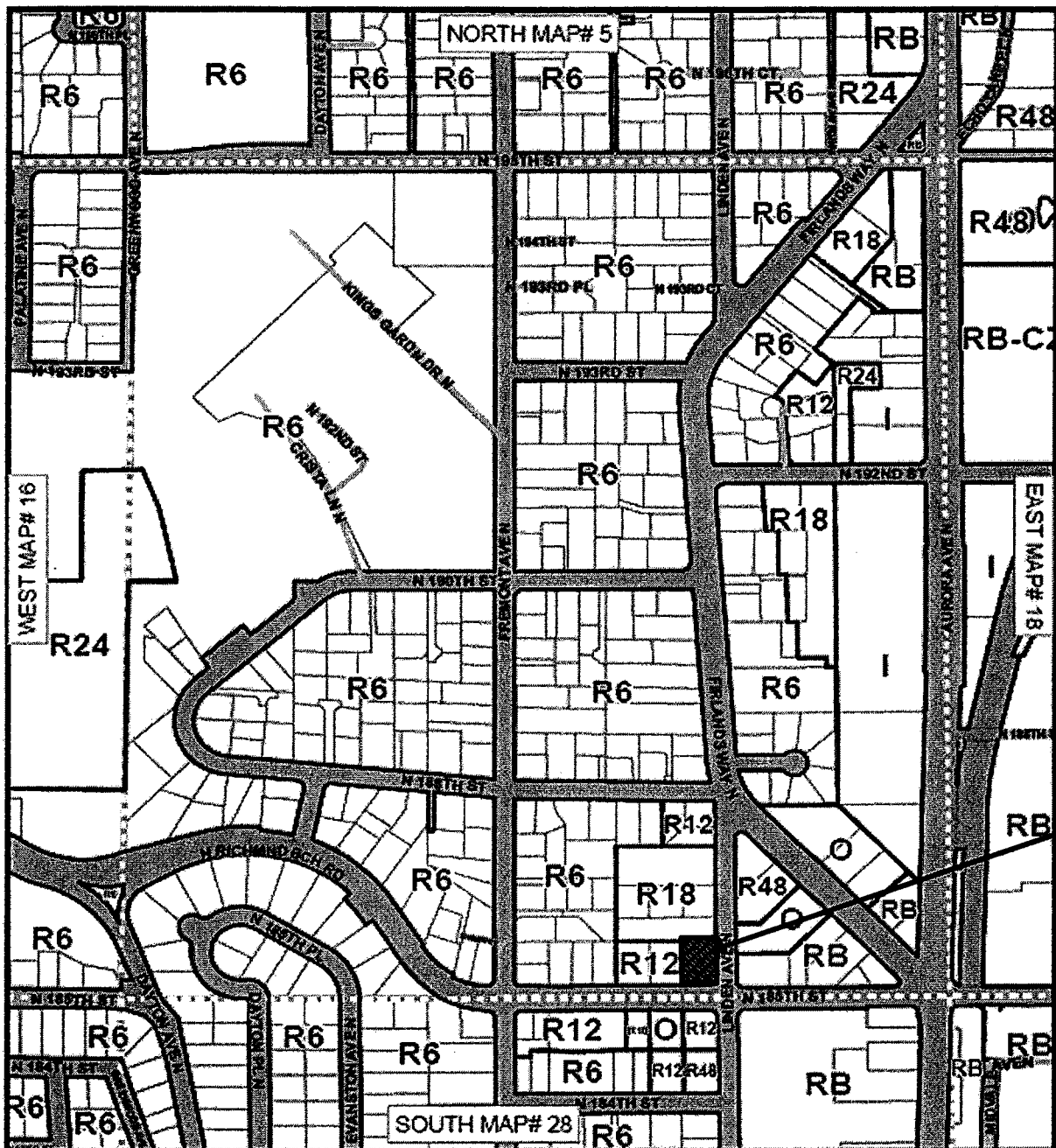
Staff recommends that the Planning Commission move to recommend to the City Council that Community Business zoning be adopted for the properties located at 18501 and 18511 Linden Ave N. (parcel numbers 7283900303 and 7283900303). Enter into findings based on the information presented in this staff report that this proposal meets the decision criteria for the reclassification of property as outlined in the Shoreline Municipal Code Section 20.30.320.

VII. ATTACHMENTS

Attachment 1: Existing Condition Site Plan
Attachment 2: Vicinity Map with Zoning Designations
Attachment 3: Vicinity Map with Comprehensive Plan Designations
Attachment 4: Public Comment Letters

Current layout





CITY OF SHORELINE ZONING MAP

Plot Date: 1/3/2007

Zoning Legend

- | | |
|--------------------------------|---------------------------------------|
| R4 Residential, 4 units/acre | NB Neighborhood Business |
| R6 Residential, 6 units/acre | NCBD North City Business District |
| R8 Residential, 8 units/acre | CB Community Business |
| R12 Residential, 12 units/acre | O Office |
| R18 Residential, 18 units/acre | RB Regional Business |
| R24 Residential, 24 units/acre | RB-CZ Regional Business-Contract Zone |
| R48 Residential, 48 units/acre | I Industrial |
| CZ Contract Zone | |

Feature Legend

- | | |
|------------------|---------------------|
| - Map Tile Lines | - Undclassified ROW |
| - City Boundary | - Parcel Line |

SW1/4-S6-T26N-R4 E

1	2	3	4	5	6	7	8	9	10
11	12	13	14	15	16	17	18	19	20
21	22	23	24	25	26	27	28	29	30
31	32	33	34	35	36	37	38	39	40
41	42	43	44	45	46	47	48	49	50
51	52	53	54	55	56	57	58	59	60
61	62	63	64	65	66	67	68	69	70

MAP # 17

1:3,600

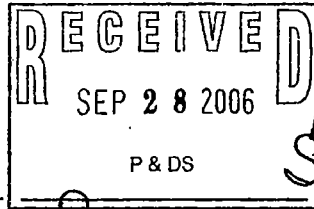


0 75 150 300 450 600 Feet

No warranties of any sort, including accuracy, fitness, or merchantability, accompany this product.

Representation of official zoning map adopted by City Ordinance No. 292. Shows amendments through December, 2006.





8546 Fremont Ave. North
Shakeline, Washington
98133-6821

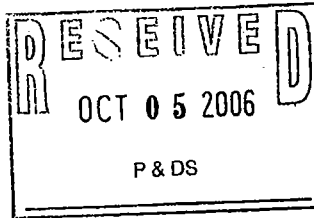
Mr. Steven Szafran
Planning and Development Services
17544 Midvale Avenue N.
Shakeline, Washington, 98133-4921

Dear Sir[s]:

Project number #201570 has
several concerns for one who lives
around the corner from 18501 and 18511
Linden Ave. N. :

1. Traffic : the new rezone promises
heavy increases around this
(small) corner of automobile traffic
2. Parking : will the new commercial
businesses have adequate parking?

Currently there is only on-street
parking which heavily impacts
homeowners and the Jukela
apartments already.



October 3, 2006

Planning and Development Services
17544 Midvale Avenue N.
Shoreline, WA 98133

Dear Steven Szafran and Planning Department:

mu
CB

The rezone application #201570 should not be granted by your department. The Shoreline Comprehensive plan will be adversely effected by this proposed rezone. The comp. plan has clear borders for the classification of "regional business". The west side of Linden Avenue was never intended to be rezoned into this category as I understand the intent of RB zoning described in the comp. plan. Residential properties face Linden Avenue on the west side. New residences have been constructed on 182nd just west of Linden Avenue. Linden is the clear dividing line between residential and regional business uses such as Fred Meyer. The dental office on 182nd is zoned for that location due to the contamination from the auto maintenance and fuel business that was located on that site historically. It is my understanding that residential property use was not appropriate on that site due to long term contamination of the soil. On the west side of Linden Avenue the phone utility station now belonging to Verizon has been the only commercial historic use besides the more recent hair salon office on 185th. By observation alone city planners will see that the primary property use on the west side of Linden Avenue from 175th to 188th is residential.

S. of 185th
CP of LDR!

? -> Comp Plan?

As I understand it a form of staged zoning west of Aurora would direct future development. To my recollection the Comprehensive Plan has not been amended to change this direction. The current designation (R48) at the proposed project location follows the step down zoning plan. Other apartments exist on the west side of Linden. The two locations 18501 and 18511 appear to be too small for the concept of regional business. The current office use is barely appropriate because employees' parking blocks pedestrian access to the west side of Linden Avenue during business hours at the James Alan Salon. If the current business cannot provide adequate parking how does the city believe that adequate parking will be available at the zoning of regional business?

1998 & 2001
- WE DON'T HAVE MIN. PARCEL SIZES
YES THEY DO. NEED 8, HAVE 9

A LOCAL STREET


Linden Avenue is not designated an arterial so the 18511 Linden property should not be accepted as part of this proposal. Regional business is located on arterials everywhere else in Shoreline. With Aurora designated as the arterial there is no need to change the designation of Linden Avenue that ends at 175th to an arterial. The street is already stressed with cut through traffic avoiding Aurora and extra vehicles from apartments located along the street. Linden Avenue is a unique location in the city because R-6 zoning exists on the west side and RB is designated on the east side. Locations like this require sensitive planning not "spot zoning". If city planners will observe the relationship of residential and business use along 45th street through Wallingford in Seattle they will see what is necessary in Shoreline. The rear of business locations such as the Wallingford Center, QFC, and The Guild 45th theater are across the street from residences and small apartments. Traffic circles on the residential streets restrict the business traffic to 45th. The west side of Linden Avenue is not the appropriate location for any expansion of RB zoning.

The need for an expansion of RB zoning does not seem to be justified. The Aurora corridor has many properties available for development or redevelopment. The Discount Tire store on 200th and Aurora is evidence that new commercial ventures can still find locations on Aurora. In the notice sent to my home from your office no justification was given

for this rezone application. When the fire station moved near our home a detailed justification was given to our neighborhood of why that location was necessary for public safety. My understanding of the Shoreline Comprehensive plan is that zoning changes are not granted just because an owner has thought of a more profitable use for his property. The entire purpose for zoning and comprehensive planning appears to be overturned in this application.

I strongly urge the planning department and planning commission to deny this application. The precedent set by approving this "spot zoning" proposal is something that most citizens would not agree to if they knew this was occurring in their neighborhood.

Thank you for your consideration,


Kenneth Howe
745 N. 184th Street
Shoreline, WA 98133

Name	Address	Comments
CHRISTOPHER JOHNS	638 NW 181 COURT	LIKE TO SEE SOME MULTI-USE SO I CAN LIST THE CONDO'S
Lagco Johns	638 NW 181 COURT	hi matthew!
Jeanne Monger	1832 N 190 th SHORELINE WA 98133	We like the concept of improving the corner of 185 th + Linden. We would like to see property rezoned
LARRY MONGER	1832 N 190 th SHORELINE WA 98133	I LIKE THE REZONE PLAN.

CITY OF SHORELINE

SHORELINE PLANNING COMMISSION SUMMARY MINUTES OF REGULAR MEETING

January 4, 2007
7:00 P.M.

Shoreline Conference Center
Mt. Rainier Room

COMMISSIONERS PRESENT

Chair Piro (arrived at 7:20 p.m.)
Vice Chair Kuboi
Commissioner Broili
Commissioner Hall
Commissioner Harris
Commissioner McClelland
Commissioner Phisuthikul
Commissioner Pyle
Commissioner Wagner

STAFF PRESENT

Joe Tovar, Director, Planning & Development Services
Steve Cohn, Senior Planner, Planning & Development Services
Steve Szafran, Planner II, Planning & Development Services
Flannary Collins, Assistant City Attorney
Jessica Simulcik Smith, Planning Commission Clerk

CALL TO ORDER

Vice Chair Kuboi called the regular meeting of the Shoreline Planning Commission to order at 7:03 p.m.

ROLL CALL

Upon roll call by the Commission Clerk, the following Commissioners were present: Vice Chair Kuboi, Commissioners Broili, Hall, Harris, McClelland, Phisuthikul, Pyle and Wagner. Chair Piro arrived at 7:20 p.m.

APPROVAL OF AGENDA

The Director's Report was moved to after the public hearing. The remainder of the agenda was approved as presented.

APPROVAL OF MINUTES

The minutes of December 14, 2006 were approved as presented.

GENERAL PUBLIC COMMENT

There was no one in the audience who expressed a desire to comment during this portion of the meeting.

PUBLIC HEARING ON SITE-SPECIFIC REZONE AT 18501 LINDEN AVENUE (PROJECT NUMBER 201570)

Vice Chair Kuboi reviewed the rules and procedures for the public hearing. He reminded the Commission of the Rules of the Appearance of Fairness Laws and invited them to disclose any communications they may have received concerning the subject of the hearing outside of the hearing. Commissioner Hall advised that at the last Commission meeting, he spoke briefly with the project proponent's representative about why they were being asked to consider a rezone application for property that was recently rezoned. However, he realized that it was inappropriate for him to talk about the quasi-judicial issue outside of the hearing and the conversation stopped before any in-depth discussion occurred. None of the Commissioners, staff or public expressed a concern about Commissioner Hall's participation in the public hearing.

Mr. Tovar introduced Flannary Collins, Assistant City Attorney, who was present to help the Commission and staff prepare a legally-sound set of findings and conclusions for the quasi-judicial rezone application. She would also be available to answer the Commission's legal questions.

Staff Overview and Presentation of Preliminary Staff Recommendation

Mr. Szafran presented the staff report to the Commission. He provided a Comprehensive Plan Map, indicating the location of the two subject parcels. He noted that the southern parcel has a current land use designation of Community Business (CB) and the northern parcel is currently designated as Mixed-Use (MU). The properties are surrounded by MU to the north and east, Medium-Density Residential (MDR) to the west, and CB to the south. Next, he referred to a zoning map that indicates the two properties have different zoning: the southern property is currently zoned Office (O), and the property directly to the north is zoned R-48. The property to the west is currently zoned R-12, and properties to the east are currently zoned as Regional Business (RB), O and R-48. The zoning to the south is currently R-18, R-12, and O. Mr. Szafran reviewed the existing site plan for the subject properties, and he also provided photographs to illustrate adjacent development to the north, south, east and west.

Mr. Szafran advised that the applicant originally proposed to change the existing zoning of R-48 and Office (O) to Regional Business (RB). However, the staff is proposing that the parcels be rezoned to Community Business (CB). He briefly explained that in an RB zone there would be no maximum residential density limitation, and a 65-foot height limit would be allowed. A CB zone would have a 60-foot height limit, and the density would allow only 15-units to be constructed. In addition, the range of land uses allowed in an RB zone would be more intense. Both the RB and CB zones would allow a mix of commercial and residential uses. He explained that the Office zone would allow a 50-foot height limit and a less-intense range of land uses. He noted that, based with the current R-48 and O zoning, the applicant would be allowed to construct up to 11 units with a maximum height limit of 50 feet. The commercial portion of the development would be limited to the portion of the property that is zoned O.

Mr. Szafran explained that the rezone to CB would be consistent with the MU and CB land use designations and would provide a transition from Aurora Avenue North to the west. It would also provide services for surrounding neighborhoods and place the higher-density uses away from the single-family neighborhoods and along the arterial street. In addition, the subject property falls within the proposed Town Center Study Area. He said that staff's preliminary recommendation is that the Commission recommend approval of CB zoning for properties located at 18501 and 18511 Linden Avenue North.

Applicant Testimony

Jim Abbot, representative for applicants, said the applicants have agreed with the staff's recommendation to rezone the two subject parcels to CB, which would limit the height to 60 feet and allow a less intensive range of land uses. However, they are concerned that limiting the properties to a maximum of 15 dwelling units would be too restrictive. He explained that with a 60-foot height restriction, the applicant would be able to construct up to four floors of residential space over the James Alan Salon. If they are restricted to 15 units, they would likely end up being quite large (1,500 to 1,800 square feet) condominium units. They would prefer to construct some smaller units (about 1,000 square feet) that could be used as apartments. He said that while they do not oppose the staff's recommendation to rezone the properties to CB, they are asking that the Commission consider the option of altering the number of dwelling units allowed on the site.

Mr. Abbot reiterated that the applicant is willing to be bound by all of the criteria associated with the CB zoning designation, except for the restriction on the number of dwelling units. He suggested that a greater number of small units would be beneficial to the City and would comply with the Growth Management Act Requirements and the City's Comprehensive Plan Policies. He recalled that when he developed the Gateway Project at 185th and Aurora Avenue North, which is very close to the subject property, the Council expressed concern that they were not providing any dwelling units. They were unable to provide residential space because of the high water table and the inability to have underground parking, but that is not the case with the subject property. He summarized that the applicant would like to have five or six units per floor of residential space instead of three or four. He asked that the Commission consider a contract rezone or concomitant agreement that would allow them to have more dwelling units but still stay within the CB zoning designation requirements.

Chair Piro arrived at the meeting at 7:20 p.m. and stepped in as chair of the meeting.

Questions by the Commission to Staff and Applicant

Commissioner Phisuthikul asked how many dwelling units the applicant would propose for the subject properties. Mr. Abbot answered that the applicant would agree to limit the development to 25 units or less on the four floors. This would allow them to construct more small units rather than fewer large condominium units. Commissioner Phisuthikul asked if the applicant would agree to limit the ownership of the units to only rental if the development were allowed to have up to 25 units. Mr. Abbot

said he does not know the applicants' future plans, but their current desire is to lease out the units as an investment rather than selling them as condominiums.

Vice Chair Kuboi asked if the applicant approached the staff previously regarding the concept of a contract rezone. Mr. Szafran answered that staff was not previously notified of the applicants' desire for a contract rezone. He explained that if the Commission were to recommend approval of the CB zone as proposed, the properties would be limited to only 15 dwelling units. Mr. Abbot advised that the applicant has retained an architect to start the preliminary design work, and their initial discussions have centered around one level of underground parking, the salon on the ground floor and then four floors of housing above. However, no site plans have been submitted to the City at this point. The applicants chose to move forward with the public hearing for the proposed CB zone because they were accepting of all of the CB zoning criteria except the 15-unit limitation. They were hoping to find a creative way to increase housing density, but still work within the staff's recommendation.

Mr. Tovar recalled that a number of rezones have come before the Commission for review over the past year. While questions are often asked about the proposed site plans, it is important to understand that once a zoning change has occurred, future applicants would be allowed to build based on whatever rights are allowed under that zone. On a number of occasions, the City Attorney has cautioned against conditioning rezone applications. Mr. Tovar pointed out that, currently, the City's zoning categories are very detailed as far as density. He also noted that later in the meeting he would talk with the Commission about the concept of form-based zoning, which moves away from being fixated on density, ownership, etc. Instead, a form-based code would simply regulate bulk, form, shape, character, parking, landscaping, etc. and allow the other issues to be addressed based on the market demands.

Mr. Tovar summarized that based on the City's current zoning code, staff does not recommend a contract rezone approach at this time. However, the Commission could consider RB zoning, which is what the applicants' originally proposed. The applicants would then be able to construct a development with 25 dwelling units or less, which is fewer than the RB zoning designation would allow. Mr. Abbot agreed that if the Commission is unable to consider a contract rezone for the subject parcels, they could consider the applicants' original proposal for RB zoning. Again, he indicated that the applicants are willing to be bound by a subsequent contract rezone or concomitant agreement that would limit the development to 25 units with a 60-foot height restriction.

Commissioner Wagner asked at what point a traffic impact study would be required for the subject property. She said she could envision a situation where small units could be constructed bit by bit, none of which individually would require a traffic impact study. Mr. Szafran answered that staff would determine whether or not a traffic impact study would be required for the subject property at the time a building permit application is submitted. No construction would be allowed on the site until a site development permit has been approved.

Mr. Tovar said staff talked to the City Attorney about whether it would be possible to condition approval of the RB zone, and his answer was "no". Based on this direction, the Commission has the option of choosing either the CB or the RB zoning designations, only. They cannot condition either of these designations. He said that rather than recommending approval of the CB zoning designation with

conditions, staff would be more comfortable recommending approval of the RB zoning designation with no conditions.

Flannary Collins, Assistant City Attorney, explained that certain standards were set in the Comprehensive Plan for a reason. Adding conditions for some rezone applications could result in situations where applicants expect the City to place conditions on rezone applications, using a combination of two zones to meet their needs. She advised that the Revised Code of Washington indicates that cities must make these choices when reviewing comprehensive plans and zoning regulations and not on a case-by-case basis. She reminded the Commission that the City Attorney has cautioned against the use of contract rezones.

Commissioner Hall recalled that, in the past, the Commission has been informed that with any quasi-judicial rezone, they have the authority to recommend approval, recommend denial, or recommend approval with conditions. He asked if it is now the City Attorney's position that the Commission does not have the legal authority to approve a rezone with conditions. Ms. Collins said she does not believe the Commission would be prohibited from placing conditions on a rezone application, but the intent of the Revised Code of Washington and the City's development regulations is that the Commission won't add conditions. She noted that the existing development regulations went through a public process and careful staff and Commission analysis before they were adopted. Commissioner Hall pointed out that in previous cases, the City Attorney has been involved in negotiations with applicants to bring forth conditions as part of the staff's recommendation. He asked if this new direction is legal interpretation or a change in policy. Ms. Collins she cannot comment on previous applications that have come before the Commission, but the City Attorney is now cautioning against the use of contract rezones.

Commissioner McClelland suggested that a contract rezone would be different than conditions being placed on a rezone application. Mr. Tovar said the contract rezone concept has been around for decades and has been utilized by various jurisdictions throughout the region. However, the Growth Management Act requires that a city's comprehensive plan and development regulations (including the zoning map) be consistent. Whether it is called a contract rezone or a conditioned permit, it is a fundamentally flawed concept since the development regulations should reflect what the Comprehensive Plan says. His professional recommendation would be to move away from unpredictability and the ad hoc incremental case-by-case contract rezone approach. Instead, they should take the time and effort to make the regulations say what they mean.

Commissioner Broili asked about the timeline of the applicants' project. Mr. Abbot said the applicants submitted the rezone application early in 2006, and their intent is to move the project forward as quickly as possible. Commissioner Broili asked about the expected timeline for the adoption of a more form-based zoning code. Mr. Tovar answered, that later in the meeting, staff would present the concept of creating a more form-based code for a specific part of the City. Adopting form-based zoning that could be applied city-wide would take significantly longer to accomplish. However, the Commission could certainly discuss this option at their joint-meeting with the City Council in April. He noted that the City Council has already signaled their interest in a form-based code approach, and staff is preparing a proposal to apply the concept to the South Aurora Avenue Triangle.

Commissioner Hall asked how many units would be allowed to be developed on the subject property based on the City's highest residential zone of R-48. Mr. Szafran answered that an R-48 zone would allow a maximum of 15 units. Commissioner Hall said he would like more specific information about what the previous zoning and land use designation was. He also asked staff to provide more information about the extent to which neighboring cities and counties use conditions or contract rezones, especially those jurisdictions that are similar to Shoreline in size. He would also like examples of how both planning commissions and hearing examiners handle quasi-judicial matters. He said it is important that the Commission has a clear understanding of how they can effectively use their power to promote development that is consistent with the City's Comprehensive Plan Policies, and at the same time, safeguard the interest of the neighbors. He agreed with Mr. Tovar that the City's current zoning regulations limit the flexibility for applicants to do creative design. However, he recalled that during the cottage housing debate, they heard that the citizens would not support density bonuses. He suggested that when considering the option of form-based zoning, they should also consider the elements of the existing use-based code that some members of the community have passionately testified about in the past.

Chair Piro asked what the new timeframe would be if they were to postpone their action until staff could provide the additional information requested by Commissioner Hall. Mr. Cohn reminded the Commission that the January 18th meeting was cancelled, but staff could have the additional information available for the Commission's continued deliberation on February 1st. Mr. Abbot indicated that the applicants would support a Commission decision to continue the hearing to February 1st.

Mr. Abbot pointed out that the term "contract rezone" is defined in the City's development code, so he assumed the concept could be utilized by the Commission. Mr. Tovar said he would ask the City Attorney to provide written clarification regarding his position on contract rezones. Mr. Abbot pointed out that he has been involved with contract rezone applications in the cities of Edmonds, Redmond and Seattle. If contract rezones are not the right approach in Shoreline, he asked that staff provide additional direction to the applicants on how to address their concern.

Commissioner Harris asked Mr. Tovar to reiterate his previous statement regarding the applicants' original application for RB zoning. Mr. Tovar said staff would be willing to support the applicants' original proposal for RB zoning. While the applicant has verbally offered to limit the development to 25 units or less, staff is not confident it would be legal for the City to impose this condition based on the existing zoning regulations. Mr. Abbot said the applicants are prepared to offer a written agreement, if the appropriate vehicle for doing so could be identified.

Commissioner Harris asked if staff believes the smaller rental units proposed by the applicant would benefit the City more than larger condominium units. Mr. Tovar suggested that the Comprehensive Housing Strategy Committee would consider this subject as one aspect of their discussion. He noted, however, that as the market demands changes, the City would not really have control over whether or not the units are converted to condominiums at a later date.

Commissioner Pyle referred to Attachments 2 and 3 and recalled some history of these parcels. The Comprehensive Plan Amendment occurred in 2005 and changed the designation on the northern site from HDR (High Density Residential) to MU (Mixed Use).

Ms. Collins said that while it is not the City Attorney's intent to prohibit contract rezones, he is cautioning that they are not wise. The Comprehensive Plan policies and the Development Code regulations should be consistent and clearly indicate what is and is not allowed.

Public Testimony or Comment

There was no one in the audience who expressed a desire to participate in the public hearing.

Presentation of Final Staff Recommendation

Mr. Tovar distributed the draft findings and conclusions that were prepared by Ms. Collins. He advised that the Commission could review the document and take action tonight, or they could carry their deliberation over to the February 1st meeting. He advised that staff's final recommendation is that the Commission recommend approval of the more permissive zoning of RB, as originally requested by the applicants, with the understanding that the applicants would look for a method to provide some type of written commitment to limit what could be done on the property beyond what the zoning code would require. In the meantime, staff could obtain information from other jurisdictions regarding their use of contract rezones. Staff could also request further direction and feedback from the City Attorney.

Final Questions by the Commission and Commission Deliberation

COMMISSIONER PYLE MOVED TO RECOMMEND TO THE CITY COUNCIL APPROVAL OF THE REQUEST TO REZONE BOTH PARCELS AT 18511 AND 18501 LINDEN AVENUE FROM OFFICE (O) AND R-48 TO REGIONAL BUSINESS (RB). COMMISSIONER MCCLELLAND SECONDED THE MOTION.

Commissioner Pyle said it appears the intent of the current property owners is to limit the number of units to 25. He pointed out that it is difficult to determine what market forces will do in the future. They might want to add more office space in the future, or change the configuration of all of the uses. The proposed zone would allow the property owners to make changes based on market pressures.

Commissioner McClelland said she believes it would be appropriate to allow more dwelling units on the site. The applicant has made a good faith effort to voluntarily limit the number to 25 or fewer. She suggested that if the Commission had known what the applicants were proposing for the subject property prior to the meeting, they would have reached this same conclusion. She did not think the additional information to be provided by staff in February would change the Commission's position. Therefore, she is ready to move forward with a recommendation of approval.

Commissioner Broili said that because situations often change after a rezone application has been approved, he would not be in favor of a contract rezone or any other type of conditions. He agreed with

the City Attorney's caution against placing conditions on rezone applications. If changes are necessary, they should be made to the zoning criteria, instead. He said he is anxious to learn more about the form-based zoning concept, which would provide opportunities for flexibility. He said he would support the proposed RB zoning designation, since it would give the applicants maximum flexibility and would be consistent with adjacent properties given their proximity to Aurora Avenue North and 185th Street.

Commissioner Hall said that although he could support the development concept put forth by the applicant, he would not support the proposed motion to rezone the property to RB at this time. He referred to the code criteria related to rezone applications and made the following observations:

- **Criteria 1: The rezone is consistent with the Comprehensive Plan.** The rezone proposal would be consistent with the Comprehensive Plan.
- **Criteria 2: The rezone will not adversely affect the public health, safety, or general welfare.** The letter from Mr. Howe found in Attachment 4 describes concerns about certain things the zoning code has generally protected. The Commission has also discussed the concept of step down zoning that gradually goes from the most intense uses near the urban centers to less intensive residential uses. The staff's recommendation to rezone the subject properties to RB could lead to developments of much higher density than would otherwise be seen in this area, and this would result in higher traffic impacts, as well. Thus, the rezone would adversely impact the general welfare of the community.
- **Criteria 3: The rezone is warranted in order to achieve consistency with the Comprehensive Plan.** In order to make this criterion more meaningful, the Commission must carefully consider whether the rezone would be warranted. The Commission understands that they want to provide various housing options for the community, and smaller rental apartment units would be terrific. However, they must consider what would be allowed in the RB zone and not just what the applicant is proposing. There is no evidence to indicate a need to rezone the properties to RB to achieve consistency with the Comprehensive Plan. Therefore, the current zoning designation is already consistent.
- **Criteria 5: The rezone has merit and value for the community.** While the ability to get more high-density housing on the subject property would have merit, the proposed RB zone would overreach this goal. The highest density in the vicinity of the subject property is R-48. An RB zoning designation would allow the property owner the potential of constructing a 65-foot tall purely residential building with approximately 35 units.

Commissioner Pyle pointed out that, regardless of whether the use is office, residential or retail, the developer would be able to construct a building with an envelope that would meet the same limits and design requirements as a residential building. Therefore, the perceived impact to the community would be the same whether there are 35 residential units or a mixture of office and retail. If the Commission were to consider the intensity of daytime use versus evening and morning use, a building with office and retail uses would have a much higher impact to the residential community than a residential use.

Commissioner Hall referred to Page 33 of the Staff Report, which shows that the bulk regulations would differ not only in density, but also in height, setbacks and lot coverage. He reminded the Commission that density has been a huge concern in the community, and the Commission has heard a lot of testimony

regarding the issue. He expressed his belief that the density allowed in an RB zone is significantly different than what would be allowed in a CB zone.

Commissioner McClelland pointed out that the subject property is located in an area where the City wants to encourage higher densities because it is near bus routes and assessable to the commercial areas. People who live in this area do not need cars because all of the necessary services are provided close by. She expressed her belief that there would be significant change in the area in the future as zoning changes are made to implement the Comprehensive Plan land use designations.

Commissioner Phisuthikul agreed there is a lot of difference between the RB and CB zones. He expressed his concern that, without any facts to support the change, staff has altered their recommendation from CB to RB. He expressed his concern that the impacts to the surrounding properties would be greater if the property were zoned RB.

Commissioner Wagner agreed with Commissioner Hall's concerns. She reiterated that she cares largely about traffic impacts. She said she has driven on Linden Avenue several times, and she agrees with the concerns raised in the two letters submitted prior to the meeting expressing opposition. She said she would not feel comfortable with a rezone that would allow a significant increase in the number of residential units in an area where traffic has already been significantly impacted. She said she doesn't care how many units are built on the subject property, but is more concerned about the traffic impacts associated with the development. Without this additional information, she would not be able to support the rezone application.

Commissioner Hall pointed out that the primary access for the site would likely be from 185th, and he would have concerns about left-turning traffic onto 185th which is so close to Linden Avenue. He also noted that the applicant's proposal to develop 25 units on .3 acres would be a density of 83 dwelling units per acre. He suggested this might be stretching what the community would be comfortable with for this area. Commissioner Broili said his understanding is that the applicant intends to develop the whole site with underground parking, which might preclude access from 185th. Instead, the access could just as easily come from Linden Avenue.

Chair Piro expressed his concern about going from the proposed CB zoning to RB zoning, which would more than double the density of the subject property. He suggested the Commission consider some other option that would allow them to pursue a project that would be somewhere in between to satisfy some of the step down zoning considerations raised by Commissioner Hall. However, given that the location of the subject property is in an area where the City is trying to change the character to be more transit oriented, he would likely support the motion on the floor.

Commissioner Pyle asked what types of activities would be allowed under the RB zone that would not be allowed under the CB zone. Mr. Szafran answered that the allowed land uses would be almost the same, except construction, warehouses, dog kennels and auto rentals would not be allowed. However, the lot coverage requirements would be more restrictive in an RB zone. Commissioner Broili pointed out that a mixed-use land use designation would allow almost any type of use. Mr. Cohn agreed that a mixed-use land use designation would allow all zoning categories. He emphasized that "mixed use" is a

land use designation and not a zoning designation. The zoning designation would ultimately control the type of uses allowed on a property.

COMMISSIONER HALL MOVED TO LAY THE PENDING MOTION ON THE TABLE AND BRING IT BACK AT THE COMMISSION'S FEBRUARY 1ST MEETING. COMMISSIONER HARRIS SECONDED THE MOTION.

Commissioner Hall said that, as it stands now, he would vote against the motion. He said he would only support a rezone to Regional Business if a solution could be crafted by the City Attorney that would allow for certain conditions. He said he would prefer the Commission come up with a recommendation that could be supported by most if not all of the Commissioners rather than forwarding a split-vote recommendation to the City Council. Commissioner Harris agreed. He said he would not feel comfortable supporting an unrestricted rezone to RB. He said he would be willing to support a rezone to CB, but he would rather table the issue until the February 1st meeting.

Commissioner Pyle summarized that it appears that the Commission is interested in considering a rezone to RB, but they want to be able to consider limiting the number of units and the height. However, regardless of whether the height and number of units is limited, a property owner would still be able to build the same size of building, minus the height. Therefore, the perceived impact would be the same. The same amount of square footage of office or retail space would be allowed, so limiting the number of units would simply limit the number of vehicle trips related to residential units in the building. The perceived intensity of the scale and volume of the building would not change unless the setback and lot coverage requirements were changed to be similar to the CB zone.

Commissioner Phisuthikul pointed out that there is a difference in the setback, bulk and lot coverage requirements between the CB and RB zones. Therefore, the RB zone would allow a larger mass of building than would the CB zone. Commissioner Pyle advised that Commissioner Hall is suggesting the Commission consider a rezone to RB, with a limitation on the number of units. However, there are other forces that impact the bulk and scale of a building. Limiting the number of units to 25 and the height to 60 feet would not significantly change the scale of development that could be built because the building envelope, aside from the height, would still be the same.

Commissioner Phisuthikul suggested the Commission consider another alternative that would rezone the property to CB, but allow up to 25 units on the site. This would require the development to meet all of the CB zone requirements, so the mass of the building would perhaps be smaller. He emphasized that rezoning to CB and allowing up to 25 units is entirely different than rezoning to RB and limiting the number of units to 25. Mr. Szafran pointed out that the RB zone requires greater setbacks than the CB zone. Mr. Tovar expressed his belief that the City Attorney would most likely determine that it would be better to rezone the property to RB and limit the number of units and the height. It is far less likely he would recommend they rezone to CB but allow an exception for more units on the subject property than the CB zone would typically allow. Commissioner Broili said he would be opposed to altering or coming up with provisions to change the CB or RB zoning standards to meet the needs of this one property owner. He supports the City Attorney's advice to avoid contract or conditioned rezones.

If the Commission takes action to rezone the subject property to RB with no conditions, Vice Chair Kuboi asked if this would set a precedent for other similar applications. In other words, would a future applicant be able to cite this situation when requesting a rezone to something that is greater than the desired zone in order to accommodate their development desires. Ms. Collins answered that an applicant could certainly point to this particular application, but future applications would still be limited by the Comprehensive Plan. Commissioner Broili said that each application must be considered on a case-by-case basis. He said he doesn't see that the Commission's action on this item would set a precedent. Ms. Collins agreed that a future applicant could point to this application as an example, but the Commission would still be required to make their decision based on the facts and the rezone criteria.

Commissioner Wagner suggested that perhaps the applicant could consider the option of providing step down zoning. For instance, the lot that is currently zoned office could be CB and the next lot could be something else. Perhaps there are alternative designs that would allow the applicant to meet their density requirements, but also address some of the issues raised by the Commission.

THE MOTION TO TABLE THE PENDING MOTION UNTIL FEBRUARY 1ST CARRIED 5-4, WITH COMMISSIONER HALL, COMMISSIONER HARRIS, COMMISSIONER WAGNER, VICE CHAIR KUBOI, AND CHAIR PIRO VOTING IN FAVOR AND COMMISSIONER BROILI, COMMISSIONER MCCLELLAND, COMMISSIONER PHISUTHIKUL, AND COMMISSIONER PYLE VOTING IN OPPOSITION.

Closure of the Public Hearing

The public hearing was continued to February 1st.

Vote by Commission to Recommend Approval, Denial or Modification

The Commission tabled a recommendation on the proposed rezone application to the February 1st meeting.

THE COMMISSION RECESSED AT 8:50 P.M. TO DETERMINE WHETHER OR NOT A MAJORITY VOTE WOULD BE SUFFICIENT TO PASS THE MOTION TO TABLE. THEY RECONVENED THE MEETING AT APPROXIMATELY 9:00 P.M.

Mr. Cohn advised that Roberts Rules of Order states that the motion to table the pending application must be passed by a majority of Commissioners. Chair Piro clarified that the motion to table passed by a vote of 5-4. He said it is his understanding that the Commission would have to make a formal motion to bring the issue back for deliberation at the February 1st meeting.

REPORTS OF COMMITTEES AND COMMISSIONERS

There were no reports from committees or Commissioners.

DIRECTOR'S REPORT

Subarea Plan for the South Aurora Triangle

Mr. Tovar reported that within the next few weeks, staff would present a proposal to the City Council that would authorize them to proceed with a subarea plan for a specific part of the City known as the South Aurora Triangle (bordered by Aurora Avenue to the east, the Shoreline City limits to the south, and the Interurban Trail to the northwest). The intent would be to consider a legislative rezone and form-based code that identifies a land-use designation for the Comprehensive Plan and zoning map district called the "Form-Based Code 1" zone. In this zone, the City would spell out what uses should be allowed and what the residential density limitations should be. At this time, staff is proposing no residential density limitation. While a development would have to fit within the stipulated building envelope and floor area ratio and meet all of the other form constraints and building design standards, the number and size of the residential units would be determined by the market. He noted that if the City Council agrees to move forward with the subarea plan, the issue would come back to the Commission for review sometime in the spring or summer.

Proposed Long-Range Planning Work Program

Mr. Tovar referred the Commission to the schedule outlining the 2007-2008 Long-Range Planning Work Program. The schedule illustrates the timing and actions for the major public policy initiatives (Comprehensive Housing Strategy, Environmentally Sustainable Communities, Aurora Project, and Town Center and Ridgecrest Plans). The schedule also identifies the proposed dates for each of the speaker series events, as well as joint City Council/Planning Commission meeting dates in April and October. He clarified that, contrary to what is shown on the schedule, the ABC Team Meetings would only take place through April. In addition, Tom Boydell has retained the services of a University of Washington Landscape Architect Class to work with him on the Ridgecrest Subarea Plan, and some public meetings and a workshop have already been scheduled. Mr. Cohn added that a Development Forum for the Ridgecrest Subarea Plan has been scheduled for January 18th, and a visioning workshop would be conducted on January 24th. Planning Commissioners are invited to attend both of these events.

Mr. Tovar pointed out that no dates have been scheduled for future work on the Briarcrest Subarea Plan and Zoning Project. Mr. Cohn indicated staff plans to start these discussions near the end of 2007. He noted that much interest has been expressed about redevelopment opportunities in this special study area. Therefore, it is important to consider the whole area, rather than piece meal. Mr. Tovar said staff may be able to provide some target dates for the Ridgecrest and Briarcrest Subarea Plans prior to the joint City Council/Planning Commission Meeting in April.

Chair Piro noted that the proposed schedule also incorporates periodic joint Planning Commission/Park Board review of the Environmentally Sustainable Community Strategy. Mr. Tovar added that at the joint meetings, staff intends to provide a report from the Parks Department regarding their work on the Urban Forest Management Planning Process. In addition, staff would present a draft Request for Proposals for the consultant they hope to retain to help write the Natural Resource Management Strategies. Staff is currently working to pull together various resources regarding this topic.

Commissioner Hall pointed out that the proposed schedule identifies three different dates for the City Council to adopt Comprehensive Plan amendments. He suggested the schedule be revised to be consistent with the Growth Management Act requirement that limits Comprehensive Plan Amendments to once per year. Mr. Tovar agreed but noted that Comprehensive Plan amendments associated with subarea plans are not limited to just once per year. He also pointed out that, besides regulations and capital budgets, there are other ways to implement strategies.

Mr. Cohn reviewed the upcoming Speaker Series Events. He announced that Mark Hinshaw is scheduled to speak about urban form on February 6th (now moved to February 15th) and Tom Van Schrader would speak regarding stormwater issues on April 5th. Ron Sher is scheduled to speak on the issue of new retail at the May 31st event. Commissioner McClelland suggested the Commission consider the option of treating each of the Speaker Series sessions as social events by providing refreshments and an opportunity for attendees to socialize. Mr. Tovar invited the Commissioners to provide their ideas regarding the format of the sessions and how they should be presented to the community. He said citizens have expressed a lot of interest in participating in upcoming issues, and he anticipates a significant attendance at each event.

UNFINISHED BUSINESS

The Commission requested clarification from staff regarding the public notice that would be required as a result of the Commission tabling the rezone application that was considered earlier in the meeting. Mr. Tovar advised that the motion should have indicated that the hearing would continue on February 1st. Because they know the three people who were in attendance for the public hearing, staff could contact them to clarify that the public hearing would continue on February 1st. Mr. Cohn noted that the motion to table was made in the context of continuing the discussion on February 1st. Therefore, it was understood that the application would be brought back before the Commission on February 1st; and technically, the hearing would remain open until that time.

Commissioner Broili expressed his concern that the January 18th meeting was cancelled. He recalled that the Commission previously agreed that, on those occasions where they didn't have any specific business for the agenda, they would bring forward one of the parking lot issues for consideration. Mr. Tovar pointed out that the next six months would be very meeting intensive for both the Commissioners and staff. When the schedule was prepared, he tried to recognize the already high demand on both staff and Commissioner time.

Commissioner McClelland emphasized the importance of the Commission having a clear understanding of their ability to condition rezone applications before they continue their discussions on February 1st. She said she does not want the City to lose the opportunity to condition rezone applications for the benefit of the community. Chair Piro suggested Commissioners forward their questions to staff by January 15th so staff could respond before the hearing continues. Mr. Tovar said he would invite both the City Attorney and the Assistant City Attorney to attend the February 1st meeting to provide clarification regarding the concept of placing conditions on quasi-judicial rezone applications. He explained that there is a significant difference between a contract rezone or imposing conditions on a

zoning map change and imposing conditions on a permit. When the Commission revisits the CB, RB or other multi-use zones, they could consider the option of requiring a quasi-judicial permit for projects of certain sizes or uses. This would provide an avenue for either the Planning Commission or the Hearing Examiner to impose conditions on a permit subject to specific code criteria.

Commissioner Hall pointed out that the current code allows the Planning Director, at his discretion, to determine whether design review is appropriate. If so, the issue is brought before the Planning Commission for review. However, unless the Planning Director sends a permit application to the Planning Commission for design review, there is no opportunity for a public hearing. On the other hand, a rezone application requires a public hearing. Mr. Tovar suggested that this topic and other design issues could be part of the Commission's discussion regarding the form-based code concept. Mr. Cohn cautioned that when the Commission acts as a design review board, they must operate within a very restrictive framework.

NEW BUSINESS

Form-Based Codes and Legislative Area-Wide Rezones

Mr. Tovar emphasized that staff would not advocate the form-based code concept for any of the single-family residential zones at this time. Instead, staff intends to focus on areas surrounding Aurora Avenue, the town center area, and some of the other commercial districts in the City.

ANNOUNCEMENTS

No announcements were provided.

AGENDA FOR NEXT MEETING

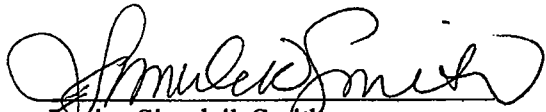
The Commissioners had no additional comments to make regarding the agenda for the next meeting.

ADJOURNMENT

The meeting was adjourned at 9:33 p.m.



Rocky Piro
Chair, Planning Commission



Jessica Simulcik Smith
Clerk, Planning Commission

DRAFT

These Minutes Subject to
March 15th Approval

CITY OF SHORELINE

SHORELINE PLANNING COMMISSION SUMMARY MINUTES OF REGULAR MEETING

February 1, 2007
7:00 P.M.

Shoreline Conference Center
Mt. Rainier Room

COMMISSIONERS PRESENT

Vice Chair Kuboi
Commissioner Broili
Commissioner Hall
Commissioner Harris
Commissioner McClelland
Commissioner Phisuthikul
Commissioner Pyle
Commissioner Wagner

STAFF PRESENT

Joe Tovar, Director, Planning & Development Services
Steve Cohn, Senior Planner, Planning & Development Services
Steve Szafran, Planner II, Planning & Development Services
Ian Sievers, City Attorney
Jessica Simulcik Smith, Planning Commission Clerk

COMMISSIONERS ABSENT

Chair Piro

CALL TO ORDER

Vice Chair Kuboi called the regular meeting of the Shoreline Planning Commission to order at 7:03 p.m.

ROLL CALL

Upon roll call by the Commission Clerk, the following Commissioners were present: Vice Chair Kuboi, Commissioners Broili, Harris, Phisuthikul, McClelland, Hall, Pyle and Wagner. Chair Piro was excused.

APPROVAL OF AGENDA

Because there was no one in the audience to provide testimony on Item 7.1, the Commission agreed to place this item after Item 7.2. The Director's Report was moved to after the public hearings.

APPROVAL OF MINUTES

The minutes of January 4, 2007 were approved as corrected.

GENERAL PUBLIC COMMENT

There was no one in the audience who expressed a desire to address the Commission during this portion of the meeting.

CONTINUED PUBLIC HEARING ON SITE-SPECIFIC REZONE AT 18501 LINDEN AVENUE (PROJECT #201570)

Vice Chair Kuboi reviewed that, at the last meeting, the Commission opened and closed the public portion of the hearing, and the intent of the public hearing is to discuss the staff recommendation and develop a Commission recommendation for the rezone proposal. He reviewed the rules and procedures for the continued public hearing and reminded the Commissioners of the Rules of the Appearance of Fairness Laws. He opened the hearing and invited the Commissioners to disclose any communications they may have received concerning the subject of the hearing outside of the hearing. None of the Commissioners indicated ex parte communications. No one from the audience voiced a concern, either.

Bring Back Tabled Motion

Ms. Simulcik Smith reminded the Commission of the motion currently on the table, which reads as follows:

COMMISSIONER PYLE MOVED TO RECOMMEND TO THE CITY COUNCIL APPROVAL OF THE REQUEST TO REZONE BOTH PARCELS AT 18501 AND 18511 LINDEN AVENUE FROM OFFICE (O) AND R-48 TO REGIONAL BUSINESS (RB). THE MOTION WAS SECONDED BY COMMISSIONER MCCLELLAND.

The Commission briefly discussed whether or not the motion on the table would have to be withdrawn before a new motion could be made. It was decided that the Commission did not need to withdraw the motion. They could choose not to act on it and put forward a new motion instead.

COMMISSIONER HALL MOVED THAT THE PLANNING COMMISSION RECOMMEND TO THE CITY COUNCIL APPROVAL OF THE REQUEST TO REZONE BOTH PARCELS AT 18511 AND 18501 LINDEN AVENUE FROM OFFICE (O) AND R-48 TO COMMUNITY BUSINESS (CB). COMMISSIONER PHISUTHIKUL SECONDED THE MOTION.

Commissioner Hall recalled the Commission's previous discussion about whether or not they could condition a rezone or place conditions on a development that go beyond the zoning code requirements. He noted that the City Attorney cautioned against this practice. If the choice is to approve the rezone to CB with no conditions or deny it outright, he would prefer a rezone to community. However, he asked that the City Attorney provide further insight regarding his position.

Mr. Sievers explained that, from his history with the City, he is very reluctant to use contract rezones and concomitant agreements. However, there have been occasions when this concept has been utilized. He said he cautions against contract rezones because they are cumbersome to implement. Instead of a simple zoning designation, a contract rezone requires that applicants agree to the conditions imposed by the City Council and Commission, and this agreement must somehow be identified on the zoning map. In addition, a contract rezone would place an additional constraint on future property owners.

Mr. Sievers explained that the City's current criteria for project rezones are very brief, and there are no rules on what zoning conditions could be addressed through a contract rezone. After further reviewing the issue with staff, he concluded that contract rezone concept probably runs against the intent of the Growth Management Act. He advised that contract rezones have been authorized by Washington Courts since 1967 if conditions agreed to between the developer and the City are permissible exercises of the police power authorized by statute or ordinance (*Myhre vs. Spokane*). Contract rezones were used to impose conditions to prevent harm from possible development, and were one of the only ways to address environmental impacts at the time. Since that time, however, SEPA has become a valuable tool for addressing environmental impacts. In addition, over time, the zoning codes and development standards have become more sophisticated. Also under 1995 regulatory reform, counties and cities were required to adopt a comprehensive planning process under the Growth Management Act. The intent was to restrain the way project permits were processed, with the objective of providing protection to property owners and the public through expeditious and predictable project permit approval.

Mr. Sievers expressed his belief that preserving the process of public participation is one of the underlying purposes of his thoughts on contract rezones. He explained that contract rezones have traditionally been used as a restrictive measure. He noted that the City's current Comprehensive Plan provides a number of zoning designations that would be consistent for the property, and contract rezones allow property owners to obtain approval for higher density zones based on specific conditions outlined in the contract. Once developers figure out they can get whatever zoning designation they want through the contract rezone process, the zoning map could become convoluted.

Mr. Sievers expressed his belief that there should be a lot of public process in creating and amending the Comprehensive Plan Policies and the Development Code. He noted several recent discussions on development regulation amendments (critical areas, cottage housing, trees, etc.) that drew significant public feedback. He expressed his concern that with some of the recent contract rezones the public process might not have been adequate. When the Commission suggests conditions on applications that were advertised to the public as straightforward rezone proposals, the public is often not allowed an adequate opportunity to comment regarding the impacts of the conditions. Because rezones and contract rezones are quasi-judicial actions, the public would not have the ability to talk to the City Council about their concerns after the Commission has forwarded their recommendation. The City Council's hearing would be closed record based on testimony provided at the hearing before the Commission.

Mr. Sievers advised adopted legislative findings indicate that "type of land use" is more than a simple category of occupancy or density. It includes a comprehensive packet of development standards that attach to each land use district to define the appearance and impacts of property use. He suggested there

are certain development standards that should be inviolate and not changed at the project review level. Instead, the project should be changed to fit the framework provided by the Comprehensive Plan and zoning regulations. If the plan and regulations are too restrictive, they should be docketed for amendment so the cumulative impacts of making the change equally available to all properties similarly situated can be fully addressed.

Mr. Sievers explained that while the contract terms often address concerns that are raised by neighboring property owners, it is difficult for the City to enforce the conditions in perpetuity. He suggested it can be misleading for the Commission to review proposed site plans for a property when reviewing a rezone application. It is important to understand that once a rezone is approved, the applicant would not be required to develop as per the design plans that were presented to the Commission.

Mr. Sievers advised that the old King County Title 18 laid out very limited circumstances when the zoning district could be re-opened for conditions in a contract rezone. However, it did not permit reduction of minimum development standards. This was dropped when the new Shoreline Development Code was adopted, but it could be put back in.

Commissioner Hall pointed out that in the three years he has been on the Commission just about every rezone application that has come before them has had a staff recommendation for conditions. He asked what has changed since the last rezone that staff recommended with conditions. Mr. Sievers agreed that many the recent rezone applications have included staff recommended conditions, and that is why he has advised them to stop this practice. He said he has had to redraft many of Commission's recommendations regarding contract rezones before forwarding them to the City Council because they have not been legal as far as the model of a concomitant agreement.

Commissioner Pyle recalled Mr. Sievers' comment that many of the impacts the Commission is trying to address through conditioning a rezone could be mitigated through the SEPA process. However, he pointed out that some of the rezone applications ultimately lead to the subdivision of property that is four lots or less, which would not require a SEPA review. Building a single-family residence would not require a SEPA review, either. Mr. Sievers agreed there are categorical exemptions where projects can go straight through the permit process without a SEPA review, but this would not include the significant parcels. He suggested the City should follow the statute. A property owner has the right to build according to the regulations. If problems arise, the statutes allow the City to fix the regulations, but do not give an excuse to change the rules on a developer or take something away from the public.

Mr. Tovar said that since he was hired as the Shoreline Planning and Development Services Director he has had concerns about how the City's development code was put together and how rezoning has been done in the City in the past. He reminded the Board that the Growth Management Act requires all cities in the State to have a timely, fair and predictable permit process. It also requires that zoning regulations, including the zoning map, be consistent with the Comprehensive Plan. Local governments have a responsibility to make the two documents consistent. Relying on contract rezones or parcel-by-parcel rezones is common practice but is not the intent of the Growth Management Act. A more attractive option would be to legislatively rezone parts of the City to be consistent with what the Comprehensive Plan says they ought to be.

Mr. Tovar agreed with the City Attorney that the City Council could adopt regulations to amend what is permitted in a use zone of the City and create a requirement for discretionary site review, including appropriate conditions. Instead of being a rezone process, it would be a condition of the zone for that property. He said it would take a fair amount of work to reform the City's code to get that kind of an outcome everywhere in the City, but longer term that would be the more sensible direction to move. This would avoid the current problems with the contract rezone process. It would also avoid the risk of potential appeals.

Commissioner Pyle asked if the City would be able to condition 4-lot subdivisions that follow a rezone to a higher density to mitigate any kind of identified problems on the site. Mr. Tovar answered that once the zoning map has been changed, the zoning is set for the property. Future property owners would have the ability to construct whatever the zone allows and would not have any legal obligation to abide by the conditions that were imposed upon the prior property owner. Commissioner Pyle asked if plat conditions could be placed on the property when it is subdivided. Mr. Tovar answered that subdivisions of four lots or less would be categorically exempt from SEPA, unless there were critical areas on the site. Commissioner Pyle noted that the development code could be written in such a way that would allow staff to place conditions on a short plat subdivision as part of the administrative review process.

Commissioner McClelland said she understands the need for consistency between the zoning ordinance, zoning map and the Comprehensive Plan. However, she noted that while the Development Code does not allow flexibility, there are some policies in the Comprehensive Plan that do. She referred to Land Use Policy 18, which states some limited industrial uses might be allowed under certain circumstances. Next, she referred to Land Use Policy 22, which states that City could provide incentives such as increased height and bulk up to 30% of allowed floor/area ratio if a development could provide three of the things on the list.

Mr. Tovar agreed that the Comprehensive Plan does allow flexibility. However, it is important to remember that the Comprehensive Plan provides policy statements, not regulations. The regulations found in the Development Code control what can happen on a property. While the Comprehensive Plan states that the regulations should have flexibility, if the Development Code does not give this flexibility, the Comprehensive Plan policy cannot be implemented. It is the City's responsibility to make sure their Development Code is written in such a way that allows them to implement the policies in the Comprehensive Plan.

Mr. Sievers suggested that the Comprehensive Plan goals and policies speak to those who draft and approve legislative changes to the regulations. They are intended to guide the City by identifying what should be in the regulations. However, they are not meant speak to the Commission and/or City Council when judging a project application. He emphasized that the existing Development Code controls projects, and not all of the policies in the Comprehensive Plan have found their way into the regulations.

Commissioner Hall pointed to the criteria by which the Commission is supposed to evaluate rezone applications. Criterion 1 states that the rezone must be consistent with the Comprehensive Plan, and Criterion 3 states that the rezone must be warranted to achieve consistency with the Comprehensive

Plan. He suggested that under the City's current code, rezones are supposed to be judged by the Commission explicitly for consistency with the Comprehensive Plan. A rezone is a quasi-judicial process that requires a public hearing, and the Commission's job is to balance the competing interests and values of the community. In the past, the Commission has been able to accomplish this goal by imposing conditions on rezones. If this tool is no longer an option, the threshold for approving a rezone would go up. If there is anything about a proposed rezone that would adversely affect the public health, safety or general welfare, the Commission would not be able to mitigate with conditions. Therefore, they would be compelled by the code to reject the rezone application.

Commissioner McClelland referred to the table on Page 42 of the Staff Report and noted that an O zone would allow up to 8 units, and an R-48 zone would allow 15. An RB zoning designation would allow 35, and a CB zone would allow 15. She asked if it would be possible to build 23 units on the subject properties based on the current zone. Mr. Szafran answered no. He explained that the Development Code identifies a maximum density of 24 units per acre for the property zoned O, and 48 units per acre would be allowed on the property that is zoned R-48. The densities cannot be added together.

Mr. Tovar suggested that, at some point in the future, the City should complete an overhaul of the entire zoning code. This would enable them to create zoning categories that are more flexible, but more targeted to what the City wants to achieve. Commissioner McClelland noted that the applicant has the option of taking the application off the table until the zoning code has been revised to address his situation.

Presentation of Final Staff Recommendation

Mr. Szafran said staff's final recommendation is that the Commission accept the original recommendation in the Staff Report to approve a rezone for both of the subject parcels to Community Business (CB).

Final Questions by the Commission and Commission Deliberation

Commissioner Wagner suggested the applicant be invited to share his view regarding the current motion on the table to rezone the properties to CB.

Jim Abbot said the applicant is still willing to be bound by all of the requirements of a CB zone (impervious surface, 60-foot height limit, etc), with the exception of the number of units allowed. They would like to construct 25 units instead of 15. The development would look the same from the outside, but they would like to build smaller apartment units (900 to 1,000 square feet) as opposed to fewer large condominium units (1,700 to 1,800 square feet). He summarized that, while the applicant is not opposed to the staff's recommendation to rezone the property to CB, the CB zone would not allow them to accomplish their intended development.

Mr. Abbot noted that a memorandum from staff indicates that within the next few weeks, they plan to initiate an amendment to the Development Code to permit greater residential densities on CB zoned properties between approximately Fremont and Ashworth Avenues. The applicant is concerned about

postponing the project until the amendments have been approved. He noted that contract rezones and concomitant agreements have been used legally by the City and other communities for a long time. He concluded by stating that what the applicant is proposing would be a good thing for the City.

Ms. Cohn said staff's intent is to move the change to the Development Code forward very quickly. Mr. Tovar said that if a rezone to CB is approved by the City Council, an amendment to remove the unit count limitation in the CB zone would address the applicant's concern. The property would be subject to the amended standards for the CB zone. However, there is a risk that the Commission or City Council would not recommend approval of an amendment to remove the unit count limitation. Mr. Cohn noted that staff has been discussing this Development Code amendment for about two months, so it was not brought up just to address this particular rezone application.

Closure of the Public Hearing

The public hearing was closed at 8:07 p.m.

Vote by Commission to Recommend Approval, Denial or Modification

Ms. Simulcik Smith recapped the motion on the floor as follows:

COMMISSIONER HALL MOVED THAT THE PLANNING COMMISSION RECOMMEND TO THE CITY COUNCIL APPROVAL OF THE REQUEST TO REZONE BOTH PARCELS AT 18511 AND 18501 LINDEN AVENUE FROM OFFICE (O) AND R-48 TO COMMUNITY BUSINESS (CB). COMMISSIONER PHISUTHIKUL SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

PUBLIC HEARING ON SITE-SPECIFIC REZONE AT 20309 – 8TH AVENUE NORTHWEST (PROJECT #201588)

Vice Chair Kuboi reviewed the rules and procedures for the public hearing and reminded the Commissioners of the Rules of the Appearance of Fairness Laws. He opened the hearing and invited the Commissioners to disclose any communications they may have received concerning the subject of the hearing outside of the hearing. Commissioner Broili disclosed that because he knows the applicant well, he would not participate in the hearing or vote on the application. None of the other Commissioners indicated ex parte communications. No one in the audience voiced a concern, either.

Staff Overview and Presentation of Preliminary Staff Recommendation

Ms. Szafran reviewed the Staff Report for the proposed rezone application to change the zoning designation of two parcels from Residential – 4 Dwelling Units (R-4) to Residential – 6 Dwelling Units (R-6). He advised that the subject properties are identified in the Comprehensive Plan as low-density residential. The block where the subject property is located is currently zoned R-4, while everything else in the vicinity is zoned R-6. He provided an aerial photograph of the site, showing one home on each of

the two parcels. There is currently heavy vegetation and moderate slopes on the properties. He described the surrounding development, which is all single-family residential.

Mr. Szafran reviewed that neighbors have expressed concern about access to the subject properties from 10th Avenue Northwest, and the impact this would have to traffic. However, he emphasized that no access is proposed from this street. The neighbors also expressed concern about the proposed increase in density. The current R-4 zoning designation would allow for the construction of up to 7 homes, and an R-6 zoning designation would allow up to 11 homes. The applicant has proposed 10 homes for the properties. Lastly, the neighbors expressed concern about the removal of significant trees. He reviewed that the City's current code allows a property owner to remove up to 6 significant trees in a 3-year period without a permit, but they would not be allowed to disturb the trees that are located in the sloped areas.

Mr. Szafran referred to the zoning criteria the Commission must consider when reviewing rezone applications and noted the following:

- The rezone is consistent with the existing zones of R-6 to the east, west and south.
- The rezone would provide infill opportunities that reflect the character of the existing single-family neighborhood.
- The development would be located away from the sensitive areas.
- Natural landscaping would provide a buffer from existing homes to the north and south and also from the 8th Avenue Northwest street front.

Mr. Szafran said staff's preliminary recommendation is approval of R-6 zoning for the two subject parcels located at 20309 – 8th Avenue Northwest and 20320 – 10th Avenue Northwest. Staff recommends that, in the future, the City could consider an area wide rezone to change the whole block of R-4 zoned properties to R-6.

Questions by the Commission to Staff and Applicant

Commissioner Hall noted that the Comprehensive Plan Map provided in the Staff Report shows that the parcel immediately to the left of the subject properties has a designation of private open space. He asked if this tract was required as part of a previous subdivision. Mr. Szafran said he didn't know.

Commissioner Wagner asked what would prevent the applicant from providing access to the subject parcels from 10th Avenue Northwest. Mr. Szafran explained that in order to provide access from 10th Avenue Northwest, the applicant would have to gain access through properties owned by two separate people. In addition, the slope would make it difficult to provide access in this location based on current engineering standards.

Commissioner Pyle asked if the applicant would be required to place the steep slope portion of the subject properties into a native growth protection easement. Mr. Szafran answered that the slopes on the subject parcels are not significant enough to be regulated as critical areas.

Larry Blake advised that the properties to the north along 205th Avenue were subdivided a number of years ago. The lots were allowed to be smaller than code, provided that an open space area be designated and maintained.

Commissioner McClelland said the Staff Report indicates that an R-6 zone would allow the developer to build 11 detached single-family houses on one lot. She asked if this would be a condominium type project. Mr. Blake said that is one possibility in order to save the existing vegetation along the property line. He said there would be only one road into the development from 8th Avenue Northwest.

Public Testimony or Comment

There was no one in the audience who expressed a desire to address the Commission during this portion of the hearing.

Presentation of Final Staff Recommendation

Mr. Szafran said staff's final recommendation is that the Commission recommend approval of R-6 zoning for the properties located at 20309 – 8th Avenue Northwest and 20320 – 10th Avenue Northwest.

Final Questions by the Commission and Commission Deliberation

Commissioner Harris asked if the notice that was sent out to surrounding property owners was mailed to all of the owners of R-4 zoned properties. Mr. Szafran answered that about half of these properties are located within the 600-foot radius for which notices were sent out.

COMMISSIONER HALL MOVED TO RECOMMEND TO THE CITY COUNCIL APPROVAL OF THE STAFF'S RECOMMENDATION TO REZONE THE SUBJECT PARCELS TO R-6. COMMISSIONER MCCLELLAND SECONDED THE MOTION.

Commissioner Hall commented that the neighborhood concerns about access off 10th Avenue Northwest are important to consider, but is also important for the Commission to remember the value of having circulation and connectivity in transportation. If they were in a transportation or sub area planning mode, he would actually prefer to see a connection from both 8th and 10th Avenues Northwest in order to improve traffic circulation. Further, he pointed out that there are topographical features on the subject parcels that have resulted in lower density development in the past, but using techniques such as detached condominium development, might create an opportunity for more infill projects that are creative and achieve the densities envisioned in the Comprehensive Plan.

Commissioner Harris said he struggles with rezoning these two parcels to R-6 zoning, while all of the other R-4 zoned properties would remain unchanged. However, he noted that none of the property owners from the R-4 zoned area came forward to express opposition.

Closure of the Public Hearing

There public hearing was closed.

Vote by Commission to Recommend Approval, Denial or Modification

THE MOTION CARRIED UNANIMOUSLY. (Note: Commissioner Broili did not participate in the hearing or the final recommendation.)

PUBLIC HEARING ON DRAFT DEVELOPMENT CODE AMENDMENTS

Vice Chair Kuboi reviewed the rules and procedures for the legislative public hearing on proposed amendments to the Development Code, and then opened the public hearing.

Staff Overview

Mr. Szafran reviewed that the City Council repealed the City's Cottage Housing Ordinance, and the proposed amendments would delete all references to cottage housing from the Development Code. He noted that he would come back before the Commission at a later date with a proposal to remove all references to cottage housing from the Comprehensive Plan.

Questions by the Commission to Staff

None of the Commissioners had questions for the staff during this portion of the meeting.

Public Testimony or Comment

There was no one in the audience who expressed a desire to address the Commission during this portion of the hearing.

Final Questions by the Commission and Commission Deliberation

Commissioner Pyle asked if the Commission has the ability to propose Development Code amendments. Mr. Tovar answered affirmatively and suggested the Commission discuss their ideas for possible Development Code amendments at their March 1st meeting. Commissioner Hall clarified that, after their discussion, they could forward their list of proposed amendments to the City Council, with a request that they be docketed for consideration during the next round of Development Code amendments.

COMMISSIONER HARRIS MOVED TO RECOMMEND TO THE CITY COUNCIL APPROVAL OF THE PROPOSED DEVELOPMENT CODE AMENDMETNS ALL REFERRING TO COTTAGE HOUSING, AS SPELLED OUT IN THE STAFF REPORT. COMMISSIONER BROILI SECONDED THE MOTION.

Closure of the Public Hearing

The public hearing was closed.

Vote by Commission to Recommend Approval, Denial or Modification

THE MOTION CARRIED UNANIMOUSLY.

DIRECTOR'S REPORT

Mr. Tovar reviewed the following bills related to land use that have been introduced into the Legislature this session:

- **Eminent Domain Notice Requirements.** There was a recent Supreme Court decision that when an agency wants to condemn property, notice to the property owner was sufficient if the agency simply posted notice on its website. The Legislature is currently working on a bill that would require the agency to mail notices to property owners.
- **Transfer of Development Rights.** Representatives from the Cascade Land Conservancy came before the Commission to talk about the transfer of development rights from rural areas or resource lands into urban areas. A study bill has been introduced that would call upon the Legislature to set aside funds and provide direction to the Department of Community, Trade and Economic Development (CTED) to work with a number of organizations and report back to the Legislature about how the mechanism for transferring development rights might be made more practical and useful.
- **Regulatory Fairness and Apparent Conflicts Between Agricultural Uses and Critical Areas Regulations.** The Governor has requested legislation to create a joint gubernatorial and legislative task force to look at matters of regulatory fairness. The goal for the task force is to study the situation and bring back some recommendations on how to increase fairness in the intersection between agricultural uses and environmental protection.
- **Critical Areas.** One bill has been introduced which states that critical areas regulations do not operate within agricultural lands. Another bill says that any buffers, specifically setbacks from critical areas, would be counted for purposes of development potential. A bill will be reintroduced this session that would identify safe harbors for local governments. It calls for the State to promulgate specific ways to regulate critical areas using best available science. If a city or county uses that method, they would have safe harbor and couldn't be challenged for compliance with the Growth Management Act.
- **Vesting of Development Rights.** A bill has been introduced to establish when vesting of development rights should occur. In the State of Washington, development rights are vested at the time an application is made. In most other states, the development rights are vested at the time the permit application is granted by a local government. He pointed out that while the Growth Management Act requires detailed Comprehensive Plans, land use regulations, and capital budgets, the State has one of the most liberal vesting statutes in the country. Commissioner Broili asked if vesting rights have a

sunset. Mr. Tovar said that, according to State law, the vesting rights would extinguish when the permit expires.

Commissioner Pyle asked staff to provide more information about whether the City's current critical areas ordinance allows buffers to be counted for purposes of development potential. Mr. Tovar said the City's current critical areas ordinance does not allow development or other modifications to a critical areas buffer. However, a property owner can receive credit for the buffer area for purposes of establishing lot size and density allowed. Apparently, some jurisdictions in the state require that the buffer area be deducted from the net lot area and/or unit count. The proposed legislative bill would prevent that from happening.

Mr. Tovar advised that the City's 2007-2008 work plan would be published in the next issue of *CURRENTS*. The article would introduce a new City website where citizens can learn more about various issues and projects. The website would provide the work plan chart, as well as links to City programs and/or projects such as the upcoming speaker series, comprehensive housing strategies, recycling construction materials from demolition sites, environmentally sustainable communities, the Ridgecrest process and the South Aurora Triangle project.

Mr. Tovar said the website would also provide a link to the civic center/city hall project, which the City Council recently decided to move forward with. The objective is to have the project under construction within the next year, which would involve a very intense public process and decision making by the City Council. He advised that the University of Washington Students have nearly completed their Town Center Report, and the staff would use this report as a resource when preparing staff recommended town center policies or strategies for the Commission and City Council to consider in April or May.

Mr. Tovar said the City Council has raised concerns about exactly what is meant by the phrase "town center," and he agreed that a clear description of the town center concept must be created. He suggested the description include three distinct tiers: the new city hall, the immediate town center environment, and the residential neighborhoods that lie to the east and west. He said concern has been expressed about whether these residential neighborhoods could remain as viable, long-term residential communities and the intent is to include them in the broader Central Shoreline Sub Area Plan discussions.

Vice Chair Kuboi pointed out that when an article was published in the Enterprise asking for citizens to serve on the Comprehensive Housing Strategies Committee, the City received a lot of response. But there was very little community response from the website, itself. He stressed the importance of making people aware that the website is the primary place to find information about City projects.

REPORTS OF COMMITTEES AND COMMISSIONERS

Commissioner Broili reported that the first ABC Team Meeting was held on January 30th, and they spent time covering the ground rules and allowing participants to express their ideas and opinions. The next meeting is scheduled for February 14th. Commissioner McClelland said the City Manager attended the

meeting and commented on the number of talented individuals who were participating on the team. The membership is quite diverse.

Vice Chair Kuboi reported that the Comprehensive Housing Strategies Committee is also made up of talented individuals. They spent the first three or four meetings brainstorming ideas for consideration, and now they are in the transitional process of refining and categorizing the issues. Staff has proposed a work plan that maps out the meetings and agenda topics through June.

Commissioner Harris reported on his attendance at the recent Ridgecrest Meeting, which was well attended. A lot of ideas and dreams were brought forward, and the University of Washington Students were fun to watch. Mr. Tovar noted that the meeting was attended by two Planning Commissioners, three elected officials, five developers and about 110 citizens from the Ridgecrest Neighborhood. Commissioner Harris credited much of the meetings' success to Patty Hale and her leadership.

Commissioner Pyle reported that the Briarcrest Neighborhood recently held their first reform meeting, which was attended by about 35 individuals. He and his neighbor facilitated the meeting to obtain neighborhood feedback. The top issues were related to transportation, planning and neighborhood preparedness. The next meeting is tentatively scheduled for March 12th to work on the issue of planning. They would likely invite planning staff and Commissioners to attend.

Commissioner Broili said he and Commissioner Harris attended the Green Building Forum, along with a few City Council Members. Presentations were made by representatives from various green businesses. The meeting was well attended and interesting.

Commissioner Broili announced that the citizens can now watch the City Council Meetings on the internet.

UNFINISHED BUSINESS

There was no unfinished business scheduled on the agenda.

NEW BUSINESS

No new business was scheduled on the agenda.

ANNOUNCEMENTS

Commissioner Pyle announced that there is a new website available for people who are interested in sustainable energy called citizenrenew.com. He noted that one of the Council's goals is a sustainable community. He explained that the website promotes solar energy, and the company is actually selling solar power back to the public at the grid price. They will put solar panels on roofs and lease them for the price of the power. This company could help the City achieve their sustainability goals without having to put forward a significant upfront cost for solar panels.

AGENDA FOR NEXT MEETING

Mr. Cohn announced that Mark Hinshaw would provide a speaker series presentation at the next Commission Meeting. The format would be the same as that used for the last speaker series. The presentation would be televised and available on the web. Mr. Cohn advised that staff would meet with Mr. Hinshaw a week prior to his presentation, so Commissioners could forward their specific questions to staff.

ADJOURNMENT

The meeting was adjourned at 9:17 p.m.

Rocky Piro
Chair, Planning Commission

Jessica Simulcik Smith
Clerk, Planning Commission

Council Meeting Date: March 26, 2007

Agenda Item: 8(b)

**CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON**

AGENDA TITLE: Adoption of Ordinance No.461, a Site Specific Rezone located at 20309 8th Ave NW and 20320 10th Ave NW
DEPARTMENT: Planning and Development Services
PRESENTED BY: Joe Tovar, PADS Director
Steven Szafran, Planner II

PROBLEM/ISSUE STATEMENT:

The issue before the City Council is a Site Specific Rezone for two parcels located at 20309 8th Ave NW and 20320 10th Ave NW (see **Attachment B1**). The applicant, Larry Blake, is requesting to change both of the parcels from R-4 (Residential 4 units per acre) to R-6 (Residential 6 units per acre).

The proposed zone change to R-6 will allow construction of up to 11 single-family homes. Under the current R-4 zoning, the applicant can construct up to 7 new single-family homes.

A rezone of property in single ownership is a Quasi-Judicial decision of the Council. An open record public hearing was conducted before the Planning Commission on February 1, 2007. Council's review must be based upon the written record and no new testimony may be accepted. The Planning Commission completed its recommendation to Council on the proposed Rezone on February 1, 2007.

ALTERNATIVES ANALYZED: The following options are within Council's discretion and have been analyzed by staff:

- The Council could adopt the zoning requested by the applicant recommended by the Planning Commission and Staff (a rezone from R-4 to R-6) by adopting Ordinance No. 461.
- The Council could deny the rezone request, leaving the zoning at R-4.

FINANCIAL IMPACTS:

- There are no direct financial impacts to the City.

RECOMMENDATION

Staff recommends that the Council adopt Ordinance No.461, (**Attachment A**) thereby approving the rezone located at 20309 8th Ave NW and 20320 10th Ave NW.

Approved By: City Manager  City Attorney Fps

INTRODUCTION

The rezone application before Council is a request to change the zoning designation for two parcels located at 20309 8th Avenue NW and 20320 10th Avenue NW from R-4 to R-6.

A public hearing before the Planning Commission was opened and closed on February 1, 2007. The Planning Commission staff report is included as **Attachment B**. The Planning Commission Findings and Recommendation are included in **Attachment C**

The Planning Commission recommended that the rezone of the property from R-4 to R-6 be approved. The draft minutes of the public hearing are included in **Attachment D**.

BACKGROUND

In 1998 the City of Shoreline adopted its first Comprehensive Plan. This document includes a map that identifies future land use patterns by assigning each area a land use designation. Both of the subject parcels has a land use designation of *Low Density Residential*. Appropriate zoning designations for the Low Density Residential Land Use Designation include R-4 and R-6. All parcels in the immediate area also have a Comprehensive Land Use Designation of *Low Density Residential*.

The two subject parcels are currently zoned R-4. There is one single-family home on each of the subject parcels. Under the proposed zone change, both parcels would be zoned R-6, and up to 11 single-family homes could be constructed. Under the current zoning of R-4, the applicant has the right to construct 7 new single-family homes.

The Comprehensive Plan does not offer policy guidance to decide whether R-4 zoning or R-6 zoning is the appropriate zoning category under the Low Density Residential land use category. Therefore, Staff and the Planning Commission look at expected development impacts, nearby development, and other fact to determine which zoning category is most appropriate.

PROCESS

The application process for this project began on October 20, 2006, when the applicant held a pre-application meeting with city staff. A neighborhood meeting was held on November 2, 2006 with property owners within 500 feet of the proposed rezone. The formal application was submitted to the city on November 15, 2006 and was determined complete on November 27, 2006.

The requisite public hearing was held before the Planning Commission on February 1, 2007. The Planning Commission made a recommendation and formulated Findings and Determination on February 1, 2007. The Planning Commission voted to recommend approval of the rezone to R-6 with no added conditions.

PUBLIC COMMENT

The City received 1 comment letter in response to the standard notice procedures for this application prior to the public hearing. The property owner's agent testified at the Planning Commission public hearing on this proposed action. No one from the public was in attendance at the public hearing.

The comments (Attachments C4 and D) focused on the following issues:

- Loss of trees
- Traffic
- Over-building and increased density

The Planning Commission addressed the comments in its Findings and Determination (Attachment B).

PLANNING COMMISSION RECOMMENDATION: REZONE TO R-6

The applicant has requested that the subject parcels be rezoned to **R-6**. Planning Commission in its Findings and Determination found that a rezone to **R-6** has been evaluated and found to be consistent with the rezone decision criteria, listed below, provided in Section 20.30.320(B) of the Development Code.

- Criteria 1: The rezone is consistent with the Comprehensive Plan.*
- Criteria 2: The rezone will not adversely affect the public health, safety or general welfare.*
- Criteria 3: The rezone is warranted in order to achieve consistency with the Comprehensive Plan.*
- Criteria 4: The rezone will not be materially detrimental to uses or property in the immediate vicinity of the subject rezone.*
- Criteria 5: The rezone has merit and value for the community.*

OPTIONS FOR THE CITY COUNCIL

The options available to the City Council are:

- 1) Adoption of the Planning Commission and Staff's recommendation of R-6;
- 2) Remand back to Planning Commission for additional review; or
- 3) Denial of the rezone request leaving the zoning of R-4. The Council may review the written record and determine that the existing R-4 zoning is the most appropriate designation for the subject parcel. This determination would be consistent with the *Low Density Residential* Comprehensive Plan designation for the parcels, as this designation includes both the existing zoning (R-4) and the requested and recommended zoning (R-6).

RECOMMENDATION

Staff recommends that Council adopt Ordinance No.461, (**Attachment A**) thereby approving the rezone of two parcels located at 20309 8th Avenue NW and 20320 10th Avenue NW from R-4 to R-6.

ATTACHMENTS

Attachment A: Ordinance No.461: R-4 to R-6.

Attachment B: Planning Commission Staff Report

B1: Existing Conditions Site Plan

B2: Vicinity Map with Zoning Designations

B3: Vicinity Map with Comprehensive Plan Land Use Designations

B4: Public Comment Letters

B5: Applicant's Rezone Criteria

Attachment C: Planning Commission Findings and Determination- February 1, 2007

Attachment D: Planning Commission Minutes- February 1, 2007

ORDINANCE NO 461

AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON AMENDING THE CITY'S OFFICIAL ZONING MAP CHANGING THE ZONING FROM R-4 TO R-6 OF TWO PARCELS LOCATED AT 20309 8th AVENUE NW and 20320 10th AVENUE NW (PARCEL NUMBERS 0126039216 AND 0126039632).

WHEREAS, the owner of the property, with parcel number 0126039216 and 0126039632, has filed an application to reclassify the property from Residential 4 units per acre (R-4) to Residential 6 units per acre (R-6); and

WHEREAS, on February 1, 2007, a public hearing on the application for reclassification of property was held before the Planning Commission for the City of Shoreline pursuant to notice as required by law; and

WHEREAS, on February 1, 2007, the Planning Commission recommended approval of the reclassification to Residential 6 units per acre (R-6) and entered findings of fact and conclusions based thereon in support of that recommendation; and

WHEREAS, the City Council does concur with the Findings and Determinations of the Planning Commission specifically that the reclassification of property, located at 20309 8th Avenue NW and 20320 10th Avenue NW (parcel numbers 0126039216 and 0126039632), to R-6 is consistent with the goals and policies of the Comprehensive Plan and appropriate for this site;

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

Section 1. Findings. The Findings and Determinations on File No. 201588 as set forth by the Planning Commission on February 1, 2007 and are hereby adopted.

Section 2. Amendment to Zoning Map. The Official Zoning Map of the City of Shoreline is hereby amended to change the zoning classification of said parcels, located at 20309 8th Avenue NW and 20320 10th Avenue NW (parcel numbers 0126039216 and 0126039632) from R-4 to R-6.

Section 3. Severability. If any provision of this ordinance or the application of a provision to any person or circumstance is declared invalid, then the remainder of this Ordinance, or the application of such provision to other persons or circumstances, shall not be affected.

Section 4. Effective Date. This ordinance shall go into effect five days after passage, and publication of the title as a summary of this ordinance.

PASSED BY THE CITY COUNCIL ON March 26, 2007.

Mayor Robert L. Ransom

ATTEST:

APPROVED AS TO FORM:

Scott Passey
City Clerk

Ian Sievers
City Attorney

Date of Publication:
Effective Date:

**CITY OF SHORELINE
PLANNING COMMISSION**

FINDINGS, CONCLUSIONS AND RECOMMENDATION

PROJECT INFORMATION SUMMARY

Project Description: Rezone application to change the zoning designation of two parcels from Residential – 4 dwelling units per acre to Residential- 6 dwelling units per acre.

Project File Number: 201588

Project Address: 20309 8th Ave NW and 20320 10th Ave NW, Shoreline, WA 98177

Property Owner: Larry Blake

SEPA Threshold: Determination of Non-Significance (DNS)

Staff Recommendation: Recommend approval of a rezone of the two parcels to R-6.

FINDINGS OF FACT

Current Development

1. The parcels at issue are located at 20309 8th Ave NW and 20320 10th Ave NW, in the Richmond Beach Neighborhood and are generally bounded by NW 205th Street to the north, 8th Ave NW on the east, 12th Ave NW on the west and NW 200th to the south.
2. 20309 8th Ave NW (tax ID # 0126039216) is 60,112 square feet and is developed with one single-family home. The site is zoned R-4 and has a Comprehensive Plan Land Use designation of Low Density Residential (“LDR”). *Attachment 1.*
3. 20320 10th Ave NW (tax ID # 0126039632) is 21,000 square feet, directly to the west of 20309 8th Ave NW, and developed with one single-family residence. The site is zoned R-4 and has a Comprehensive Plan Land Use designation of Low Density Residential (“LDR”). *Attachment 1.*
4. The surrounding neighborhood has an abundance of single-family homes on mostly very large lots. Essentially, these two parcels are located in an island of very low density development (R-4), surrounded by R-6 zones developed with single-family homes.
5. There are no existing sidewalks along 8th Ave NW in the area of the rezone. The applicant will be required to install all required site improvements at the time of building permits.

Proposal

6. The applicant proposes to rezone both parcels to Residential 6 units per acre (R-6) in order to build 10 new single-family homes. The applicant expects to build one driveway, connecting to 8th Ave NW that will serve as access to all the homes. This configuration would keep the homes off the steeper portions of the property.
7. A pre-application meeting was held with the applicant and City staff on October 20, 2006, the applicant held the requisite neighborhood meeting on November 2, 2006, and a Public Notice of Application was posted at the site.
8. Thirteen people attended the neighborhood meeting. Comments received at the neighborhood meeting addressed overbuilding in Shoreline, removal of trees, and access to and from 10th Ave NW. The one written comment received during the public comment period included concerns about density, decline in property values, and substantial impacts to existing homes in the area. *Attachments 4 and 5.*
9. Advertisements were placed in the Seattle Times and Shoreline Enterprise, and notices were mailed to property owners within 500 feet of the site on November 30, 2006. The Notice of Public Hearing and SEPA Determination were posted at the site, advertisements were placed in the Seattle Times and Shoreline Enterprise, and notices were mailed to property owners within 500 feet of the site on December 21, 2006.
10. The Planning Department issued a SEPA Determination of Non-Significance and notice of public hearing on the proposal on December 21, 2006. The DNS was not appealed.
11. An open record public hearing was held by the Planning Commission for the City of Shoreline on February 1, 2007.
12. The City's Long Range Planner, Steven Cohn, and Planner II, Steve Szafran, have reviewed the proposal and recommend approval of the applicant's proposed rezone to R-6.

Comprehensive Plan Land Use Designations.

13. Parcels to the north, west, south and east have a Comprehensive Plan Land Use designation of Low Density Residential, which allows R-4 and R-6. *Attachment 3 to this Planning Commission Staff Report.*
14. The Comprehensive Plan describes Low Density Residential as applicable "for areas currently developed with predominately single family detached dwellings. Single family dwelling units will be allowed and other dwelling types, such as duplexes, single-family attached, and accessory dwellings, may be allowed under

certain circumstances. Appropriate zoning for this designation is R-4 or R-6 Residential, unless a neighborhood plan, subarea plan or special district overlay plan/zone has been approved.

Current Zoning

15. Parcels immediately to the north, south and west of the subject parcels are zoned R-4 and developed with a single-family homes; parcels to the east (across 8th Ave NW) are zoned R-6 and are also developed with single-family homes. *Attachment 2.*

16. The purpose of R-4, as set forth in Shoreline Municipal Code 20.40.040, is to “provide for a mix of predominately single detached dwelling units and other development types, such as accessory dwelling units, and community facilities that are compatible with existing development and neighborhood character”.

Proposed Zoning

17. Under SMC 20.30.060, a rezone is Type C action, decided by the City Council upon recommendation by the Planning Commission. The decision criteria for deciding a rezone, as set forth in SMC 20.30.320, are:

- The rezone is consistent with the Comprehensive Plan; and
- The rezone will not adversely affect the public health, safety or general welfare; and
- The rezone is warranted in order to achieve consistency with the Comprehensive Plan; and
- The rezone will not be materially detrimental to uses or property in the immediate vicinity of the subject rezone; and
- The rezone has merit and value for the community.

18. The purpose of an R-6 zoning district is the same as the purpose of the R-4 zone: to “provide for a mix of predominately single detached dwelling units and other development types, such as accessory dwelling units, and community facilities that are compatible with existing development and neighborhood character”.

Impacts of the Zone Change

19. The following table outlines the development standards for the proposed zoning (R-6) and the current zoning (R-4):

	R-6	R-4
Allowed Dwelling Units	11	7
Min Lot Area	7,200	7,200
Front Setback	20	20
Rear Setback	15	15
Side Setback	5/15 total	5/15 total
Height	35	35
Max Impervious Area	50	45

CONCLUSIONS

1. The purpose of a rezone is to provide a mechanism to make changes to a zoning classification, conditions or concomitant agreement applicable to property. Rezone criteria must be established by substantial evidence.
2. The notice and meeting requirements set out in SMC 20.30 for a Type C action have all been met in this case.

Rezone criteria

Is the rezone consistent with the Comprehensive Plan? Is the rezone warranted in order to achieve consistency with the Comprehensive Plan?

3. a. The rezone is consistent with the Comprehensive Plan and achieves consistency with the Comprehensive Plan. Both R-4 and R-6 maintain consistency with the Comprehensive Plan and are appropriate under Land Use Element Goals III and IV of the Comprehensive Plan.
 - Land Use Element Goal III of the Comprehensive Plan is to “encourage a variety of housing opportunities and appropriate infrastructure suitable for the needs of Shoreline’s present and future residents.
 - Land Use Element Goal IV of the Comprehensive Plan is to “encourage attractive, stable, quality residential and commercial neighborhoods that provide a variety of housing, shopping, employment and services.”

However, R-6 rezone proposal will provide greater consistency with the Comprehensive Plan goals and policies by providing greater density and more varied housing opportunities while still providing a housing product that fits with the area. Not only does the applicant’s proposal meet the goals and policies of the Comprehensive plan but an area-wide rezone of all the R-4 in the area would also meet these objectives.

b. The proposed rezone to R-6 is also consistent with the following land use policies:

- LU 10: Review and update infill standards for single-family houses that promote quality development and reflect the character of the existing neighborhood.
- LU 87 and LU 97: Provide incentives for site development that will minimize environmental impacts and mitigate drainage, erosion, siltation, and landslide impacts while encouraging native vegetation.

This zone change to R-6 will allow the developer to build 11 detached single-family homes on one lot. Regulations require that the homes be built away from areas with very steep slopes. .

The R-6 zoning would result in greater development intensity than exists immediately to the north, west and south but developing the site at the full R-4 potential would also result in greater intensity that exists now. R-6 zoning is appropriate in this area, as this is the only “pocket” of R-4 zoning in the area.

Rezoning the parcels to R-6 achieves consistency with the Comprehensive Plan as it would allow greater density of residential, allow for height and density that would be compatible with what currently exists in the neighborhood, and be more harmonious with adjacent land uses.

Will the rezone adversely affect the public health, safety or general welfare?

4. The GMA planning process of developing Comprehensive Plan designations which allows this level of development and the City’s development standards in its zoning regulations for the R-6 zone protect against uses that would be contrary to the public health, safety or general welfare.
5. A rezone to R-6 will allow the property owner to develop the parcel with up to 11 homes. Under the current zoning the owner may build up to 7 homes. The difference between 7 and 11 homes will not adversely affect the public health, safety or general welfare, or have a substantial impact on the community.

Will the rezone be materially detrimental to uses or property in the immediate vicinity of the subject rezone?

6. Concerns have been raised at the neighborhood meeting and one letter was received from an adjacent neighbor during the public comment period. Comments included over-building, increased density, removal of trees and traffic on 10th Avenue NW. The following summary addresses each of these.

- Over-building and increased density

The current R-4 zoning of the two subject parcels allows up to 7 new homes, which amounts to 3.8 units per acre. If R-6 zoning is approved, 11 new homes will be allowed, which is 5.9 units per acre. Although there is no question that density will be increased with the R-6 rezone, the increase in density is minimal.

- Removal of trees

The two subject sites have substantial environmental features including trees and slopes. The Shoreline Development Code allows 6 trees to be cut without a permit; however, trees in the slope area on-site cannot be cut since the slope is considered an environmentally sensitive area with areas of very high landslide hazards.

- Traffic on 10th Avenue NW

Obtaining access to 10th Avenue is unlikely because a) it would entail the crossing of an environmentally sensitive area between the currently undeveloped property and the existing house near 10th, and b) it would require a 20-foot driveway, which could necessitate that a portion of the house be removed.

Will the rezone have merit and value for the community?

7. The proposed rezone will allow an under-developed area of Shoreline to generate more density while still meeting the goals and policies of the Low Density Residential land use designation. This criterion is met since the rezone provides an opportunity to accommodate more dwelling units that complement the existing single-family homes in the neighborhood.

RECOMMENDATION

The Planning Commission recommends that the City Council approve a rezone of the two parcels to R-6.

Date: _____

By: _____
Planning Commission Chair

ATTACHMENTS

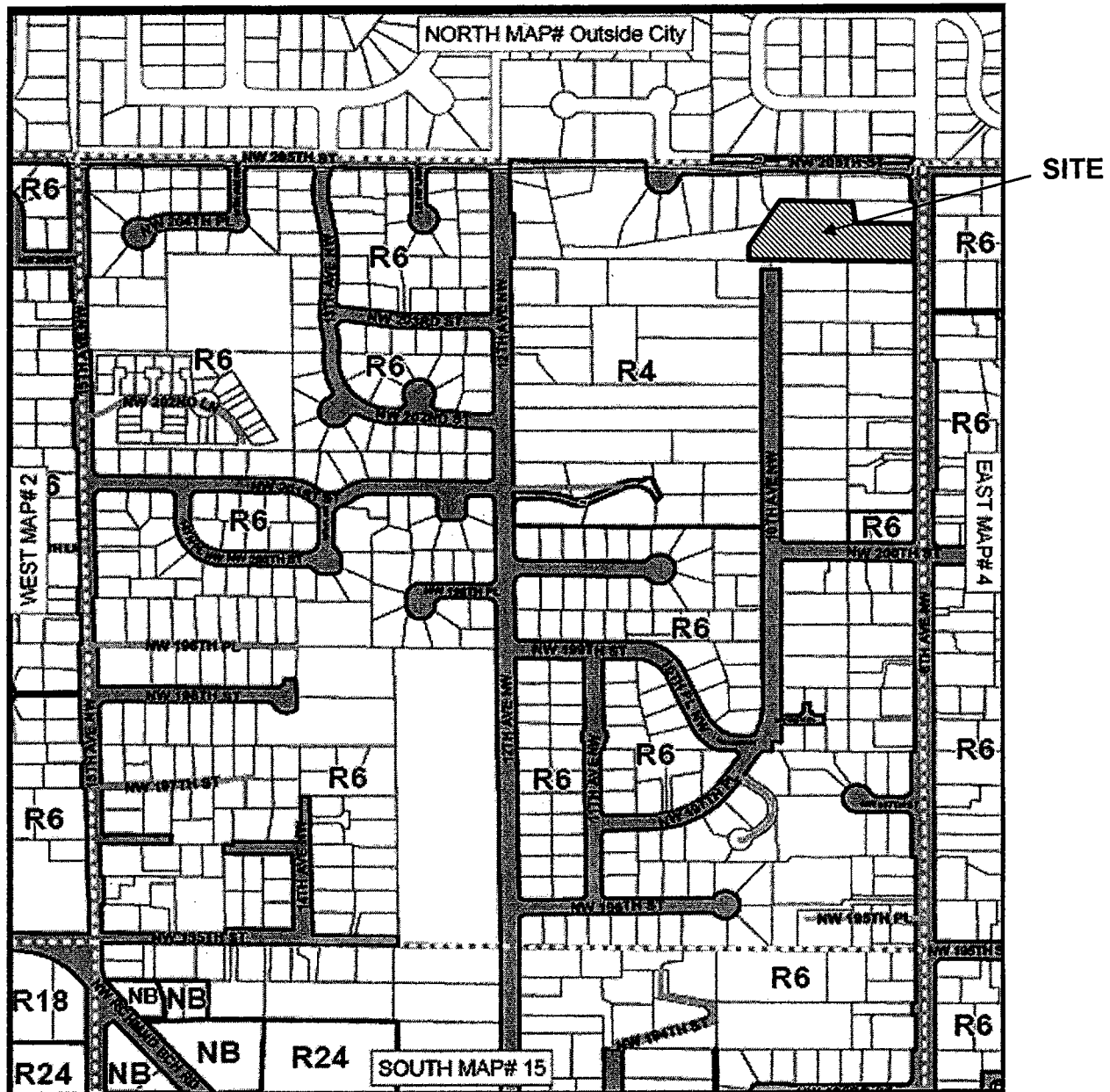
Attachment 1- Zoning Map

Attachment 2- Comprehensive Plan Map

Attachment 3- Neighborhood Meeting Report

Attachment 4- Public Comment Letter

Attachment 5- Applicant's Rezone Criteria



CITY OF SHORELINE ZONING MAP

Zoning Legend

R4	Residential, 4 units/acre	NB	Neighborhood Business
R6	Residential, 6 units/acre	NCBD	North City Business District
R8	Residential, 8 units/acre	CB	Community Business
R12	Residential, 12 units/acre	O	Office
R18	Residential, 18 units/acre	RB	Regional Business
R24	Residential, 24 units/acre	RB-CZ	Regional Business-Contract Zone
R48	Residential, 48 units/acre	I	Industrial
CZ	Contract Zone		

Feature Legend

	- Map Tile Lines		- Underscored ROW
	- City Boundary		- Parcel Line

NW1/4-S1-T26N-R3 E

1	2	3	4	5	6	7	8	9	10
11	12	13	14	15	16	17	18	19	20
21	22	23	24	25	26	27	28	29	30
31	32	33	34	35	36	37	38	39	40
41	42	43	44	45	46	47	48	49	50
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MAP # 3

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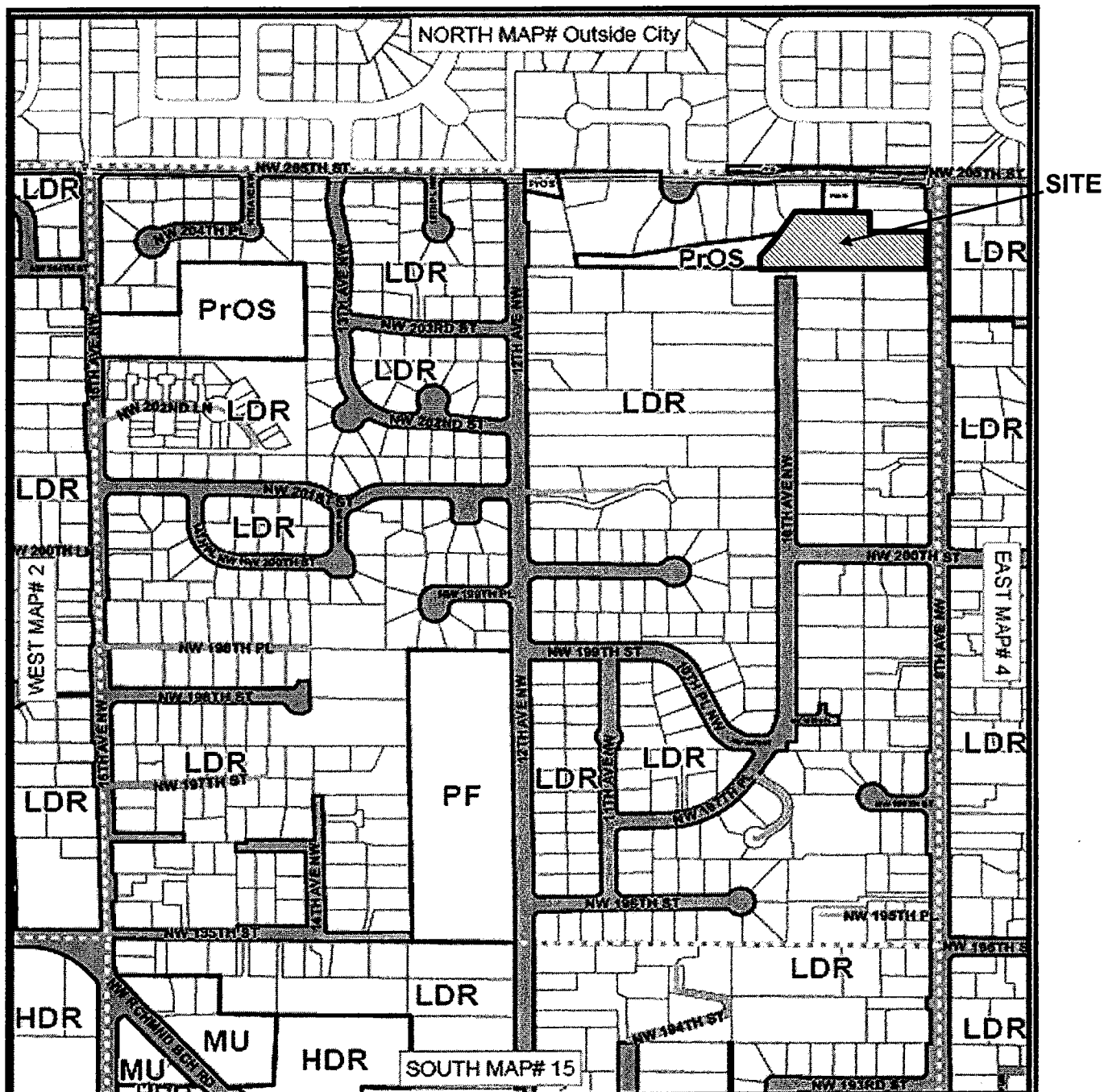


0 75 150 300 450 600 Feet

No warranties of any sort, including accuracy, fitness, or merchantability, accompany this product.

Representation of official zoning map adopted by City Ordinance No. 292. Shows amendments through December, 2006.





**Neighborhood Meeting Report
For Project at 20309 8th NW**

Thirteen people attended the neighborhood meeting representing 8 separate properties.

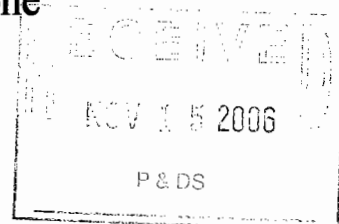
One person living east of 8th NW in Hillwood neighborhood attended and was concerned in general about over building in Shoreline, but since this project met the Comp Plan criteria and since he also supported private property rights he didn't plan on fighting this project.

Four people from two properties north of the potential project were concerned about removal of trees from the gully and potential construction in the gully itself. Since this project plans on retaining most trees (I pointed out a couple of trees that would be cut due to disease and safety concerns) with no construction in the gully itself they seemed satisfied with the project.

One neighbor living on 8th NW attended, but was only interested in learning details of the project and made no comments pro or con concerning the project.

Finally, 7 people living on 10th NW questioned the possibility of a road accessing the project from 10th would have a negative impact on traffic on their street. Since the project will access 8th NW and not 10th NW there should be no negative impact on their properties.

Most of the meeting consisted of informing people on the details of the project and general comments and concerns from everyone about growth in Shoreline, and the impact of the GMA on development requirements in Shoreline.



Steve Szafran

From: neil riddle [seaplym@hotmail.com]
Sent: Thursday, December 14, 2006 4:31 PM
To: Steve Szafran
Subject: Blake application #201588

Blake application #201588

City of Shoreline

attn: Steven Szafran, Planner II

To whom it may concern:

We hereby oppose the building of 10 new homes at the proposed address of 20309 - 8 ave NW, Larry Blake, appl.#201588

We live directly South of the project at 20303 - 8 ave NW and feel that the density will be too much for the lot & site.

We have just completed a remodel/addition to our home at the above address and probably would never have done so, if we had been informed of this development.

The neighborhood we live in is all single-family R-4 zoned and this many new homes on one lot is just too many - the impact will be substantial.

We just want to go on the record as being opposed to this high-density planning.

Thanks for your consideration -

Neil & Carol Riddle

REZONE OF PROPERTY AND ZONING MAP CHANGE CRITERIA

1. The rezone is consistent with the Comprehensive Plan in several ways including:

LU9 states that "Low Density Residential land use is intended for areas currently developed with predominantly single family detached dwellings...(a)ppropriate zoning for this designation is R-4 or R-6 Residential..." Richmond Beach neighborhood and neighboring Hillwood neighborhood is zoned R-6 already. A change to R-6 will not materially change the livability of Richmond Beach or neighboring Hillwood neighborhood..

Under "Housing Policies" in the Comprehensive Plan H6 states "Encourage infill development on vacant or underutilized sites to be compatible with existing housing types." One house on the existing property is past its useful life (no real foundation) and the other two homes hardly can be seen as utilizing the site effectively. Rezoning the site from R-4 to R-6 would more fully utilize the site and still fit into the existing neighborhood.

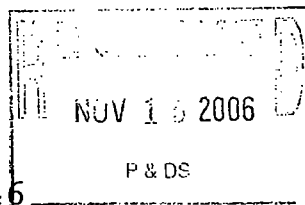
Since the State Growth Management Act mandates cities to plan for growth, and since one aspect of Shoreline's plan has been repealed (cottage housing) rezoning this site will increase the potential development of this site and help the city meet its development requirements mandated by the Growth Management Act.

2. The rezone will not adversely affect the public health, safety or general welfare because development of this site as R-6 fits the existing zoning for virtually all of Richmond Beach neighborhood and all of neighboring Hillwood neighborhood. Nothing in the rezone would adversely affect public health or safety (any development would still have to comply with building and development codes) and since development would increase the existing tax base it would actually add to the general welfare of the community.

3. The rezone is warranted in order to achieve consistency with the Comprehensive Plan since there no material reasons to maintain the existing R-4 designation and changing the designation would actually be more consistent to the existing heighborhoods in the vicinity of the site. There is nothing materially different about the subject site and other similar sites in Hillwood or Richmond Beach that have an R-6 zoning.

4. The rezone will not be materially detrimental to uses or property in the immediate vicinity of the subject rezone for the same reasons as stated above. Existing densities directly across the street (8th Avenue NW) are R-6. Any development would be residential so it shouldn't be detrimental to existing residences in the immediate vicinity.

5. The rezone has merit and value for the community because it is consistent with the Comprehensive Plan, it fits into the existing neighborhoods and it increases the potential tax base for the city.



**CITY OF SHORELINE
PLANNING COMMISSION**

FINDINGS, CONCLUSIONS AND RECOMMENDATION

PROJECT INFORMATION SUMMARY

Project Description: Rezone application to change the zoning designation of two parcels from Residential – 4 dwelling units per acre to Residential- 6 dwelling units per acre.

Project File Number: 201588

Project Address: 20309 8th Ave NW and 20320 10th Ave NW, Shoreline, WA 98177

Property Owner: Larry Blake

SEPA Threshold: Determination of Non-Significance (DNS)

Staff Recommendation: Recommend approval of a rezone of the two parcels to R-6.

FINDINGS OF FACT

Current Development

1. The parcels at issue are located at 20309 8th Ave NW and 20320 10th Ave NW, in the Richmond Beach Neighborhood and are generally bounded by NW 205th Street to the north, 8th Ave NW on the east, 12th Ave NW on the west and NW 200th to the south.
2. 20309 8th Ave NW (tax ID # 0126039216) is 60,112 square feet and is developed with one single-family home. The site is zoned R-4 and has a Comprehensive Plan Land Use designation of Low Density Residential ("LDR"). *Attachment 1.*
3. 20320 10th Ave NW (tax ID # 0126039632) is 21,000 square feet, directly to the west of 20309 8th Ave NW, and developed with one single-family residence. The site is zoned R-4 and has a Comprehensive Plan Land Use designation of Low Density Residential ("LDR"). *Attachment 1.*
4. The surrounding neighborhood has an abundance of single-family homes on mostly very large lots. Essentially, these two parcels are located in an island of very low density development (R-4), surrounded by R-6 zones developed with single-family homes.
5. There are no existing sidewalks along 8th Ave NW in the area of the rezone. The applicant will be required to install all required site improvements at the time of building permits.

Proposal

6. The applicant proposes to rezone both parcels to Residential 6 units per acre (R-6) in order to build 10 new single-family homes. The applicant expects to build one driveway, connecting to 8th Ave NW that will serve as access to all the homes. This configuration would keep the homes off the steeper portions of the property.
7. A pre-application meeting was held with the applicant and City staff on October 20, 2006, the applicant held the requisite neighborhood meeting on November 2, 2006, and a Public Notice of Application was posted at the site.
8. Thirteen people attended the neighborhood meeting. Comments received at the neighborhood meeting addressed overbuilding in Shoreline, removal of trees, and access to and from 10th Ave NW. The one written comment received during the public comment period included concerns about density, decline in property values, and substantial impacts to existing homes in the area. *Attachments 4 and 5.*
9. Advertisements were placed in the Seattle Times and Shoreline Enterprise, and notices were mailed to property owners within 500 feet of the site on November 30, 2006. The Notice of Public Hearing and SEPA Determination were posted at the site, advertisements were placed in the Seattle Times and Shoreline Enterprise, and notices were mailed to property owners within 500 feet of the site on December 21, 2006.
10. The Planning Department issued a SEPA Determination of Non-Significance and notice of public hearing on the proposal on December 21, 2006. The DNS was not appealed.
11. An open record public hearing was held by the Planning Commission for the City of Shoreline on February 1, 2007.
12. The City's Long Range Planner, Steven Cohn, and Planner II, Steve Szafran, have reviewed the proposal and recommend approval of the applicant's proposed rezone to R-6.

Comprehensive Plan Land Use Designations.

13. Parcels to the north, west, south and east have a Comprehensive Plan Land Use designation of Low Density Residential, which allows R-4 and R-6. *Attachment 3 to this Planning Commission Staff Report.*
14. The Comprehensive Plan describes Low Density Residential as applicable "for areas currently developed with predominately single family detached dwellings. Single family dwelling units will be allowed and other dwelling types, such as duplexes, single-family attached, and accessory dwellings, may be allowed under

certain circumstances. Appropriate zoning for this designation is R-4 or R-6 Residential, unless a neighborhood plan, subarea plan or special district overlay plan/zone has been approved.

Current Zoning

15. Parcels immediately to the north, south and west of the subject parcels are zoned R-4 and developed with a single-family homes; parcels to the east (across 8th Ave NW) are zoned R-6 and are also developed with single-family homes. *Attachment 2.*
16. The purpose of R-4, as set forth in Shoreline Municipal Code 20.40.040, is to “provide for a mix of predominately single detached dwelling units and other development types, such as accessory dwelling units, and community facilities that are compatible with existing development and neighborhood character”.

Proposed Zoning

17. Under SMC 20.30.060, a rezone is Type C action, decided by the City Council upon recommendation by the Planning Commission. The decision criteria for deciding a rezone, as set forth in SMC 20.30.320, are:
 - The rezone is consistent with the Comprehensive Plan; and
 - The rezone will not adversely affect the public health, safety or general welfare; and
 - The rezone is warranted in order to achieve consistency with the Comprehensive Plan; and
 - The rezone will not be materially detrimental to uses or property in the immediate vicinity of the subject rezone; and
 - The rezone has merit and value for the community.
18. The purpose of an R-6 zoning district is the same as the purpose of the R-4 zone: to “provide for a mix of predominately single detached dwelling units and other development types, such as accessory dwelling units, and community facilities that are compatible with existing development and neighborhood character”.

Impacts of the Zone Change

19. The following table outlines the development standards for the proposed zoning (R-6) and the current zoning (R-4):

	R-6	R-4
Allowed Dwelling Units	11	7
Min Lot Area	7,200	7,200
Front Setback	20	20
Rear Setback	15	15
Side Setback	5/15 total	5/15 total
Height	35	35
Max Impervious Area	50	45

CONCLUSIONS

1. The purpose of a rezone is to provide a mechanism to make changes to a zoning classification, conditions or concomitant agreement applicable to property. Rezone criteria must be established by substantial evidence.
2. The notice and meeting requirements set out in SMC 20.30 for a Type C action have all been met in this case.

Rezone criteria

Is the rezone consistent with the Comprehensive Plan? Is the rezone warranted in order to achieve consistency with the Comprehensive Plan?

3. a. The rezone is consistent with the Comprehensive Plan and achieves consistency with the Comprehensive Plan. Both R-4 and R-6 maintain consistency with the Comprehensive Plan and are appropriate under Land Use Element Goals III and IV of the Comprehensive Plan.
 - Land Use Element Goal III of the Comprehensive Plan is to “encourage a variety of housing opportunities and appropriate infrastructure suitable for the needs of Shoreline’s present and future residents.
 - Land Use Element Goal IV of the Comprehensive Plan is to “encourage attractive, stable, quality residential and commercial neighborhoods that provide a variety of housing, shopping, employment and services.”

However, R-6 rezone proposal will provide greater consistency with the Comprehensive Plan goals and policies by providing greater density and more varied housing opportunities while still providing a housing product that fits with the area. Not only does the applicant’s proposal meet the goals and policies of the Comprehensive plan but an area-wide rezone of all the R-4 in the area would also meet these objectives.

b. The proposed rezone to R-6 is also consistent with the following land use policies:

- LU 10: Review and update infill standards for single-family houses that promote quality development and reflect the character of the existing neighborhood.
- LU 87 and LU 97: Provide incentives for site development that will minimize environmental impacts and mitigate drainage, erosion, siltation, and landslide impacts while encouraging native vegetation.

This zone change to R-6 will allow the developer to build 11 detached single-family homes on one lot. Regulations require that the homes be built away from areas with very steep slopes. .

The R-6 zoning would result in greater development intensity than exists immediately to the north, west and south but developing the site at the full R-4 potential would also result in greater intensity that exists now. R-6 zoning is appropriate in this area, as this is the only “pocket” of R-4 zoning in the area.

Rezoning the parcels to R-6 achieves consistency with the Comprehensive Plan as it would allow greater density of residential, allow for height and density that would be compatible with what currently exists in the neighborhood, and be more harmonious with adjacent land uses.

Will the rezone adversely affect the public health, safety or general welfare?

4. The GMA planning process of developing Comprehensive Plan designations which allows this level of development and the City’s development standards in its zoning regulations for the R-6 zone protect against uses that would be contrary to the public health, safety or general welfare.
5. A rezone to R-6 will allow the property owner to develop the parcel with up to 11 homes. Under the current zoning the owner may build up to 7 homes. The difference between 7 and 11 homes will not adversely affect the public health, safety or general welfare, or have a substantial impact on the community.

Will the rezone be materially detrimental to uses or property in the immediate vicinity of the subject rezone?

6. Concerns have been raised at the neighborhood meeting and one letter was received from an adjacent neighbor during the public comment period. Comments included over-building, increased density, removal of trees and traffic on 10th Avenue NW. The following summary addresses each of these.

- Over-building and increased density

The current R-4 zoning of the two subject parcels allows up to 7 new homes, which amounts to 3.8 units per acre. If R-6 zoning is approved, 11 new homes will be allowed, which is 5.9 units per acre. Although there is no question that density will be increased with the R-6 rezone, the increase in density is minimal.

- Removal of trees

The two subject sites have substantial environmental features including trees and slopes. The Shoreline Development Code allows 6 trees to be cut without a permit; however, trees in the slope area on-site cannot be cut since the slope is considered an environmentally sensitive area with areas of very high landslide hazards.

- Traffic on 10th Avenue NW

Obtaining access to 10th Avenue is unlikely because a) it would entail the crossing of an environmentally sensitive area between the currently undeveloped property and the existing house near 10th, and b) it would require a 20-foot driveway, which could necessitate that a portion of the house be removed.

Will the rezone have merit and value for the community?

7. The proposed rezone will allow an under-developed area of Shoreline to generate more density while still meeting the goals and policies of the Low Density Residential land use designation. This criterion is met since the rezone provides an opportunity to accommodate more dwelling units that complement the existing single-family homes in the neighborhood.

RECOMMENDATION

The Planning Commission recommends that the City Council approve a rezone of the two parcels to R-6.

Date: 15 February 2007

By: Rocky Thun
Planning Commission Chair

ATTACHMENTS

Attachment 1- Zoning Map

Attachment 2- Comprehensive Plan Map

Attachment 3- Neighborhood Meeting Report

Attachment 4- Public Comment Letter

Attachment 5- Applicant's Rezone Criteria

CITY OF SHORELINE

SHORELINE PLANNING COMMISSION SUMMARY MINUTES OF REGULAR MEETING

February 1, 2007
7:00 P.M.

Shoreline Conference Center
Mt. Rainier Room

COMMISSIONERS PRESENT

Vice Chair Kuboi
Commissioner Broili
Commissioner Hall
Commissioner Harris
Commissioner McClelland
Commissioner Phisuthikul
Commissioner Pyle
Commissioner Wagner

STAFF PRESENT

Joe Tovar, Director, Planning & Development Services
Steve Cohn, Senior Planner, Planning & Development Services
Steve Szafran, Planner II, Planning & Development Services
Ian Sievers, City Attorney
Jessica Simulcik Smith, Planning Commission Clerk

COMMISSIONERS ABSENT

Chair Piro

CALL TO ORDER

Vice Chair Kuboi called the regular meeting of the Shoreline Planning Commission to order at 7:03 p.m.

ROLL CALL

Upon roll call by the Commission Clerk, the following Commissioners were present: Vice Chair Kuboi, Commissioners Broili, Harris, Phisuthikul, McClelland, Hall, Pyle and Wagner. Chair Piro was excused.

APPROVAL OF AGENDA

Because there was no one in the audience to provide testimony on Item 7.1, the Commission agreed to place this item after Item 7.2. The Director's Report was moved to after the public hearings.

APPROVAL OF MINUTES

The minutes of January 4, 2007 were approved as corrected.

GENERAL PUBLIC COMMENT

There was no one in the audience who expressed a desire to address the Commission during this portion of the meeting.

CONTINUED PUBLIC HEARING ON SITE-SPECIFIC REZONE AT 18501 LINDEN AVENUE (PROJECT #201570)

Vice Chair Kuboi reviewed that, at the last meeting, the Commission opened and closed the public portion of the hearing, and the intent of the public hearing is to discuss the staff recommendation and develop a Commission recommendation for the rezone proposal. He reviewed the rules and procedures for the continued public hearing and reminded the Commissioners of the Rules of the Appearance of Fairness Laws. He opened the hearing and invited the Commissioners to disclose any communications they may have received concerning the subject of the hearing outside of the hearing. None of the Commissioners indicated ex parte communications. No one from the audience voiced a concern, either.

Bring Back Tabled Motion

Ms. Simulcik Smith reminded the Commission of the motion currently on the table, which reads as follows:

COMMISSIONER PYLE MOVED TO RECOMMEND TO THE CITY COUNCIL APPROVAL OF THE REQUEST TO REZONE BOTH PARCELS AT 18501 AND 18511 LINDEN AVENUE FROM OFFICE (O) AND R-48 TO REGIONAL BUSINESS (RB). THE MOTION WAS SECONDED BY COMMISSIONER MCCLELLAND.

The Commission briefly discussed whether or not the motion on the table would have to be withdrawn before a new motion could be made. It was decided that the Commission did not need to withdraw the motion. They could choose not to act on it and put forward a new motion instead.

COMMISSIONER HALL MOVED THAT THE PLANNING COMMISSION RECOMMEND TO THE CITY COUNCIL APPROVAL OF THE REQUEST TO REZONE BOTH PARCELS AT 18511 AND 18501 LINDEN AVENUE FROM OFFICE (O) AND R-48 TO COMMUNITY BUSINESS (CB). COMMISSIONER PHISUTHIKUL SECONDED THE MOTION.

Commissioner Hall recalled the Commission's previous discussion about whether or not they could condition a rezone or place conditions on a development that go beyond the zoning code requirements. He noted that the City Attorney cautioned against this practice. If the choice is to approve the rezone to CB with no conditions or deny it outright, he would prefer a rezone to community. However, he asked that the City Attorney provide further insight regarding his position.

Mr. Sievers explained that, from his history with the City, he is very reluctant to use contract rezones and concomitant agreements. However, there have been occasions when this concept has been utilized. He said he cautions against contract rezones because they are cumbersome to implement. Instead of a simple zoning designation, a contract rezone requires that applicants agree to the conditions imposed by the City Council and Commission, and this agreement must somehow be identified on the zoning map. In addition, a contract rezone would place an additional constraint on future property owners.

Mr. Sievers explained that the City's current criteria for project rezones are very brief, and there are no rules on what zoning conditions could be addressed through a contract rezone. After further reviewing the issue with staff, he concluded that contract rezone concept probably runs against the intent of the Growth Management Act. He advised that contract rezones have been authorized by Washington Courts since 1967 if conditions agreed to between the developer and the City are permissible exercises of the police power authorized by statute or ordinance (*Myhre vs. Spokane*). Contract rezones were used to impose conditions to prevent harm from possible development, and were one of the only ways to address environmental impacts at the time. Since that time, however, SEPA has become a valuable tool for addressing environmental impacts. In addition, over time, the zoning codes and development standards have become more sophisticated. Also under 1995 regulatory reform, counties and cities were required to adopt a comprehensive planning process under the Growth Management Act. The intent was to restrain the way project permits were processed, with the objective of providing protection to property owners and the public through expeditious and predictable project permit approval.

Mr. Sievers expressed his belief that preserving the process of public participation is one of the underlying purposes of his thoughts on contract rezones. He explained that contract rezones have traditionally been used as a restrictive measure. He noted that the City's current Comprehensive Plan provides a number of zoning designations that would be consistent for the property, and contract rezones allow property owners to obtain approval for higher density zones based on specific conditions outlined in the contract. Once developers figure out they can get whatever zoning designation they want through the contract rezone process, the zoning map could become convoluted.

Mr. Sievers expressed his belief that there should be a lot of public process in creating and amending the Comprehensive Plan Policies and the Development Code. He noted several recent discussions on development regulation amendments (critical areas, cottage housing, trees, etc.) that drew significant public feedback. He expressed his concern that with some of the recent contract rezones the public process might not have been adequate. When the Commission suggests conditions on applications that were advertised to the public as straightforward rezone proposals, the public is often not allowed an adequate opportunity to comment regarding the impacts of the conditions. Because rezones and contract rezones are quasi-judicial actions, the public would not have the ability to talk to the City Council about their concerns after the Commission has forwarded their recommendation. The City Council's hearing would be closed record based on testimony provided at the hearing before the Commission.

Mr. Sievers advised adopted legislative findings indicate that "type of land use" is more than a simple category of occupancy or density. It includes a comprehensive packet of development standards that attach to each land use district to define the appearance and impacts of property use. He suggested there

are certain development standards that should be inviolate and not changed at the project review level. Instead, the project should be changed to fit the framework provided by the Comprehensive Plan and zoning regulations. If the plan and regulations are too restrictive, they should be docketed for amendment so the cumulative impacts of making the change equally available to all properties similarly situated can be fully addressed.

Mr. Sievers explained that while the contract terms often address concerns that are raised by neighboring property owners, it is difficult for the City to enforce the conditions in perpetuity. He suggested it can be misleading for the Commission to review proposed site plans for a property when reviewing a rezone application. It is important to understand that once a rezone is approved, the applicant would not be required to develop as per the design plans that were presented to the Commission.

Mr. Sievers advised that the old King County Title 18 laid out very limited circumstances when the zoning district could be re-opened for conditions in a contract rezone. However, it did not permit reduction of minimum development standards. This was dropped when the new Shoreline Development Code was adopted, but it could be put back in.

Commissioner Hall pointed out that in the three years he has been on the Commission just about every rezone application that has come before them has had a staff recommendation for conditions. He asked what has changed since the last rezone that staff recommended with conditions. Mr. Sievers agreed that many the recent rezone applications have included staff recommended conditions, and that is why he has advised them to stop this practice. He said he has had to redraft many of Commission's recommendations regarding contract rezones before forwarding them to the City Council because they have not been legal as far as the model of a concomitant agreement.

Commissioner Pyle recalled Mr. Sievers' comment that many of the impacts the Commission is trying to address through conditioning a rezone could be mitigated through the SEPA process. However, he pointed out that some of the rezone applications ultimately lead to the subdivision of property that is four lots or less, which would not require a SEPA review. Building a single-family residence would not require a SEPA review, either. Mr. Sievers agreed there are categorical exemptions where projects can go straight through the permit process without a SEPA review, but this would not include the significant parcels. He suggested the City should follow the statute. A property owner has the right to build according to the regulations. If problems arise, the statutes allow the City to fix the regulations, but do not give an excuse to change the rules on a developer or take something away from the public.

Mr. Tovar said that since he was hired as the Shoreline Planning and Development Services Director he has had concerns about how the City's development code was put together and how rezoning has been done in the City in the past. He reminded the Board that the Growth Management Act requires all cities in the State to have a timely, fair and predictable permit process. It also requires that zoning regulations, including the zoning map, be consistent with the Comprehensive Plan. Local governments have a responsibility to make the two documents consistent. Relying on contract rezones or parcel-by-parcel rezones is common practice but is not the intent of the Growth Management Act. A more attractive option would be to legislatively rezone parts of the City to be consistent with what the Comprehensive Plan says they ought to be.

Mr. Tovar agreed with the City Attorney that the City Council could adopt regulations to amend what is permitted in a use zone of the City and create a requirement for discretionary site review, including appropriate conditions. Instead of being a rezone process, it would be a condition of the zone for that property. He said it would take a fair amount of work to reform the City's code to get that kind of an outcome everywhere in the City, but longer term that would be the more sensible direction to move. This would avoid the current problems with the contract rezone process. It would also avoid the risk of potential appeals.

Commissioner Pyle asked if the City would be able to condition 4-lot subdivisions that follow a rezone to a higher density to mitigate any kind of identified problems on the site. Mr. Tovar answered that once the zoning map has been changed, the zoning is set for the property. Future property owners would have the ability to construct whatever the zone allows and would not have any legal obligation to abide by the conditions that were imposed upon the prior property owner. Commissioner Pyle asked if plat conditions could be placed on the property when it is subdivided. Mr. Tovar answered that subdivisions of four lots or less would be categorically exempt from SEPA, unless there were critical areas on the site. Commissioner Pyle noted that the development code could be written in such a way that would allow staff to place conditions on a short plat subdivision as part of the administrative review process.

Commissioner McClelland said she understands the need for consistency between the zoning ordinance, zoning map and the Comprehensive Plan. However, she noted that while the Development Code does not allow flexibility, there are some policies in the Comprehensive Plan that do. She referred to Land Use Policy 18, which states some limited industrial uses might be allowed under certain circumstances. Next, she referred to Land Use Policy 22, which states that City could provide incentives such as increased height and bulk up to 30% of allowed floor/area ratio if a development could provide three of the things on the list.

Mr. Tovar agreed that the Comprehensive Plan does allow flexibility. However, it is important to remember that the Comprehensive Plan provides policy statements, not regulations. The regulations found in the Development Code control what can happen on a property. While the Comprehensive Plan states that the regulations should have flexibility, if the Development Code does not give this flexibility, the Comprehensive Plan policy cannot be implemented. It is the City's responsibility to make sure their Development Code is written in such a way that allows them to implement the policies in the Comprehensive Plan.

Mr. Sievers suggested that the Comprehensive Plan goals and policies speak to those who draft and approve legislative changes to the regulations. They are intended to guide the City by identifying what should be in the regulations. However, they are not meant speak to the Commission and/or City Council when judging a project application. He emphasized that the existing Development Code controls projects, and not all of the policies in the Comprehensive Plan have found their way into the regulations.

Commissioner Hall pointed to the criteria by which the Commission is supposed to evaluate rezone applications. Criterion 1 states that the rezone must be consistent with the Comprehensive Plan, and Criterion 3 states that the rezone must be warranted to achieve consistency with the Comprehensive

Plan. He suggested that under the City's current code, rezones are supposed to be judged by the Commission explicitly for consistency with the Comprehensive Plan. A rezone is a quasi-judicial process that requires a public hearing, and the Commission's job is to balance the competing interests and values of the community. In the past, the Commission has been able to accomplish this goal by imposing conditions on rezones. If this tool is no longer an option, the threshold for approving a rezone would go up. If there is anything about a proposed rezone that would adversely affect the public health, safety or general welfare, the Commission would not be able to mitigate with conditions. Therefore, they would be compelled by the code to reject the rezone application.

Commissioner McClelland referred to the table on Page 42 of the Staff Report and noted that an O zone would allow up to 8 units, and an R-48 zone would allow 15. An RB zoning designation would allow 35, and a CB zone would allow 15. She asked if it would be possible to build 23 units on the subject properties based on the current zone. Mr. Szafran answered no. He explained that the Development Code identifies a maximum density of 24 units per acre for the property zoned O, and 48 units per acre would be allowed on the property that is zoned R-48. The densities cannot be added together.

Mr. Tovar suggested that, at some point in the future, the City should complete an overhaul of the entire zoning code. This would enable them to create zoning categories that are more flexible, but more targeted to what the City wants to achieve. Commissioner McClelland noted that the applicant has the option of taking the application off the table until the zoning code has been revised to address his situation.

Presentation of Final Staff Recommendation

Mr. Szafran said staff's final recommendation is that the Commission accept the original recommendation in the Staff Report to approve a rezone for both of the subject parcels to Community Business (CB).

Final Questions by the Commission and Commission Deliberation

Commissioner Wagner suggested the applicant be invited to share his view regarding the current motion on the table to rezone the properties to CB.

Jim Abbot said the applicant is still willing to be bound by all of the requirements of a CB zone (impervious surface, 60-foot height limit, etc), with the exception of the number of units allowed. They would like to construct 25 units instead of 15. The development would look the same from the outside, but they would like to build smaller apartment units (900 to 1,000 square feet) as opposed to fewer large condominium units (1,700 to 1,800 square feet). He summarized that, while the applicant is not opposed to the staff's recommendation to rezone the property to CB, the CB zone would not allow them to accomplish their intended development.

Mr. Abbot noted that a memorandum from staff indicates that within the next few weeks, they plan to initiate an amendment to the Development Code to permit greater residential densities on CB zoned properties between approximately Fremont and Ashworth Avenues. The applicant is concerned about

postponing the project until the amendments have been approved. He noted that contract rezones and concomitant agreements have been used legally by the City and other communities for a long time. He concluded by stating that what the applicant is proposing would be a good thing for the City.

Ms. Cohn said staff's intent is to move the change to the Development Code forward very quickly. Mr. Tovar said that if a rezone to CB is approved by the City Council, an amendment to remove the unit count limitation in the CB zone would address the applicant's concern. The property would be subject to the amended standards for the CB zone. However, there is a risk that the Commission or City Council would not recommend approval of an amendment to remove the unit count limitation. Mr. Cohn noted that staff has been discussing this Development Code amendment for about two months, so it was not brought up just to address this particular rezone application.

Closure of the Public Hearing

The public hearing was closed at 8:07 p.m.

Vote by Commission to Recommend Approval, Denial or Modification

Ms. Simulcik Smith recapped the motion on the floor as follows:

COMMISSIONER HALL MOVED THAT THE PLANNING COMMISSION RECOMMEND TO THE CITY COUNCIL APPROVAL OF THE REQUEST TO REZONE BOTH PARCELS AT 18511 AND 18501 LINDEN AVENUE FROM OFFICE (O) AND R-48 TO COMMUNITY BUSINESS (CB). COMMISSIONER PHISUTHIKUL SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

PUBLIC HEARING ON SITE-SPECIFIC REZONE AT 20309 – 8TH AVENUE NORTHWEST (PROJECT #201588)

Vice Chair Kuboi reviewed the rules and procedures for the public hearing and reminded the Commissioners of the Rules of the Appearance of Fairness Laws. He opened the hearing and invited the Commissioners to disclose any communications they may have received concerning the subject of the hearing outside of the hearing. Commissioner Broili disclosed that because he knows the applicant well, he would not participate in the hearing or vote on the application. None of the other Commissioners indicated ex parte communications. No one in the audience voiced a concern, either.

Staff Overview and Presentation of Preliminary Staff Recommendation

Ms. Szafran reviewed the Staff Report for the proposed rezone application to change the zoning designation of two parcels from Residential – 4 Dwelling Units (R-4) to Residential – 6 Dwelling Units (R-6). He advised that the subject properties are identified in the Comprehensive Plan as low-density residential. The block where the subject property is located is currently zoned R-4, while everything else in the vicinity is zoned R-6. He provided an aerial photograph of the site, showing one home on each of

the two parcels. There is currently heavy vegetation and moderate slopes on the properties. He described the surrounding development, which is all single-family residential.

Mr. Szafran reviewed that neighbors have expressed concern about access to the subject properties from 10th Avenue Northwest, and the impact this would have to traffic. However, he emphasized that no access is proposed from this street. The neighbors also expressed concern about the proposed increase in density. The current R-4 zoning designation would allow for the construction of up to 7 homes, and an R-6 zoning designation would allow up to 11 homes. The applicant has proposed 10 homes for the properties. Lastly, the neighbors expressed concern about the removal of significant trees. He reviewed that the City's current code allows a property owner to remove up to 6 significant trees in a 3-year period without a permit, but they would not be allowed to disturb the trees that are located in the sloped areas.

Mr. Szafran referred to the zoning criteria the Commission must consider when reviewing rezone applications and noted the following:

- The rezone is consistent with the existing zones of R-6 to the east, west and south.
- The rezone would provide infill opportunities that reflect the character of the existing single-family neighborhood.
- The development would be located away from the sensitive areas.
- Natural landscaping would provide a buffer from existing homes to the north and south and also from the 8th Avenue Northwest street front.

Mr. Szafran said staff's preliminary recommendation is approval of R-6 zoning for the two subject parcels located at 20309 – 8th Avenue Northwest and 20320 – 10th Avenue Northwest. Staff recommends that, in the future, the City could consider an area wide rezone to change the whole block of R-4 zoned properties to R-6.

Questions by the Commission to Staff and Applicant

Commissioner Hall noted that the Comprehensive Plan Map provided in the Staff Report shows that the parcel immediately to the left of the subject properties has a designation of private open space. He asked if this tract was required as part of a previous subdivision. Mr. Szafran said he didn't know.

Commissioner Wagner asked what would prevent the applicant from providing access to the subject parcels from 10th Avenue Northwest. Mr. Szafran explained that in order to provide access from 10th Avenue Northwest, the applicant would have to gain access through properties owned by two separate people. In addition, the slope would make it difficult to provide access in this location based on current engineering standards.

Commissioner Pyle asked if the applicant would be required to place the steep slope portion of the subject properties into a native growth protection easement. Mr. Szafran answered that the slopes on the subject parcels are not significant enough to be regulated as critical areas.

Larry Blake advised that the properties to the north along 205th Avenue were subdivided a number of years ago. The lots were allowed to be smaller than code, provided that an open space area be designated and maintained.

Commissioner McClelland said the Staff Report indicates that an R-6 zone would allow the developer to build 11 detached single-family houses on one lot. She asked if this would be a condominium type project. Mr. Blake said that is one possibility in order to save the existing vegetation along the property line. He said there would be only one road into the development from 8th Avenue Northwest.

Public Testimony or Comment

There was no one in the audience who expressed a desire to address the Commission during this portion of the hearing.

Presentation of Final Staff Recommendation

Mr. Szafran said staff's final recommendation is that the Commission recommend approval of R-6 zoning for the properties located at 20309 – 8th Avenue Northwest and 20320 – 10th Avenue Northwest.

Final Questions by the Commission and Commission Deliberation

Commissioner Harris asked if the notice that was sent out to surrounding property owners was mailed to all of the owners of R-4 zoned properties. Mr. Szafran answered that about half of these properties are located within the 600-foot radius for which notices were sent out.

COMMISSIONER HALL MOVED TO RECOMMEND TO THE CITY COUNCIL APPROVAL OF THE STAFF'S RECOMMENDATION TO REZONE THE SUBJECT PARCELS TO R-6. COMMISSIONER MCCLELLAND SECONDED THE MOTION.

Commissioner Hall commented that the neighborhood concerns about access off 10th Avenue Northwest are important to consider, but is also important for the Commission to remember the value of having circulation and connectivity in transportation. If they were in a transportation or sub area planning mode, he would actually prefer to see a connection from both 8th and 10th Avenues Northwest in order to improve traffic circulation. Further, he pointed out that there are topographical features on the subject parcels that have resulted in lower density development in the past, but using techniques such as detached condominium development, might create an opportunity for more infill projects that are creative and achieve the densities envisioned in the Comprehensive Plan.

Commissioner Harris said he struggles with rezoning these two parcels to R-6 zoning, while all of the other R-4 zoned properties would remain unchanged. However, he noted that none of the property owners from the R-4 zoned area came forward to express opposition.

Closure of the Public Hearing

There public hearing was closed.

Vote by Commission to Recommend Approval, Denial or Modification

THE MOTION CARRIED UNANIMOUSLY. (Note: Commissioner Broili did not participate in the hearing or the final recommendation.)

PUBLIC HEARING ON DRAFT DEVELOPMENT CODE AMENDMENTS

Vice Chair Kuboi reviewed the rules and procedures for the legislative public hearing on proposed amendments to the Development Code, and then opened the public hearing.

Staff Overview

Mr. Szafran reviewed that the City Council repealed the City's Cottage Housing Ordinance, and the proposed amendments would delete all references to cottage housing from the Development Code. He noted that he would come back before the Commission at a later date with a proposal to remove all references to cottage housing from the Comprehensive Plan.

Questions by the Commission to Staff

None of the Commissioners had questions for the staff during this portion of the meeting.

Public Testimony or Comment

There was no one in the audience who expressed a desire to address the Commission during this portion of the hearing.

Final Questions by the Commission and Commission Deliberation

Commissioner Pyle asked if the Commission has the ability to propose Development Code amendments. Mr. Tovar answered affirmatively and suggested the Commission discuss their ideas for possible Development Code amendments at their March 1st meeting. Commissioner Hall clarified that, after their discussion, they could forward their list of proposed amendments to the City Council, with a request that they be docketed for consideration during the next round of Development Code amendments.

COMMISSIONER HARRIS MOVED TO RECOMMEND TO THE CITY COUNCIL APPROVAL OF THE PROPOSED DEVELOPMENT CODE AMENDMENTS ALL REFERRING TO COTTAGE HOUSING, AS SPELLED OUT IN THE STAFF REPORT. COMMISSIONER BROILI SECONDED THE MOTION.

Closure of the Public Hearing

The public hearing was closed.

Vote by Commission to Recommend Approval, Denial or Modification

THE MOTION CARRIED UNANIMOUSLY.

DIRECTOR'S REPORT

Mr. Tovar reviewed the following bills related to land use that have been introduced into the Legislature this session:

- **Eminent Domain Notice Requirements.** There was a recent Supreme Court decision that when an agency wants to condemn property, notice to the property owner was sufficient if the agency simply posted notice on its website. The Legislature is currently working on a bill that would require the agency to mail notices to property owners.
- **Transfer of Development Rights.** Representatives from the Cascade Land Conservancy came before the Commission to talk about the transfer of development rights from rural areas or resource lands into urban areas. A study bill has been introduced that would call upon the Legislature to set aside funds and provide direction to the Department of Community, Trade and Economic Development (CTED) to work with a number of organizations and report back to the Legislature about how the mechanism for transferring development rights might be made more practical and useful.
- **Regulatory Fairness and Apparent Conflicts Between Agricultural Uses and Critical Areas Regulations.** The Governor has requested legislation to create a joint gubernatorial and legislative task force to look at matters of regulatory fairness. The goal for the task force is to study the situation and bring back some recommendations on how to increase fairness in the intersection between agricultural uses and environmental protection.
- **Critical Areas.** One bill has been introduced which states that critical areas regulations do not operate within agricultural lands. Another bill says that any buffers, specifically setbacks from critical areas, would be counted for purposes of development potential. A bill will be reintroduced this session that would identify safe harbors for local governments. It calls for the State to promulgate specific ways to regulate critical areas using best available science. If a city or county uses that method, they would have safe harbor and couldn't be challenged for compliance with the Growth Management Act.
- **Vesting of Development Rights.** A bill has been introduced to establish when vesting of development rights should occur. In the State of Washington, development rights are vested at the time an application is made. In most other states, the development rights are vested at the time the permit application is granted by a local government. He pointed out that while the Growth Management Act requires detailed Comprehensive Plans, land use regulations, and capital budgets, the State has one of the most liberal vesting statutes in the country. Commissioner Broili asked if vesting rights have a

sunset. Mr. Tovar said that, according to State law, the vesting rights would extinguish when the permit expires.

Commissioner Pyle asked staff to provide more information about whether the City's current critical areas ordinance allows buffers to be counted for purposes of development potential. Mr. Tovar said the City's current critical areas ordinance does not allow development or other modifications to a critical areas buffer. However, a property owner can receive credit for the buffer area for purposes of establishing lot size and density allowed. Apparently, some jurisdictions in the state require that the buffer area be deducted from the net lot area and/or unit count. The proposed legislative bill would prevent that from happening.

Mr. Tovar advised that the City's 2007-2008 work plan would be published in the next issue of *CURRENTS*. The article would introduce a new City website where citizens can learn more about various issues and projects. The website would provide the work plan chart, as well as links to City programs and/or projects such as the upcoming speaker series, comprehensive housing strategies, recycling construction materials from demolition sites, environmentally sustainable communities, the Ridgecrest process and the South Aurora Triangle project.

Mr. Tovar said the website would also provide a link to the civic center/city hall project, which the City Council recently decided to move forward with. The objective is to have the project under construction within the next year, which would involve a very intense public process and decision making by the City Council. He advised that the University of Washington Students have nearly completed their Town Center Report, and the staff would use this report as a resource when preparing staff recommended town center policies or strategies for the Commission and City Council to consider in April or May.

Mr. Tovar said the City Council has raised concerns about exactly what is meant by the phrase "town center," and he agreed that a clear description of the town center concept must be created. He suggested the description include three distinct tiers: the new city hall, the immediate town center environment, and the residential neighborhoods that lie to the east and west. He said concern has been expressed about whether these residential neighborhoods could remain as viable, long-term residential communities and the intent is to include them in the broader Central Shoreline Sub Area Plan discussions.

Vice Chair Kuboi pointed out that when an article was published in the Enterprise asking for citizens to serve on the Comprehensive Housing Strategies Committee, the City received a lot of response. But there was very little community response from the website, itself. He stressed the importance of making people aware that the website is the primary place to find information about City projects.

REPORTS OF COMMITTEES AND COMMISSIONERS

Commissioner Broilli reported that the first ABC Team Meeting was held on January 30th, and they spent time covering the ground rules and allowing participants to express their ideas and opinions. The next meeting is scheduled for February 14th. Commissioner McClelland said the City Manager attended the

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CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Ordinance No. 464 Increasing the Cable Utility Tax to 6% of Gross Receipts and a Motion Authorizing the City Manager to Notify Seattle City Light of the City's Intent to Apply a 3% Contract Payment to the Distribution Portion of Electric Revenues Effective April 1, 2008, and an Additional 3% Effective January 1, 2009.
DEPARTMENT:	Finance
PRESENTED BY:	Debbie Tarry, Finance Director

PROBLEM/ISSUE STATEMENT:

Based on current assumptions, the City's long-term financial projections show that there will be budget gaps starting in 2008. The City's financial policies require that annual operating budgets be balanced between on-going revenues and expenditures. The City Council and staff have been monitoring the long-term projections for several years and have taken steps to maintain balanced operating budgets through service efficiencies and base budget reductions. These steps have resulted in a very lean, yet effective budget to provide on-going government services.

In order for the City to continue to provide the same level of services in the future, as is funded in the 2007 budget, additional resources will need to be approved. If additional resources are not approved then the City will need to reduce services through the reduction of City programs.

Two "short-term" resource options (2008-2009) that were discussed with the City Council during the long-term financial strategy retreat on January 29, 2007 and during the Council meeting on March 5, 2007, are an increase in the cable utility tax from 1% to 6% and a 6% contract payment on the distribution portion of the Seattle City Light (SCL) electric revenues.

Ordinance No. 464 (Attachment A) will raise the cable utility tax from 1% to 6% effective July 1, 2007.

The City's Franchise Agreement with Seattle City Light (SCL) requires one year written notification to SCL of the City's intent to collect a contract payment on the distribution portion of electric revenues. Staff is requesting that the Council authorize the City Manager to notify SCL of the City's intent to collect a 3% contract payment on distribution revenues effective April 1, 2008, and an additional 3% contract payment, for a total of 6%, effective January 1, 2009.

A public hearing is being held on March 19, 2007, to formally receive public comment on the proposed increase in cable utility tax and implementation of a contract payment

on the distribution portion of electric revenues. This hearing will be held after the issuance of this staff report.

FINANCIAL IMPACT:

A five percent increase in the cable utility tax would generate approximately \$500,000 in annual revenue. The average residential monthly cable fee is \$57. Implementing an additional 5% of utility tax would cost the average residential customer approximately \$2.83 monthly, or \$34 annually.

It is estimated that a 6% contract payment on the distribution portion of SCL rates would generate approximately \$550,000 of revenue annually. Assuming an average residential electric charge of \$70 per month, the implementation of the 6% contract payment on the distribution portion of the charge would increase the rate payer's overall bill by approximately \$1.35 per month or slightly more than \$16 per year. Since the full 6% rate would not be in effect until 2009 the rate payer would have an impact of half this amount, \$0.67 per month or slightly more than \$8 annually in 2008.

The City's most recent update to the 2007-2012 long-term financial projections show the following budget gaps for 2008-2012:

Expenditure Assumption	Operating Fund Projections					
	2007-2008		100%	Others	99%	
	Base Projections					
	2007	2008	2009	2010	2011	2012
Annual Revenues	28,360,125	28,905,523	29,995,972	30,481,365	31,027,130	31,696,699
Annual Expenditures	28,360,126	29,667,329	31,131,885	32,358,554	33,911,172	35,238,606
Annual (Budget Gap)/Surplus	(0)	(761,806)	(1,135,913)	(1,877,189)	(2,884,042)	(3,541,908)

In order to close the projected gaps the City needs to identify approximately \$1.2 million in additional revenue sources, expenditures reductions, or a combination of these, for 2008-2009.

The following short-term (2008-2009) solution is recommended by staff:

Proposed Item	2007	2008	2009
Base Budget Changes	\$ 39,000	\$ 125,000	\$ 125,000
Cable Utility Tax*	250,000	500,000	512,844
SCL Distribution Contract Fee**	-	206,250	550,000
Enhanced Human Service (utility assistance) Contribution	-	(25,000)	(25,000)
Net Budget Change	\$ 289,000	\$ 806,250	\$ 1,162,844
Projected Budget Gap	\$ -	\$ (761,805)	\$ (1,135,913)
Budget Change Over (Under) Projected Gap	\$ 289,000	\$ 44,445	\$ 26,931
*Effective Date 7/1/07			
**Effective Date 3% on 4/1/08 and 6% on 1/1/09			

RECOMMENDATION

Staff recommends that Council take the following actions:

1. Adopt Ordinance No. 464 increasing the cable utility tax to 6% of gross receipts and amending Shoreline Municipal Code 3.32.030.
2. Adopt a motion to authorize the City Manager to notify Seattle City Light that the City intends to collect a 3% contract payment on the distribution portion of electric revenues effective April 1, 2008, and a 6% contract payment on the distribution portion of electric revenues effective January 1, 2009.

Approved By: City Manager  City Attorney Fpc

INTRODUCTION

The City's long-term financial projections indicate budget gaps starting in 2008 and continuing into future years. In order to continue providing the same level of essential services to the Shoreline community it will be necessary to implement new revenue sources. Staff has recommended that the Council authorize an increase in the cable utility tax rate from 1% to 6%. Also staff is recommending that the Council authorize the City Manager to notify Seattle City Light (SCL) of the City's intent to collect a contract fee on the distribution portion of electric revenues collected from Shoreline rate payers. In addition to this staff is recommending approximately \$78,000 in base budget reductions, to be effective mid-2007, and \$47,000 in revenue changes as a result of fee adjustments to facility rentals, adult recreation programs, and right-of-way permits in 2008.

BACKGROUND

The last few years the City has been able to close any projected gaps as a result of unexpected revenues (i.e., correction in how the water contract payment from Seattle Public Utilities was calculated), efficiencies and service delivery changes (e.g., jail contract with Yakima, change in employee health benefits, change in method for police canine services), or base budget reductions. As a result of these efforts the City's operating budget is very lean with very little contingency left within the annually adopted budget. Given this if the City is going to provide the same level of services on an on-going basis it is necessary to implement new revenue resources.

The Council has discussed on many occasions the six-year forecast and option to address projected budget gaps. During the Council's January 29, 2007, Long-Term Financial Strategy Retreat, and during the March 5, 2007, City Council Study-Session, the Council specifically discussed the causes of the projected gap and the various short-term and long-term solutions.

ALTERNATIVES ANALYSIS

During the Long-Term Financial Strategy Retreat on January 29, 2007, the City Council considered a number of ideas on how to close the projected future budget gaps. These included:

- Providing opportunities for both employees and citizens to identify ways that the City could gain efficiencies and therefore reduce on-going operating costs.
- Reducing the General Fund contribution to capital projects. Some Council members specifically did not want this reduction to reduce funding for the priority sidewalk program.
- Sponsoring budget town hall meetings
- Increase grant opportunities or use grants to off-set the reduction in capital contribution.
- Increase sponsorship revenues for community events such as Celebrate Shoreline and/or increase advertising revenues by allowing advertising on benches or backstops.
- Increase fees of revenue generating programs to reduce the tax subsidy of the programs

- Reductions to the existing budget in the areas of travel, memberships and dues, special events, and contributions to the arts and museum.
- Develop more intergovernmental partnerships that may reduce costs
- Implementation of a business registration program
- Increasing sales tax revenues through enhanced business retention and economic development efforts
- Implementing additional revenue sources such as cable utility tax and SCL contract payment on the distribution portion of the electric revenues
- Long-term consideration of a property tax levy lid lift.

There was general consensus among the Council that closing the gap strictly with expenditures reductions would not be the recommended option. This would result in the elimination of City services to the community. Based on the feedback the City has received from the budget and program prioritization workshops completed in 2004-2005, the Citizen's survey, and directly from constituents, it seems that most citizens do not want the City to eliminate existing programs. In fact in some areas there is pressure to increase service levels such as in police services, code abatement, sidewalk maintenance, street lighting, maintenance of City parks, human services and availability of walking and biking trails.

In examining the possibilities to close the projected budget gap for both the short-term and the long-term there was consensus to pursue the following:

Short-Term

- Increase the cable utility tax rate from 1% to 6%
- Implement the Seattle City Light distribution contract payment at 3% in 2008 and an additional 3% in 2009
- Reduce the General Fund contribution to capital
- Review the existing budget for any further cost savings
- Provide opportunities for employees and citizens to identify additional budget efficiencies
- Develop a citizen communication plan regarding the City's long-term financial strategy

Long-Term

- Pursue with a citizen committee the possibility of a levy lid lift (election in 2009)
- Implement the business registration program
- Review the possibility of impact fees

Implementing the Short-Term Strategy

Base Budget Changes (\$125,000)

Staff is recommending that Council consider \$125,000 in base operating budget reductions starting in mid 2007. This change would come from approximately \$78,000 in additional base budget reductions and \$47,000 in additional revenues from fee increases.

Base budget reductions will come from the following areas:

Expenditure Reductions

Lobbyist Services	5,000.00	
Parks Maintenance Extra-Help	10,000.00	
Contribution to Facility Long-Term Maintenance	40,000.00	
Travel, Registrations, Dues	13,000.00	
Police Overtime for Neighborhood Traffic Safety	10,000.00	
Total		78,000.00

This base budget reductions will become effective July 1, 2007.

Staff is also reviewing the City's fees and will be considering fee increases in the areas of adult recreation, facility rentals, and right-of-way fees for 2008. The proposed fee changes are projected to generate an additional \$47,000 in operational revenues.

Cable Utility Tax (\$500,000 annually)

The City currently levies a 1% utility tax on cable TV. The utility tax rate on cable TV is governed by the Cable Communications Policy Act of 1984. It requires that the utility rate not be "unduly discriminatory against cable operators and subscribers." Since the City has set all its utility tax rates at six percent, the rate on cable TV could go up to six percent also without being "unduly discriminatory." Although there is no required timeline to implement an increase in the cable utility tax, it is likely that it would take 60 to 90 days for the cable provider to bill all accounts at the increased utility tax rate.

A five percent increase in the cable utility tax would generate approximately \$500,000 in annual revenue. The average residential monthly cable fee is \$57. Implementing an additional 5% of utility tax would cost the average residential customer approximately \$2.83 monthly, or \$34 annually.

The City does collect a 5% franchise fee from the cable provider on total cable revenues. An increase in the utility tax rate would result in a slight increase in franchise fee revenue, approximately \$24,000 annually.

Adoption of Ordinance No. 464 will result in an increase in the City's cable utility tax rate from 1% to 6% effective July 1, 2007.

Seattle City Light Contract Payment on "Distribution" Portion of the Electricity Utility Rates (Full 6% implementation - \$550,000 annually)

The current franchise agreement between the City and Seattle City Light (SCL) provides that the City receive a 6% contract payment on the power portion of the electricity revenues, but not on the distribution portion. The franchise agreement does allow the City to collect a contract payment, up to 6%, on the distribution portion. In order to do this the City must give a one year notice to SCL. The franchise agreement allows SCL to collect a surcharge on the power portion of rates from our residents, implemented at the same time as the contract fee, but not the distribution portion. Based on recent data provided from SCL for 2001 through 2004, the distribution portion of the electric revenues collected within Shoreline represent 32% of total revenues. Assuming that this revenue allocation has remained constant for 2005 and 2006, it is estimated that a 6% contract payment on the distribution portion of SCL rates would generate approximately \$550,000 of revenue annually.

Assuming an average residential electric charge of \$70 per month, the implementation of the 6% contract payment on the distribution portion of the charge would increase the rate payer's overall bill by approximately \$1.35 per month or slightly more than \$16 per year. Since the full 6% rate would not be in effect until 2009 the rate payer would have an impact of half this amount, \$0.67 per month or slightly more than \$8 annually in 2008 for a household.

In 2004 the City of Tukwila implemented a contract payment on the distribution portion of the SCL revenues. Tukwila implemented the 6% payment over a three (3) year period.

Seattle City Light does provide reduced rates for low-income and elderly disabled residential rate payers. There are approximately 750 households within Shoreline that are participating in this program at this time. To qualify for the residential low-income rates the household annual income cannot exceed 200% of the poverty level for the number of individuals in the household. To qualify for the residential elderly or disabled rates the household income does not exceed 70% of the Washington State median income for the number of individuals in the household. The electric rates for ratepayers that qualify for these programs are 50% less than the regular rate for base charges and approximately 60% less for energy usage charges.

Shoreline also allows Shoreline residents that qualify for the SCL low-income to be exempt from the City's utility tax on natural gas and garbage. There are currently 150 households participating in this program.

Staff is recommending that as part of the implementation of contract payment on the distribution portion of SCL revenues, that the Council designate \$25,000 of the new revenue be used to enhance the City's human service funding to an agency that provides funds to help residents pay their utility bills. If authorized by the City Council, staff will work with an appropriate human service agency to implement this program.

The City's contract with SCL requires that the City give SCL one years notice to implement the contract payment on the distribution portion of the SCL revenues. Staff recommends that the Council vote by motion to authorize the City Manager to notify SCL of the City's intent to implement a 3% contract payment on distribution revenues effective March 1, 2008, and the full 6% effective January 1, 2009.

Citizen and Employee Input

Staff will continue to develop opportunities to provide information to the community on the City's budget and long-term financial strategy. This will include articles in Currents and information available on the City's web-site. In addition to this staff will develop additional opportunities for citizens to provide feedback on the City's budget that may include a community workshop, town hall meeting, and ways to communicate efficiency ideas from citizens.

Financial Strategy Summary

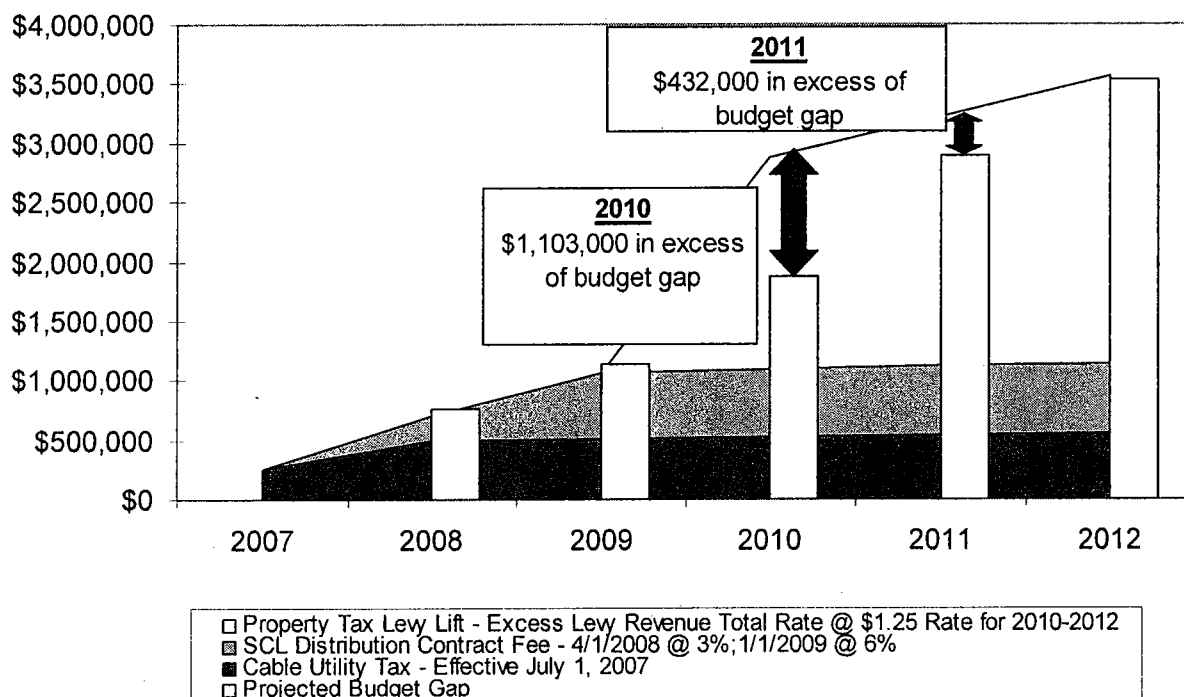
Over the last few years the City has been able to provide services and increase some service levels to the community as a result of finding service efficiencies and making

base budget reductions. In 2008 the City will not be able to continue providing the same level of services unless additional revenues are authorized. The City has monitored the long-term financial projections for several years and has anticipated that this would be necessary during this time period.

Fortunately the City Council has been prudent and the City has a variety of revenue sources that could be implemented to continue the provision of government services. As staff and Council have discussed the most likely options for the short-term (2008-2009) are an increase in the cable utility tax rate from 1% to 6% and the implementation of a 3% contract payment on the distribution portion electric revenues in 2008 and an additional 3% in 2009. In addition to this staff is recommending approximately \$125,000 in base budget changes as a result of both expenditure reductions and fee increases.

In the long-term (2010 and beyond) it is likely that an increase in the property tax levy will be necessary to maintain service levels.

The following chart compares projected budget gaps to the proposed short-term and long-term strategies.



Proposed Item	2007	2008	2009	2010	2011	2012
Base Budget Changes	\$39,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000
Cable Utility Tax*	250,000	500,000	512,844	525,922	538,787	551,378
SCL Distribution Contract Fee**	0	206,250	550,000	564,026	577,801	591,325
Enhanced Human Service (utility assistance) Contribution	0	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)
Property Tax Levy Lid Lift Rate @ \$1.25 for 2010-2012	0	0	0	1,790,809	2,099,579	2,425,530
Net Budget Change	\$289,000	\$806,250	\$1,162,844	\$2,980,757	\$3,316,167	\$3,668,233

Projected Budget Gap	\$0	(\$761,805)	(\$1,135,913)	(\$1,877,189)	(\$2,884,042)	(\$3,541,908)
Budget Change Over (Under)						
Projected Gap	\$289,000	\$44,445	\$26,931	\$1,103,568	\$432,125	\$126,325
*Effective Date 7/1/07						
**Effective Date 3% on 4/1/08 and 6% on 1/1/09						

RECOMMENDATION

Staff recommends that Council take the following actions:

1. Adopt Ordinance No. 464 increasing the cable utility tax to 6% of gross receipts and amending Shoreline Municipal Code 3.32.030.
2. Adopt a motion to authorize the City Manager to notify Seattle City Light that the City intends to collect a 3% contract payment on the distribution portion of electric revenues effective April 1, 2008, and a 6% contract payment on the distribution portion of electric revenues effective January 1, 2009.

ATTACHMENTS

Attachment A – Ordinance No. 464, Increasing the Cable Utility Tax to 6% of Gross Receipts and Amending Shoreline Municipal Code 3.32.030

ORDINANCE NO. 464

AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON, INCREASING THE CABLE UTILITY TAX TO 6% OF GROSS RECEIPTS AND AMENDING SHORELINE MUNICIPAL CODE 3.32.030

WHEREAS, the City's long-term financial projections indicate budget gaps starting in 2008, as expenditures exceed revenue growth; and

WHEREAS, in order to continue providing the same level of essential services to the Shoreline community it is necessary to implement new revenue sources; and

WHEREAS, the City currently assesses a 1% utility tax on cable television; and

WHEREAS, the Cable Communications Policy Act of 1984 requires that a city utility tax rate not be "unduly discriminatory against cable operators and subscribers"; and

WHEREAS, the City utility tax on all other utilities operating in Shoreline is 6%; and

WHEREAS, the City Council has determined that the public interest is best served by an increase of cable utility taxes from 1% to 6%, to close the projected short term and long term budget gaps and to retain the current levels of City services.

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

Section 1. Amendment. Shoreline Municipal Code 3.32.030, *Utility Occupation Activities Subject to Taxation*, is amended to read as follows:

Upon every person within the City in the following activities; as to such persons, the amount of the tax due with respect to such business in the city shall be equal to the gross income of the business, multiplied by the following applicable rates:

Activity	Tax Rate
A. Gas Distribution Business	6%
B. Telephone Business	6%
C. Cellular Telephone Service	6%
D. Cable Television Service	1% 6%
E. Solid Waste Collection Business	6%
F. Water Distribution Operation	6%
G. Sewerage Operation	6%
H. Paging Service	6%

Section 2. Publication , Effective Date. A summary of this ordinance consisting of its title shall be published in the official newspaper of the City. The ordinance shall take effect and be in full force July 1, 2007.

PASSED BY THE CITY COUNCIL ON MARCH 26, 2007.

Robert L. Ransom, Mayor

ATTEST:

APPROVED AS TO FORM:

Scott Passey
City Clerk

Ian Sievers
City Attorney

Date of Publication:
Effective Date: