

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

Tuesday, February 20, 2007 • 6:30 p.m.  
Shoreline Conference Center  
Mt. Rainier Room

**PRESENT:** Mayor Ransom, Councilmember Hansen, Councilmember McGlashan, Councilmember Ryu, and Councilmember Way.

**ABSENT:** Deputy Mayor Fimia, and Councilmember Gustafson.

1. CALL TO ORDER

At 6:40 p.m. the meeting was called to order by Mayor Ransom, who presided.

2. FLAG SALUTE/ROLL CALL

Upon roll call by the City Clerk, all Councilmembers were present with the exceptions of Deputy Mayor Fimia, Councilmember Gustafson, and Councilmember Hansen.

**Upon motion by Councilmember Way, seconded by Councilmember Ryu and carried 4-0, Deputy Mayor Fimia and Councilmember Gustafson were excused.**

**Councilmember Hansen arrived at 6:49 p.m.**

3. CITY MANAGER'S REPORT AND FUTURE AGENDAS

Julie Modrzejewski, Assistant City Manager, provided the City Manager's report. She introduced new Shoreline Police Captain Kent Baxter, who introduced himself and stated that he looks forward to working with the City Council and Shoreline residents. Ms. Modrzejewski continued her report, noting that free gun locks are available to Shoreline residents. Also, the Shoreline Police are seeking volunteers to staff the neighborhood centers; applications are available at the police storefronts. Responding to Councilmember Way regarding age restrictions, Captain Baxter said the police are primarily looking for older adults to staff the storefronts, since the police explorer program includes ages 18-21. Councilmember Way suggested advertising at Shoreline Community College. Ms. Modrzejewski announced that Watermark Credit Union opened on February 13, with a grand opening scheduled for March 3. Staff is in the planning phase for the 2007 Celebrate Shoreline, and interested people can contact Lynn Cheeney, Recreation Superintendent, for more information. She commented on the success of the Hip Hop event on February 3 sponsored by the City's Teen Program, and provided reminders on upcoming meetings.

#### 4. COMMUNITY PRESENTATION

##### (a) NetGreen

Linda VerNooy, Executive Director of NetGreen, gave a presentation on NetGreen's goals and programs, which ultimately aim at protecting the environment. NetGreen is a non-profit organization which strives to help communities become carbon-neutral, to take responsibility for the greenhouse gas emissions of the community residents, businesses and institutions. The responsibility for greenhouse gas emissions occurs through becoming carbon-neutral through offsets and reducing greenhouse gas emissions at the same time. She commented on the success of the Get Carbon Neutral Campaign in Ballard. She explained that there are many ways that community groups can get involved in a Get Carbon Neutral campaign. She noted that Seattle City Light has experience in greenhouse gas offsets (through using "cool climate concrete"), and there are opportunities for reducing greenhouse gas in the design of the new Shoreline City Hall through this technology. She concluded that NetGreen can assist Shoreline in an advisory capacity, and by starting a campaign, Shoreline can become a model for the region.

Ms. VerNooy responded to a number of questions from Councilmember Way. She explained that Seattle City Light can provide more information on cool climate concrete, noting that this technology was used in the Seattle City Hall project. The process involves mixing industrial byproducts into concrete to reduce greenhouse gas; Snohomish County PUD also has information on this technology. She further explained that individuals can use the NetGreen website to calculate what individuals and groups contribute in terms of greenhouse gas emissions. She urged the City to act now by calculating its own greenhouse gas emissions. She clarified that it doesn't necessarily have to be a detailed or precise calculation, but once it's done then the City can begin to fund projects to reduce emissions, such as cool climate concrete.

Councilmember Ryu asked if the projects are concentrating more on conservation through recycle and reuse as opposed to implementing new technologies. She also asked if there is potential to work with our regional and state officials in this endeavor. Ms. VerNooy explained that both energy efficiency and renewable energy programs are used, and NetGreen contracts with two partners, Climate Trust and Native Energy, to provide both sides. She pointed out that King County has a greenhouse gas plan and it would be advisable to request specific support for community-based actions.

#### 5. GENERAL PUBLIC COMMENT

(a) Virginia Paulsen, Shoreline, expressed concern about the City's long-term financial strategy, noting that the gap between revenues and expenditures is projected to reach 35 percent by the year 2012. She responded to Councilmember McGlashan's request from last week regarding a list of Aurora businesses that closed due to the Aurora Corridor project. She provided a list and expressed concern about the City's projected economic climate and the impacts to small businesses. She commented that a cost-benefit

analysis about these business losses was never done by City staff. She urged the Council, City Manager, planners, developers, and new Public Works Director to keep in mind the economic impacts of its decisions on Shoreline residents.

(b) Wendy DiPeso, Shoreline, noted that Sustainable Shoreline will hold a meeting on February 23 at the First Christian Reformed Church to help inform the public about the projected budget deficit and the City's long term financial strategy. She said Mayor Ransom and Finance Director Debbie Tarry will attend, and a report will be provided to the Council. She said all neighborhood groups have been invited, and the City Manager has indicated a willingness to have a public process about the long-term financial strategy.

Mayor Ransom responded to public comments. He noted that the projected deficit by 2010 is \$3 million, which isn't even 10 percent of the total budget. He asked Ms. Tarry to respond regarding Ms. Paulsen's financial calculations. He stated that the City conducted a cost-benefit analysis of the business impacts in the past.

Debbie Tarry, Finance Director, clarified that while long-term revenues are continuing to increase (about 2.4% annually), they are not keeping up with inflationary growth, and that is why long-term expenditures are increasing. She disagreed there is a 35 percent gap between future revenues and expenditures but stated that there are some options available to the Council to address this issue. She said a cost-benefit analysis may have been done prior to her employment with the City, but she was not certain. She concluded that there are a variety of reasons businesses may no longer exist on Aurora Avenue.

A debate ensued about whether there was public knowledge during the City's early years that the Interurban Trail would have an adverse impact on businesses and development. It was noted that most people acknowledge the Interurban Trail has had some impact on businesses, but the important thing is to commit to doing a better job and retaining as many businesses as possible.

## 6. STUDY ITEMS

### (a) Neighborhood Traffic Action Plans

Mark Relph, Public Works Director, introduced Jesus Sanchez, Public Works Operations Manager, and John Marek, Associate Traffic Engineer, to provide the staff report on this item.

Mr. Sanchez outlined the background, purpose, and goals of the Neighborhood Traffic Action Plans, which include:

- Identifying neighborhood-specific issues
- Developing a prioritized list of projects consistent with community goals and vision
- Guiding future neighborhood improvements
- Implementing a holistic versus a street-by-street approach

- Improving safety, mobility, and livability
- Encouraging active participation by residents, who identify priority projects and develop plan recommendations
- Review and update neighborhood plans every 5-6 years

Mr. Marek described the City's 2006 accomplishments and outlined the three projects slated for implementation: 1) North City; 2) Ridgecrest; and 3) Briarcrest. He outlined the community process which led to recommending these areas for Traffic Action Plans; the major traffic issues identified include traffic speeds, traffic volumes, and pedestrian safety. He summarized that while the total cost of all traffic improvements on the "wish list" are high, the communities understand that there are not only limited funds but also competing interests throughout the City. Focusing on the recommendations of highest importance to each neighborhood allows the City to approach improvements in a more rational and affordable manner. The estimated cost for high priority improvements is as follows: 1) North City \$2,540,000 (\$25,000 Traffic Improvements; \$2,515,000 Pedestrian Improvements); 2) Ridgecrest \$1,475,000 (\$25,000 Traffic Improvements; \$1,450,000 Pedestrian Improvements); 3) Briarcrest \$2,325,000 (\$140,000 Traffic Improvements; \$2,185,000 Pedestrian Improvements).

Mr. Marek outlined the funding strategies for the plans and noted that future Action Plans are planned for the neighborhoods of Echo Lake, Ballinger, Westminster Triangle, Meridian Park, Parkwood, and Hillwood. Staff expects completion of all 12 neighborhood plans by mid-2008.

Mr. Sanchez said the communities need to take ownership of their plans and the City needs to get good cost estimates so it can take a modest approach using available funding. He noted that the plans can work well with redevelopment.

Mayor Ransom called for public comment.

(a) Charles Brown, Shoreline, advised the City to proceed cautiously when considering traffic circles because they do not work in all situations. He said traffic circles do not affect the worst offenders, such as smaller cars traveling at high speeds. He noted that the intersection of NE 155th and 27th Avenue NE is not symmetrical and presents unique problems.

Councilmember Way thanked staff for the presentation and asked about the definition of pedestrian landing.

Mr. Marek said a landing is the curb and sidewalk at the corner of intersection, such as the one proposed for the intersection at NE 165th Street & 10th Avenue NE. He explained that some traffic and pedestrian improvements may be temporary or permanent depending on the effectiveness of each solution.

Mr. Sanchez clarified that traffic circles can serve as temporary traffic solutions until enough community feedback is received to implement long-term solutions.

Councilmember Way asked about the cost estimates and how the Council will determine its actual priorities.

Mr. Marek responded that the cost estimates are based on the 2006 sidewalk priority program. Mr. Sanchez explained that a number of factors will drive the priorities, including neighborhood input, traffic science, and state/federal grants. He said the message to the public will be "make the case for your neighborhood."

Staff confirmed for Councilmember Hansen that traffic circles have only been installed upon neighborhood request. Councilmember Hansen noted that traffic circle design must accommodate school buses and emergency vehicles, so care should be taken to ensure the intersection is adequate and views are not blocked. Mr. Marek noted that staff consults with the schools and the fire department regarding turn radius issues.

Councilmember Ryu was pleased that staff recognizes pedestrian safety as a prime concern but noted that property damage can also be a casualty in a traffic accident. She asked why 6-18 percent of the people polled oppose the proposals. She asked how the program would be impacted if the Council accepted a proposal not to build sidewalks in 2008. She also asked if the program needed more funding.

Mr. Marek said the people who generally opposed the plans were largely opposed to traffic circles. Mr. Sanchez said even if no sidewalks were built in 2008, staff could still take a modest yet creative approach based on available funding. He emphasized the need to get the best return on investment, and while more funding would be good, it is not always the answer. He noted that more infrastructure requires more funding for maintenance.

Councilmember McGlashan asked how the City determines which neighborhoods to focus on. He also asked about the role of the traffic advisory committee and requested that Council be provided with the traffic survey information. He commented on the crumbling asphalt on the edge of roads at traffic circle intersections and the associated maintenance costs.

Mr. Sanchez explained how staff prioritizes projects. He said priorities are determined through the NTSP, and staff also considers safety issues that require immediate attention as well as remedies that can be implemented through the small works fund. Mr. Marek explained the role of the traffic advisory committee, which essentially serves to get neighborhood feedback. Mr. Sanchez commented on the maintenance impacts due to weather and said staff would like to do a more improved edge on traffic circle intersections.

Councilmember Way asked if roads with improvements such as sidewalks result in more maintenance costs over time. Mr. Sanchez affirmed that they do, noting that future maintenance costs will ensue by perhaps the eighth year.

Mayor Ransom noted that the previous sidewalk program proposed building sidewalks within 1,000 feet of schools; he asked if this proposal exceeds that recommendation. Staff clarified that the cost estimate covers the total need for sidewalks in neighborhoods, which exceeds the previous program scope. They also clarified that the estimate is based on a cost-per-lineal-foot of sidewalk, in the range of \$191-225 per lineal foot. Mayor Ransom said some members of the public have asked for signage to clarify the law regarding traffic movements at traffic circle intersections. He noted it can be hazardous if drivers are turning left in front of the traffic circle. He also commented that the ruts caused by water erosion can be hazardous. Mr. Sanchez said that staff is working with law enforcement on this issue and is ordering signage to direct people on correct traffic circle usage. Staff is also addressing the rutting problem with paving around the edges of the road.

Councilmember McGlashan commented on the legality of making left turn in front of a traffic circle. Mr. Sanchez noted there is still a debate regarding the legislative intent of the law; the City of Seattle allows left turns in front of traffic circles but King County interprets it differently. He said both the legislative intent and traffic circles must be clearly defined in order to resolve this issue.

Councilmember Ryu asked if the issue could be resolved on the local level. Mr. Sanchez said the City could adopt its own code, but it would be advisable to define the state statute so there is uniformity throughout all jurisdictions.

Councilmember Way didn't want anyone to become unwitting victims through the enforcement of unclear laws; she said the traffic programs are meant to be "friendly" to the neighborhood. She also expressed concern about building large "roundabouts," noting that they can present unique hazards.

Mr. Relph outlined his experience with roundabouts and concluded that they can be an effective tool under the right circumstances. He was also pleased that the Council is willing to consider local improvement districts (LIDs) as a potential tool to implement these projects.

## RECESS

**At 8:14 p.m., Mayor called for a five minute recess. At 8:26 p.m., the meeting reconvened.**

### (b) Hazard Mitigation Plan Update

Ms. Modrzejewski introduced Gail Marsh, Emergency Management Coordinator, who provided the presentation.

Ms. Marsh explained that the purpose of the Hazard Mitigation Plan is to provide strategies for the creation of a resilient and sustainable community. She provided an overview of the Hazard Mitigation Plan and outlined both the short-term and long-term strategies of the

Plan. To date, approximately 79 percent of the strategies have been accomplished and/or in the ongoing category; the goal is to achieve 96 percent completion in 2007. The City of Shoreline plan, accepted by FEMA in November 2004, outlines 28 mitigation strategies to be accomplished over 5 years. The 28 mitigation strategies can be summarized into the following broad categories:

1. Community Education
2. Partnerships
3. Infrastructure
4. Regulations

Ms. Marsh elaborated on each category and summarized that the key to accomplishing the goals is to develop and maintain partnerships and working relationships. The City has developed partnerships with the following entities/agencies: Shoreline Fire Department; Shoreline School District; Shoreline Community College; Washington State Public Health Lab; Snohomish and King Counties Emergency Management Providers; Washington Department of Transportation; King County Metro; American Red Cross; Crista Ministries; Center for Human Services; Council of Neighborhoods; Chamber of Commerce. She noted that the most vital partnership is with the community, neighborhoods, and individual citizens.

Councilmember Ryu commented favorably on one of Ms. Marsh's recent community presentations and reminded the public that emergency preparedness workshops are ongoing in the community. She suggested publicizing them on the cable channel in addition to the City web site. She wondered if it would be effective for the police and fire departments, as well as private vendors, to promote emergency preparedness at Celebrate Shoreline. Ms. Marsh noted that September is Emergency Preparedness Month, so it would be a good time to coordinate a combined effort.

Councilmember Hansen pointed out that the Federal Emergency Management Administration's (FEMA) requirements prompted many of the City's emergency management goals; the City is eligible to receive grants because it met FEMA requirements. Responding to Councilmember Hansen, Ms. Marsh affirmed that the Spartan Gym back-up generator will be purchased with grant funding, and grants have funded other communications equipment and education courses. Ms. Marsh and Ms. Modrzejewski spoke favorably about the Shoreline Auxiliary Communications Service, which provides redundant communications services and which played a vital role during the December wind storm event. Councilmember Hansen commended staff for its progress in accomplishing the stated goals, noting that 79 percent has already been achieved, and 96 percent completion is projected by the end of 2007.

Councilmember McGlashan thanked staff for their work and commented on the creative methods used to present emergency management information at the community workshops.

Councilmember Way congratulated staff for the progress to-date but advised that there is still much work to do. She noted that some residents had no power for almost a week after the wind storm hit, and there were issues with fallen trees and carbon monoxide poisoning. She asked staff if there was a sense of what caused the delay in restoring the power.

Ms. Marsh attributed the delay to a communication problem with the power company. She explained that the Red Cross was responding without any information from Seattle City Light, so the effort was not as coordinated as staff had hoped. Ms. Modrzejewski noted that the City received a very favorable letter from Seattle City Light today which reaffirmed their consideration of Shoreline as a key customer.

Councilmember Way commented on the need for nursing homes and group care facilities to prepare for emergencies because the City does not have the resources to respond to all their needs.

Ms. Marsh noted that prior to the windstorm, the City had information on all the assisted care facilities within the City, and the Shoreline Auxiliary Communications Service had a phone list. However, there were some inconsistencies between what was being reported and what was observed "on the ground." That said, Shoreline's experience was no different than what occurred in other jurisdictions, and staff's recommendations are helping prompt state legislation to require enhanced preparedness measures at assisted care facilities. She said the most important message that staff can emphasize is that residents must be able to shelter in place.

Councilmember Way commend on low impact development standards and building safety week and how they might tie in with emergency management. She said she looks forward to seeing what efforts can be made to resolve the issues related to vulnerable populations.

Councilmember Ryu agreed with a statement in the staff presentation that the most vital partnership is with the community, neighborhoods, and individual citizens. She emphasized the importance of individual preparedness and relying on each other during emergencies. She urged the City to work closely with the neighborhoods so that citizens can be mutually supportive and self-reliant.

Ms. Marsh noted that she will be starting the Ready Neighborhood program shortly, which is loosely based on the block watch program and targets groups of up to 20 neighbors.

Mayor Ransom noted that the emergency management program has short-term, long-term, and ongoing strategies. He listed the completed items under ongoing strategy #M-2 to illustrate the comprehensiveness of the goals and the efforts to educate the public about hazards and hazard mitigation. He asked for staff's assessment about individual preparedness throughout the City.

Ms. Marsh said the City mostly has anecdotal information, although the citizen survey indicated that 60 percent of respondents considered themselves self-sufficient for a number



of days. She said the December windstorm probably served as a "wake-up call" and perhaps people are reconsidering their level of preparedness.

This agenda item concluded with an introduction of the other emergency management team members in attendance: Bob Phelps, Team Manager of the Shoreline Auxiliary Communications Service, and Mark Bunge, Shoreline Fire Marshal.

(c) Discussion of the Gambling Tax Rate

Debbie Tarry, Finance Director, provided a brief history and overview of this agenda item. She noted that the Council reduced the gambling tax rate from 11 percent to 10 percent, and then reduced it on a temporary basis to 7 percent based on the business impacts of the Aurora Corridor project. She noted that Mayor Ransom requested that the Council consider a two-month extension of the tax rate reduction to accommodate the delay in substantial completion of the Aurora project. She outlined the primary changes in the gambling industry, including competition from tribal casinos, online betting, regional competition, and the statewide smoking ban as contributing factors in the overall decrease of card room activity in the region. She said if Council takes no action, the tax rate will return to 10% on April 1, 2007. The impact of extending the reduction two additional months is estimated at \$112,000. For reasons relating to local competition and changes in the gambling industry beyond the City's control, staff recommends that the Council take no further action and allow the tax rate to return to 10 percent on April 1, 2007.

Mayor Ransom read from the minutes of July 24, 2006 as follows:

"Mayor Ransom pointed out that gambling receipts have been down 30 percent, and although a higher rate was requested by the casinos, the seven percent rate is justified based on their gross receipts. He said seven of the twelve casinos in Everett have closed, and four have closed in the last three months. He also noted that the nearly \$3,000,000 the City receives in gambling taxes is equivalent to 50 percent of property tax receipts, 50 percent of sales tax receipts, 45 percent of the police budget, 90 percent of the Parks department budget, and equal to the revenues of 15 Sears department stores, and the revenue of four Costco stores. He added that the casinos support over 900 living-wage jobs, which equals about 10 percent of the private industry jobs in Shoreline. He stated the casinos bring in over \$100,000,000 in revenue into the City with \$26,000,000 going to casino operations. He added that the City takes 10 percent off of the top before they pay state B&O taxes. The City has been able to save \$25,000,000 in reserves over the past 10 years, part of which is to fund a new City Hall. Thus, the City has benefited, but now the casinos are in trouble and are asking for assistance. He said the nine month reduction would give the casinos three months after the construction is completed to "get back on their feet." The reduction would reduce the tax to seven percent of gross receipts for a nine month period. This timeline is the same as the City Manager's recommendation."

He said the casinos have requested a two-month extension because construction is not yet completed. He felt the Council should extend the tax rate reduction to be true to the

original intent to allow the 7 percent rate to continue for 90 days after substantial completion.

Mayor Ransom called for public comment.

(a) Mary Abel, Casino manager of Goldie's Casino, said she is only advocating for what the Council originally intended, which was a reduced tax during construction and for a three-month recovery period following completion. She commented that Aurora Avenue is still an active construction zone, and Aurora Avenue traffic has decreased 15-20 percent, which mirrors the reduction in their gambling receipts. She said a 3-month extensions mean a reduction in revenue designated for capital improvements, but to the casinos it means keeping businesses operating and people employed. She urged the Council to consider extending the tax reduction through June 30, 2007.

(b) Scott Hildebrandt, Shoreline, Director of Operations of Parker's Casino, urged the Council to have an open mind and consider the long-term impacts rather than short term impacts. He noted that the City's services and capital projects depend upon tax revenues, so the City should do everything it can to ensure those revenues continue. He said in order to have future projects in Shoreline, the casinos must still be in operation to provide the needed tax revenue. He commented on the direct and indirect factors affecting the gaming industry and urged the Council to extend the tax reduction.

(c) Michael Preston, Shoreline, noted that he served on Seattle School Board for 20 years and agrees with former Seattle School Superintendent John Stanford's motto "Do what you say you will do." He urged the Council to allow the casinos three months to recover from Aurora project. He commented on the ongoing traffic congestion on Aurora Avenue, noting that the project is still not over. He said many people have made a habit of avoiding Aurora Avenue, and it will take something extraordinary to get them back. He said the three month recovery period was the most important part of the deal for the casinos, and the Council should be true to its word. He said although the casino revenues are down 17 percent, the true decline is measured by what the growth would have been in the absence of the project.

Mayor Ransom also commented on the traffic congestion and traffic circulation problems caused by the Aurora Corridor project, noting that the City hasn't even started installing the traffic signal at N 152nd Street.

Ms. Modrzejewski said that while staff is sensitive to impacts of the Aurora project, the City is facing the same revenue problems as the casinos. She maintained that although the Aurora project has had impacts, there are many other factors affecting the gaming industry. Staff estimated that an extension of the 7 percent gambling tax through June 30th would amount to approximately \$55,000 in additional tax relief.

Mayor Ransom noted that the City Manager assured him that the project would be complete by February 28, but now it looks less likely.

Ms. Modrzejewski noted that the delays were caused by inclement weather, and that it has been very disappointing for everyone. She affirmed that staff would return with a new time estimate for completion as well as an update on the light installation at N 152nd Street.

Councilmember Ryu pointed out that the casinos are the only businesses that pay the gambling tax, and many businesses have left Shoreline due to access problems resulting from the Aurora Corridor project. She read a letter from a proprietor who said she cannot pay the rent due to lost revenues from a lack of business access. She commented on specific areas of congestion along the Aurora Corridor. She pointed out that the Council cannot legally reduce the taxes for Aurora Corridor businesses in general, and Ms. Tarry confirmed that the City cannot have differential tax rates among those who pay certain taxes. She said the City needs a healthy business environment for long-term sustainability because the City cannot put the entire burden on homeowners. She said she too is disappointed with the delays, noting that the first phase was supposed to be the "easy mile."

Ms. Modrzejewski said staff wants to get the project done and help businesses stay in Shoreline, noting that there are City programs that can direct small businesses to resources they need to succeed. She noted that while delays are not uncommon in multi-million dollar projects, it is difficult when outside forces are impacting the businesses.

Councilmember Way said she appreciates the casinos and the resulting capital projects that are made possible by their contributions. She added that the casinos' sacrifices are admirable and the City owes the gaming community a lot. She concluded that she is not ready to provide staff direction at this time.

Councilmember McGlashan commended the casinos for enduring the challenges related to the Aurora Corridor project and asked staff about various gambling statistics in other jurisdictions. He stated that the gaming industry has many other challenges separate from those related to City projects or policies. He suggested that the City get involved with state legislators to see what can be done to equalize the gaming industry vis-à-vis the tribal casinos. He was inclined to support the staff recommendation.

Councilmember Hansen stated that he supports the staff recommendation.

Mayor Ransom expressed concern because the Council made an oral commitment to the casinos to maintain the reduced tax rate for 90 days after project completion. He concluded that there does not appear to be Council consensus to put this item on the agenda for a vote.

## 7. ADJOURNMENT

At 9:43 p.m., Mayor Ransom declared the meeting adjourned.

February 20, 2007

**DRAFT**

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Scott Passey, CMC  
City Clerk