

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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