

CITY OF SHORELINE

SHORELINE CITY COUNCIL SUMMARY MINUTES OF SPECIAL MEETING

Monday, October 29, 2007 - 6:30 p.m.
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 6:33 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 with the exceptions of Councilmember Gustafson and Councilmember Hansen. Bob Olander, City Manager reported that Councilmember Gustafson and Councilmember Hansen would be late.

3. REPORT OF THE CITY MANAGER

Bob Olander, City Manager, provided the following updates on past and future City meetings, events, and projects:

- Ridgecrest Commercial Zoning public hearing with the Planning Commission, November 1
- Election Day, November 6
- Fircrest Master Plan Phase 1 Open House, sponsored by the Department of Social and Health Services, November 8
- Green Tools Training sponsored by King County Suburban Cities Association; various workshops and demonstration tours

Mr. Olander requested a change to the agenda. He commented that the City staff is proposing adoption of a six-month moratorium because there are a number of high density residential developments being proposed; staff believes the current development regulations are inadequate to protect adjacent lower-density residents. He felt it would be wise to take a couple of months to review those regulations. The moratorium would

prevent any new development while this review is taking place. The Council can adopt this tonight, but state law requires that the Council hold a public hearing on whether or not the moratorium is continued. This hearing must take place within 60 days of the adopting ordinance. **Mr. Olander added the following to the agenda as Item 4(b): Ordinance No. 484 adopting a moratorium for six months on the filing or acceptance of any applications for residential development of land within the Community, Industrial, or Regional Business land use districts in proximity to residential neighborhoods.**

Councilmember Way said there are lots of people here to comment on other things and this seemed like an important item. She inquired if the public could comment on this issue during the general public comment period.

Mr. Olander felt that that was a good suggestion because it is a new item. He said perhaps the Council can allow the flexibility under the general public comment for the public to speak on this. He read the operable sections of the moratorium and said staff is seeing the impact on neighborhoods primarily in the large residential development community, not in the commercial development areas.

Mayor Ransom commented that there is also public comment on the budget after the staff presentation. Mr. Olander added that there would be public comment on the budget item tonight, and there are also public hearings on November 5 and November 19.

4. GENERAL PUBLIC COMMENT

a) Guy Olivera, Shoreline, discussed the personal attacks concerning the Open Public Meetings Act (OPMA) lawsuit. He said he has reviewed the legal documentation and felt the entire case is devoid of any proof. He said that the plaintiffs sought settlement only after adding the City of Shoreline as a defendant to make the citizens "foot the bill." Pro Shoreline supporters have blamed the defendants for that cost. He added that the public learned about certain violations of the OPMA according to the Steve Burkett deposition. He stated that Pro Shoreline hasn't filed against the people stated in the deposition because it supports them.

b) Cindy Neff, Shoreline, said that Jim and Alice Abbott have been her neighbors for twenty-two years. She said people describe them as "predatory developers," but they are not. She outlined their community contributions and that they are a charitable couple. She said nobody can match the organizations they've supported.

c) Sue Melville, Shoreline, is one of the neighbors concerned about a large-scale proposed development planned in the Parkwood Neighborhood adjacent to her property. She left a letter for the Council.

d) Stan Terry, Shoreline, commented that the editorial written by Bill Bear in the Briarcrest newsletter violated Briarcrest Neighborhood Association (BNA) bylaws, which prohibit articles of a political or inflammatory nature. He said this puts the BNA at

risk for being reported for campaign violations and scrutiny by the Internal Revenue Service (IRS), possibly jeopardizing its non-profit 501c3 status. Mr. Bear's article claimed that the OPMA lawsuit was frivolous, although editorials in the Seattle Times, Tacoma News Tribune, and the Enterprise all indicated otherwise. Mr. Bear also claimed that Pro Shoreline was behind the lawsuit, but the Pro Shoreline board voted not to take a position because being involved wouldn't advance the organization's goals. He added that Pro Shoreline has endorsed Paul Grace and Doris McConnell.

e) Ted Murphy, Shoreline, noted that some negative campaign literature he received was funded by the Aurora Improvement Council Political Action Committee (AIC-PAC). The mailer indicated that the main donor to the AIC-PAC is the Shoreline Merchants Association (SMA) PAC. Based on the PDC filings the SMA-PAC registration was filed on October 17, 2007 and five of the six SMA-PAC officers are also AIC-PAC officers. He said although the registration was filed on 10/17, they raised \$16,500 from campaign contributors to send out this mailer to attack Council candidates. He found it troubling that \$6,000 was raised by gambling organizations located outside the City of Shoreline, and that \$7,500 came from core contributors, including Carter Subaru and Sky Nursery. He said he doesn't support businesses that hide inside a political action committee. He concluded that Councilmember Ryu, a few Shoreline businesses, and some of the members of the People to Re-elect Maggie Fimia committee have chosen the "low road."

f) Valerie Speed, Shoreline, spoke on behalf of the Public Schools Foundation, a non-profit foundation that supports educational programs, creative teaching, and expanded learning opportunities for students in the Shoreline School District. She said there will be a "Calling for Kids Phone-a Thon" on November 4th that will request pledges in support of the grant programs. The goal is to raise \$45,000 towards grant programs. She urged everyone to contact the foundation for information or to make a donation at the Shoreline Center.

g) Dale Wright, Shoreline, said many residents believe that a "political cabal" has been established in Shoreline to seize political power. Specifically, there are interrelationships between the Council majority, the Chamber of Commerce, the 32nd District Democrats, the Shoreline Merchants Association, and the gambling industry. He said this interrelationship is demonstrated by campaign contributions to Maggie Fimia, Chris Eggen, and Terry Scott. According to PDC records, 55 percent of their contributions, or \$64,100, has been contributed by only ten people or organizations. The contributors include Cindy and Cody Ryu, the Stephens Family, Mr. & Mrs. Dan Mann, Carter Subaru, The Chamber of Commerce, Shoreline Merchants Association, Shoreline gambling, gambling consultants, Sky Nursery, Mr. & Mrs. Elaine Phelps, and John Sims of the Frank Lumber Door Store. He expressed support for the election of Paul Grace and Doris McConnell.

h) Chris Eggen, Shoreline, commented on the topic raised last week during public comment regarding the lack of summer programs for autistic children in Shoreline. He said the Fircrest School has the expertise and facilities to provide a summer program

for these children. He urged the City to investigate this with the Seattle program administrators to determine if one can be devised for Shoreline children.

i) LaNita Wacker, Shoreline, asked the Council to support the Roads and Transit measure, noting that the City of Redmond majority is supporting it. She said Shoreline citizens should support it because \$40 million is allocated for Aurora Avenue and an additional \$40 million will go to the viaduct just north of Denny's. In addition, it will include a new ferry dock and Sounder transit station in Edmonds, and the replacement of the 520 bridge. She explained that it is a sales tax and the advantage is that the transportation corridor can be addressed from sales tax revenue from tourism and visitors. This package, she said, provides an interlocking transportation system which runs from Everett to Tacoma. She said the user tax is good for the entire region and is a balanced plan.

j) Linda George, Shoreline, expressed concern about the proposed "air condo" development on Greenwood Avenue. She said there was a neighborhood meeting with the architect, who explained that this development would be faster and less expensive for the developer to build. She felt the neighborhood group should have a close presence throughout this process, and that the project should align with the City vision of citizen partnerships, open and efficient participatory government, and stewardship of the environment. She urged the City staff and the Council to be aware of what is going on in the neighborhood, noting she supports candidates who are sensitive to the development balance.

k) Dennis Lee, Shoreline, said he has been asking for interim development controls for a year and wants to make sure the Council includes them in this moratorium. He added that there have been rezones in this area but no concurrent planning for the infrastructure. The area from Lake City Way to 15th Avenue NE, and from 145th Street to 150th Street should be included in the moratorium. This area is out of compliance with the Comprehensive Plan because the special study area was meant to be a placeholder for a plan to be developed years ago. He concluded that the only thing the citizens have been able to do is fend off bad development there.

l) Judy Parsons, Shoreline, spoke on behalf of Paul Grace who is running for Council. She said she received a disturbing flyer about him, commenting that negative advertising is not appropriate. She noted that Mr. Grace has served on the school board, is a person of high integrity, and a consensus-builder. She added that he has superior leadership skills and it is a shame if this flyer would impact anyone's opinion.

m) Patti Gibbony, Lake Forest Park, said she was proud to serve with Mr. Paul Grace on the school board. She commented that he was an outstanding addition to the school board. She said the flyer is "trash" and nothing in it is true. She said she is distressed in seeing this type of document distributed. She added that those people responsible for it didn't even have the courage to list their names, nor the names of their political action committee. She said no one running for a public office should be

subjected to this. She strongly encouraged the Council to support responsible campaign practices for the good of everyone.

n) Gloria Bryce, Shoreline, announced that she is the neighborhood coordinator for the Fremont Trail Project in the Highland Terrace neighborhood. She said they received a mini-grant for the trail. She said the project is doing great and hoped the City will continue with mini-grants in the 2008 budget. She said along the trail the battle is being won against the invasive blackberries and ivy. She announced that the 200+ plants that were planted on Kruckeberg Trail survived the summer and the trail is used a lot. She said Paul Grace was one of first people to tell her about Kruckeberg and most of the plants were from his yard. She commented that good leaders reach outside themselves and motivate others to succeed, and that is what Mr. Grace is to her. She said her neighborhood is a better and safer environment in which to live because of the Fremont Trail.

o) Herb Bryce, Shoreline, commented that Paul Grace served on the school board with honor from 1996 to 2001 and his presence was invaluable. He said in 2001 Mr. Grace's employer sent him to graduate school which made it impossible to continue on the school board. In 1996, Paul was appointed by unanimous vote to the school board then was elected in next cycle. Paul is a thoughtful, proud, and articulate individual who was very committed to the school board. He commented that for the AIC and SMA to suggest otherwise is a lie. He concluded that Mr. Grace is a committed member to the community and is a quiet, unassuming individual and his record proves it. He urged the public to call him with any questions about Mr. Grace.

p) Les Nelson, Shoreline, said he read the State laws related to land use. He added that the current Comprehensive Plan looks like a good development plan and he is encouraged by the wording. He added that the Planning and Development Services Director, Mr. Tovar, is willing to listen and is also working on the neighborhood meetings and realize that there are many places for improvement in the development code. He submitted a letter to the City Clerk regarding this issue.

q) Elaine Phelps, Shoreline, said she is a democrat and an officer in a local and state party. She said she contributes to campaigns, which is what all of the public should be doing. She noted that Mr. Wright's assertion of a cabal is not appropriate, since cabals are secret, yet campaign contributions can be found in public records. She said Mr. Wright is an obscene abuser of this forum and is always making accusations, and Mr. Grace is or was an officer of Pro Shoreline. She said Mr. Grace's opponent is a supporter of the environment, and they support the things she believes in. She said Pro Shoreline issues baseless attacks and lies.

r) Maryn Wynne, Shoreline, said she understands the frustration people experience from lack of services because her son has Downs Syndrome. However, she said specialized recreation opportunities have increased; there are approximately 100 adults served in the adult day program, and over 40 adults in the evening programs. She said recreational opportunities include a year-round bowling league, soccer, Special

Olympics (Shore Lions), weekend activities, Monster Mash dance, and summer camp for up to fifteen children. That said, it is time for Shoreline to follow the City of Seattle's lead and start a specialized recreation advisory board. She said the advisory board should initially audit and survey the special needs population and look for natural partnerships between schools, City programs, and non-profit groups. She added this group will need to be prepared to think "outside the box" for the best ways to serve our community.

s) Bronston Kenney, Shoreline, said there is no political cabal if campaign contributions are listed on the PDC website. He said he has contributed to campaigns but has nothing to gain from the City Council. He said he wants a City Council he can forget about, but the past Council tried to sneak things through for developers. He said he and his neighbors were on the end of a lawsuit against Viking Properties, and he doesn't want people who support those types of developers on the Council. He said the people who contribute to Pro Shoreline are all related to real estate and they're looking for traction. He said Pro Shoreline recruited and supports candidates such as Doris McConnell and Paul Grace. He felt the first negative ads were started by Pro Shoreline, and the lawsuit was the nastiest. He said the Seattle Times recognized it was a political lawsuit.

t) Michael Pollowitz, Shoreline, said Mr. Bear was 100% wrong to put his political opinion in the Briarcrest newsletter. On another note, he said the latest attack on Paul Grace and Doris McConnell was funded in part by gambling interests, Councilmember Ryu, and school board member Dan Mann. The piece also incorrectly stated that Councilmember McGlashan is a developer. From his perspective, Councilmember Ryu is a big developer because she owns a multi-million dollar strip mall on Aurora Avenue that may be redeveloped. He said gambling interests got a tax break supported by Maggie Fimia, while Shoreline citizens got a utility tax increase. He said Representative Kagi and Senator Fairley, two of Shoreline's finest politicians, have endorsed Grace and McConnell.

Councilmember Gustafson arrived 7:35 p.m.

u) Rick Stephens, on behalf of the Shoreline Merchants Association (SMA), commented that the Aurora design was drastically altered because of the efforts of the SMA. He said through working within the SEPA and the Federal Highway Administration (FHWA), flaws were eliminated and the changes and led to the new roadway. He stated that Phase 2 was approved unanimously by the City Council and the work was done by the Chamber and SMA to get that approval. He added that the Shoreline Chamber of Commerce and the SMA were the first to endorse it. This is what happens when you have a Council and a City Manager that are willing to listen. He said Mr. Grace encouraged Council not to join the "naysayers and not-can-doers," implying that this group includes the Chamber of Commerce and SMA. He hoped there are open lines of communication as the City moves forward on Aurora Avenue. He said the current City Council respects each voice in the community and is willing to work with them. He said when Pro Shoreline stops lying about merchants, then we'll stop telling the truth about them.

v) Beth O'Neill, Shoreline, said she has seen Mr. Wright speak in the past and he always carried self with decorum and has earned her respect. She agreed with the insinuation that Councilmember Ryu is a "deep-pocket developer" because the Westminster Triangle is slated for potential rezoning and her business property would profit from this. She highlighted that the campaign headquarters of Maggie Fimia, Terry Scott, and Chris Eggen are housed at that property and they all work on each other's campaigns there. She noted that Deputy Mayor Fimia has stated, verbally and through advertisements, that State Auditor Brian Sonntag offered to doorbell with her. Recently, she said she called his office on an unrelated matter and spoke to Mr. Sonntag, who said he never offered to doorbell with her. She said he also admitted that Deputy Mayor Fimia wrote her own campaign endorsement.

w) Doris McConnell, Shoreline, said she was never recruited by anyone to run for office. She said nobody owns her and she is an independent thinker. She said good people who are interested in solutions need to run for government, and that candidates and future politicians should have no special interests. She stated that she wants to bring forth positive energy to the City and the residents are tired of negativity. She said there are many things the City should be proud of, such as the new YMCA, the Aurora Corridor, a new Civic Center/City Hall, and the Parks bond. She said she has signed an open government pledge in which she promises to conduct City business openly. She concluded that she is really excited about channeling her passion for community service into the City.

x) Jim Koch, Shoreline, stated that at the last couple meetings there was discussion about a new solid waste contract. She said he and his wife have sent e-mails and letters to City Council members, but they have not been responsive. He said one of the questions concerned the company's hiring practices and it appears that they have a Level II sex offender working for them. He wanted to ensure that Council members were aware of this problem. He said he does not understand how they could vote for this if they knew about this employee. He also said he wanted to know how the Council informs the citizens about expiring contracts, noting that it appears the Council doesn't want the public to review this issue.

Mr. Olander stated that an exceptional needs summer camp is something that the City has been exploring over the last couple months. He added that it might be something that is contracted out with another City or organization, or the City may have its own program. He explained that if the Council or City staff doesn't respond to all citizen e-mail immediately, it is not because the City is neglecting it. He said there are an enormous number of calls, letters, and e-mails that the staff and Council receive. He said they are acknowledged then responded to within 14 to 18 working days. He explained that he responded to the Council in a memorandum concerning the sex offender issue. The employee in question worked at the downtown recycling center and has never been out in the general public picking up garbage. This person, he explained, has served his term and was released three years ago. He stated that that employee is currently under parole supervision and has an excellent work record with Cleanscapes and an excellent parole record. He also said the employee in question was voted by fellow workers as a model

employee. He clarified that notification went to the Council and the City staff is still in the process of responding to Mr. Koch.

Mayor Ransom wanted the City Manager to address Mr. Koch's assertion that this item was improperly noticed. Mr. Olander said he recalled the notification was a quick decision process, but it started eight months ago with a public survey for public input concerning the waste contract. The revisions from the public were incorporated into the proposed RFP and the City staff asked for the Council's input several months ago. He concluded that there was effective notice to the public over the last five or six months.

RECESS

At 8:04 p.m., Mayor Ransom called for a five minute recess. Mayor Ransom reconvened the meeting at 8:15 p.m.

5. NEW BUSINESS

(a) 2008 Budget - Department Presentations

Mr. Olander introduced the item and stated there aren't that many significant changes from last year's budget.

Debbie Tarry, Finance Director, explained the budget document was given to the Council on October 15 and has been available to the public since October 16. The public hearings will be held on November 5 and November 19. She highlighted that if the Council gets through the department presentations at this meeting they will have two meetings for budget discussion and a chance to identify any adjustments to the 2008 budget with the goal of adopting it on November 26. She discussed the budget layout and noted that salary and benefit costs for 2008 affect all of the departments.

Ms. Tarry went through each department budget and highlighted any significant changes. She said there are no major changes in the City Council budget. She highlighted that the City Manager's Office budget is made up of four programs, the City Manager's Office, Economic Development, Communications Program, and Intergovernmental Relations. There is a little over \$1.4 million dollars in that budget and changes include \$66,000 in carry-over that is no longer available. The increases, she said, include a \$15,000 increase for the lobbyist contract and \$5,000 related to the Currents and Happenings for publication and postage costs. There are no significant changes in the City Clerk's budget from 2007 to 2008. She continued with the Community Service Department (CSD) which is made up of the Customer Response Team (CRT), Neighborhoods, Emergency Management (EM), and Human Services (HS). For 2008, the budget for that department is \$1.3 million. She noted that there is a decrease from 2007 because the 2007 budget included a \$158,000 in carry-over expenditures from 2006 and an additional \$100,000 for taking the emergency management lead in the region.

Mr. Olander highlighted that the bookkeeping for those grant funds is moved from city to city each year and Shoreline was the bookkeeper for 2007; it may be the bookkeeper for 2008, however that decision has not been made yet.

Ms. Tarry continued the presentation and stated that a change in the CSD budget is the funding of a part-time administrative assistant to support the department. She said the City Attorney's Office budget, which includes the legal services and the prosecuting attorney budget, has no changes from 2007 to 2008 thanks to the contract negotiations of City Attorney Ian Sievers. She noted that about 42 percent of the Finance budget is for citywide functions that aren't specifically related to a finance or information technology function. These include memberships, liability insurance, contingencies, equipment, lease costs, and voter registration costs. She noted that the total finance budget is \$4.6 million. A major change in this budget, she said, is the recommendation to establish a higher budget contingency each year. This would mean a \$300,000 increase from 2007 to 2008 to go into the operating reserves. She also stated that the City should anticipate an \$80,000 increase in election costs. There is also an increase of \$52,000 for the purchase of some new City vehicles.

Councilmember McGlashan discussed the increase in insurance and asked if it was attributed to the City's property acquisitions.

Ms. Tarry said some of it is attributed to the annex building, and there is a bit of an impact shown in 2008. She discussed the \$101,000 update in the City's financial software package which will include some hardware and professional services support. She also discussed the Digital Aerial Photography for the Geographical Information System update. She added that the last update was done in 2004 and it is necessary to get accurate records. This update is estimated to cost \$75,000.

Councilmember Way asked about the CAT goals and wondered about the development of a green building code. Ian Sievers, City Attorney, stated that that would be a new initiative. He said the King County Stormwater Code is included because the City has many old King County ordinances within the City Code. Councilmember Way stated she knows there is a law firm working on green building codes and has offered to help the City with them.

Ms. Tarry discussed the Human Resources budget of a little over \$423,000. She stated that this budget includes a new allocation for one person from the leadership or management team to attend management/leadership training at the Cascade Institute. The City also belongs to a retrospective rating program for workers compensation, and the cost of the program is included in this budget. To date, the cost of the program has been covered by the rebate the City gets for its experience in the program.

Mayor Ransom asked about the \$3,000 decrease in the Human Resource budget. Ms. Tarry replied that the cost of the Volunteer Breakfast was transferred from the Human Resource budget to the CSD budget.

Ms. Tarry continued and discussed the Police budget, which totals just over 49 million. The only significant change is that the contract is expected to increase an additional 5.7 percent in 2008.

Deputy Mayor Fimia pointed out that last year, the Council reduced the school resource officer (SRO) allocation and then the SRO split time between the different schools. Ms. Tarry responded that the SRO allocation for the middle schools and elementary schools were reduced because they were overtime. She said now the SRO is stationed primarily at the high schools and the school district is sharing the cost. Deputy Mayor Fimia inquired if there was any feedback from the schools regarding the impact of the reduction.

Mr. Olander said he hasn't heard anything but will contact the school district to find out. He added that one of the main reasons for the cutback was the school district's inability to provide matching funds for the program. He added that the City did increase our share for the high school, but hoped the school district can provide matching funds to expand this partnership.

Councilmember Gustafson commented that he has had conversations with the school district and it wants to add the program back to the middle and elementary schools in the future.

Councilmember Ryu stated that she heard neighbors were quite concerned when this was cut because of graffiti and school vandalism.

Deputy Mayor Fimia asked how much money it would take to restore the program.

Ms. Tarry said she would get the information to the Council. She continued with the Criminal Justice budget which is primarily the jail contract. She said the City staff has been monitoring this budget for the past several years and just recently there has been a decline in jail usage; thus, the recommended increase is modest for 2008. If there is a significant reduction in jail usage there will be a revision, but at this time the staff is not comfortable reducing this budget amount in 2008.

She continued with the Parks, Recreation and Cultural Services (PRCS) budget, noting that the total budget is \$4.4 million. She discussed funding for the operations and maintenance of Kruckeberg Gardens. She outlined the needed improvements to the property, stating that the goal is to have the Kruckeberg Foundation function as a self-supporting entity within three years. She stated that over the next three years the City will need to contribute \$100,000; \$45,000 is proposed to be allocated in 2008.

Mr. Olander stated the Kruckeberg contract would be brought before the Council within the next 30 to 45 days. He highlighted that the final meeting with the Foundation is next week.

Councilmember Way asked if the Kruckeberg Foundation is covering the staff cost and if they are hiring their own staff. Dick Deal, PRCS Director, stated that the money supports

staffing, materials, and the supplies for the management of the four-acre botanical garden.

Councilmember Way wanted to know how many staff that covered. Mr. Deal explained that there are three part-time employees at the facility now, equivalent to 1.3 FTEs. He said a key part of the process is the creation of a master site plan for the Garden. He commented that there is Capital Improvement Plan (CIP) funding in the 2008 budget that will help identify opportunities for revenue generation. The City will work with a consultant and the Foundation to put together a plan. He added that the City already has \$300,000 in the Conservation Futures Trust Fund in 2008 and in the 2007 State budget the City has \$150,000 for acquisition as well. These funds free up more bond money that can go to make some of these improvements.

Councilmember Way clarified that those are capital funds and bond money. She also asked how Interurban Park (aka "heritage park") and the trolley would fit in.

Mr. Deal replied that there is \$25,000 in the CIP for heritage park improvements.

Mr. Olander added that the City needs to start planning because there are plenty of grant opportunities. For example, there are grants available from 4Culture, the State Legislature, and the Washington State Department of Community, Trade and Economic Development (CTED). He felt that the City has a good plan in place and the cost for the trolley is reasonable.

Deputy Mayor Fimia asked who was going to oversee the capital expenditures at Kruckeberg Gardens. Mr. Deal responded that the City staff is going to oversee the capital expenditures there.

Mayor Ransom inquired if the new position, the half-time recreation assistant, is going to be shifting to full-time. Ms. Tarry responded that it is a new position within the Specialized Recreation Program and it will not be shifting to full time. She said there is some extra help money which will be shifted into this new position. Additionally, there will be some additional revenue that will be coming from a recommended adult summer day program. The position will be allocated half of the benefits that a full-time position will receive.

Councilmember Way reviewed page 201 and pointed out she was proud of the Diversity Conference that the City participated in. She also noted that the City has a developmentally disabled program proposal in the budget.

Ms. Tarry discussed the Planning and Development Services (PDS) budget. She said the anticipated budget for 2008 is a little over \$2.9 million. The changes from the 2007 budget include a decrease of \$250,000 in one-time funding. Increases, she said, include \$16,000 for on-call geotechnical review. However, these fees would be charged to the applicant so this is reflected on the expenditure and revenue side. There is also one-time funding of \$75,000 recommended for the Southeast Shoreline Subarea plan.

Responding to Councilmember Way, Mr. Olander and Mr. Tovar noted that the amount includes the Paramount Park Special Study.

Councilmember Hansen arrived 9:03 p.m.

Continuing with the PDS budget, Ms. Tarry said there is also a one-time funding recommendation of \$35,000 for supplemental construction inspection services in 2008. She commented that the inspectors are approaching their capacity for the number of inspections they can complete, and they will explore ways to supplement their resources during the heavy inspection periods.

Mr. Olander added that earlier in the budget process the department had requested consideration of an additional full-time inspector on staff. However, he said he was not comfortable with that due to a leveling off of the construction business. Nevertheless, the number of inspections has been increasing and the City wants to ensure that the quality of those inspections remains high. Therefore, the recommendation is to bring in on-call contractors for at least one year if the number of inspections continues to rise. He felt comfortable that if inspections continue to rise the revenues will support the cost of an additional inspector in the future.

Mayor Ransom stated that it looks like code enforcement and abatement are increasing. He expressed concern because there is only one staff member handling these. Ms. Tarry explained that this is a revenue stream that comes through code abatement when the fees are accessed. The chart, she said, shows 100% of the revenue and what it is comprised of. Mayor Ransom understood that code enforcement and abatement are separate. Ms. Tarry said he was correct.

Turning to the Public Work budget, Ms. Tarry noted that the largest portion of this budget is the surface water utility fund. The 2008 total budget for the department is \$14.4 million, and \$10.4 million of that is related to surface water funds. Thus, the street fund and general fund portion of the Public Works budget totals about \$4 million for 2008. The largest changes outside the surface water utility include having to pay for the full inventory of street lights. The City is still working with Seattle City Light (SCL) to finalize that inventory. Based on the information the City has received, the cost will go up about \$125,000 next year. This is something that has been anticipated over time, but next year seems to be the first year the City will be billed for all of the street lights. She stated that there are some increases in environmental services events that are included in the 2008 budget. Additionally, there are some operating increases based on the purchase of the annex building and Highland Plaza, although some of the cost has been offset with some lease revenues; however, they will not be available in 2008 as the construction of the City Hall commences. She highlighted that the 2007 budget included almost \$1 million in one-time funding or carry-overs from 2006 that were removed from the 2008 budget. She said the surface water portion of the Public Works budget has the most significant change due to some capital projects that were approved as part of the CIP which were processed as part of 2007.

Deputy Mayor Fimia asked for an explanation concerning the FTEs on page 241 and their budgeting. She asked if there were an additional 9.98 FTEs above or including the 28 FTEs. Ms. Tarry responded that those 9.98 FTEs are added to the 28 FTEs, thus the total is 38 FTEs. Deputy Mayor Fimia said she has never seen it done this way. Ms. Tarry commented that it is done this way because the funding is in the capital funds and they are not reflected here. It is noted this way so the Council is aware there are additional personnel that are funded outside of the operating budget. Deputy Mayor Fimia added that it may be difficult to track FTEs if they are in two separate places instead of one place in the budget. Ms. Tarry noted that the positions for all of the departments are listed starting on page 91 of the budget document.

Continuing, Ms. Tarry stated that one of the changes that will be reflected in the ordinance that adopts the 2008 budget is the cost associated with the administrative fee that the City will receive as a part of the new solid waste contract. She explained that since the City didn't know what the outcome was going to be during the budget planning process, the staff didn't include anything over the current administrative fee the City is receiving now. However, the new contract with Cleanscapes will result in an increase in the administrative fee by about \$116,000. A portion of that, she said, will be utilized to provide 1.0 FTE for an environmental programs assistant; the FTE count would go up by one, which isn't listed in the proposed budget. She then reviewed the \$7.1 million for capital improvements and stated that the most significant improvements include the Pan Terra Pond and Pump project, Ronald Bog South, Boeing Creek Park, and East Boeing Creek drainage improvements. She stated that these projects were included in the adopted 2008-2013 Capital Improvement Plan.

Mayor Ransom inquired about the Richmond Beach Overcrossing on Appletree Lane. He said it seems like it has been an idea for a long time and wanted to know when work would begin. Mr. Olander stated that the City have a federal bridge grant for that project. However, he explained that negotiations with the railroad have been long and challenging.

Mark Relph, Public Works Director, commented that the City is getting close to having this settled. He said the City has been working diligently with the railroad trying to get its approval and review of this particular project. He stated there is a clause that there will be no work in the 4th quarter of the year, so the challenge will be getting this out to bid. He said the current plan is to start construction in early 2009. He added that the City staff has been reluctant to inform the neighborhood of anything because everything is still being negotiated and there isn't any schedule set.

Mayor Ransom inquired if there is a need for a temporary bridge while one is being constructed. Mr. Relph responded that there will be a need for some access during construction. He felt it would be manageable but hard to plan.

Mayor Ransom inquired why it is taking so long for Burlington Northern – Santa Fe Railway (BNSF) to come to an agreement. Mr. Relph answered that the original

agreement was signed decades ago and it required BNSF to participate in the bridge replacement. However, they don't want to be responsible for any maintenance of it or have anything to do with it. He added that once the project is complete and rebuilt, it will be manageable and will relieve BNSF of any construction costs.

Councilmember Hansen thought that BNSF was investing \$300,000 into this project. Mr. Relph replied that they will be contributing but it will not be \$300,000.

Responding to Councilmember McGlashan, Ms. Tarry noted that the maintenance and cable costs for Channel 21 are proposed to be moved from Communications to the City Clerk's budget because they maintain it.

Councilmember McGlashan asked about the \$75,000 update for the aerial photography. He wondered if there is a way to partner with Google or another firm so the cost can be shared. Ms. Tarry stated that the City was partnering with the City of Seattle for the digital aerial photography and mapping.

Councilmember McGlashan asked for clarification regarding the Kruckeberg funding and the staffing. Mr. Sievers stated that there would be a reimbursement on a monthly basis for Kruckeberg employees as part of a services contract.

Councilmember Ryu commented that some people have very specific issues. She said there is a developmental disability issue, the use of City staff time concerning the Fircrest Master Plan, the Point Wells issue, and lots of other issues before the City staff and the Council. She wondered if all of the funding has to be made available in 2008, or if the budget is a "living document" to be amended as more issues are identified.

Mr. Olander responded that it is both. He stated that the City tries to reasonably anticipate known expenses and use contingencies for unknowns or emergencies. He pointed out that the revenue increases that the Council authorized earlier in the year need to last through 2008 and 2009. He said the City staff continues to wrestle with the workload and there isn't much capacity to add anything more. There is some flexibility for small revisions to the budget, but the City staff isn't recommending any major changes because there isn't much capacity for additional programs.

Ms. Tarry said she has seen \$470,000 in one-time expenditures because the staff didn't want to spend all the 2008 ongoing revenues. She said there needs to be a balanced 2009 budget.

Mr. Olander added that the additional funding for the SRO or the special needs camp is probably not out of range. He urged the public or the Council to call or e-mail him or Ms. Tarry with any questions.

Mayor Ransom called for public comment.

a) Dennis Lee, Shoreline, stated that the Office of Neighborhoods has a \$5,000 grant for each neighborhood that isn't used often. He wondered what happens if it isn't used.

b) LaNita Wacker, Shoreline, stated that Ms. Tarry does a fantastic job with the budget report and said she understands the charts. She said it is very easy to understand.

Ms. Tarry stated that the General Fund neighborhood mini-grant program doesn't budget for all neighborhoods. She said there is an allocation of \$20,000 and the goal is to get as much of the \$20,000 to the neighborhoods as possible. If it isn't utilized the funding goes back into the General Fund. She added that the Neighborhood Coordinator promotes the program and the funding is being utilized.

- b) Ordinance No. 484 adopting a moratorium for six months on the filing or acceptance of any applications for residential development of land within the regional business, community business, or industrial land use districts in proximity to residential neighborhoods.

Mr. Olander stated that there are significant residential developments that are coming forth in the Regional Business (RB), Community Business (CB), and in the R-48 zones. This has raised some concern about the City's development regulations that protect single family zones from massive development. He stated that he and Mr. Tovar do not feel the City's current regulations provide sufficient buffering between high density and low density zones. In addition, there has been some confusion in the labeling of the City's Comprehensive Plan and the zoning; therefore, the City staff recommends a six month moratorium to consider revisions to the code.

Mr. Tovar stated that this moratorium will only affect RB, CB, or Industrial (I) zones. He referred to the text in Section 2 of Ordinance No. 484 that states that if adopted, it would affect the proposed residential use of any parcels in those zones that are located within 100 feet of an R-4, R-6, R-8 district. He added that it doesn't affect a commercial development, only a residential use. He said there is really no good transitional standard between these intense mixed-use residential zones and adjacent low-density residential zones. He said the Planning Department is seeing potential for projects close enough to residential neighborhoods to raise concerns. He suggested using the six months to come up with proposed standards. He pointed out that there needs to be a public hearing within 60 days to either confirm or remove the moratorium.

Mayor Ransom asked if this would apply to the project across from the 24-Hour Fitness. Mr. Tovar responded that it would.

Deputy Mayor Fimia moved to adopt Ordinance No. 484, adopting a moratorium for six months on the filing or acceptance of any applications for residential development of land within the regional business, community business, or industrial

land use districts in proximity to residential neighborhoods. Councilmember Hansen seconded the motion.

Deputy Mayor Fimia said it is refreshing that staff has brought this to the Council tonight because the Council has heard some concerns in the community. She suggested the City staff go back and look at the consistency between the Comprehensive Plan, zoning, and the transitional standard that needs to be implemented. She also said this serves as an acknowledgement that there is a problem. She supported the ordinance and questioned if this moratorium would affect North City and the area described by Mr. Lee.

Mr. Tovar said it wouldn't affect North City because there is not RB, CB, or I zoning in North City. He said most of the zoning in North City is North City Business District (NCBD), so it wouldn't be subject to this moratorium.

Deputy Mayor Fimia inquired about Lake City Way to 15th Avenue between 145th and 150th Street. Mr. Tovar said there is a small area off of 15th Avenue, north of Albertsons, that would be affected, but it isn't within the 100 feet of an R-4, R-6, or R-8 zone.

Mr. Olander commented that moratoria generally should be drafted for as short of a term as possible and as specifically as possible. He explained that this will not solve all of the zoning, density, and land use issues by any means. This is perhaps one of the most urgent issues, he highlighted. He commented that one of the budget items was the \$75,000 funding to do a plan for the area referred to by Mr. Lee. Therefore, that issue can finally be addressed as a part of the 2008 work plan if the Council approves it.

Councilmember Hansen requested a map of what properties are potentially affected. He clarified that the moratorium only affects projects within 100 feet that have a residential component. He said the project Mayor Ransom spoke about would be subject to this moratorium and that concerns him.

Mr. Olander said if there is a complete application at the time of the moratorium the applicant would be "grandfathered in." He noted that because of the market, RB is not necessarily being used for RB. He said the market is attracting the highest density apartment usage. This is an issue that the City will attempt to address.

Councilmember Hansen stated that this presents a dilemma because the City is trying to concentrate density to keep the density out of neighborhoods.

Mr. Olander said neighborhoods need assurances that a reasonable transition zone is maintained. The City owes it to the neighborhoods to make sure they have the proper assurances.

Mr. Tovar said that much of the RB zone land is more than 100 feet away from R-4, R-6, and R-8 zones. That means most of them will not be affected. He explained that most of the problem areas are located south of the Aurora Bridge where the Interurban Trail doesn't act as a separator; some locations have no separation.

Mr. Olander stated that there are some residential areas along the corridor that serve as the transition.

Councilmember Hansen commented that the intent of prior Councils was to have transitions from high to low densities. He wanted to make sure that this is not a change in that policy. He added that he would like to see the map to determine the extent of what will be affected. He thinks it will take longer than six months to work this out. He asked what the legal requirement was as it relates to six months. Mr. Sievers stated that the moratorium can't be set for longer than six months, and there must be another public hearing before extending it another six months. Councilmember Hansen said he would support the moratorium.

Mayor Ransom called for public comment.

a) Wendy DiPeso, Shoreline, supported the Ordinance and said it is a step in the right direction because the City needs a broader plan.

b) Dennis Lee, Shoreline, warned that developers would vest their land in the Briarcrest neighborhood if that area isn't included in the moratorium. He noted that he has been working on this for two to three years.

c) Sue Melville, Shoreline, said she lives adjacent to the Overland Trailer Development. She displayed a picture of a 6.5-story building proposed next to her R-6 property. She said although there is R-12 and R-18 zoning behind her with the trailer park, this project is "monstrous." She urged the Council to pass the moratorium.

d) Les Nelson, Shoreline, read the land use element in the Comprehensive Plan. He said he enjoys driving on Aurora Avenue and the trees and views in the neighborhoods. He hoped the Council approves the moratorium because he sees a disconnect between what the neighborhood thought was allowed versus what came in. He hoped this gives the City and the public a chance to look at it and identify how to deal with setbacks.

Councilmember Ryu supported the Ordinance and asked if there is an easy way to expand it to include what Mr. Lee is requesting. She felt this was a good time to do this based on the slowing housing market. She suggested that the City could use existing resources by using the Citizen Advisory Committee to possibly assist with this. She noted that the cottage housing issue brought forth a higher level of involvement from the neighbors, but she felt dealing with this issue up front is the preferred approach.

Mr. Olander stated that there is no easy way to change this ordinance to make it include Mr. Lee's request. He said if there is a tendency toward potentially adverse development going in in that study area, then the City may come back with a moratorium for that area. However, the conflicts in the zoning code and the Comprehensive Plan, the potential for redevelopment as well as potential applications would all have to be analyzed before

establishing a moratorium. He advised against expanding the moratorium because it is in a different neighborhood and there are different issues there.

MEETING EXTENSION

At 10:00 p.m., Councilmember Ryu moved to extend the meeting until 10:10 p.m. Deputy Mayor Fimia seconded the motion, which carried 7-0.

Councilmember Way pointed out that the map shows no transition to neighborhood zones. She concurred that having a map would be helpful. She supported the moratorium and wished there was a way to address the special study areas. She asked if there was a way to get the information out and give notice.

Mr. Tovar said the City staff will ensure people know what's going on. He stated that the City can use the GIS system to show which parcels lie within 100 feet of the R-4, R-6, and R-8 zones so the Council will know who is affected.

Councilmember McGlashan asked if there would be any Comprehensive Plan work during the moratorium. Mr. Tovar responded that there will not be any Comprehensive Plan work, but some text changes to the zoning code. He said if a proposal has a residential component it will be subject to this moratorium. If the application is for restaurant or retail office it will not be affected. The problem is that there may be large mixed use projects.

Councilmember McGlashan said the problem is that the Comprehensive Plan and our zoning are not consistent. Mr. Olander concurred but clarified that this issue is better addressed through the development regulations.

Responding to Councilmember McGlashan, Mr. Tovar clarified that the Comprehensive Plan can only be amended once per year. He added that the Council approved Phase 1 of the Town Center Comprehensive Plan, which addresses some parcels between 170th and 195th Street, so that will be a Comprehensive Plan amendment as well as a zoning change. However, these changes apply to other CB, RB, and I zones elsewhere.

Mayor Ransom pointed out that former City Councils did anticipate a transition from high to low densities along Aurora Avenue. He said he supported this moratorium because the neighborhoods are requesting it.

Councilmember Hansen commented that there are sixty days to work on this, but the City staff and the Council have a maximum of 45 days because the Council recesses by the 15th of December. He suggested scheduling the public hearing within the next 30 days.

Deputy Mayor Fimia said part of the task will be determining the scope of work. She said there are some short, medium, and long-term issues that this will bring up. She said it would be good to consider what protections the City can put in place once the City starts working on the subarea plan, because, as Mr. Lee fears, people will probably start

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submitting permit applications. Mr. Tovar said he plans on speaking to Mr. Lee very soon.

A vote was taken on the motion to adopt Ordinance No. 484, adopting a moratorium for six months on the filing or acceptance of any applications for residential development of land within the regional business, community business, or industrial land use districts in proximity to residential neighborhoods, which carried 7-0.

6. ADJOURNMENT

At 10:09 p.m., Mayor Ransom declared the meeting adjourned.

Scott Passey, City Clerk

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