

**CITY OF SHORELINE**

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

Tuesday, September 2, 2008 – 6:30 p.m.  
Shoreline Conference Center  
Mt. Rainier Room

**PRESENT:** Mayor Ryu, Deputy Mayor Scott, Councilmember Eggen, Councilmember Hansen, Councilmember McConnell, Councilmember McGlashan, and Councilmember Way.

**ABSENT:** None.

**1. CALL TO ORDER**

At 6:33 p.m., the meeting was called to order by Mayor Ryu, who presided.

**2. FLAG SALUTE/ROLL CALL**

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

**3. CITY MANAGER'S REPORT AND FUTURE AGENDAS**

Bob Olander, City Manager, provided reports and updates on various City meetings, projects, and events. He introduced the new Economic Development Program Manager, Mark Mayuga.

**4. COUNCIL REPORTS**

Mayor Ryu reported on the North End Mayor's meeting, where she received an update from King County Councilmember Bob Ferguson on the King County budget process. She said they are experiencing budget shortfalls for 2008, mainly due to reductions in sales tax and fuel tax revenues.

Deputy Mayor Scott distributed a document concerning the Council travel budget. He noted that the travel budget is anticipated to be \$6,781 over budget if the Council continues with the expected travel and conferences for the rest of the year. Additionally, the Council is on track to be \$870 over budget on conference registration fees. He noted that the Council travel budget is about \$35,000 , and asked the Council for ideas on how to stay within its budget.

Councilmember McGlashan asked if these numbers reflect just travel or if the Suburban Cities Association (SCA) networking dinners are included. Mr. Olander confirmed that they are included.

5. GENERAL PUBLIC COMMENT

There was no one wishing to provide public comment.

6. STUDY ITEMS

(a) 2008 Master Plan Area Criteria Discussion

Joe Tovar, Planning and Development Services Director, and Rachael Markle, Assistant Planning and Development Services Director, presented the staff report.

Ms. Markle explained that when the Council last discussed the proposed amendments to the Comprehensive Plan (CP) and the Development Code (DC) to solidify the process for Master Planning, members of the Council expressed an interest in proposing amendments to the draft decision criteria for approval of a Master Planned Area (MPA) permit. She noted that Councilmember Eggen submitted comments and additional comments were provided by the Hillwood Neighborhood Association. She asked the Council to provide the City staff direction on: 1) the final set of draft criteria for approving a Master Plan Area permit; 2) whether or not MPA permits can include new uses in addition to existing uses; and 3) the request for changes proposed by the Hillwood Neighborhood Association and the staff responses to those requests.

Councilmember Way inquired how the code amendments fit in with the CP amendment process. Ms. Markle replied that this is the 2008 annual review of the CP and the amendments clarify what a master plan is and sets the process for allowing master plans to be processed as permits rather than entities residing in the CP. Mr. Olander added that it explains the different areas identified for master plans and attempts to fill in the criteria and applicable code sections. He highlighted that the criteria is very important.

Councilmember Way questioned the CP amendment process. Ms. Markle replied that under the proposal the property owner would need to come in for a master plan permit and the Council can make the legislative CP change if needed.

Councilmember Way verified with Ms. Markle that the current zoning was R-4, R-6, and Crista has some areas zoned R-24. Ms. Markle then reviewed the criteria and two letters the City received from the Department of Social and Health Services (DSHS).

Deputy Mayor Scott discussed criteria #4 and felt it should include some housing strategy language concerning neighborhood character.

Ms. Markle continued her presentation and discussed criteria #5 and #6. She stated that the language "substantially eliminates" might be too high of a standard for the existing uses. She highlighted that there were no changes to #8 and #9 and they are very important for achieving

compatibility. She added that a criterion #10 is new and it shows how MPA supports the various City strategies. She requested adding language to policy 43 that would create a list of criteria that would need to be met if a property owner wanted the Council to designate property as a campus/institution on the CP Land Use Map. In other words, she explained, they are looking for criteria for sites that would be allowed to apply for a MPA permit. The City staff, she said, doesn't recommend new criteria. She stated that another request is for more public notice for MPA permits, specifically that the notice be mailed to residents and property owners within one half mile of the proposed site instead of property owners within 500 feet of the site. She noted that the City staff agrees, but the mailing radius should be kept at 500 feet with the notice going to both property owners and residents. She highlighted that the next request was to add more explanation under the purpose for MPA permits.

Mr. Olander commented that it is important to remember the comprehensive and long-term impacts of these institutional uses because they expand incrementally.

Mayor Ryu called for public comment.

a) Elizabeth McNagny, Olympia, on behalf of the Department of Social and Health Services (DSHS), stated that AHBL consultants are present tonight to answer any questions from Council. She announced that DSHS supports the proposed City staff amendments with one clarification to #5 and #6. She pointed out that DSHS is committed to consulting with the community, stakeholders, and the Council in developing the MPA permit. She felt the groups simply need clarity in order to fulfill the legislative directive and the broad goals of the hybrid option. She supported the new uses clause and stated that no specific funding has been identified, so a new flexible plan is needed to provide a viable framework. She asked that criterion #5 and #6 be revised slightly to make it clear that the MPA will clearly identify potential deficiencies. She concluded that the detailed identification of specific funding sources is premature.

Mayor Ryu verified that the Fircrest MPA has three owners. She asked who would control the Master Plan. Ms. McNagny replied that there is a legislative directive to DSHS to file the MP application. She also noted that the Department of Health (DOH) will do their own MP. She added that DSHS will work with DOH to ensure interests are compatible.

Mayor Ryu pointed out that MP and MPA are two different processes, and if DOH wanted to expand or change their use, they would submit it to DSHS, and the DSHS staff would check it against the City's criteria. Mr. Olander interjected that nothing comes under the umbrella of DOH. It is a separate permit process.

Ms. Markle commented that the Fircrest MP doesn't include the seven acres owned by DOH, which will have to come in for their own permit.

Mr. Olander explained that DSHS made a commitment to ensure DOH site planning is far enough along to ensure there are no incompatibilities. The legislature gave DSHS the authority to proceed and plan for the site.

Councilmember McConnell questioned whether the City's language might be restrictive and that the City should reconsider #5 and #6. Ms. McNagny stated that at the time a master plan application is submitted, DSHS will have not funding. Ms. Markle added that Ms. McNagny is correct and the City only clarifies who will be responsible for the funding, not how much or from where it comes. Mr. Olander noted that the housing element on this campus might come from an entirely different source. Ms. McNagny said slightly different language would be proposed that the owner commits to a proportional share of the improvements, but not the source of the dollars.

Julia Walton, AHBL consultant, explained that there would be several funding sources over time, but they won't be known until each phase of the process is conducted.

a) Lee Michaelis, Shoreline, Hillwood Neighborhood Association, discussed the criteria for the master plan areas and stated that three of the five comments submitted by them were accepted by the City staff. He discussed the definition of area and adjacent uses which was reflected in criteria #4. He stated that the criteria #9 language could be included in criteria #8. He suggested replacing the term "areas" and replacing it with "adjacent neighborhoods and uses." He discussed the CP designation of campus/institution. He explained that his group requested criteria and an increase in the notification requirements, which is most important to the group. He said a half-mile radius is still applicable for notification of an application, and it is a one-time action. He wanted to know what the trigger was for minor amendments. He said the suggestion from the neighborhood association is improvements of 10% or more, but the City staff returned with language stating "improvements of 10% or less."

Ms. Markle replied that the City staff considers 10% or less to be a minor improvement, and anything more would require going through the whole process. Major amendments are processed within the context of a new Master Plan Area.

c) Dennis Lee, Shoreline, stated that R-4 and R-6 zoning was the placeholder for Fircrest, and this MP is actually doing it. He felt the MP should include the whole parcel. He stated that the City shouldn't allow the area to be master planned separately. He commented that the North Rehabilitation Facility (NRF) used to be on that site and it was compatible with the neighborhood because DOH had an advisory committee which informed the neighborhood about what was going on. He said the compatibility issue is important. He liked having more notice to the area.

d) Maria Walsh, Mountlake Terrace, said she is speaking on behalf of her son at Fircrest. She opposed the hybrid option and said it hasn't been vetted by the people. She said the excess property was delineated and the hybrid plan now has 940 units of housing where the current residents are residing. She said she cannot accept that because no one who represents the facility was included in the decisions. She said that this is not the way to treat the Fircrest campus. She said there is no one to defend their position. Additionally, she doesn't see the compatibility with the developmentally disabled people who are on the rest of the campus. She felt this will shrink the residential rehabilitation center to nothing.

e) Boni Biery, Shoreline, felt that neighborhoods should have a big voice in how development happens. She felt the notification radius when it comes to a MPA should be expanded.

f) Jim Walsh, Mountlake Terrace, wondered if DSHS is going to continue to piecemeal this process. He noted that they want to modify #5 and #6.

Councilmember Eggen responded that DSHS wanted to be less specific about the source of funds because they are uncertain where the money is coming from. He said his impression is that they have answered why they want the commitments to fund the enhancements to the infrastructure.

Councilmember McConnell agreed with Councilmember Eggen and felt they've addressed it.

Mr. Olander also noted that any later improvements will be contingent upon the infrastructure being funded and built. He added that these improvements refer to the hard infrastructure, i.e. roads, paths, traffic signals, trails, utilities, etc. He added that under SEPA they are only required to do their proportional share.

Councilmember Way expressed concerns about DSHS being able to break up their project based on when they are able to fund each piece of it.

Mr. Tovar replied that it seems the state is saying it's a large parcel and pieces of it might be ready for development at different times as a part of the entire site plan. He added that when they move forward with phased construction the City will make sure that whatever impacts or improvements are being made are funded. He suggested revising the terms in order to ensure DSHS knows each phase will be fully-funded with the infrastructure in place prior to proceeding.

Mr. Tovar confirmed for Councilmember Hansen that if they don't have funding for the infrastructure, they don't get a building permit.

Councilmember Way commented that her fear is that they might ask for variances from City regulations. Mr. Tovar replied that variances are only for an institutional use, but they can be expanded with conditions put in place by the City. However, the GMA prohibits the City from restricting them unreasonably.

Councilmember Way inquired about requiring them to have a parking structure as a new use. Mr. Tovar replied that there is some question about what is practical to impose, as the City cannot impose what is beyond their means.

Deputy Mayor Scott noted that this is a large plat of land and he is concerned that they are going to do things that are beyond what is currently allowed. He said the cumulative impacts from piecemeal development may overwhelm the infrastructure.

Ms. Markle replied that the MP permit is designed to look at everything at once and evaluate the maximum impact based on the proposed uses.

Mr. Olander added that there needs to be a traffic study on 15th and 145th to show the ultimate traffic impacts and future volumes. He said there will be a series of mitigation measures and phasing.

Councilmember Eggen expressed concern about the new uses issue. He envisioned this as a legislative process. Then, when the MP starts, he is concerned that a use will come forward that the City didn't anticipate. When that happens, there will be a quasi-judicial process. He said he would like to have some kind of limitation on the use and it should be specified in the CP. He wanted to limit this to current uses that are reflected in the surrounding neighborhoods.

Mr. Olander said there may be uses that aren't in the neighborhood and asked how they would be anticipated. Ms. Markle replied that the criteria would allow the City to develop findings that would prevent certain uses. She noted that this relates to specific versus general use and if a use fits, why limit it? Limiting uses in neighborhoods can be more damaging. She explained that the existing criteria will limit any undesirable uses. Mr. Tovar added that the Planning Commission and the Council would be able to hear the item, and they don't have to allow it as a permitted use.

Councilmember Way replied that under the rules of a quasi-judicial hearing the Council can only take into account the Planning Commission record.

Mr. Tovar explained that in 1995 the legislature mandated that there be only one open record hearing on quasi-judicial matters. However, the Council is the legislative body and doesn't have to agree with the Planning Commission recommendation.

Councilmember Eggen stated that the building code standards in the community have been set and they apply to certain zones. He felt there would be a "free-for-all" in the MPAs. He said there could be a 12-story building in the MPA that would meet all of our criteria that we have to permit.

Mr. Tovar replied that the Council could turn it down and conclude that is not appropriate for the neighborhood. Ms. Markle stated that the City could investigate and determine its own findings to show why something doesn't fit.

Mr. Tovar added that the MP process tells the state to put something together and puts them on notice. The record is built in the Planning Commission and the Council can approve or deny it in order for it to be structured, so there is flexibility as well as certainty. Mr. Olander pointed out that the denial would also have to explain why it is not compatible.

Councilmember Way clarified that in a quasi-judicial setting, the Council can disapprove a proposal that the Commission approved and can create its own findings of fact to change the decision, but only if it is based on the record. Mr. Tovar replied that the Council can reach a different conclusion based on the record, but it has to be supported by substantial evidence.

Councilmember Way commented that the new uses seem to be a way to provide opportunities for creativity, but she doesn't want the uses to create excessive impacts.

Ian Sievers, City Attorney, said the City can provide incentive zoning for others, but for essential public facilities that have a right to be there. He added that you have to limit the conditions you can impose to what is reasonable and feasible.

Councilmember Way asked if single family R-6 would have the same conditions. Ms. Markle replied that it would show MP permit area and have very site-specific zoning, which the Council would approve or deny through the permit process. Councilmember Way said she is asking because the commute trip reduction plan ordinance was discussed last week and it called out the single family institution. Mr. Tovar explained that it is a CP designation and the zoning map shows the area as R-6. Ms. Markle explained that the area is proposed to be specifically called campus institution and there is a definition.

Councilmember Eggen said he is very leery about the idea of providing no guidance from the community vision about what can be put where. He felt all of this should be in the Shoreline Municipal Code. He said that if there aren't any limits, then you're not providing the appropriate guidance which a planning agency needs to put together a master plan.

Mr. Tovar noted that the Council can impose what it wants; but the developers can always come up with something that wasn't anticipated. Regardless of what is stated, he said there is always going to be a tradeoff between certainty and flexibility.

Mayor Ryu commented that there needs to be safeguards in this process. She said if the City adds new uses there will be unlimited density and it will create a lot of trust problems. She asked if this process can be less constrained in order to maintain the residents' trust and certainty for applicants. She felt that this may have to be rescheduled and would like to see safeguards included. She asked for the costs to increase noticing from 500 feet to one-quarter mile. She stated the Commission meetings need to be televised on Channel 21 so the residents can watch them and be aware of land use issues in the City.

Mr. Olander summarized Council's comments and concerns. He noted that the Council is interested in limiting potential uses, and there is concern about unforeseen and incompatible uses. He asked if they wanted the City staff to craft alternatives on this limitation issue.

Responding to Councilmember McGlashan, Ms. Markle clarified that Shoreline Community College (SCC) cannot add housing under the current regulations. She also stated that Fircrest cannot develop its site for mixed use.

Councilmember McGlashan stated that the reality is that the Council will need to include new uses in the language since the hybrid plan indicated some mixed use. Mr. Tovar noted that the zoning needs to be approved first. Mr. Olander pointed out that the question is how broad the City should make it.

Councilmember McGlashan stated that the Commission is the first review body and will prevent anything that is not conducive to the neighborhood from being built. He favored the language about incompatibility with neighborhoods. He reminded the Council that at the first Council retreat they discussed the possibility of putting some funds away prior to the state coming to the

table for the master plan. He said that now they are here and the City needs to work with them and keep this process rolling.

Councilmember Hansen liked the language the way it was presented. He commented that a list of permitted uses isn't needed and said that no new uses is far too restrictive.

Councilmember Eggen felt the Council should allow new uses but the issue is whether or not to exercise prior controls. He said if there are prior limitations, then the City should express them for the benefit of the applicant and the community.

Councilmember Way said the City has been talking about new uses for Fircrest for some time and it seems that using the incentive model is a great opportunity for creativity.

Ms. Markle noted that there is criteria aimed at addressing this and it can't be sustainable if they are planned in a selfish manner. She noted that the community and public benefits need to be discussed.

Councilmember McGlashan asked if there was a way to find the commonalities to these campus institutions and then include the recommended uses around them.

Ms. Markle said it could be done, but it would need to be crafted so it isn't exclusive.

Mayor Ryu highlighted that Councilmember Way's comment is that the Council has kept the Fircrest MP as a goal and they have supported it all along. She said she wants the Fircrest Master Plan to succeed. She summarized that the Council wants residential, office, and commercial retail as new uses. She felt the number of new uses are pretty limited and seem to be manageable. She wasn't sure about producing a list of what the Council does not want to see. She said her personal desire for Fircrest is mixed use and commercial. She hoped that the level of risk, uncertainty, and trust could be managed.

Mr. Olander commented that the Council may not want to say mixed use/retail for Crista, noting that different uses might be specified for the different MPAs. Ms. Markle commented that she hasn't heard any of the other entities talk about new uses, only Fircrest. Mr. Olander stated that the City staff can come back with suggested language.

## RECESS

**At 8:46 p.m., Mayor Ryu called for a ten minute recess. Mayor Ryu reconvened the meeting at 8:58 p.m.**

### (b) Thornton Creek Basin Flood Plain Mapping

Mark Relph, Public Works Director; Jesus Sanchez, Public Works Operations Manager; and Tricia Juhnke, Capital Projects Administrator, provided the staff report on this item.



Mr. Relph explained that the City has been pursuing a series of storm water improvements throughout the City and the Thornton Creek/Ronald Bog Basin has been the subject of many of them. This report covers what the City has accomplished in 2008. He added that flood plain mapping is now underway and there will be some Federal Emergency Management Agency (FEMA) involvement. He pointed out that the residential area south of Ronald Bog is part of the much larger Thornton Creek drainage basin and it drains through Shoreline and into the City of Seattle before it eventually outfalls to Lake Washington. He highlighted that Ronald Bog has historically flooded during significant rain events, like the December 3 rain event, which was greater than a 100-year storm event. The City has pursued solutions since the flooding during the storm event in early 1997.

Mr. Sanchez highlighted that there is a \$3.1 million CIP project under construction utilizing primarily Public Works Trust Fund Loans. The first step of this project, currently under construction, will replace the three restrictive culverts west of Corliss Place with fish passable boxes. He highlighted that the work on the street drainage on the west side of Corliss Ave N, between 171st and 172nd Streets, will be completed in the fall which will mitigate some degree of flooding, but isn't the complete solution for alleviating flooding in the Ronald Bog area. Also underway, he announced, is a joint effort with the City of Seattle to map the flood zones along Thornton Creek, which is the first step to completing a comprehensive basin plan. The completed mapping can be submitted to FEMA as a request to revise their flood zone maps. He communicated that flood insurance will cost a typical home owner between \$300 and \$400 per year and the rates will be higher and building requirements more stringent for new construction within higher risk flood zones. Existing structures, he said, will pay the same rate for insurance as they would before changes to flood mapping, but the owners will be required to document that their home existed before the change. All of the flood plain mapping, he calculated, will be complete by the fall and at that point, the City will begin evaluating FEMA funding opportunities, along with coordination of the changes to existing city code. The final mapping, funding expectations and code revisions will be presented to Council prior to submitting the mapping revisions to FEMA.

Continuing, Mr. Sanchez noted that a study is now underway to fully model the entire basin and evaluate the effectiveness of proposed improvements. This basin plan will allow the City to have a complete understanding of the projects necessary for maximum flood protection, and allow the City to develop a more strategic approach to funding, including surface water rate structure and grant opportunities. This basin plan, he said, is scheduled for completion in the first quarter of 2009 and a key to the success of this project will be citizen participation. The complexities of the flood plain mapping, capital project alternatives and the impacts to individual property owners will require a very specific and involved citizen participation approach. Ultimately, the Council will have a difficult challenge to balance limited resources against the maximum benefit within the basin and with individual properties. The City staff, he outlined, will be assembling a more detailed citizen participation plan in the coming weeks with the assistance of our consultants and FEMA. He communicated that he will ask FEMA to come back and talk in more detail since the City is headed down the path that will take extensive effort to help individuals understand the significance of the problem. He highlighted that there are opportunities through grants and mapping is critical. He felt that the challenge is the requirement for homeowners to have flood insurance. However, once the flood plain is established the City will be able to understand the

magnitude of the problem. He pointed out that the flood plain gets mapped after the improvements are made, not before.

Ms. Juhnke stated that the City staff is serious and committed to working with the community. She noted that as a collective body, resolutions to issues are going to be presented as collective recommendations.

Mr. Relph added that the City is looking at generating 100 and 500-year flood plains which will run from Cromwell Park to the Seattle City limits.

Mayor Ryu called for public comment.

a) Greg Terrason, Shoreline, stated that he lives south of Ronald Bog. He stated that there was an epic storm event in December 1996 and one on December 3, 2007. He appreciated what the City has done so far to address flooding issues.

Councilmember McGlashan asked what needs to be done on the other basins in the City. Mr. Sanchez replied that the City is focusing efforts on the Thornton Creek basin but the Boeing Creek basin is another priority as well.

Councilmember McGlashan clarified that all of the property owners that reside within the designated 100-year flood plain will be required to get flood insurance. Mr. Sanchez highlighted that there is a formal statistical process to establish that.

Councilmember McGlashan inquired if work was being done on lowering the water level of Ronald Bog. Mr. Relph replied that everything that the City is doing is helping to fix the flooding issues. The real challenge is the outfall line that comes out of the Bog, which is grossly inadequate in size and moves the problem downstream if the City installs a larger pipe.

Councilmember McGlashan wondered if the City is addressing this problem along with the City of Seattle. Mr. Sanchez responded affirmatively, adding that FEMA is also a partner. Mr. Relph added that the City will then discuss the alternatives and opportunities with Seattle.

Councilmember McGlashan asked if any of these actions will help the City acquire flood control zone tax funds. Mr. Relph replied that it could put the City in a better position to obtain some funding; however, since no flood plain is established it is nearly impossible.

Councilmember Way asked if the December 2007 storm was considered a 100-year storm. Mr. Relph replied that it just exceeded a 100-year storm; however, this was an estimate made by staff. It is based on staff conclusions since the City doesn't have the official rain gauges that FEMA would use to establish it.

Councilmember Way questioned if the City staff is still considering allowing more capacity to flow to other places like the Transfer Station, King County property, or smaller basins. Mr. Relph responded that they haven't gotten that far yet, but it will be determined this fall.

Councilmember Way inquired about the detention pond next to 175<sup>th</sup> Street. She asked if there are any options for acquisition or elevating buildings. Mr. Sanchez said the City is going to inquire about that property and will continue to explore all options.

Councilmember Way expressed her preference that the City consider daylighting and low impact development techniques.

Councilmember Eggen asked for an explanation of the trade-offs between the CLOMR and LOMR processes. Mr. Relph stated that the challenge is that once the City knows the flood plain, the residents will be informed and that will eventually lead to changes in the building requirements for remodels. He noted that the City staff has estimated that the City is enhancing the downstream flow and causing problems.

Councilmember Eggen said the issue centers on flow versus detention and finding the proper balance between the two. Mr. Relph replied that it is a bit more complicated. He commented that it is a hydrologic balance and a matter of water and timing. He said it is a mathematical engineering analysis that takes place.

Mr. Olander pointed out that the pipe on Corliss Avenue is taking more localized water.

Mr. Relph explained that the City is managing the local flows; however, the infrastructure is inadequate to respond to the large events.

Ms. Juhnke added that the new, larger culverts will allow the early flows to go through earlier and increase capacity, leading to Ronald Bog maintaining a lower natural level.

Mayor Ryu thanked the City staff for attempting to get representatives from FEMA to speak to the City. She expressed concern for current and future homeowners having to purchase flood insurance. She noted that she is looking forward to hearing about the technical research. This is being done to reduce the amount of risk the City and its citizens incur. She felt that the drive to bring in the public and inform them is important. She pointed out that there will be a session on the I-520 bridge tolling issue, and the eastside cities are working with King County Councilmember Ferguson on mitigation. She expressed concern that the traffic could be diverted to 145<sup>th</sup> Street and maybe the City should take a closer look at the traffic flow on 145<sup>th</sup>. Additionally, this affects the water flow north and south. She said she would appreciate the City staff keeping an eye on the roads portion of 145th.

Mr. Relph replied that he would compile a list of effected parties and monitor the issue.

Councilmember Way asked if there were any legal mechanisms for helping new homeowners who don't get full disclosure from previous homeowners when they buy their houses. Mr. Sievers responded that he believes that Form 17, dealing with real estate transactions, requires full disclosure.

Councilmember Way inquired about the timeline and next steps for this item.

Mr. Relph replied that he is working on a more detailed schedule, which will be distributed to the public and the Council when it is completed.

7. ADJOURNMENT

At 9:45 p.m. Mayor Ryu declared the meeting adjourned.

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Scott Passey, City Clerk