

CITY OF SHORELINE
SHORELINE CITY COUNCIL
SUMMARY MINUTES OF BUSINESS MEETING

Monday, July 8, 2013
7:00 p.m.

Council Chambers - Shoreline City Hall
17500 Midvale Avenue North

PRESENT: Mayor McGlashan, Deputy Mayor Eggen, Councilmembers Hall, McConnell, Winstead, Salomon, and Roberts

ABSENT: None

1. CALL TO ORDER

At 7:00 p.m., the meeting was called to order by Mayor McGlashan, who presided.

2. FLAG SALUTE/ROLL CALL

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

3. REPORT OF THE CITY MANAGER

Julie Underwood, City Manager, provided reports and updates on various City meetings, projects, and events.

4. COUNCIL REPORTS

Councilmember Winstead looked for consensus from the Council to distribute a letter to Richmond Beach residents that addresses the community's concerns over the Point Wells development and explains the reasoning behind Council's past and future course of action.

Deputy Mayor Eggen commented on the review of the KC Solid Waste Transfer Station Plan. The Council agreed to talk about it further later on the agenda as part of the "SCA PIC Policy Issue" discussion.

5. PUBLIC COMMENT

a) Joyce Lingerfelt, Shoreline, commented on a letter she wrote to Council back in 2010 regarding the Brugger's Bog Maintenance Facility. She expressed her discontent with the decant facility's air pollution, odor, noise, etc. and requested that the property be returned to a wetland.

b) Arnold Peterson, Shoreline, complained about the ditch in front of his home being dug up unnecessarily.

c) Tom Jamieson, Shoreline, commented that Council’s discussion on Goal #4 - Enhance openness and opportunities for community engagement - keeps getting delayed. Due to community concern over the lack of outreach, he requested that the discussion be moved up.

Ms. Underwood responded to public comment and indicated staff would follow-up on concerns that were addressed.

6. APPROVAL OF THE AGENDA

Upon motion by Councilmember McConnell, seconded by Councilmember Roberts and unanimously carried, the agenda was approved.

7. CONSENT CALENDAR

Upon motion by Deputy Mayor Eggen, seconded by Councilmember Winstead and unanimously carried, the following Consent Calendar items were approved:

(a) Minutes of Business Meeting of June 17, 2013

(b) Approval of expenses and payroll as of June 28, 2013 in the amount of \$7,127,945.19 as specified in the following detail:

***Payroll and Benefits:**

Payroll Period	Payment Date	EFT Numbers (EF)	Payroll Checks (PR)	Benefit Checks (AP)	Amount Paid
Prior pay period adjustment	4/19/2013	50095			(\$2,886.33)
			12533		\$2,736.19
5/12/13-5/25/13	5/31/2013	50527-50691	12534-12557	53647-53651	\$527,798.36
5/26/13-6/8/13	6/14/2013	50692-50878	12558-12579	53850-53855	\$404,375.65
6/9/13-6/22/13	6/28/2013	50879-51092	12580-12624	53925-53932	\$557,116.10
					\$1,489,139.97

***Wire Transfers:**

Expense Register Dated	Wire Transfer Number	Amount Paid
6/26/2013	1069	\$3,703.05
		\$3,703.05

***Accounts Payable Claims:**

Expense Register Dated	Check Number (Begin)	Check Number (End)	Amount Paid
6/5/2013	53652	53661	\$18,822.95
6/5/2013	53662	53686	\$124,166.01
6/5/2013	53687	53699	\$53,344.88
6/5/2013	53700	53713	\$44,674.76
6/13/2013	53714	53742	\$119,500.99
6/13/2013	53743	53750	\$7,012.69
6/13/2013	53751	53773	\$45,415.32
6/13/2013	53774	53786	\$1,350.90
6/13/2013	53787	53787	\$980.00
6/13/2013	52664	53664	(\$125.00)
6/13/2013	53788	53788	\$125.00
6/19/2013	53789	53790	\$50,644.14
6/19/2013	53791	53813	\$118,400.50
6/19/2013	53814	53825	\$50,789.82
6/19/2013	53826	53845	\$4,802,327.98
6/19/2013	53846	53849	\$321.55
6/26/2013	53856	53877	\$106,603.06
6/26/2013	53878	53886	\$22,970.87
6/26/2013	53887	53912	\$62,482.94
6/26/2013	53913	53924	\$5,292.81
			<u>\$5,635,102.17</u>

(c) Adoption of Resolution No. 348, Authorizing an Interfund Loan to the General Capital Fund for the Brugger’s Bog Maintenance Facility Acquisition and Improvements Project, from the General Fund in an Amount Not to Exceed \$3,348,000 through November 30, 2013

8. PUBLIC HEARINGS, ACTION ITEMS, & STUDY ITEMS

(a) Public hearing to receive citizens’ comments on Resolution No. 345, adopting a Community Renewal Area (CRA) Plan for Aurora Square; and Adoption of Resolution No. 345

Dan Eernisse, Economic Development Manager, provided the staff report recommending that Council hold a public hearing on the proposed Community Renewal Area (CRA) Plan for Aurora Square and then adopt the CRA Plan through Resolution No. 345.

Mr. Eernisse reviewed the refinements to the CRA Plan since Council last reviewed it on June 10. The CRA Plan’s Master Planning section now emphasizes the City’s role of catalyst rather than director of the entire process, and language has been enhanced throughout to inspire even more exceptional development. He then responded to comments that the City is being heavy handed and reviewed the following points on what the CRA Plan does seek to accomplish:

- Does not constrain owners, but makes targeted investment possible.

- Does not create a master plan or zoning overlay, but identifies whole center improvement projects.
- Does not propose displacing tenants or property owners, but seeks to aid and add to them all.
- Does not propose significant public use on site, but seeks to integrate Shoreline Community College.

Mayor McGlashan opened the public hearing.

a) Aaron Laing, Seattle, on behalf of Sears, provide written comments and expressed concern over Resolution No. 345 and the CRA Plan. He reviewed that Sears has been a long time partner in the Shoreline community and is concerned that materials suggest it is not valued or included in future plans. He requested that Council hold off taking action and allow for more time to engage with property owners.

b) Peggy Mayer, Edmonds, said she is the Head of School at the Northwest School for Hearing-Impaired Children (NW School) on Westminster Way North. She recalled that when the CRA process started the school asked to be excluded. She reiterated this request.

Mayor McGlashan closed the public hearing.

Councilmember Winstead moved to adopt the CRA Plan for Aurora Square through Resolution No. 345. Councilmember McConnell seconded the motion.

Councilmember Winstead summarized Aurora Square has been underutilized for some time and is where the community wants economic development to happen. She disagreed with Sears' opinion that the CRA Plan does not include them and encouraged Council to support the motion.

Councilmember Salomon recalled that he previously moved an amendment to exempt the NW School and WSDOT from the CRA but it failed. He indicated that if there was Council support, he would move another amendment. He then noted that eminent domain has not been authorized by the Council and he does not support imposing anything on owners.

Councilmember McConnell agreed that the Sears' property is an important part of Aurora Square and the whole area needs to be redeveloped. She asked staff to remedy the concerns of the NW School.

Councilmembers Roberts asked for information on parking Covenants, Conditions & Restrictions within the CRA and on any implications of postponing adoption of the CRA Plan.

Councilmember Hall pointed to the statement made by Sears' that the CRA Plan's purpose is to increase tax revenues. Although an increased tax base would be beneficial to the City, the purpose of the CRA Plan is to make Aurora Square a thriving area with businesses, community gathering places, and clusters of mid-rise buildings.

Deputy Mayor Eggen indicated he does not want to delay the process and believes the CRA Plan is non-specific enough that it is not too late for Sears to join in the planning process. He inquired about master planning and subarea planning, and asked staff to provide additional assurance that the City would not exercise eminent domain.

Mayor McGlashan expressed support for the CRA Plan and is pleased it has captured Sears' attention. He concurred with many of the remarks from other Councilmembers.

Councilmember Roberts moved to amend the CRA Plan by striking "After 45 years the Sears store and its surroundings are" and inserting "Today the Aurora Square area is"; and striking "Unfortunately, given the current retail climate the building and site are underutilized." Councilmember Hall seconded the motion. There was discussion and a vote was taken, which failed 2-5 with Councilmembers Hall and Roberts voting in favor.

Deputy Mayor Eggen moved to amend the text on the front page of the CRA Plan by striking "store" and inserting "facility". Councilmember Winstead seconded the motion. The motion passed 5-2, with Councilmember Hall and Roberts dissenting.

The main motion to adopt Resolution No. 345, as amended, was unanimously approved.

(b) Public hearing to receive citizens' comments on, amending conditions for the Property Tax Exempt Target Area within the Aurora Square Community Renewal Area to encourage Affordable Housing as detailed in Resolution No. 346; and Adoption of Ordinance No. 664

Dan Eernisse, Economic Development Manager, provided the staff report recommending that Council hold a public hearing on the proposal to amend the conditions for the Property Tax Exempt Target Area within the Aurora Square Community Renewal Area (CRA) to encourage affordable housing as detailed in Resolution No. 346. He further recommended that Council discuss and adopt Ordinance No. 664 following the public hearing. He then reviewed the proposal, benefits, and implications of the 12-year PTE program.

Mayor McGlashan opened the public hearing.

a) Tom Jamieson, Shoreline, expressed disapproval of using the acronym "PTE" and requested that it be called what it is, a Property Tax Exemption. He further explained he opposes them categorically and for the Aurora Square CRA.

Mayor McGlashan closed the public hearing.

Councilmember McConnell moved adoption of Ordinance No. 664 expanding the Aurora Square Community Renewal Area Property Tax Exemption program to include a 12-year affordable multi-family PTE program capped at 500 units, requiring that 20% of project units be affordable with studios and one bedroom units rented or sold to families with 70% of the median household income or less and two bedroom or larger units to households

with income of 80% of the median household income or less. Councilmember Roberts seconded the motion.

Councilmember McConnell spoke in favor of the motion stating PTE's are necessary for the time being to stay competitive and encourage development.

Councilmember Hall stated due to the additional interest in seeing redevelopment at Aurora Square, a 12-Year PTE program is appropriate for the CRA.

Councilmember Roberts emphasized that the City only establishes PTE programs in return for public benefit. He is supportive of a 12-year PTE in the CRA for creating a catalyst but wants to have a deeper affordability measure.

Councilmember Roberts moved to amend the main motion to replace language in Ordinance 664, Section 2, 3.27.030 (B)(2) to read “;provided, however, that for this target area, the household income may in no case exceed 75% of the area median household income adjusted for family size for two or more bedroom units.” The motion was seconded by Councilmember Hall. After Council discussion, the motion was withdrawn.

Councilmember Roberts moved to amend the main motion to replace language in Ordinance 664, Section 2, 3.27.030 (B)(2) to read: “provided, however, that for this target area, the household income may in no case exceed 60% of the area median household income adjusted for family size for studios and one bedroom units, and may in no case exceed 75% of the area median household income adjusted for family size for two or more bedroom units.” Councilmember Salomon seconded the motion.

Councilmembers discussed the threshold for achieving a higher level of affordability while keeping the proposed development viable.

There was a vote on the amendment which failed 3-4, with Councilmember Hall, Roberts, and Salomon voting in favor.

A vote was taken on the main motion to adopt Ordinance No. 664, as amended, which carried unanimously.

At 9:13 p.m. Mayor McGlashan called for a recess and at 9:17 called the meeting back to order.

(c) Public hearing to receive citizens' comments on the 2014-2019 Transportation Improvement Plan (TIP) and Discussion

Kirk McKinley, Transportation Services Manager, and Alicia McIntire, Senior Transportation Planner provided the staff report on the Draft Transportation Improvement Plan (TIP). Staff summarized the proposed project list and requested direction from Council regarding any revisions to the 2014-2019 TIP, including items that should be added or removed.

Mayor McGlashan opened the public hearing.

a) Tom Jamieson, Shoreline, asked for clarification on the use of the word "discrete" when referring to TIP projects along the Richmond Beach corridor.

Mayor McGlashan closed the public hearing.

Councilmembers identified maintenance of City assets to be the most cost effective use of the budget and expressed concern over the chronic underfunding of road maintenance. There was a question on how the Richmond Beach Corridor projects were identified, and on what the tradeoffs would be for employing cost reducing methods to the remaining Aurora construction.

Mr. McKinley agreed to bring information back on July 22 when the TIP is scheduled for adoption.

(d) Discussion of SCA PIC Policy Issue: Flood Control District

Scott MacColl, Intergovernmental Relations Manager, explained that Councilmember Roberts, the City's representative on the Sound Cities Association (SCA) Public Issues Committee, is seeking Council input regarding the King County Flood Control District (FCD) 2014 Budget. The SCA Caucus of the FCD Advisory Committee is requesting input from cities regarding concerns or policy direction.

Councilmembers acknowledged the City does benefit from regional flooding projects being solved but it is a small benefit relative to its contribution. Councilmembers offered the following feedback for Councilmember Roberts to forward:

- Include coastal and urban stream projects.
- Create a separate funding structure for smaller urban problems.
- Oppose FEMA accreditation as a policy priority for District funding.
- Allocate money towards acquiring properties in flood control areas for habitat restoration.

Deputy Mayor Eggen announced SCA has requested Metropolitan Solid Waste Management Advisory Committee to develop a process to review the 2007 King County Solid Waste Transfer Station Plan. King County had planned to upgrade the Factoria Transfer Station, but with Bellevue dropping off, the County is now questioning if the money should be spent elsewhere. He asked if Council had any comments.

Deputy Mayor Eggen moved to extend the meeting 5 minutes. The motion died from lack of a second.

9. ADJOURNMENT

At 10:00 p.m., Mayor McGlashan declared the meeting adjourned.

Scott Passey, City Clerk