

CITY OF SHORELINE
SHORELINE CITY COUNCIL
SUMMARY MINUTES OF REGULAR MEETING

Monday, June 11, 2018
7:00 p.m.

Council Chambers - Shoreline City Hall
17500 Midvale Avenue North

PRESENT: Mayor Hall, Deputy Mayor Salomon, Councilmembers McGlashan, Scully, McConnell, Chang, and Roberts

ABSENT: None

1. CALL TO ORDER

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

2. FLAG SALUTE/ROLL CALL

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

(a) Proclamation of Shoreline State Champions Day

Mayor Hall read a proclamation declaring June 11, 2018 as Shoreline State Champions Day in the City of Shoreline. He recognized high school athletes for their accomplishments, dedication, hard work, perseverance, and love of their sport.

3. REPORT OF CITY MANAGER

John Norris, Assistant City Manager, provided reports and updates on various City meetings, projects and events.

4. COUNCIL REPORTS

Mayor Hall reported that, along with elected officials and police chiefs from Kenmore, Lake Forest Park, Bothell, and Kirkland, he helped give a briefing to the King County Council Committee about the success of the Police Department RADAR Program that was funded via a federal grant and the King County Council's Mental Illness and Drug Dependency Program. They asked that the County Council continue funding the program and expand it to more jurisdictions.

5. PUBLIC COMMENT

Chrissey Gildow, Shoreline Resident, presented a written history of the management of Richmond Beach Reserve and asked that Councilmembers consider this factual information when making a decision relative to Ordinance No. 823. If the Council approves the Ordinance, she asked that they modify the existing Native Growth Protection Easement per her written recommendation.

Marvin Lee, Shoreline Resident, described how he, as the applicant of the proposed right-of-way vacation, worked with the community to come up with an acceptable solution. He described and indicated support for the changes submitted by Ms. Gildow.

Ann Heron, Shoreline Resident, said she lives adjacent to the Lee's property and does not support Ordinance No. 823. She believes the Ordinance is inconsistent with the City's Comprehensive Plan and Parks, Recreation and Open Space (PROS) Plan, which call for preserving and enhancing the existing vegetation and open spaces.

Ken Maaz, Executive Director of Ashley House, the applicant for the zoning code amendment outlined in Ordinance No. 824, voiced support for staff's recommendation of approval. He shared details about the project Ashley House is working on with Seattle Children's Hospital for property located at 18904 Burk Avenue N.

John Cole, Shoreline Resident, voiced concern about the possible implications of Ordinance No. 824 for all residents of the City. He said the proposed amendments deserve a more thorough vetting at the Comprehensive Plan Docket level.

Frank Coble, Shoreline Resident, voiced concern about: 1) large trucks that park along 25th Avenue NE near Kellogg Middle School and the speed that cars travel the roadway, 2) pawn shops that are more interested in protecting their source than helping locate stolen merchandise, 3) police accountability, 4) and high permit fees.

Sherry Hill, Shoreline Resident, shared her concern that adoption of Ordinance No. 823 would set a bad precedent that could be applied to other view rights-of-way in the Richmond Beach Neighborhood. Consistent with the Comprehensive Plan, she asked the City to move forward with a plan to acquire these rights-of-way as park lands. She also voiced concern that the applicant's offer is not based on current market value.

6. APPROVAL OF THE AGENDA

Councilmember Roberts moved to alter the agenda to move Action Item 8a (Ordinance No. 823) to Study Item 9a and renumber the remaining study items accordingly. Deputy Mayor Salomon seconded the motion.

Councilmember Roberts noted there was late information submitted by the City and the public that may be helpful to the Council's decision. Deputy Mayor Salomon agreed that further study is warranted.

Councilmember Scully disagreed. He referred to the Hearing Examiner's report and recommendation, and the fact that some members of the public now have a slightly different view does not make the request any more complex. The code is straightforward and the Council has already received a tremendous amount of information. Mayor Hall agreed and said his preference is to leave it on the agenda as an action item at this time.

Councilmember McConnell agreed that the Council has received a lot of additional information that should be considered prior to making a decision that could set a precedent for future applications.

The motion failed 3-4, with Deputy Mayor Salomon and Councilmembers Roberts and McConnell voting in favor.

Councilmember Scully moved to approve the agenda as presented. Councilmember McGlashan seconded the motion, which carried unanimously.

7. CONSENT CALENDAR

Upon motion by Councilmember McGlashan and seconded by Councilmember McConnell and unanimously carried, 7-0, the following Consent Calendar items were approved:

(a) Approving Minutes of Regular Meeting of April 23, 2018

(b) Approving Expenses and Payroll as of May 25, 2018 in the Amount of \$3,523,046.07

Payroll and Benefits:

Payroll Period	Payment Date	EFT Numbers (EF)	Payroll Checks (PR)	Benefit Checks (AP)	Amount Paid
4/8/18-4/21/18	4/27/2018	77849-78092	15549-15574	70191-70198	\$831,303.54
4/22/18-5/5/18	5/11/2018	78093-78333	15575-15592	20335-70339	<u>\$648,994.99</u>
					<u><u>\$1,480,298.53</u></u>

Wire Transfers:

Expense Register Dated	Wire Transfer Number	Amount Paid
5/25/2018	1134	<u><u>\$37,110.75</u></u>
		<u><u>\$37,110.75</u></u>

Accounts Payable Claims:

Expense Register Dated	Check Number (Begin)	Check Number (End)	Amount Paid
5/3/2018	70132	70132	\$6399.41
5/3/2018	70133	70167	\$59,524.35
5/3/2018	70168	70190	\$243,881.82
5/9/2018	70199	70214	\$56,022.31
5/9/2018	70215	70239	\$196,942.29

5/16/2018	70240	70270	\$599,170.43
5/16/2018	70271	70287	\$1,617.17
5/16/2018	70288	70322	\$574,326.18
5/16/2018	70323	70334	\$3,138.89
5/22/2018	70340	70341	\$59,097.19
5/23/2018	70342	70375	\$67,826.27
5/24/2018	70376	70404	\$137,51.48
5/24/2018	70313	70313	<u>(\$261.00)</u>
			<u>\$2,005,636.79</u>

(c) Adopting Ordinance No. 826 – Amending the 2018 Budget to Include Additional Personnel for the Parks, Recreation & Cultural Services Department and Amending Fee Table Chapter 3.01 of the Shoreline Municipal Code to Eliminate a Fee

8. ACTION ITEMS

(a) Adoption of Ordinance No. 823 – Vacating an Unopened Portion of 25th Avenue NW Right of Way

Bob Earl, Engineering Manager, and Tricia Juhnke, City Engineer, provided the staff presentation. Mr. Earl provided a brief history and described Ordinance No. 823, which would approve the Street Vacation Petition that was submitted by Marvin Lee to vacate the 120' by 30' (3,600 square feet) unopened southern portion of the 25th Avenue NW right-of-way. The purpose of tonight's discussion is to consider the recommendations of the Hearing Examiner and City staff, along with comments from the public. The Council may adopt, reject, or modify the recommendation of the Hearing Examiner.

The Council took a 2-minute recess from 7:38 to 7:40 p.m. to confirm the location of the proposed right-of-way vacation.

Mr. Earl described the characteristics of the Richmond Beach Reserve and the undeveloped street and advised that staff posted notices in public places and on the subject property. In addition, utilities and emergency service organizations were notified of the proposed vacation, and no objections or requests for easements were received. He reviewed the criteria for approval of vacations found in SMC 12.17.050(a-d), as well as the Hearing Examiner's findings and conditions. He also reviewed the additional conditions put forth by Mr. Lee and members of the neighborhood. He recommended the Council accept the Hearing Examiner's recommendation of approval and adopt Ordinance No. 823 with the conditions included in the Ordinance.

Councilmember Scully moved to adopt the Hearing Examiner's recommendation and approve Ordinance No. 823 with the conditions included in the Ordinance. Councilmember McGlashan seconded the motion.

Councilmember Scully agreed that the applicant's offer of \$50,000 is not much of a public benefit, but he does not see that the vacation would cause harm, either. The right-of-way in question is public land that is not planned for any use and land that the City will eventually have to maintain. He couldn't come up with a compelling reason to oppose the vacation, and he

believes the conditions will provide adequate benefit to meet the criteria. He emphasized that the Native Growth Protection Easement (NGPE) is integral to his motion to approve, and he would vote against the Ordinance if it is stricken. This is a standard approach that gives the public native plants and a guarantee that they are maintained.

Councilmember Chang said she sees the Richmond Beach Reserve and the adjacent public right-of-way as a benefit to the community. As currently written, the Ordinance includes the NGPE, but both Mr. Lee and Ms. Gildow have indicated they are no longer in favor of it. She said she would not support the Ordinance because the right-of-way is open space that should be preserved.

Mayor Hall said he does not support the Ordinance based on the following concerns: unopened rights-of-way can be added to the pedestrian plan for future connections to be developed and a future Council may make it a priority to find a safer way for people to get to and from Richmond Beach Saltwater Park on a path across the reserve and the right-of-way; the vast majority of lots in the area are 7,200 square feet, with only a few have been aggregated into larger lots, and he is not sure Council should approve an action that would change the original zoning and neighborhood character; and he is concerned that the sale is not in the public interest because the price is less than what he thinks it would be worth if it were merged for development potential.

Councilmember McConnell said there is a trail through the easement that is used by people who live in the neighborhood to access the park. She voiced concern that the Hearing Examiner did not address the public value of the property, and she questioned how much of that value would be lost if the vacation is granted. Protecting view corridors and providing public access is important, and the easement was established to protect the view from the property above. Views are important to the property values in the neighborhood, and the neighbors have been taking care of the easement personally and financially since 2001 with a little help from City staff. She summarized that she would not support the Ordinance as written, unless a strong NGPE is in place. She felt the Council needs more time to review the most recent information.

Councilmember Roberts agreed that new information may have an impact on his decision. He also agreed with Mayor Hall's approach for thinking about the value of the easement and its public benefit. He agreed with Councilmember Scully that the NGPE would be the best way to move forward, but he still has a lot of questions. As it stands now, he will vote against the Ordinance.

Councilmember McGlashan said he supports the Hearing Examiner's recommendation and he believes there is some public benefit because the money from the sale could be used to purchase open space elsewhere. Losing a 30-foot swath of the hill will not negate a potential trail to provide access from 25th to 22nd Avenues. While he is okay selling the property, the valuation is not sufficient to satisfy him. For that reason alone, he will vote against the Ordinance until another appraisal has been done.

The Council discussed the option of postponing its decision to a future date in order to complete another appraisal of the property. It was discussed that it would take at least a month to complete and there are a variety of options to fund the new appraisal.

Councilmember McConnell said she is also concerned about the low appraisal, but a new appraisal would not likely change her vote. She questioned if the new appraisal would be based on fair market value for the subject property or the increase in value of the applicant's land because of the vacation.

Councilmember Chang said she is concerned about more than just the appraisal. She is interested in preserving what is valuable about the parcel to the neighborhood. She does not believe the Ordinance accomplishes this goal, and neither would a revised appraisal.

Deputy Mayor Salomon said he is struggling with the finding that \$50,000 is adequate to meet the criteria that the vacation is in the public interest. He is concerned that the loss of open space in that area cannot be directly compensated for, even if the sale price is increased. Although the money could be used to purchase open space elsewhere, it would not necessarily benefit the people living in this neighborhood. He did not believe that another appraisal would change his perspective.

Councilmember McGlashan commented that, although the subject property does not have significant monetary value to the community, it would add significant value to the applicant's property. He still supports the Hearing Examiner's recommendation, but he has some questions about dividing the property from the remaining right-of-way.

The motion to approve Ordinance No. 823 failed 2-5, with Councilmembers Scully and McGlashan voting in favor.

9. STUDY ITEMS

- (a) Discussing Ordinance No. 824 – Amendments to SMC Chapters 20.20, 20.40 and 20.50 for Community Residential Facilities

Steve Szafran, Senior Planner, and Paul Cohen, Planning Manager, were present to make the staff presentation. Mr. Szafran reviewed that a non-resident property owner, the Ashley House, has submitted an application to amend SMC 20.40.120 to allow a Community Residential Facility II (CRF-II) to be located in the R-4 and R-6 zones subject to the approval of a Conditional Use Permit (CUP). In addition to describing the applicant's proposed amendment (Option 1), he presented two additional options for the Council to consider. Option 2 proposes new and updated definitions, new uses and related conditions, updated parking standards, and updated signage standards. Option 3 would leave the Development Code unchanged and the topic of Residential Care Facilities (RCF) would be addressed with other housing issues in the future.

Mr. Szafran reviewed the process thus far and concluded that following three study sessions and a public hearing, the Planning Commission has recommended Option 2 as shown in the Staff Report. The applicant has also indicated support for Option 2.

Councilmember Chang commented that the amendments came about as a way to allow Ashley House to locate in the Echo Lake Neighborhood, but an amendment to the Development Code would apply throughout all zones in the City. She asked if an RCF would allow a type of population that would cause people to fear for their safety if located in a residential neighborhood. Mr. Szafran answered that, as proposed, RCF's are intended to provide personal care (i.e. dressing, eating, and health-related care and services). Residential Treatment Facilities (RTF) are intended to serve those needing more supervision (i.e. drug and alcohol addictions, mental health disorders, etc.) and can only be located in the Mixed Business zones. The intent is to make it clear what types of groups could locate where. The main concerns related to RCFs are mostly parking and traffic.

Councilmember Roberts asked how existing Adult Family Homes (AFH) in the Mixed Use Residential (MUR) zones would be impacted by the proposed amendment. Mr. Szafran clarified that AHFs should be added to the MUR use table, as well.

Mayor Hall asked if any AFHs are currently located in the Neighborhood Business (NB), Community Business (CB), Mixed Business (MB), or Town Center (TC) 1, 2 and 3 zones. Mr. Szafran answered that there are none he is aware of.

Councilmember Roberts asked how the Traumatic Brain Injury Clinic on 175th Avenue would be characterized in the proposed use table. Mr. Szafran answered that it would be considered an RCF. He explained that the distinction between RCFs and RTFs has to do with the types of patients and the intensity of treatment. Currently, RTFs falls under Nursing and Personal Care Facilities (NPCF), which are generally more intense and only permitted in the Commercial zones. Mr. Cohen added that the different definitions are intended to support care facilities in general in the City over a range of zones, but make some distinction between the intensity of the uses based on the types of service provided, number of residents, etc. This will provide confidence to the community that RTFs cannot be located in residential neighborhoods. Councilmember Roberts pointed out that, as proposed, RCFs would be limited to 15 patients, which means the facilities will be relatively small. He suggested that the concern for neighborhoods is more about the number of vehicle trips that will be generated and the potential increase in emergency vehicles rather than the types of patients.

Councilmember Roberts asked how the RCF parking requirement of 1 space for every 3 patients and 1 space for every Full Time Equivalent (FTE) employee would work with the 50% hardscape limit in the Single-Family Residential zones. Mr. Szafran said there is no proposal to change the development standards, which will limit the types of parcels that can accommodate this type of use. Councilmember Roberts expressed his belief that the proposed off-street parking requirement seems excessive, and he would like to see information from King County about what percentage of the parking spaces required per patient are actually utilized.

Councilmember McGlashan asked who would decide if the off-street parking is screened adequately. Mr. Cohen responded that because RCFs are a conditional use, the decision would be made by the Director based on the criteria and the Director could also add more conditions as appropriate. Councilmember McGlashan asked if adjacent neighbors would have any input, and

Mr. Szafran said there would be a neighborhood meeting and written public comments would be accepted, as well.

Deputy Mayor Salomon asked if there is some other way to allow the applicant to establish a facility for medically-fragile children without adopting this significant zoning policy change. Mr. Szafran advised that the only way is to rezone the parcel or limit the number of residents to six, and it is not likely that staff would support a rezone proposal because the property is located in the middle of a Single-Family Residential area.

Councilmember Scully said he wants to support the proposal, recognizing that the concept is a cool movement away from staying in the hospital until you are better. However, he lived up the street from an AFH that had six residents, and it did not behave like a normal house. The aid cars are an issue, particularly when they are frequent and late at night. The impacts of delivery vehicles, parking, etc. can be significant. He voiced concern about allowing a facility with up to 15 people in an R-4 or R-6 zone, which could significantly alter the neighborhood. He asked if a lower patient limit would work for RCF facilities in general.

Mr. Norris clarified that if the number of patients is dropped to 6, RCFs would essentially be AFHs. Currently, the code allows up to 8 unrelated individuals to live in a single-family home. A CRF-I is allowed up to 10 patients, and a CRF-II allows an unlimited number based on the Director's discretion. The number could be less than 15, but if you get down to 6 patients, you would simply be duplicating what the AFH already provides.

Councilmember Roberts raised the question of whether it would be better to fence in the front of an entire property to adequately screen the parking or if they want the facilities to be more open and visible to the community. Councilmember McGlashan said he was thinking more about screening the parking from adjacent properties on each side of the facility, and he would be opposed to requiring screening that would essentially box the facility in. The facility should blend in with the neighborhood.

Given that the Fire and Police Departments have already indicated that these types of uses can put a strain on resources, Councilmember McGlashan asked if it would be a good idea to limit the total number of CRFs allowed in the City.

The Council agreed to schedule the Ordinance No. 824 on their June 25th agenda as an action item rather than a consent agenda item.

- (b) Discussing Ordinance No. 827 – Amending the SMC 3.30 (Gambling Tax) and 3.32 (Utility Tax) of the SMC to align Responsibility, Principal and Interest Rates, Delinquency Schedules and Minimum Penalty, and Ordinance No. 828 – Amending SMC 3.01.200(A) to Eliminate for the Fourth Quarter of 2018 the Annual Business License Fee and Penalty for Late Renewal

Ally Kim, Business and Occupation (B&O) Tax Analyst, and Rick Kirkwood, Budget Supervisor, provided the staff presentation. Ms. Kim provided a brief history of SMC 3.22 (Business and Occupation Tax) and SMC 3.23 (Tax Administrative Code), which were adopted

on December 4, 2017 via Ordinance No. 808. As part of the implementation process, staff is proceeding with an agreement with FileLocal to serve as the City's online business licensing and tax filing portal. However, three changes are needed to implement FileLocal's standard configuration of its online business licensing and tax filing options. These changes are outlined in Ordinance Nos. 827 and 828. As proposed, Ordinance No. 827 would assign the administrative responsibility for gambling and utility taxes to the Administrative Services Director and align current penalty and interest rates, as well as delinquency schedules for gambling and utility taxes as outlined in the Tax Administrative Code. Ordinance No. 828 will provide a limited reprieve on the annual business fee for taxpayers who apply for and renew in the 4th Quarter of 2018. This change is necessary as the City transition from the DOR's business licensing service to the FileLocal system.

Ms. Kim explained that by adopting Ordinance No. 827, the City will not incur additional costs to customize FileLocal and the City will be able to align with FileLocal's standard configuration. Adoption of Ordinance No. 828 will result in a delay in the collection of business license fees from Quarter 4 2018 to Quarter 1 2019. Staff's anticipates the collection of approximately \$46,000 from 1,062 businesses scheduled to renew a business license. The two ordinances are scheduled for adoption on June 25th.

Councilmember Roberts referred to SMC 5.05 and questioned the City's authority to expire a one-year business license early, especially those that were purchased before the effective date of Ordinance No. 828. Mr. Kirkwood agreed to research the issue further and report back. Mayor Hall agreed with Councilmember Robert's concern and suggested an alternative would be to extend the grace period all the way through to July 1st.

Councilmember McGlashan said it sounds like Ordinance No. 828 would require all businesses to file for a new license on January 1st, and business license expiration dates would no longer be staggered. He asked if someone who purchases a license in June would receive a provisional license until January of the next year. Mr. Kirkwood commented that the \$40 fee essentially covers the cost of issuing the license, and every license that is issued would only be good for the calendar year in which it was issued, regardless of when it was purchased. This is consistent with all of the other cities that have joined FileLocal to be their business license portal. As per the proposed ordinance, there would be no pro-rated fees.

Mr. Norris advised that, as per SMC 5.05, the City has the ability to pro-rate the business license fee. Several Councilmembers indicated a desire for staff to consider a pro-rated fee option that would treat all businesses fairly. Mr. Kirkwood agreed to discuss options with FileLocal and work with the City Clerk's Office to build a pro-rated schedule into the program.

The Council agreed to schedule Ordinance No. 827 on the June 25th agenda as a consent agenda item for approval. However, Ordinance No. 828 would be scheduled as an action item for further information and discussion.

(c) Discussion and Update of the 2018-2023 Capital Improvement Plan (CIP)

Tricia Juhnke, City Engineer, made the staff presentation. She briefly reviewed the process and schedule for the 2018-2023 CIP update and provided an overview of the current CIP, highlighting the completed and upcoming projects (Attachment A). She also reviewed the fund summaries for each of the four capital funds (Attachments B – E), describing the projects and identifying upcoming costs and funding resources, as well as updated revenue forecasts and fund balances.

Councilmember Roberts asked how much would be spent on major maintenance of the restroom facilities per year. Ms. Juhnke answered that \$60,000 is programmed outside of 2018 and 2019 and in farther out years, as well. The current CIP does not include funding for major restroom maintenance.

Councilmember Chang requested more details on why a regional stormwater facility would not be viable. Ms. Juhnke explained that the original intent was to construct a pond near Shoreline Community College, but the location was deemed to be unviable. The area of right-of-way that looked to be the most feasible was in the area of Gloria's Path, which would require a vault. The size of the vault would be limited and the cost would be significant. The utility has decided not to pursue the option until there is interest from developers.

Mayor Hall asked about the threshold for activity on the Sears site to trigger the new stormwater requirements. Ms. Juhnke agreed to provide information about the specific threshold, but she knows the proposed redevelopment would trigger stormwater retrofits.

Mayor Hall requested more information about the Westminster right-of-way vacation. City Attorney King clarified that the City Council approved the ordinance vacating Westminster previously, but it was conditioned upon receipt of the fair market appraisal, as well as entering into a vacation agreement, which did not happen before receivership. The request will come back before the Council in July, accompanied by a recent appraisal to bring the value up.

Mayor Hall asked if the developer would help fund improvements at Westminster and 155th Street. Ms. Juhnke advised that the development applications for the triangle property and the Alexon property were submitted prior to approval of the Planned Action, so State Environmental Policy Act (SEPA) mitigation will be required, including the construction of the new connection to Aurora Avenue North, a portion of the signal, and frontage and pedestrian safety improvements. Redevelopment at Shoreline Place will fall under the Planned Action, which also allows mitigation to be assessed to property owners.

Ms. Juhnke summarized that staff would continue to update the current projects and use priorities in the master plans and Transportation Improvement Plan to draft the 2019-2024 CIP, which will come before the Council with the budget.

10. ADJOURNMENT

At 9:28 p.m., Mayor Hall declared the meeting adjourned.

Jessica Simulcik Smith, City Clerk

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