

CITY OF SHORELINE
SHORELINE CITY COUNCIL
SUMMARY MINUTES OF REGULAR MEETING

Monday, October 12, 2020
7:00 p.m.

Held Remotely via Zoom

PRESENT: Mayor Hall, Deputy Mayor Scully, Councilmembers McConnell, McGlashan, Chang, Robertson, 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. ROLL CALL

Upon roll call by the City Clerk, all Councilmembers were present.

3. REPORT OF CITY MANAGER

Debbie Tarry, City Manager, provided updates and reminders regarding COVID-19, and reports and information on various City meetings, projects and events.

4. COUNCIL REPORTS

Councilmember Robertson said she attended the Puget Sound Regional Council Economic Development District Board Meeting and heard presentations on economic and community recovery. She said the takeaway is that the economy that emerges post COVID will be very different, but the goal is that every person in the region will have the opportunity to prosper.

Deputy Mayor Scully said he attended a meeting of the All Home Continuum of Care Board. He reported they are wrapping up seating a new Advisory Council for homelessness services that represents all corners of the County, and he described the changes made to the Board leadership.

Mayor Hall said the King County Cities Climate Collaboration (K4C) had its annual summit meeting, and a major point of discussion was whether the K4C goals should be updated to align with the more aggressive State goals, for which there was strong support.

5. PUBLIC COMMENT

Speaking in opposition of the proposed Enhanced Shelter at 16357 Aurora Avenue N:

Dicky Leonardo, Shoreline resident, shared the experiences and opinions of an acquaintance regarding the impacts of living near a low-barrier shelter.

Ed Jirsa, Shoreline resident, said he recognizes the problem with homelessness and is not opposed to having a shelter in Shoreline, but questioned the location and expressed safety concerns. He shared information on recent developments with a similar type of shelter in Bellingham.

Jack Malek, Shoreline resident, said he loves the fact that the City is jumping on the issue of shelters in general, but said the location is inappropriate and asked the Council to reconsider the site. He said from an economic standpoint, the parcel could be put to better use.

Joanne Godmintz, Shoreline resident, said it is fiscally irresponsible to not determine costs to provide emergency services to a shelter and expressed frustration that data on the projected financial impacts to the City has not been provided.

Vinay Venkatesh, Shoreline resident, said that when considering an Enhanced Shelter, like-for-like comparisons should be made, safety concerns must be recognized, an objective assessment of the facts need to be presented, and that the economic implications have to be considered.

Sudeeptha Jothiprakash, Shoreline resident, shared information on other low-barrier shelters and their associated zoning designations and asked the Council to keep the reasons behind zoning regulations in mind as they consider this decision.

Diane Pfeil, Shoreline resident, said homelessness is a big problem, but the patch that a low-barrier shelter will offer at this location is not a responsible decision, and the neighborhood will suffer the consequences.

Jacqueline Kurle, Shoreline resident, said the shelter idea is good in concept, but there are lots of unanswered questions and better ways to address the problem at hand.

Nancy Pfeil, Shoreline resident, said she has done her research to understand both sides of the story. She said the community has a lot of youth-centered facilities near the proposed shelter location and that she has created an organization for those who have concern with Council's action on this topic.

Speaking in support of the proposed Enhanced Shelter at 16357 Aurora Avenue N:

David Trainer, Shoreline resident, shared that there was a time when he was concerned about a homeless encampment established in Shoreline, but after visiting Camp United We Stand his fears were put to rest. He said the Enhanced Shelter would provide the homeless a safe place and needed services to become contributing members of society.

Paul Ashby, Shoreline resident, said he lives close to Camp United We Stand and celebrated the compassion the church shows by hosting it. He shared his positive experiences with encampments and asked the Council to support the Enhanced Shelter.

Kelly Dahlman-Oeth, Kirkland resident and Pastor of Ronald United Methodist Church, reminded everyone that the people this shelter will house are already here. He said fear is a powerful motivator, but no one is safer when people are left to survive on the street. He shared positive experiences of his relationships with people experiencing homelessness.

Lisa Surowiec, Shoreline resident and North Urban Human Services Alliance (NUHSA) Boardmember and volunteer coordinator for the Winter Severe Weather Shelter, shared her positive experiences in these roles. She said an Enhanced Shelter and Navigation Center will be one more piece of the solution.

David Anderson, Shoreline resident, said he lives close to the proposed site and supports the zoning changes. He said this housing option will be a lifeline for the guests and will make the neighborhood safer for all by creating systems and support for the most vulnerable.

6. APPROVAL OF THE AGENDA

The agenda was approved by unanimous consent.

7. CONSENT CALENDAR

Upon motion by Deputy Mayor Scully and seconded by Councilmember Chang and unanimously carried, 7-0, the following Consent Calendar items were approved:

- (a) Approving Minutes of Regular Meeting of August 17, 2020**
Approving Minutes of Regular Meeting of September 14, 2020
- (b) Approving Expenses and Payroll as of September 25, 2020 in the Amount of \$5,249,210.49**

***Payroll and Benefits:**

Payroll Period	Payment Date	EFT Numbers (EF)	Payroll Checks (PR)	Benefit Checks (AP)	Amount Paid
8/23/20-9/5/20	9/11/2020	93235-93441	17113-17118	80379-80384	\$740,195.52
					<u>\$740,195.52</u>

***Wire Transfers:**

Expense Register Dated	Wire Transfer Number	Amount Paid
9/15/2020	1165	\$540,048.88

9/13/2020	1166	\$1,485,407.36
		<u>\$2,025,456.24</u>

***Accounts Payable Claims:**

Expense Register Dated	Check Number (Begin)	Check Number (End)	Amount Paid
9/13/2020	80329	80344	\$186,657.92
9/13/2020	80345	80374	\$114,115.29
9/13/2020	80375	80375	\$311.92
9/13/2020	80376	80376	\$55,259.13
9/13/2020	80144	80144	(\$684.13)
	80149	80149	(\$148.10)
9/13/2020	80377	80378	\$852.23
9/20/2020	80385	80401	\$725,068.73
9/20/2020	80402	80417	\$207,040.58
9/20/2020	80418	80462	\$1,463.16
9/20/2020	80463	80468	\$4,465.41
9/20/2020	80469	80488	\$1,189,156.59
			<u>\$2,483,558.73</u>

(c) Adopting Resolution No. 463 - Amending the Employee Handbook

(d) Adopting Emergency Resolution No. 466 – Revising the Implementation Plan and Adding Funds for the City’s CARES Act Relief Funds and Authorizing the City Manager to Amend the Interagency Agreement with the Washington State Department of Commerce for Coronavirus Relief Funds and Implement Subsequent Agreements

8. STUDY ITEMS

- (a) Discussing Ordinance No. 906 - Interim Regulations for Adding Enhanced Shelter as an Allowable Use in the R-48 Zone

Nora Gierloff, Planning Manager, delivered the staff presentation. She reviewed the Council Goal No. 5, Action Step 7, developing regional partnerships in support of siting a 24/7 shelter/navigation center to serve homeless single adults in North King County. She said in the recent resident survey, response to homelessness and quality of human services were identified as the priority city services.

Ms. Gierloff shared the background on the project, and recapped that funding through the Department of Commerce to expand homeless shelter capacity became available in June 2020 and the City was asked to support a grant application by King County and Lake City Partners for a site at 165th and Aurora Avenue North, which led to Council direction to proceed with developing the interim regulations that make up Ordinance No. 906.

Ms. Gierloff said Ordinance No. 906 would adopt interim zoning regulations to allow siting a 24/7 Enhanced Shelter in the R-48 Zone District, which includes the site of the Oaks Nursing Home, and she reminded Council that temporary regulations are effective for six months and are renewable in six month increments. She said this Ordinance would add a new use definition for Enhanced Shelter and pointed out that the definition includes the low-barrier, 24/7 continuous stay usage designation. She said this definition would be added to the Residential Use Table in the R-18 to R-48 category, but use is limited to the R-48 zones.

Ms. Gierloff reviewed the proposed Indexed Criteria for Enhanced Shelters, which would: indicate entities permitted to operate the facility; set safety requirements, including a code of conduct for residents; establish location restrictions; mandate fencing around property lines; and require an approved parking plan. She displayed a map of all the R-48 zoning locations in the City and pointed out the locations that meet the Indexed Criteria.

Ms. Gierloff listed the next steps and said Ordinance No. 906 is currently scheduled to return for Council action on October 26, with a public hearing on December 7, 2020. If this were to move forward, she explained that King County would need to pursue permanent regulations prior to the expiration of the temporary Ordinance.

Colleen Kelly, Recreation, Cultural, and Community Services Director; was available for questions during Council discussion.

Councilmember Chang said she was surprised that the permit path was not more specific to the property. She said since homeless shelters are not allowed in residential zones, it does not make sense that a shelter with a lower bar for entrance and potential for more impact to residents be allowed in a residential zone. She also said she does not like that this Ordinance makes it possible to site Enhanced Shelters in additional locations in the City. She asked if the permitting path could focus on the one site being considered. Ms. Gierloff said a Conditional Use Permit would be site-specific for Enhanced Shelters but involves additional steps. Councilmember Chang asked for an explanation of the difference between Conditional Use and Temporary Use permits and Ms. Gierloff said there is no way to move to the Conditional Use process without first putting it in the zoning code. She added that a Temporary Use permit has the advantage of being site-specific but is not workable in this situation.

Councilmember Chang asked how the section of the facility zoned as R-18 would be used, and Ms. Gierloff said the County and Lake City Partners have been told they will not be able to use that area as part of the shelter unless they secure a rezone. Councilmember Chang asked if Enhanced Shelters ever serve families with children, since the proposed definition refers specifically to adults, and Ms. Gierloff said the City sees a need for single adults, but the definition could be changed.

Deputy Mayor Scully said he appreciates all the public input on this topic and that he has heard frustration from the public that Council is not responding to their questions. He explained that right now Council is listening and gathering information, and he assured the public that their comments are being read and heard. He then commented on the proposed interim regulations stating that the fear that a flood of shelters would open in Shoreline as a result of allowing them

to be sited in R-48 is not realistic. He offered that the recent analysis of potential alternate sites for the shelter identified other possible locations, which each have some of the same or even greater concerns with impacts to the community. He asked about Bellingham's Basecamp facility and for an analysis on whether there are substantive differences between that shelter and the one proposed for Shoreline. He does not want to inadvertently create the problems that have been raised in Bellingham.

Councilmember McGlashan confirmed that if Ordinance No. 906 were to pass and the interim regulations later expired and 16357 Aurora Avenue North was rezoned to Mixed-Business, the other R-48 locations be taken out of the scenario. He thanked the community for their involvement on this topic and said there seems to be equal numbers of those who support and oppose the proposed Shelter. He reinforced Deputy Mayor Scully's comment that this is the information gathering period for Council. He stated that people who are homeless are already here in Shoreline and they need help accessing supportive services.

Councilmember McConnell asked what the revenue impact to the City would be if the proposed facility were to be removed from the tax roll. She said elected individuals have the responsibility to act as the gatekeepers of the City and its policies. She takes the conversations she has with community members to heart, and she takes responsibility for supporting the type of growth that the city desires, while preserving the City's identity. She asked if this location, which abuts an R-6 area, is the right fit for this type of use and asked for a definition of a 'solid fence' as listed in the Indexed Criteria. Ms. Gierloff said no specific fence material is indicated, but the Council would have the authority to do that. Councilmember McConnell agreed with the public comment regarding the impacts this project may have on economic development. She reflected that the Council has spent a lot of time and money to improve the Aurora corridor and putting an Enhanced Shelter on that property is a very low use of a valuable piece of property. She said she needs a lot more assurance that this will be a positive impact on the community.

Mayor Hall clarified that the parcel in consideration is primarily bordered by parcels zoned Mixed Business, and only a portion of the west side of the site is adjacent to an R-6 zone. He emphasized that there is no impact to the City's property tax revenue when an individual parcel changes its valuation or goes on or off the rolls. Councilmember McConnell interjected that while the parcel is not surrounded by R-6 zoned parcels, the west side is bordered by R-6 parcels. Ms. Gierloff stated that homeless shelters are allowed in Mixed Business zones, which surrounds much of the site. Ms. Tarry confirmed Mayor Hall's assessment of the tax impact this change would make and said the assessed tax value of the property is approximately \$4,000,000.

Councilmember Robertson stated that the information gathering stage has been very valuable, and she listed the ways in which she is researching this issue. She said she was able to tour the proposed facility and said Lake City Partners have offered tours to anyone interested. Having the opportunity to visit the site was a valuable experience and gave her some confidence. She said the outcomes of this facility, good or bad, are not predetermined. She asked what the options would be to shut down operation if the facility were to be deemed a detriment to the community and how quickly could they be enacted. Ms. Gierloff said there have been clear communications with King County of expected standards for the site and an emphasis on the need for success. She shared that King County has commented that if Council does not feel this is a successful

application, they would not want to remain in that location. Ms. Tarry clarified that if the interim regulations are adopted and the Shelter is located and operational, they do vest to those interim regulations. Even if the regulations were repealed or expired, the shelter could continue operations, but she reiterated that both the County and Lake City Partners have indicated that if the Shelter were to have a significant negative impact on the surrounding community it is likely that King County would terminate the contract with Lake City Partners and cease operation. Ms. Kelly offered assurance that the County does not want to be in an adversarial position with the City if the Council were to make clear that the use was no longer welcome and have made a commitment to cease operations if that happens. Councilmember Robertson said she would like to see in writing what a ‘Good Neighbor’ program would look like.

Councilmember Roberts reflected that for the last several decades, the Federal government has underinvested in public housing. He said the pandemic brings increased visibility of the lack of affordable housing opportunities in the region, and he shared statistics on estimated housing needs and on those experiencing housing insecurity or homelessness. He said the City has an obligation to do its part and providing access to shelter gives individuals the stability to tackle other challenges. However, he said there are details in the proposal and interim regulations that raise important questions to address in order to ensure a successful project. He said there should be additional collaboration between Lake City Partners, the County, and the City, and perhaps an interlocal agreement in place. He said he would be more comfortable with shelters in R-48 as a Conditional Use and if the shelter use was designed with families, and other individuals who can live alongside families. He concluded that while the Aurora location is a good site for a shelter, it needs to be a shelter that will be a good neighbor to the entire community.

Mayor Hall agreed that the vision for Aurora Avenue is to be a vibrant commercial corridor and he asked how much residential zoning exists there. Ms. Gierloff said there are isolated spots of R-48, generally around existing condominium or apartment complexes but the underlying Comprehensive Plan designation is compatible with Mixed Business zoning. Mayor Hall said it is odd that this site is R-48 at all and he asked if an alternative could be to adopt an interim official zoning map changing this parcel from R-48 to Mixed Business. Margaret King, City Attorney, said the City can implement interim development regulations and emergency moratoriums, and she would need to evaluate the possibility of interim zoning. Mayor Hall recognized the concern that applying interim regulations to R-48 parcels does affect some other properties but observed that the likelihood of a more shelters being opened up is pretty remote. He is comfortable with this approach but suggested that the better long-term permanent solution might be to look at any of the remaining anomalous zoning along Aurora Avenue and consider changing it to Mixed Business for consistency on the corridor.

Mayor Hall said he has heard comments and questions asking if the Council should support opening an Enhanced Shelter and if this is the right location. He said that while concern has been raised over the cost of emergency service calls to shelters, the costs of housing homeless people in emergency rooms and jails is far higher than in a shelter, which is a safer and more fiscally responsible option. He asked how many homeless shelters there are in King County. Ms. Kelly said there is roughly 110 shelters in King County and the City of Seattle, with none in Shoreline or Lake Forest Park. Mayor Hall said that given the size of our homeless population, it is appropriate to support a shelter on Aurora Avenue which is close to transit and medical services.

He stated that homelessness was declared an emergency two years ago and Council provided direction to staff to address the highest priority gap in North King County, which is a 24/7 shelter for single adults, and he does not see a site that would be better than this. He agreed that the interim regulations are a bit quirky but would make it possible to operate a shelter on the proposed site. He also agreed that a fence will be important to provide safety and act as a visual buffer between the shelter and the adjacent R-6 parcels.

Councilmember Chang said she would like additional details on Red Lion Inn in Renton and the Lipton Springs Low Barrier tiny house village in Seattle. She said, based on the way King County has been working with the Renton City Council, she has concerns over the amount of control the Council would actually have to be able to take action if things go badly. She acknowledged that Shoreline needs to do something to address homelessness, but much depends on the population in the shelter. She asked for more examples of what works, and what to watch out for. She indicated that since the shelter will serve not just Shoreline but all of North King County, understanding the referral process would be helpful, including understanding what happens when people show up and there is no room. Councilmember Chang said it is her preference that more permitting requirements be established to gain more control and if that does not work, the Indexed Criteria should be expanded to recognize that more guardrails are needed for the low-barrier enhanced shelter use than for the homeless shelter use.

Councilmember McConnell asked for more details on compliance metrics regarding staff ratio, services on site, and the code of conduct. She echoed Councilmember Robertson's request for specifics on the 'Good Neighbor' plan, and also asked for an exit plan in writing from King County if the shelter is not successful. She said she is supportive of funding human services, but she needs to feel comfortable with this to support it and she is not there yet. She wondered if there might be other grants available that are a better match to what she would feel comfortable putting into the community. She said she does not think the community is driven by fear, and acknowledged that while the resident survey recognizes the importance of addressing homelessness, it does not say specifically how the community thinks the issue should be addressed. She asked if a certain number of beds can be prioritized for Shoreline residents. Staff said they would research and follow up with responses to Councilmember McConnell's questions.

Councilmember Roberts asked for the rationale for holding the public hearing after the Ordinance is scheduled for adoption. Ms. Gierloff said generally, interim regulations are used when there is a time sensitive issue, so State law allows for the public hearing to happen within 60 days of adoption. Councilmember Roberts said he thinks the public hearing should be held before adoption and Mayor Hall agreed.

Mayor Hall summarized that Council has asked for additional information and he asked Councilmembers to make staff aware of specific amendment requests by close of business on October 14, 2020.

Councilmember Chang asked for additional information on the 75 area shelters that staff indicated are designated for single adults, stating she would like to visit similarly focused shelters in comparable locations.

Deputy Mayor Scully said the greatest need, as identified by Council, is for shelters for single adults. He said the opportunity for funding this is somewhat of an emergency, since if this funding opportunity is lost there is not another source. He said it is necessary to move quickly if the City wants to minimize tax implications, which does not mean move carelessly.

Mayor Hall pointed out that a lot has been done to address homelessness. He reflected on previous actions the Council has taken to support affordable housing and homelessness and said this project is in response to the highest priority remaining gap, but would be part of a portfolio of work being done to make Shoreline welcoming and safe for everyone who lives here.

(b) Transmitting the 2021-2022 Proposed Biennial Budget and Proposed 2021-2026 Capital Improvement Plan

Debbie Tarry, City Manager, and Sara Lane, Administrative Services Director, delivered the staff presentation. Ms. Tarry said the Council does a lot of work to establish priorities and goals, which in turn influence the budget and she described the overarching guidance. She said that because of the amount of time it takes for some projects to come online, tying them together in the Budget Book is important. She outlined the actions to determine the financial and the personnel resources needed to accomplish projects and workplans and shared a graphic outlining the hierarchy of establishing workplans, from Citywide to individual.

Ms. Tarry explained that the budget allocates financial and staffing resources, which then supports the delivery of valuable public services, builds organizational strength, ensures fiscal sustainability, and supports Council Goals. She said the Biennial Budget being presented totals \$232.4 Million, with the operating and capital budgets making up the largest sections. She emphasized the fiscal responsibility the City has taken, based on the policies adopted by the Council and said the City has a bond rating of AA+, and Standards and Poor has rated the City's financial wellbeing as stable. She added that the City has had 24 years of unmodified financial statement audit opinions and has continuously received the Government Finance Officers Association budget award.

Ms. Tarry said this proposed budget allows the City to maintain the highest priority services, though eliminates funding for the Shoreline pool; increases human services funding; provides for long-term facility needs; continues the sidewalk maintenance and expansion projects; and maintains reserves within policy guidelines. She said that choices had to be made for the proposed budget and it does not provide funding for all needs and desires. She said the loss of vehicle license fees means the long-term sidewalk repair and expansion program will be diminished. She reported that the budget does not afford full implementation of the Parks, Recreation and Open Spaces (PROS) Plan, nor does it address all needs requested by staff. Ms. Tarry said there will be a drop in staffing from 2020 to 2021 and explained the adjustments in FTEs. She thanked the staff who worked to address budget needs and identify priorities.

Ms. Lane specified that tonight's report will stick to budget highlights, with details to follow in upcoming Council presentations. She displayed a graphic of the City's revenue sources and said the majority of the budget is allocated to fund City services and capital projects. She said the

operating budget, comprised of the General and Streets funds, totals \$102.9 Million. She reviewed the anticipated property tax revenue and said this year it is worth noting that Proposition 1 allows the City to grow the Regular Levy by Consumer Price Index (CPI), which this year is .87 percent, which is below the State mandate of one percent, so the City could submit for a Finding of Substantial Need in order to qualify to collect the difference. She displayed a graphic outlining the property tax levy allocations, and said the City receives 12 cents on every dollar of property tax collected.

Ms. Lane shared a chart of the personnel cost changes, which projects a reduction in salary costs for 2021 and she displayed a comparison of City staffing levels at neighboring cities, stating Shoreline is below the median.

Ms. Lane emphasized the importance of financial sustainability and displayed two graphs comparing the ten-year forecast for the baseline operating budget, depicting outcomes with and without passage of a future levy lid lift. She said the capital budget of \$65 Million is significantly weighted towards transportation projects, and the wastewater utility will continue to operate under contract with Ronald Wastewater District, which includes the City's operating costs and excludes rate setting and capital projects and treatment costs.

Ms. Lane reviewed the budget process and review schedule and said the Council question matrix will be available starting next week. She concluded that while the 2021-2022 proposed Biennial Budget does not satisfy all needs and desires, it does support the Council Goals and community vision while maintaining reserves and a strong fund balance, maintaining and improving parks, roads, and drainage systems, and providing service levels that continue to benefit the Shoreline.

Councilmember Robertson asked when the Council will learn the details on how the proposed budget does not satisfy all the community's needs and desires, and Ms. Lane said each department presentation may include this information. Ms. Tarry added that the statement takes into consideration the numerous requests from residents that come into the City annually, and she shared examples of some of them.

Councilmember Chang said she is impressed that a balanced budget is maintained, especially during this difficult time. She asked when there will be more discussion on how Police service funding is allocated, expressing interest in expanding the RADAR program and continuing to support Community Court. Ms. Tarry said this would start with a conversation with the Police Department.

Deputy Mayor Scully said he is not interested in defunding the police or reducing patrol officers, but he is interested in a conversation about how Police services can be provided differently, with RADAR expansion being a good place to start. He said he suspects that he is going to want to see social services response funding increased.

Mayor Hall asked what the additional revenue would be brought in if the City did do the Finding of Substantial Need and take the full one percent of taxes that would be allowed. Ms. Lane replied that it would be \$37,000, with a small compounding impact over the years. Mayor Hall said he is interested in pursuing the one percent this year to marginally decrease future requests.

9. ADJOURNMENT

At 9:32 p.m., Mayor Hall declared the meeting adjourned.

Jessica Simulcik Smith, City Clerk

DRAFT