

34225 BRIDGEVIEW DR. N.E.  
KINGSTON, WASHINGTON 98346  
Phone (360) 638-1179  
Fax (360) 638-1779  
Cell (360) 271-0359  
e-mail: [mpendleton@telebyte.com](mailto:mpendleton@telebyte.com)  
[pendletonconsultingllc@msn.com](mailto:pendletonconsultingllc@msn.com)  
[www.pendleton-consulting.com](http://www.pendleton-consulting.com)

**THE**  
**SHORELINE CITY COUNCIL**  
**LONG-RANGE FINANCIAL PLANNING**  
**STRATEGIC RETREAT**

**January 29, 2007**

**Summary Report**

## **Introduction**

The Shoreline City Council held their long-range financial planning strategic retreat on January 29, 2007 at the Spartan Recreation Center in Shoreline, Washington. The retreat is located and structured to provide an uninterrupted forum for discussion and identification of potential financial solutions for the City of Shoreline. Based upon pre-retreat interviews, the following agenda guided the discussions during this council retreat:

1. Financial Forecast:
  - Short Term View
  - Long Term View
  - The Gap and nature of future Budget Challenges
  - Relationship between operating and capital budgets
2. City's Financial Policies: Reserve Policies and Amounts
3. Current Service Expenditures
  - Program Budgets (Tab 3)
    - Prior efficiencies and budget adjustments
  - Community Input (Tab 4)
    - Community Prioritization of Programs
    - 2006 Citizen Survey Importance-Satisfaction Ratings
4. Revenue Sources (Range of options available for closing the gap):
  - Revenue sources:
    - short term
    - long term
5. Discussion of Short- and Long-term Solutions/Strategies
6. Going Forward: Community Involvement

## **Discussion of Short- and Long-term Solutions/Strategies**

The following is a summary of the discussions and general direction given by each Councilmember:

### **Mayor Bob Ransom**

#### **Proposed Cuts**

- Reduce General Fund transfer to Capital

#### **Revenue Enhancements**

- Distribution Portion of SCL 6%
- Cable utilities 5%
- Levy lid lift
- Business registration

#### **Other Ideas**

- Encourage businesses by looking at form based codes (Council is open to business proposals)
- Increase grants and lobbying
- Clocks, benches, other amenities as generating ad revenue opportunities

### **Deputy Mayor Maggie Fimia**

#### **Proposed Cuts**

- Reduce CIP contribution from the General Fund (but not out of sidewalks)
- Consider 10-30% reduction in nonessentials such as:
  - Travel, etc.
  - Memberships
  - Arts/museum
  - Neighborhood mini-grants
  - Special events - find more co-sponsors

#### **Revenue Enhancements**

- (Short-term) business registration
- Cable utility 5%
- (Long-term) Levy Lid (after budget has been scrubbed)
- Possibly B&O (just larger businesses if possible)

#### Other Ideas to reduce demand on budget or increase revenue

- Ads at bus stops - companies keep stops clean in exchange for tasteful advertising
- (Long-term) Collective examination by Suburban Cities re: what services getting from County, Port, Sound Transit (are we getting what we're paying for?)
- (Long-term) Also look at money going to NLC and AWC - are we paying an appropriate amount?
- (Long-term) Partner with schools and others - do an annual summit re: youth and human services - look at gaps, etc. Could eventually do this with PW, Police services.
- (Long-term) Is there money for us at Public Works Trust Fund
- (Long-term) Aggressive business retention and growth program
- (Long-term) Look at ways to do prevention in criminal justice, environment, health care, etc. to generate long-term savings from one time investments
- (Long-term) Look to use sponsors for special events (if we cut City dollars)

#### Councilmember Janet Way

##### Proposed Cuts

- Reduce costs by incentives to staff and public to find cost savings (+Public Relations)
- Cut on capital side (look to replace w/ grants) (in place of General Fund transfer)
- (Long-term) Look for conservation opportunities in new City Hall to decrease long-term costs (e.g., energy costs) (or on other City programs)

##### Revenue Enhancements

- Surplus sale (at time of new City Hall)
- Cable (up to max)
- Encourage development where it fits (Ridgecrest, Aurora, Civic Center) to increase property and sales tax
- Nail down State on Fircrest, possible economic development opportunity
- Business license (revenue generating) with certain limitations

##### Other Ideas

- Cost sharing with School District
- Development fees/Impact fees
- Help Chamber with visitor bureau

- Alliance for Puget Sound (e.g., matching grant money for Richmond Beach Saltwater Park)
- Partner with Shoreline Community College re: renewable energy technology to encourage clean industry

### **Councilmember Keith McGlashan**

#### **Proposed Cuts**

- Hold on sidewalk priority routes for one year

#### **Revenue**

- Cable TV - 5%
- (Short-term/Long-term) Gambling back to 11%
- Tie levy lid lift to direct services and the service cost increase(e.g. Police/public safety)
- (Long-term) Review building codes - increase densities in business districts

#### **Other Ideas**

- Development of Aurora Square Master Plan

### **Councilmember Cindy Ryu**

#### **Proposed Cuts**

- Cut programs that do not show documented results (e.g. economic development)
- Under Council programs - Divide the existing Council budget by seven and provide the resulting \$27,000 allotment to each Councilmember and review other ways to structure program
- Re-examine/increase Emergency Management Program - Look at communications/lobbying functions: communications; neighborhoods; intergovernmental participation (finance); intergovernmental relations
- (Long-term) Reduce jail costs

#### **Revenue**

- Grants, effective lobbying
- If levy lid lift - include programs to help low income, especially seniors
- Sales tax generation - via effective documented economic development program
- Charge businesses that don't recycle; if effective expand to residents

#### Other Ideas

- There are 111 (600 beds) group homes in Shoreline – work with Fire and Police to examine impact – work with State
- Sell ad space at bus stops, 175th site of city hall/second property, city-owned properties
- Reduce shoplifting to encourage economic development

#### **Councilmember Ron Hansen**

##### Proposed Cuts

- Reduce transfer to capital (gambling portion)

##### Revenue

- (Short-term) Reserves
- (Long-term) Property tax levy lid lift

##### Other Ideas

- Find ways to retain staff

#### **Councilmember Rich Gustafson**

##### Proposed Cuts

- Reduce General Fund to CIP contributions
- Start program to find/analyze savings, efficiencies

##### Revenue

- Grants, invest more to get more
- Cable TV – 5%
- (Long-term) Committee to look at levy lid lift
- Gambling rate to 11-12%
- Business registration
- Business “revenue generating” program (10+ employees)

##### Other Ideas

- Cost-sharing ideas with schools – e.g. maintenance of fields, some sharing of programs, youth facilities – April – partner with schools on a Youth Master Plan
- Increase emphasis on lobbying and intergovernmental relations for capital projects

After Council discussion of the short- and long-term solutions, City Manager Bob Olander provided the following staff recommendation.

**Staff Recommendation**

- Increase the cable utility rate by 5%
- Increase the Seattle City Light Distribution by 3% in 2008 and 3% in 2009 (Check with SCL regarding the possibility of lowering the eligibility requirement for the exemption program so that more residents can qualify)
- Reduce the General Fund contribution to capital
- Long-term strategy - Pursue with a citizen committee the possibility of a levy lid lift (election in 2009)
- Long-term strategy - Implement the business registration program
- Long-term strategy - review the possibility of impact fees

There was general consensus to consider these proposals and the staff will provide more detail to Council in March 2007.

**Going Forward: Community Involvement**

The following is a list of outreach ideas suggested by Councilmembers to involve the community:

- Conduct 1-2 town hall public meetings (early spring, before budget preparation by staff): layout the City's financial challenges and ask citizen for their good ideas
- Organize a levy lid lift advisory group
- Conduct a phone survey of citizens
- Use Currents as a communication tool
- Conduct an independent review/performance audit of how the City is run - find efficiencies

## **Appendix One**

### **Retreat Participants**

Mayor  
Bob Ransom

Deputy Mayor  
Maggie Fimia

Councilmember  
Rich Gustafson

Councilmember  
Ron Hansen

Councilmember  
Keith McGlashan

Councilmember  
Cindy Ryu

Councilmember  
Janet Way

City Manager  
Bob Olander

Assistant City Manager  
Julie Modrzejewski

Finance Director  
Debbie Tarry



City Attorney  
Ian Sievers

Planning and Development Services Director  
Joe Tovar

Communications and Intergovernmental Relations Director  
Joyce Nichols

Acting Public Works Director  
Jesus Sanchez

Chief of Police  
Tony Burt

Human Resources Director  
Marci Wright

Parks, Recreation and Cultural Services Director  
Dick Deal

Facilitator  
Michael Pendleton

*Please note: three members of the public were present at the retreat.*