DRAFT

June 21, 1999

CITY OF SHORELINE

SHORELINE CITY COUNCIL
SUMMARY MINUTES OF WORKSHOP MEETING

Monday, June 21, 1999
6:30 p.m.

Shoreline Conference Center
Mt. Rainier Room

PRESENT: Deputy Mayor Montgomery, Councilmembers Gustafson, Hansen, King, Lee and Ransom

ABSENT: Mayor Jepsen

1. CALL TO ORDER

The meeting was called to order at 6:30 p.m. by Deputy Mayor Montgomery, who presided.

2. FLAG SALUTE/ROLL CALL

Deputy Mayor Montgomery led the flag salute. Upon roll by the City Clerk, all Councilmembers were present with the exception of Councilmember Hansen, who arrived shortly thereafter, and Mayor Jepsen.

Upon motion by Councilmember Lee, seconded by Councilmember Gustafson and unanimously carried, Mayor Jepsen was excused.

3. CITY MANAGER'S REPORT

Larry Bauman, Assistant City Manager, asked for Council consensus to hold the Executive Session before the second workshop item. There was Council consensus to do so. Mr. Bauman also described upcoming agenda items.

4. COUNCIL REPORTS

Councilmember Gustafson reported on meetings to discuss forming a Youth Council for Shoreline, Lake Forest Park and King County. He asked that this issue be brought before Council for discussion. He also noted his attendance at the Human Services Roundtable.

Councilmember King reported on the King County Council's actions of voting 13 - 0 in favor of the third wastewater treatment plant and 8 - 5 in support of the Kenmore interceptor.

Councilmember Ransom reported on the Suburban Cities Association (SCA) Jail Advisory Committee meeting, noting the reasons for his view that King County wishes to

have SCA approval of the proposal without serious discussion. He added that the proposal could have major budget impacts.

Councilmember Hansen arrived at 6:35 p.m.

5. PUBLIC COMMENT

(a) Ros Bird, Executive Director of the Shoreline Arts Council, invited the Council to the Shoreline Arts Festival this weekend and distributed the Concert in the Park schedule.

6. WORKSHOP ITEMS

(a) Council review of alternatives to be evaluated in the development of the Richmond Highlands Community Center

Wendy Barry, Parks, Recreation and Cultural Services Director, reviewed the staff report, highlighting the existing condition of the facility, which is marginal for current uses. She outlined the alternatives identified by staff: 1) rehabilitation of the existing facility; 2) development of a new or expanded facility; and 3) partnering with the School District's proposed improvements at the Shoreline Center athletic facility. Ms. Barry concluded that the evaluation of alternatives will involve an extensive public involvement process, including review by the Parks, Recreation and Cultural Services Advisory Committee.

Councilmember King commended the approach of working with the School District and mentioned her dream of having a coffee house for teens.

Responding to Deputy Mayor Montgomery, Ms. Barry said there is $800,580 in the capital budget for this project. Once an alternative is selected, the Council will have an opportunity to revisit this allocation if necessary.

Responding again to Deputy Mayor Montgomery, Ms. Barry said the teen program takes up a lot of time at the facility, but it is also used for indoor playground programs and rented to the community. She said Alternative #1 would upgrade the facility but within the existing footprint.

Councilmember Gustafson felt that the options should not be limited at this point. He recommended that the School District committee looking at upgrades to the Shoreline Center athletic facility make a presentation to Council as it did to the School Board. He felt the vision should be kept open.

Responding to Deputy Mayor Montgomery, Councilmember Gustafson said the current plan does not include enhanced parking. However, additional parking between the stadium and the gymnasium has been discussed by the committee. Ms. Barry added that the times the Shoreline Center would be in use would differ from age group to age group, thus spacing the demand for parking throughout the day.

Responding to Councilmember Lee, Ms. Barry said the City would upgrade the Richmond Highlands Center under each of the alternatives. She clarified that the alternative selected will determine the extent of the upgrade and the amount of additional funding needed, if any.

Councilmember Hansen said completely redoing the facility would not necessarily preclude partnering with the School District. He agreed that all options should be kept open.

EXECUTIVE SESSION

At 7:09 p.m., Deputy Mayor Montgomery announced that Council would recess into Executive Session for 30 minutes to discuss one item of agency enforcement or potential litigation. At 7:59 p.m., the Executive Session concluded, and the workshop reconvened.

(b) Guidelines for regulation of food and drink businesses conducting social card games, punch boards, or pull tabs

Tim Stewart, Director, Planning and Development Services, outlined the Council's options in dealing with establishments conducting social card games, punch boards or pull tabs: 1) allow gaming establishments; 2) allow and encourage gaming establishments; 3) allow gaming establishments with conditions and restrictions; 4) prohibit new gaming establishments; and 5) prohibit all gaming establishments.

Consulting Attorney Bruce Disend said the status of Washington law with regard to gambling operations is quite clear. He explained that Shoreline can authorize gaming establishments to operate, or it can ban them completely. Current law is more ambiguous about: 1) the imposition of regulations related to zoning; 2) the way operations may occur; and 3) the ability to prohibit new establishments while allowing those in existence to stay. If Council chooses one of these options, there is the possibility of legal challenge.

Deputy Mayor Montgomery called for public comment.

(a) Sam and Linda Lantow, 14525 Aurora Avenue N, owners of the Hideaway Card Room, described the benefits given to 52 employees and the amount of taxes paid per year ($250,000). Ms. Lantow felt it would be "un-American" to close their business.

(b) Dolores Chiechi Whitmore, 1501 S Capital Way, Suite 201, Olympia, represented the Recreational Gaming Association. She emphasized the difference between mini-casinos (enhanced card rooms) and casinos, noting that mini-casinos allow the private sector to compete for the players who were visiting tribal casinos. She noted that tribal casinos pay a volunteer community impact contribution of 2 percent, while card rooms pay 2 percent Business and Occupation (B&O) tax to the State and can be

taxed up to 20 percent at city/county levels. She concluded that these establishments provide living wage jobs as well as tax revenue to their communities and that a new Gallup poll shows that 63 percent of Americans approve of legalized gambling and 67 percent say casinos generally help a community's economy.

(c) Bob Tull, 708 Dupont, Bellingham, spoke representing Goldie's. He emphasized that the jobs created by gaming establishments are not entry-level but living wage jobs when tips are included. He said the City has no justification to pursue the harsher options, but he could support Option #3, which allows the City to start regulating where new establishments can locate. He recommended looking at the percentage of floor space allocated to non-eating and drinking activities. This could be a screen to trigger a site review or conditional-use process.

(d) Melissa Harold, 4207 222nd St. SW, Mountlake Terrace, said that her part-time job in a gaming establishment allows her to go to school full-time. She said this industry pays decent wages and supports a large number of people.

(e) Tu Lifser, 205 134th St. SW, Everett, spoke as another college student able to attend school because of the wages and tips he earns at a gaming establishment.

(f) Rishi Noriega, 15420 40th Avenue S., Tukwila, supported previous speakers, noting jobs in the gaming industry allow workers to support their families and get off welfare.

(g) Sanji Noriega, 15420 40th Avenue S., Tukwila, also a student and an employee of the gaming industry, said his job allows him to take care of his family and to go to school.

(h) Mark Collier, no address given, said he is living from place to place and trying to get back on his feet. He asked Council to consider how much harm gambling does to the community and whether a ban would do more harm than good.

(i) Robert Noriega, 15420 40th Avenue S., Tukwila, said those who work at Goldie's Casino need their jobs and will have nothing if they are taken away. They simply want a fair chance to work.

Councilmember Ransom pointed out a series of "errors" in the staff report, explaining that Parker's, as well as the Drift on Inn, has recently been approved for increased betting limits from $25 to $100 under its Phase 2 mini-casino license. However, the statement on increased betting limits at Goldie's is misleading, in that Goldie's is still operating under a Phase 1 license at the $25 betting level. He also noted that the statement that Washington State does not tax gaming establishments such as card rooms is inaccurate because the State applies a 2% B&O tax.

Continuing, Councilmember Ransom said the report does not make a distinction between social card rooms and food and drink establishments with pull tabs or punch boards. He

noted that Seattle banned card rooms, but not pull tabs or punch boards. Furthermore, he disputed the statement that "the value of gaming is generally reported to be limited because it produces no product and no new wealth, and thus makes no genuine contribution to economic development." He said this could be said about sport events or any recreational activity, as well as restaurants. Gaming is no different from a large part of the economic base.

Councilmember Ransom disputed references to the gaming industry as providing entry-level jobs with no chance of promotion. He said most of the entry level jobs earn about $30,000/year including benefits and tips. Furthermore, there are many opportunities for promotions because there is one floor supervisor for each five dealers, with at least one gambling manager per shift. He also felt that references to crime should not be to places like poor counties in Mississippi when the State Gaming Commission has done substantial studies which staff had available but did not use or make reference to. These studies of Phase 2 gaming establishments show no crime problem, and Shoreline's Police Chief has told him there is no crime problem at gaming establishments in Shoreline. He emphasized that gaming establishments would lose their licenses if illegal activities are found to be occurring on the grounds.

Turning to the statistics on taxes, Councilmember Ransom said that the cities mentioned in the report as having tax rates of 20% do not have existing card rooms. He felt the City of Everett, with a 3.5% tax rate, and Snohomish County, with a 5% tax rate, should have been included in the jurisdictions listed to create the average. He also disputed the figures provided on the social cost of treating compulsive gamblers, which he said were provided by anti-gambling publications. He pointed out that the figure from the National Gaming Impact Study Commission released on February 1, 1999 involves an actual study and gives the lifetime cost of treating a compulsive gambler at $5,000/$6,000, which is only one-tenth of the figure in the staff report.

Finally, Councilmember Ransom concluded that the statement that "the City would incur long-term costs resulting from lost economic development (i.e., other businesses migrate away from gambling uses)" can be countered by other studies, as well as by comments by the City's own Economic Development Specialist that gaming establishments can be anchor stores attracting businesses.

In conclusion, Councilmember Ransom said this report came out before the gaming businesses in Shoreline had a chance to present their case to staff or Council. He emphasized that the State Gaming Commission has put out numerous publications not included in the report. He said the business community does not feel it has been heard.

Deputy Mayor Montgomery responded that it is usual procedure for a staff report to be issued before a public hearing. Councilmember Ransom's concern was that staff had not presented a balanced picture.

After commenting that staff was quoting data on this topic and not producing its own information, Councilmember Lee asked whether the City of Federal Way has gone to a

20 percent tax rate. Mr. Stewart responded that as of March 24, 1999 Federal Way was listed as taxing at 11 percent.

Responding to Councilmember Lee, Mr. Disend said staff agrees with the Gambling Commission that it has exclusive authority to license gambling establishments. Cities cannot deny a license but can deny the operation of gaming establishments within their confines. Where cities have diverged from the Gambling Commission's view is the scope of regulations that might be imposed by local jurisdictions on existing gaming establishments or those that may be coming in to a jurisdiction.

Deputy Mayor Montgomery agreed with the view that Mayor Jepsen previously expressed to Council that the City should phase in a 20-percent tax rate regardless of the option Council chooses.

Councilmember Ransom said that the governor vetoed a bill last year that had passed both houses by a substantial margin. It put a cap on the potential tax rate at 10 percent. This year the governor initiated a moratorium on mini-casino licenses and asked cities not to raise their taxes during this period. He reported that two casinos in Spokane went out of business when the tax rate there was raised to 20 percent and that a third is failing.

Councilmember Gustafson felt he needed clarification on whether existing businesses create harmful secondary effects and whether new gaming establishments would be consistent with the Comprehensive Plan and development regulations. He hoped that the public hearing would address the first issue.

Mr. Stewart explained that the existing moratorium expires on August 8, 1999, although it can be extended. He asked Council to review the options and the studies and then reflect on Shoreline's community values. He encouraged Council to remember that not all places are the same. Council should keep in mind how Shoreline relates to its neighbors and its citizens. He said Council will be asked to move forward to public hearing.

Councilmember Gustafson emphasized the importance of reviewing the Comprehensive Plan and the development regulations.

Responding to Councilmember Gustafson, Mr. Stewart said Option #4 will require careful crafting of the regulations to allow legally existing uses to continue.

Mr. Disend added that Option #3 limits the ability of businesses to operate, which always raises the possibility of a court challenge. Option #4 might receive a challenge from new businesses seeking to locate in Shoreline.

Councilmember King favored Option #3. She liked the feel of the Hideaway, which "fits into what Shoreline is all about." She suggested that if the tax rate were increased to 16 percent, the additional 5 percent in revenue be dedicated to youth activities.

Deputy Mayor Montgomery clarified that Mayor Jepsen had suggested going to 16 percent the first year and 20 percent the next.

Councilmember Hansen felt he should not take a position on the options until after he has heard all the public comment. He wanted to explore all the options.

Deputy Mayor Montgomery said in her dealings with the public, there has not been much support for Options #1 and #2.

Responding to Councilmember Ransom, Mr. Disend clarified that a legal differentiation can be made between card rooms and establishments with pull tabs, and between social card rooms and mini-casinos.

Councilmember Lee asked staff to check on Federal Way's rate, which she thought had gone up to 20 percent. Mr. Disend said the Council has the independent authority to set the tax rate. She asked for additional information on the impacts of raising the tax rate.

Councilmember Gustafson also wanted to keep the options open, but agreed with Deputy Mayor Montgomery that in his conversations with the public Options #1 and #2 have not been favored.

Councilmember Ransom felt there should be some restrictions on mini-casinos, which are regional businesses, so he was leaning toward Option #3. He said mini-casinos do not belong in neighborhoods, since they are regional businesses.

Mr. Bauman confirmed that staff will set a date for the public hearing and that none of the options will be eliminated.

7. CONTINUED PUBLIC COMMENTS

(a) Michael Preston, 317 22nd E, Seattle, pointed out that no other business is as highly regulated and taxed as the gaming industry and that no other business could survive with a 20 percent tax rate. He said taxing at that rate will mean the elimination of health benefits. He made several other points: 1) the value of a casino after enhancement far exceeds any building of comparable size and accoutrement; 2) casinos do not create any more crime than any other concentration of population; 3) the industry provides high wage jobs that have a residual economic impact because employees spend their money where they work; 4) people in the industry care about what happens in the City; and 5) young people are given training and a livable wage. Mr. Preston emphasized that you can tell when people feel strongly about something when they come out to testify on the issue. He pointed out that no one spoke in opposition to the mini-casinos at the last public hearing. He supported Options #3 or #4.

(b) Mark Mitchell, Drift on Inn, said there has been no crime in the year of operation of the Drift on Inn as a mini-casino. He felt that if tax rates are increased across the State, the next legislature will set a cap of 10 percent. Noting that his

operation pays more taxes than Sears, Home Depot, K-Mart and Costco combined, he predicted that if Shoreline's rates are increased, other establishments will not survive. He concluded by pointing out that the average tax rate is lower than Shoreline's current rate.

(c) Melissa Harold, 4207 222nd St. SW, Mountlake Terrace, said raising taxes will close down some of the card rooms, and will reduce health benefits for employees. She said she saw more crime on the night shift at Denny's than at the card room. She advised Councilmembers to visit card rooms and concluded that gambling allows people to have fun.

(d) Adam Borgia, 628 NE 154th St., Kenmore, said gambling is a form of recreation that many people enjoy. He urged against raising taxes because it will cause employees to lose health benefits.

(e) Dolores Chiechi Whitmore, 1510 S. Capital Way, Suite 201, Olympia, said numerous bills were introduced in the 1999 session regarding gaming, and a legislative committee is now working to make recommendations to the 2000 legislature. She requested that the City delay any decisions until the legislature has had a chance to act, and she offered to work cooperatively to resolve the issues around enhanced card rooms so they can continue to provide living wage jobs and tax revenue for the local communities.

(f) Sanji Noriega, 15420 40th Avenue S., Tukwila, said raising taxes will impact competition and encourage monopolies because many businesses will close. He pointed out that dealers are paid at minimum wage but tips increase that to a living wage.

(g) Carol Henry, 17001 Aurora Avenue N., spoke as an employee of Parker's. She said one issue that hasn't been addressed is that Parker's is not being allowed to repair bathrooms because of the moratorium. She asked for an interim measure to address Parker's needs to do repairs. She also mentioned the need for construction of a wall in the expansion area in order to have a quality of sound that will allow booking of national acts. Turning to the tax issue, she said some mini-casinos would go out of business if City raises the tax rate. She said a 16 percent tax would force Parker's to cut benefits for staff.

(h) Robert Noriega, 15420 40th Avenue S., Tukwila, said Goldie's received a license to operate a mini-casino in January. It has acceded to the City's request not to make enhancements. Now he would like clarification from the Council about whether simple repairs to bathrooms, air conditioning systems, etc. can be made. He asked that the Council not hold the gaming establishments hostage when they have worked every step of the way with Council.

(i) Ralph Howland, 1013 Summit Avenue E., Seattle, owner of Cliff's Tavern and Card Room, opposed being grouped together with casinos and mini-casinos. He said his is a small card room and he did not think he could survive at a 20 percent tax rate.

Mr. Stewart explained that the moratorium prohibits expansion or intensification of existing gambling operations. The issue is what constitutes intensification. He said Parker's had discussed with staff the proposed expansion of the gaming area and this was deemed not permitted. To his knowledge, no inquiries or applications have been received concerning restroom facilities. He said work on the bathrooms at Goldie's was not deemed an expansion or intensification of the operation and staff would be happy to receive an application.

Deputy Mayor Montgomery thanked the speakers for their comments, noting they were articulate and reasonable.

8. EXECUTIVE SESSION

At 9:24 p.m., Deputy Mayor Montgomery announced that the Council would recess into Executive Session for 30 minutes to discuss City enforcement matters. At 9:56 p.m., the Executive Session concluded, and the workshop reconvened.

9. ADJOURNMENT

At 9:56 p.m., Deputy Mayor Montgomery declared the meeting adjourned.

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Sharon Mattioli
City Clerk

DRAFT

CITY OF SHORELINE

SHORELINE CITY COUNCIL
SUMMARY MINUTES OF DINNER MEETING

Monday, June 28, 1999
6:00 p.m.

Shoreline Conference Center
Highlander Room

PRESENT: Mayor Jepsen, Deputy Mayor Montgomery, Councilmembers Gustafson, Hansen, King, Lee and Ransom

ABSENT: None

STAFF: Robert Deis, City Manager; Larry Bauman, Assistant City Manager; Joyce Nichols, Community and Government Relations Manager

The meeting convened at 6:20 p.m. All Councilmembers were present.

City Manager Robert Deis reviewed a handout regarding legislative issues. He emphasized information regarding proposed Initiative 695, which would reduce the Motor Vehicle Excise Tax.

Community and Government Relations Manager Joyce Nichols discussed transportation funding. She noted that Shoreline did not receive funding related to Referendum 49, but she said the City has been successful in obtaining other transportation grant funds.

In response to Councilmember Gustafson, Ms. Nichols discussed reasons the City did not receive funding related to Referendum 49: 1) Shoreline is not represented on the Transportation Committee; and 2) Senate Transportation Chair Mary Margaret Haugen sought to fund innovative transportation projects.

Ms. Nichols mentioned that an 18-month State study of aging infrastructure is expected to demonstrate the need for investments for infrastructure repairs. She went on to discuss issues likely to reemerge during the next legislative session: buildable lands; gambling taxes; telecommunications rights-of-way; water/sewer assumptions; and issues related to the Endangered Species Act and water rights.

In response to Councilmember Ransom, Mr. Deis said staff is gathering information about water and sewer rates to present to Council. He stressed that this research is strictly fact finding.

Mayor Jepsen reported that he received a telephone call from someone claiming to represent the Christian Coalition who wanted to know what Council planned to do about gambling. He said there may be an effort to rally Christian pastors to oppose gambling in Shoreline.

Mr. Deis mentioned that some Aurora Avenue business owners oppose Aurora Pre-Design Study Alternative 2. He identified access as their primary concern and right-of-way as their secondary concern.

Mr. Deis and Council next discussed the Interurban Trail project.

Mr. Deis distributed copies of the agenda for the Point Wells Open House on July 27. He noted who had been invited to participate on the panels. He suggested that Mayor Jepsen and Councilmember King represent Council on the panel.

Assistant City Manager Larry Bauman distributed flyers from the King County Sheriff's Office concerning two sex offenders who have located in Shoreline. He said these individuals will be the subjects of a notification meeting on July 14 at Kellogg Middle School.

The meeting adjourned at 7:22 p.m.

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Larry Bauman
Assistant City Manager

DRAFT

CITY OF SHORELINE

SHORELINE CITY COUNCIL
SUMMARY MINUTES OF REGULAR MEETING

Monday, June 28, 1999
7:30 p.m.

Shoreline Conference Center
Mt. Rainier Room

PRESENT: Mayor Jepsen, Deputy Mayor Montgomery, Councilmembers Gustafson, Hansen, King, Lee and Ransom

ABSENT: None

1. CALL TO ORDER

The meeting was called to order at 7:30 p.m. by Mayor Jepsen, who presided.

2. FLAG SALUTE/ROLL CALL

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

3. REPORT OF CITY MANAGER

City Manager Robert Deis introduced Shoreline School District Superintendent Marlene Holayter who, in turn, introduced two Shorecrest High School students who had won the King County Municipal League's contest on "What It Means to be a Citizen." Jennifer Kim read her poem and Beth Archer read her essay.

4. REPORTS OF BOARDS AND COMMISSIONS

(a) Reports by Senator Darlene Fairley and Representative Carolyn Edmonds regarding the 1999 Legislative Session

Senator Darlene Fairley discussed the results of the 1999 legislative session. In particular:

- she asserted that the Senate budget was "good" in the areas of human services and schools;
- she explained that she had proposed an amendment to the Buildable Lands Bill to require the State to fund any change in the City's Comprehensive Plan; advocates of the bill pushed it through the Senate in her absence, but the House stopped it; and
- she said she has received assurances that nothing will be done to further reduce local taxes on bingo parlors.

Speaking on behalf of herself and Representative Ruth Kagi, Representative Carolyn Edmonds reported the following:

- she warned that the buildable lands issue will come up again; the House Local Government Committee will hold a hearing on the issue this fall;
- she noted that the State Department of Ecology is updating the Shoreline Master Plan, that current law requires cities to update their guidelines within 24 months of State changes and that some cities have asserted that this timeframe is too short and that the requirement represents an unfunded mandate;
- she acknowledged that she and Rep. Kagi failed to obtain transportation funding for the Aurora Corridor, but she noted that Shoreline will receive approximately $600,000 over the biennium in additional funds from the local option enhancement;
- she said some suburban cities perceive the enforcement of the new lower blood alcohol level as an unfunded mandate; she asked if this is an issue for Shoreline;
- she advised that Shoreline will have the opportunity to apply for local grant funds established as part of the salmon recovery legislation; and
- she explained that, as a result of a request by Representative Kagi, all bills that go through the Corrections Committee must now identify fiscal impacts to local jurisdictions.

Senator Fairley asked the City to advise her when staff has submitted a request for State grant funding and the legislature has not identified the request for funding. She explained that, as a member of the Ways and Means Committee, she can have funding requests reconsidered. She went on to underscore that she supports Shoreline interests in her work on the Energy, Telecommunications and Technology Committee. In conclusion, Senator Fairley noted her opposition to legislation to impose sales taxes on Internet businesses.

Mayor Jepsen reiterated his appreciation for the cooperation of Senator Fairley and Representatives Edmonds and Kagi with the City during the legislative session.

In response to Mayor Jepsen, Senator Fairley expressed her hope that supporters of Initiative 695 will not obtain enough signatures to put the initiative on the ballot. If the initiative reaches the ballot, she said opponents must push the media to understand the devastating impact of the initiative at the local level.

At 8:02 p.m., Mayor Jepsen turned the gavel over to Deputy Mayor Montgomery and left the Council meeting.

Councilmember Gustafson commented on the passage of Senate Bill 96, the Internet Tax Freedom Act. If enacted, he said the legislation would impose a three-year moratorium on Internet sales taxes. He noted that a commission has formed that will propose policies and regulations after two years.

Councilmember Lee asserted the significant impact of Internet sales on small cities with downtown cores of small retail businesses. She said legislators must address electronic commerce and Internet sales taxation very carefully.

Councilmember Hansen explained his position on Internet sales and offered to work together with the legislators on this issue. He also mentioned that the tax rate on charity bingo parlors has decreased from ten percent to five percent. Senator Fairley reiterated that there will be no further cuts in that tax rate.

With regard to Initiative 695, Councilmember Hansen noted past commitments by legislators to make up any loss in sales tax equalization funds resulting from reductions in the Motor Vehicle Excise Tax (MVET). He asked about Senator Fairley and Representative Edmonds' position on the issue. Senator Fairley said she would advocate the dedication of surplus revenues to make up for any shortfall in sales tax equalization funds resulting from reductions in MVET. Representative Edmonds said she does not know enough about the sales tax equalization system to commit to replacing any shortfalls in it. She went on to express her commitment to advocate a solution that would replace the lost income to local jurisdictions.

Mr. Deis said the City would lose $2.5 million if Initiative 695 passed into law. In response to Representative Edmonds, he agreed that the initiative will effect all cities, but he said it will have a disproportionate impact on those cities heavily reliant on sales tax equalization. He noted that Shoreline is second or third in the State in its reliance on sales tax equalization. Representative Edmonds requested a list of the other cities dependent on sales tax equalization revenues.

Mr. Deis went on to explain that Initiative 695 would require the prior approval of voters for any fee adjustments. He mentioned that the City has development, parks and recreation fees. Senator Fairley agreed that this provision would paralyze City operations.

Deputy Mayor Montgomery said State funding for economic development assistance is focused almost entirely on rural areas. Representative Edmonds noted the perspective in the legislature that Shoreline is close enough to urban areas for its residents to have access to jobs. Senator Fairley and Deputy Mayor Montgomery pointed out that the ability of individual residents to commute to jobs outside the City does not change the economic development problems of the City.

Senator Fairley said she received a letter from King County Sheriff Dave Reichert requesting a meeting to discuss the most pressing public safety issue in her district. She asked Council to identify a primary public safety issue in Shoreline.

Representative Edmonds asked if the City could identify other suburban cities with economic development problems similar to those in Shoreline. Mr. Deis agreed to provide that information.

Councilmember King suggested that staff submit courtesy copies of City applications for State grant funds to Senator Fairley and Representatives Edmonds and Kagi. She went on to note her understanding that bingo parlors oppose State limitations on the number of days that they may operate each week. Finally, she questioned whether the State

considers jobs over local tax revenues in addressing economic development. Senator Fairley said the Senate focuses on average wages and unemployment rates. She reiterated the perception in the legislature that communities in King County do not have economic development problems.

Councilmember Ransom noted a statistic that 70 to 80 percent of crimes in Shoreline are drug related. He said the King County Sheriff's Department is not willing to send personnel specializing in organized crime to suburban areas to address drug houses. He noted that the Shoreline Police Department, which includes a special four-member task force, has closed 135 drug houses and that this has affected the crime rate in Shoreline. He suggested that the Sheriff's Department should emphasize anti-drug efforts at the grassroots level.

Next, Councilmember Ransom clarified that the State Gambling Commission requires that charity bingo parlors return 75 percent of revenues in prizes to participants. He asked if Senator Fairley supports a reduction of tax rates for private gambling businesses. Senator Fairley said she has received assurances that taxes on for-profit gambling establishments will not be reduced.

Finally, Councilmember Ransom asked why the City did not receive any of the transportation funding related to Referendum 49. Representative Edmonds noted a misconception that the legislature considered a separate list of transportation projects for funding under Referendum 49. She asserted that the legislature developed the transportation budget by consolidating all revenue streams and then developing a list of projects for funding. She suggested that City staff brief her on the Aurora Corridor project.

Councilmember Hansen and other Councilmembers thanked the legislators for their work on behalf of Shoreline.

RECESS

At 8:40 p.m., Deputy Mayor Montgomery declared a brief recess. The meeting reconvened at 8:45 p.m.

3. REPORT OF CITY MANAGER

In response to Mr. Deis, there was Council consensus in support of canceling the Regular Meeting scheduled for July 12. Mr. Deis mentioned the open house regarding Pt. Wells at 7:00 p.m. on July 27 in the Shorewood High School cafeteria.

5. PUBLIC COMMENT

(a) John Hull, 19522 Aurora Avenue N, discussed the letter that he submitted to Council regarding interactions he has had with the Shoreline Police Department. Mr. Deis promised a staff response.

6. APPROVAL OF THE AGENDA

Councilmember Lee moved to approve the agenda. Councilmember Gustafson seconded the motion, which carried unanimously.

7. CONSENT CALENDAR

Councilmember Ransom moved to approve the consent calendar. Councilmember Hansen seconded the motion, which carried 6-0, and the following items were approved:

Workshop Minutes of June 7, 1999
Dinner Meeting Minutes of June 14, 1999
Regular Meeting Minutes of June 14, 1999

Approval of Expenses and Payroll as of June 21, 1999 in the amount of $647,501.70

Ordinance No. 198 annexing certain real property commonly known as Annexation Area A-2 and establishing an effective date

Motion to authorize the City Manager to execute an amendment to the Bi-Tech license agreement permitting other public agencies the ability to purchase software through the City license subject to conditions

Ordinance No. 199, amending Ordinance No. 184 as amended by authorizing expenditures from the General Capital Fund for a capital project to repair and relocate sewer and water lines at Richmond Beach Saltwater Park

8. ACTION ITEMS: OTHER ORDINANCES, RESOLUTIONS AND MOTIONS

(a) Motion to authorize the City Manager to: 1) amend the 1997 King County/City of Shoreline Parks and Recreation Interlocal Agreement; 2) sign an interlocal agreement accepting $93,543 of Open Space Reimbursement funds; 3) sign a joint cooperation agreement accepting $71,447 of Real Estate Excise Tax funds; and 4) sign funding agreements with the Federal and State governments related to the receipt and expenditure of grant funding

Mr. Deis thanked King County Councilmember Maggi Fimia for her advocacy of this project at the Puget Sound Regional Council (PSRC).

Kirk McKinley, Transportation Manager, reviewed the staff report.

Councilmember Gustafson moved to authorize the City Manager to: 1) amend the 1997 King County/City of Shoreline Parks and Recreation Interlocal Agreement; 2) sign an interlocal agreement accepting $93,543 of Open Space Reimbursement funds; 3) sign a joint cooperation agreement accepting $71,447 of Real Estate Excise Tax funds; and 4) sign funding agreements with the Federal and State governments related to the receipt and expenditure of grant funding. Councilmember Ransom seconded the motion.

Councilmember Lee questioned the transfer of an agency lead change through the PSRC. Mr. McKinley explained that the City and the County will draft and sign a letter to the PSRC stating that the City will be the lead agency for the project.

Responding to Councilmember Ransom's question about ownership of the trail, Mr. McKinley explained that it is on Seattle City Light (SCL) right-of-way. The City will negotiate a use agreement but will not become the owner. He thought perhaps the reference to ownership in the existing interlocal was an error.

Mr. Deis added that at the time the interlocal was approved, King County was simultaneously negotiating with SCL on accessing the right-of-way. He said there may have been a discussion of ownership during this period.

Responding to Councilmember Gustafson, Mr. McKinley said the grant funding that Shoreline received to construct the trail was part of a regional application, with several agencies participating. Seattle also received funding for a section from 108th Street to 129th Street, and it has started the design process and working with neighborhoods.

Mr. McKinley distributed a map of the trail, illustrating where Shoreline's segments will tie in with other jurisdictions. Mr. Deis added that the actual route of the trail will be reaffirmed before design starts.

Responding to Councilmember Lee, Mr. McKinley said the recruitment for the design firm will begin this week, with construction of two sections expected next spring.

A vote was taken on the motion, which carried 6 - 0, and the City Manager was authorized to: 1) amend the 1997 King County/City of Shoreline Parks and Recreation Interlocal Agreement; 2) sign an interlocal agreement accepting $93,543 of Open Space Reimbursement funds; 3) sign a joint cooperation agreement accepting $71,447 of Real Estate Excise Tax funds; and 4) sign funding agreements with the Federal and State governments related to the receipt and expenditure of grant funding.

(b) Motion to approve Resolution No. 154 adopting the Revised City of Shoreline Personnel Policies

Councilmember Ransom moved to postpone discussion of this item to a workshop. Councilmember Lee seconded the motion.

Councilmember Ransom noted that most City Councilmembers were out of town last week and so did not have sufficient time to review the materials. He pointed out that the revisions are substantial.

A vote was taken on the motion, which failed 3 - 3, with Councilmembers King, Lee and Ransom voting in the affirmative.

Mr. Deis explained that the personnel policies are extremely important to employees because there are no union agreements in Shoreline. He said the challenge is to strike a balance between giving flexibility to managers while providing the employees with adequate protections.

Marci Wright, Human Resources Director, explained that the current policies were adopted in September 1996. After three years of experience with them, several areas have been identified for clarification and some new policies have been added. This is not unusual for personnel policies, which tend to be living documents needing periodic updates. She said many policies were simply edited for clarity and elimination of redundancies. Noting that employees expect the policies to provide predictability, stability, equity, and consistency of treatment, she emphasized that managers need flexibility to ensure that they are able to operate their areas of responsibility.

Continuing, Ms. Wright explained there was an extensive internal process, including review by an employee committee (with representatives from all departments from different levels of responsibility) and the Management Team. When the employee committee and Management Team reached consensus, the document was put out for review by all employees, who had an opportunity to raise issues and ask questions.

Councilmember King moved approval of Resolution No. 154. Councilmember Hansen seconded the motion.

Councilmember Ransom had very serious concerns about several sections in the proposed revisions. He began with *Section 4.13, "Personnel Files."* He provided some history, noting that detailed information based on State law was included here to make clear to both employees and the public what they had access to and what they did not. This language was carefully negotiated by the City Attorney, Tim Sullivan, and the Municipal Research and Services Center attorneys. Councilmember Ransom felt the statement "personnel files are kept confidential to the maximum extent permitted by law" suggests the exclusion of public access. He believed that striking the current language loses the clarity originally intended.

He specifically referred to the language on page 115 of the Council packet: "State law (RCW 42.17.310) exempts information contained in an employee's personnel file to the extent that disclosure would violate the employee's right to privacy. What constitutes a violation of a person's right to privacy is defined as the disclosure of information about the person that would be 'highly offensive to a reasonable person,' and 'is not of

legitimate concern to the public' (RCW 42.17.255). The following information is considered public information: job classification; pay; tenure; prior employment history, including names of employers, titles or job classifications, duties and responsibilities; education, including the name of institutions attended, dates attended, and degrees obtained; and occupational licensing. Except for routine verifications of employment, no information from an employee's personnel file will be released to the public, including the press, without a simple written request for specific information. This request may be made by fax. The employee will be informed by the City Clerk's Office that access was granted under the laws regulating public disclosure. Exceptions, such as providing information to state unemployment agencies, both federal and state investigators and the like, may be made by Human Resources with the approval of the City Manager."

Ms. Wright responded that there is a great deal of State law and case law on personnel files and on public access to them. The City's policy is to comply with the law. However, this area changes, and it is greatly defined by case law. Therefore, staff felt that the codification of current law in the policies could result in conflicts if there were to be changes to the State law.

Mr. Deis added that personnel rules can reflect either a prescriptive approach or a more generalized approach. He said, based on his experience with human resources issues, he preferred the more general approach, which would encourage an individual who wishes to access a personnel file to go to the Human Resources Department.

Councilmember Ransom agreed that the law changes, but only every three to five years, so it would not be difficult to amend the policies accordingly.

Councilmember Gustafson commented that the Mukilteo School District recently undertook the same process of rewriting its policies and took the same approach of streamlining and eliminating redundancies such as the repetition of State laws. He agreed with the staff approach to eliminate verbiage that is difficult to interpret.

Councilmember Ransom pointed out that the appropriate Revised Code of Washington section is not even enumerated for reference. Councilmember Gustafson supported the simpler format, as did Deputy Mayor Montgomery.

Councilmember Gustafson suggested one small change to the policies: that the language in *Section 9.01* say "resigning employee" rather than "employee resigning." Council and staff concurred with this change.

Councilmember Gustafson reiterated his support for the revisions, noting that if specific issues come up in the future, the policies can be revisited at that time.

Continuing with his concerns, Councilmember Ransom referred to *Section 8.15, "Complaint Resolution Procedure, Step 3."* He noted that a Council committee originally discussed this issue in extraordinary detail with the goal of creating a procedure that would alleviate the need of employees for collective bargaining. It

developed a process whereby an independent body would provide employees with a grievance procedure equivalent to what they would have had under collective bargaining to protect them from arbitrary action by management or the City Council. He said he preferred a civil service or personnel appeals board but because of court decisions giving collective bargaining preference, the Council committee chose to use a grievance process with each party picking an arbitrator and those two picking the third. The revised policy eliminates the intention of this process and leaves the final decision to the City Manager.

Ms. Wright agreed that fairness to employees is paramount. She said the proposal does not change the current policy, under which the City Manager makes the final decision. It simply eliminates the recommendation by an employee committee. There was a concern that the committee approach tends to put employees in a very awkward situation and raises privacy concerns when employees are privy to sensitive personnel issues.

Mr. Deis said a grievance is almost always resolved before it gets to the step of a decision by the City Manager. He confirmed the awkwardness of having employees involved in judging fellow employees. He pointed out that no employee raised a concern about the process as proposed. Ms. Wright added that this was specifically discussed with the employee committee.

Moving on, Councilmember Ransom referred to *Section 4.01, "Selection,"* noting that specific statements to clarify the selection process have been eliminated. He said at the time the personnel policies were adopted, the procedures outlined in this section were not being followed. Ms. Wright responded that this was an editorial revision and no substantive change in hiring practices is intended. Mr. Deis noted that professional managers know how to do their job in the selection process. Councilmember Ransom felt the expectations of how the job should be done should be retained.

Deputy Mayor Montgomery felt the ability of managers should be respected.

Councilmember Ransom said the section related to drugs and alcohol has been substantially broadened. He was concerned about over-doing the regulations. He referred to the City of Bremerton's random drug testing of all employees as an example of overdoing. He felt the tone in this section is excessively negative, mentioning the prohibition of even a glass of wine with dinner if the employee has a night meeting.

Ms. Wright said there is no proposal for random drug testing. The substantive change is that a City employee should not consume alcohol during their work day. She said this proposal came from the employee committee.

Continuing, Councilmember Ransom referred to *Section 8.08.D, "Workplace Violence,"* asking for specific illustrations of "aggressive behavior" and "offensive acts." He also said there should be a definition of "insubordination" in *Section 8.10.*

Ms. Wright said employees were also concerned about this and a definition was added in the "Definitions" section. Councilmember Ransom suggested the addition of a cross-reference in this section to that definition. Council and staff concurred with this change.

Councilmember Ransom referred to *Section 5.07, "Classification and Compensation Plan,"* noting that a sentence was stricken saying that "salaries may be granted a COLA at the discretion of the City Council."

Ms. Wright said this was intended to be an editorial change, rather than a substantive change to how budgets are reviewed. Councilmember Ransom felt that since all the current language is stricken, it must be substantive.

Mr. Deis explained that individual salaries are not reviewed during the budget process. Instead, the City looks at what other cities are planning to give as Cost of Living Adjustments (COLAs) with the goal of staying consistent with the median of the labor market.

Councilmember Ransom commented that *Section 5.11, "Educational Reimbursement Program,"* and *5.12, "Telecommuting Policy,"* are new sections that have not been debated or discussed by the Council. He felt Council should have been given an opportunity to consider these sections before they appeared in the policies.

Councilmember Lee felt these changes would contribute to the quality of the workplace. She asked that Councilmember Ransom only discuss sections where he would propose a change.

Councilmember Ransom referred to *Section 8.13, "Corrective Action Procedure Step 3,"* asking for a definition of exempt employees. Ms. Wright responded that Human Resources maintains a list of exempt employees. She said exempt employees under the Fair Labor Standards Act (FLSA) are those in professional, administrative, and supervisory positions. Councilmember Ransom noted that unpaid suspensions for exempt employees are in increments of work weeks. Ms. Wright said this is based on restrictions imposed by the FLSA.

MEETING EXTENSION

At 10:00 p.m., Councilmember Hansen moved to extend the meeting until 10:20 p.m. Councilmember King seconded the motion, which carried 5 - 1, with Councilmember Lee dissenting.

Councilmember Ransom moved to amend *Section 4.13, "Personnel Files,"* by retaining the current language. Councilmember Hansen seconded the motion, which failed 1 - 5, with Councilmember Ransom voting in the affirmative.

Councilmember Ransom referred to *Section 8.15, "Complaint Resolution Procedure."* He said he did not wish to retain the current language because the original intent was to

have grievances referred to an outside group. **He moved that employees have the right to a grievance process with arbitration, as they would have under collective bargaining. Councilmember Lee seconded the motion.**

Responding to Deputy Mayor Montgomery, Councilmember Ransom stated that this is not costly and that most governmental agencies have personnel appeal boards or collective bargaining.

Mr. Deis said in his experience arbitration has been a total failure. He said if Council is considering Councilmember Ransom's motion, he would like to be able to bring back additional options to the one proposed.

Responding to Councilmember Lee, Councilmember Ransom clarified that he proposed a grievance procedure for employees similar to what they would have under collective bargaining. This would be an additional step to those proposed.

Councilmember Hansen offered a friendly amendment, which was accepted, that if the motion passes, the rest of the document could be adopted tonight subject to a rewrite of this paragraph.

Clarifying for Councilmember King, Mr. Deis stated that in the proposed policy the employee's last step after a decision by the City Manager would be the courts. The argument could be made that judicial review is a form of binding arbitration. He added that when a grievance arises, the procedure may work either to resolve the problem or to create an adversarial situation with a winner and loser. In his experience, the willingness of the employee and management to resolve the problem depends on the last step. With arbitration, employees and sometimes management ask for more than they want, expecting that through arbitration they will get something less than that. He said the focus in the policies is to resolve the issue in the beginning rather than waiting for arbitration.

Ms. Wright reiterated that the grievance process was not an issue with employees in terms of retaining the current language or creating an arbitration policy.

Mr. Deis said if this section, or any section, presents problems, he would return to Council for a change. He also said that the City always has the option of bringing in an outside investigator to determine the facts of a specific grievance.

Councilmember Hansen did not support the current language of this section. He did not think employees should be part of the grievance committee. He also questioned whether the amendment undermines the City Manager's ability to administrate.

It was clarified that the motion is to add the concept of a grievance arbitration process as an additional step after the City Manager's decision, with the language to be crafted by staff and brought back for Council review. A vote was taken on the

motion to amend, which failed 1 - 5, with Councilmember Ransom voting in the affirmative.

A vote was taken on the motion to approve Resolution No. 154, which carried 6 - 0 and the Revised City of Shoreline Personnel Policies were adopted.

9. CONTINUED PUBLIC COMMENT: none

10. ADJOURNMENT

At 10:18 p.m., Deputy Mayor Montgomery adjourned the meeting.

_____
Sharon Mattioli
City Clerk

DRAFT

CITY OF SHORELINE

SHORELINE CITY COUNCIL
SUMMARY MINUTES OF WORKSHOP MEETING

Tuesday, July 6, 1999
6:30 p.m.

Shoreline Conference Center
Mt. Rainier Room

PRESENT: Deputy Mayor Montgomery, Councilmembers Gustafson, Hansen, King, Lee and Ransom

ABSENT: Mayor Jepsen

1. CALL TO ORDER

The meeting was called to order at 6:33 p.m. by Deputy Mayor Montgomery, who presided.

2. FLAG SALUTE/ROLL CALL

Deputy Mayor Montgomery led the flag salute. Upon roll by the City Clerk, all Councilmembers were present with the exceptions of Councilmembers Hansen and Ransom, who arrived shortly thereafter, and Mayor Jepsen.

Upon motion by Councilmember Gustafson, seconded by Councilmember Lee and unanimously carried, Mayor Jepsen was excused.

3. CITY MANAGER'S REPORT

City Manager Robert Deis reminded Council that next Monday night's meeting has been cancelled and that the workshop on July 19 will begin at 5:30 p.m. with a bus tour.

Captain Clement Rusk, Shoreline Police Department, distributed a letter responding to John Hull, who spoke at last week's Council meeting about being stopped twice in 12 weeks by Shoreline officers. Regarding one of the stops, Capt. Rusk explained that although there was a valid reason for it, the officer did not explain that reason as well as he could have.

Capt. Rusk reported on Shoreline's first fourth of July under the fireworks ban, noting that there were no fires or medical calls related to fireworks. The fireworks calls were down this year, although it is hard to say whether it was because of the ban or the wet weather.

Councilmember Hansen arrived at 6:41 p.m.

Larry Bauman, Assistant City Manager, reported on his attendance at one of four hearings on the first draft of the King County Law, Justice and Human Services Committee's human services framework policies, which will provide a framework for how King County will fund and support the human service activities of the County. Mr. Bauman reported that the County has done a good job in terms of sub-regional planning. However, there is still a problem with funding. The County has made the City entirely responsible for funding certain services, but the regional services to be provided by the County will be provided in the incorporated areas only if there is partnership available for funding those services. Private sources or local providers may be partners, but these would probably look to the City for assistance. In the unincorporated areas, King County will take total responsibility for funding human services, thus continuing the negative flow of dollars from incorporated to unincorporated areas for the support of human services. He added that adult daycare has changed from a regional to local service. The Senior Center receives $33,000 from King County that would not continue under this proposal.

Mr. Bauman said staff will draft a letter with Shoreline's concerns about the policies for transmittal to County Councilmember Larry Gossett, the Chair of the Committee. He said the next step will be to have a Councilmember testify once the Committee has responded to the input it has received in the hearings.

Councilmember Ransom arrived at 6:53 p.m.

Councilmember Gustafson commented on the importance of following this issue. He felt another avenue for input could be the Human Services Roundtable. Mr. Bauman said the County has bypassed the Roundtable at this point. Councilmember Gustafson offered to attend the meeting in August.

4. COUNCIL REPORTS

Councilmember King reported that the Regional Water Quality Committee will meet on Thursday. Representatives of the Suburban Cities caucused this morning on many amendments to the Regional Wastewater Services Plan and will ask for postponement of a decision until August.

5. PUBLIC COMMENT

(a) Colleen Holbrook, 1361 N 180th Street, said a large development is proposed for her neighborhood on Stone Avenue. She was referred to planning staff for information.

6. WORKSHOP ITEM

(a) Aurora Pre-Design Workshop on Walkability, Traffic Analysis and Right-of-Way Process

Kirk McKinley, Transportation Manager, introduced Tim Blevan of CH2MHill and provided background on the development of a preferred alternative for the Aurora Pre-Design and the future schedule for selection of a design. Mr. McKinley introduced the other consultants working on the project: Todd Slind, Collie Hough-Beck, Jim Dale, Linda Lane and Al House.

Ms. Hough-Beck used slides to describe design elements that will unify the entire Corridor and create a special character for Shoreline. These will include landscaping (shrubs and street trees), both pedestrian and street lighting, public art, site furnishings (benches, drinking fountains, signage, etc.), and special paving.

Continuing, Ms. Hough-Beck described the methods for creating gateways at each end of the City, as well as areas such as 175th and 185th and the Interurban Trail. These would represent Shoreline's community character in a way that welcomes residents and visitors. The area between 175th and 185th might be treated as a special zone. She said all the principles needed to create walkability as described by Urban Designer Dan Burden will be considered in the design treatment. Part of this would be the use of 12-foot sidewalks, the first four feet of which would be an "amenity zone" with elements such as signs and street trees to buffer the traffic.

Ms. Hough-Beck concluded by noting the public safety elements that will protect pedestrians, including corner radius reductions, driveway consolidations, marked crosswalks, refuge islands, curb bulbs, signalization and signage.

Deputy Mayor Montgomery called for public comment.

(a) Virginia Botham, 16334 Linden Avenue N, recommended that Councilmembers review the citizen questionnaires and comments from the open houses. Noting the difficulty of relocating, she said her goal would be to protect existing businesses.

(b) Colleen Holbrook, 1361 N 180th Street, asked how the members of the Citizen Advisory Task Force (CATF) were selected. Then she expressed the opinion that Shoreline does not have a downtown, and she liked it that way. She was concerned about safety, cut through traffic in her neighborhood, and the elimination of existing businesses.

(c) Daniel Mann, 17920 Stone Avenue N, spoke as an Aurora business owner, noting that businesses feel threatened by the loss of driveways and parking and the construction of medians. He told Council about the formation of the Aurora Improvement Council (AIC), which has 50 members. He said the group was formed because business and property owners felt they were not being heard by the drafters of the plan. He reminded Council that businesses generate 80 percent of tax revenues, with 50 percent of that coming from the Corridor. He referred to the AIC's position statement regarding sidewalks, noting the sidewalks should not be put in at the expense of businesses.

(d) Les Nelson, 15340 Stone Avenue N, gave his experience in dealing with street lighting. He had concerns about designing the lighting when it is not known what the trees will be like. He also had a concern about street trees and overhead wiring.

(e) Mark Deutsch, 19715 Ashworth Avenue N, was pleased to have walkability addressed. He felt the emphasis of the plan has been on moving traffic, but he was uncertain how well it will move pedestrians. He also asked if there are other sections of Highway 99 that have been made more walkable. Finally, he cautioned that the design for the Interurban Trail by Echo Lake should not reduce the amount of beach.

(f) Russ McCurdy, 17532 Aurora Avenue N, read the AIC's mission statement, which is to beautify and add safety to Aurora while not displacing or destroying businesses and multi-generation institutions in the process. He recommended looking for a compromise that would have smaller sidewalks and reduced medians.

(g) John Peel, 8820 194th Street, Edmonds, related his experience in dealing with improvements such as those proposed. Noting the Aurora Corridor is a major north/south arterial, he expressed the opinion that the sidewalks should be smaller because he doubted pedestrians would walk along Aurora. He recommended working with the business community and offered to help.

(h) Bonnie Mackie, The Highlands, said this is an opportunity to be forward looking and create something special. She said the design must give a sense of place and give people a reason to want to come to Shoreline, which is critical to community growth.

(i) Dorothy Stephens, 17030 2nd Avenue NW, owner of the Highland Ice Arena, expressed concern about the elimination of the left-turn lane. She, too, doubted whether pedestrians will walk in this area. She said the elimination of the left-turn lane will impact her business, which draws regional customers.

(j) Suzanne Dowley, 14701 Aurora Avenue N, did not want to see the City do anything that is unhealthy for businesses. She noted that if many businesses fail because customers cannot get access, there will be many vacant buildings along the Corridor. This situation would continue over time and damage the business district.

Responding to Councilmember Lee, Mr. McKinley said that lighting analysis will look at the light on the sidewalk and consider trees and shadows and also consider road lighting. Selection of lights will happen in the next phase of the project. He also mentioned that SeaTac has done improvements to two miles of Highway 99 (now called International Boulevard), with plans for another two miles. There have been increases in pedestrian activity and the use of crosswalks. Mr. Blevan added that sidewalks there are eight-feet wide, but the plan is now to expand this. There are also projects underway on Highway 99 in Des Moines, Federal Way, Lynnwood and Tukwila.

Councilmember Ransom was concerned about trees in the medians. He supported medians, because they contribute to pedestrian safety. However, he questioned the width of the medians in some places. He felt trees as high as 20 feet would be real barriers to businesses across the street. He also questioned ongoing funding for maintenance of street trees. He suggested using shrubs not over six feet or trees that do not grow higher than 12 feet with open canopies.

Deputy Mayor Montgomery also commented on the problems the roots of trees can create for sidewalks. Mr. McKinley said tree design has improved and now arborists can address growth patterns for roots, width of trees, etc. Ms. Hough-Beck added that landscape designers work with utilities to plant trees compatible with lighting systems.

Councilmember Ransom mentioned the width of the right-of-way and of sidewalks. He felt the City should be more sensitive to the businesses that are close to the street and consider the impacts to them. He suggested that the plan be designed in such a way that some changes do not take affect for ten or 20 years. He could not envision the public walking long distances along Aurora Avenue, and he questioned the amount of bus service Shoreline will receive. He felt people will drive to cluster areas to shop. He was very concerned about the fact that the sidewalk was originally included in the right-of-way. Now the plan has the sidewalk coming from the property owner's side rather than the right-of-way. He liked the concept of a walkable community but, he felt the plan sacrifices too much for transit.

Responding to Councilmember Hansen, Mr. McKinley explained how the CATF members were selected. Councilmember Hansen said he is looking for a balanced approach to this project. He commented that El Camino Real in California is very walkable in sections. He said the impacts of this project will not be felt for a year or so, and he used a personal example of a redevelopment project that has been very successful. He said the plans will be continually evolving. Business concerns must be taken into consideration, but change is not necessarily negative for those businesses.

Councilmember King commented on the raised brick crosswalks in Burien, which are a good visual reminder for drivers and are well used by pedestrians. She also commented that six-foot shrubs can hide those intent on crime.

Deputy Mayor Montgomery commented that the baby boomers are aging and will be walking more.

Turning to the traffic and transit report, Mr. Dale said the plan addresses the City's Level of Service (LOS) standards and the Comprehensive Plan. He explained the basis of the traffic analysis, noting the results will be used to determine the geometric design of the roadway. He pointed out that the roadway is under the design jurisdiction of the Washington State Department of Transportation (WSDOT). Therefore, the traffic analysis must be done in a manner acceptable to them.

Continuing, Mr. Dale reviewed a handout with analysis results that demonstrated that Alternative 2 was the best alternative in terms of average system delay, average bus travel times, and bus schedule reliability. It met the goal for the other category of average traffic travel times. Then he demonstrated simulated traffic operations and compared Alternatives 1 and 2 in terms of traffic delay, transit travel time and mid-block traffic.

Mr. Blevan noted that the CATF emphasized the importance of left-turn locations. WSDOT has said left turns may be developed within 700 feet at those locations that generate the most traffic.

Mr. Dale used a graph to demonstrate the relationship between the average traffic delay and the number of lanes. There is a lot of improvement from adding a seventh lane but not much improvement after that. He said they are working with WSDOT to limit the number of lanes to three in each direction, with a single or double left-turn lane. He felt WSDOT will understand the compromises needed in Shoreline to reduce impacts and still provide reasonable traffic operations.

Moving on to right-of-way considerations, Mr. Blevan noted this part of the process has been started very early in this project. Normally it is part of the final design stages. He identified Ms. Lane and Mr. House as the right-of-way experts on the project. He noted that the typical right-of-way needs are for road widening, permanent easements for utilities, walls, bus zones, slopes, signal equipment, and temporary easements for construction of driveways, installation of landscaping, etc. Then he described the steps in right-of-way acquisition planning.

Continuing, Mr. Blevan said it will be important in the fall to develop City policies and procedures related to right-of-way acquisition. These will set out the acquisition process based on federal guidelines, with points of contact, decision authority, appeal process, if any, and agreements about interim improvements. Mr. Blevan concluded that there are many issues to discuss with business owners in addition to right-of-way: storm drainage issues, utilities, access, circulation, parking, landscaping, irrigation and grading.

Deputy Mayor Montgomery called for public comment.

(a) Dimitrios Voltsis, a business owner at 185th and Aurora, pointed out that it seems to be a contradiction to move traffic faster while encouraging pedestrians to walk on a busy street.

(b) Les Nelson, 15340 Stone Avenue N, questioned the extra transit lane. He said Metro wants the extra lane yet there are only two buses per hour on Aurora at this time. He suggested reconfiguring the center lane for left and right turns rather than adding a lane.

(c) John Peel, 8820 194th Street, Edmonds, said he served on a task force redeveloping Aurora in Lynnwood/Edmonds in 1990 but the work is only starting this

year. He questioned trees in the median because of visibility problems for those making turns. He suggested not using medians all the way and giving the convenience of being able to make left turns. He suggested signage saying "U-turn permitted" to access retailers. He said retailers will benefit by moving more traffic.

(d) Daniel Mann, 17920 Stone Avenue N, liked the idea of compromise, which he said is what business owners want. He suggested lane reduction, reduction of lane widths, and flexibility with respect to sidewalk requirements. He said the City must work within the road width. He liked the idea of interim standards as a way to address concerns until redevelopment of individual businesses occurs.

(e) Randy Farrell, a business owner at 175th and Aurora, pointed out that Shoreline differs from other areas along SR 99 because the properties are quite narrow and many are constrained on the east side by the Interurban Trail.

Deputy Mayor Montgomery asked if there is a disconnect between the concept of moving traffic more quickly while expecting increased use of sidewalks by pedestrians. Mr. McKinley reminded Council that if capacity on Aurora is not increased, traffic will go down neighborhood streets. Mr. Blevan added that the goal is not to increase the speed of traffic on Aurora but to ensure that it is not delayed or stopped. This should actually reduce speeds, which has occurred in SeaTac.

Responding to Councilmember Gustafson, Mr. Blevan said it is expected that Alternative 2 will be compatible with both Seattle and Lynnwood's sections. Noting that Metro intends to increase service, he reported that transit agencies do not like turn-outs because buses get stuck in them. Mr. McKinley added that Metro feels it can add more service without additional costs if buses can get through the Corridor more efficiently.

Councilmember Ransom wondered where the ridership for buses every six minutes will come from and where the riders can go. Deputy Mayor Montgomery said once the service is frequent, ridership will increase. Mr. McKinley said staff is working with Metro to improve east/west service but on Aurora the goal is to give transit a competitive advantage to encourage ridership. Another goal is to break down the regional barrier between King and Snohomish Counties so that people can easily ride across the county line. He identified the goal of the additional lane not only to move transit through the Corridor but also to provide access to businesses.

Councilmember Ransom was still concerned about the high speed of the buses and the danger to pedestrians. Mr. McKinley responded that the buses are stopping frequently in the lane, which will slow the traffic.

Councilmember Lee wanted to focus on the big picture of economic development and increased traffic capacity. She said the plan will not destroy business but provide additional customers. Using her own small business as an example, she said traffic is only one small portion of what makes a thriving business. She was pleased to see that the City is working with agencies and listening to public input in developing the plan.

Responding to Councilmember Lee, Ms. Lane explained how a hypothetical appraisal would be done on Spiros Restaurant with a cost-to-cure analysis of the space to be replaced.

Responding to Councilmember Gustafson, Mr. McKinley said Alternative 2 has gone through several iterations in the effort to minimize impacts to businesses. Most impacts are between 175th and 185th, primarily on the east side of the road. He assured Council that staff will look for opportunities to compromise. He said the CATF will recommend allowing for an eight-foot minimum sidewalk if the business will be impacted, with the goal of getting an extra four feet at the time of redevelopment. Mr. Blevan added that the CATF has reduced the impacts of Alternative 2 by about 30 percent by recommending refinements.

Councilmember King commented on the fact that sometimes no cars are able to take a right turn from 185th Street onto Aurora because of the length of time it takes some pedestrians to cross the street. She suggested putting the bus stop on the northeast corner. Mr. McKinley said the proposal is to put a right-turn lane there. Staff could also work with Metro about placement of bus stops.

Councilmember King did not support increasing speeds along Aurora but she did like breaking up the center turn lane and the use of common driveways.

Councilmember Gustafson was concerned about WSDOT design rights. Mr. Blevan explained that the City will have to submit the geometric design, which will have to comply with WSDOT standards on such things as access management and traffic operations. He said if WSDOT does not agree, it will be very difficult to convince them to approve the project. Mr. McKinley added that the interagency advisory team has allowed the City to understand WSDOT requirements. Several members of WSDOT staff have followed the project since its inception, and the State supports what the City is trying to do.

Councilmember Gustafson said his major concern is safety. He also wanted to partner with businesses in a way to show them respect. He appreciated that the businesses have gotten together to work with the City. He thanked the CATF for their efforts. Finally, he said the Interurban Trail is a key piece of giving the City of Shoreline a sense of place. He was also concerned about the median design.

Councilmember Ransom was also pleased with the AIC's presentation. He said small businesses are key to Shoreline's success and will do more for Shoreline than having a few large businesses relocate here. He was also concerned about the Interurban Trail, but he wanted it to be viewed primarily as a recreation facility. He said the City will have to address the impacts to the homes on the east side of the trail.

Councilmember Lee advised the AIC to get together with staff and the CATF to work together to provide constructive input.

7. CONTINUED PUBLIC COMMENTS

(a) Naomi Hardy, 17256 Greenwood Place N, asked Council to think about how the changes to the Aurora Corridor will affect the surrounding neighborhoods. She advised that the plan could create empty houses that the City would have to buy.

(b) Evan Voltsis, 1406 NW 196th Street, said 50 - 70 businesses would be affected by the current plan, including his family's restaurant. He wondered where the traffic will be rerouted while the street is under construction and how long this will take. He said businesses will suffer because access will be cut off and many businesses may not survive. He asked if there will be compensation for loss of revenue or employees.

Ms. Lane responded that projects with federal or State funds must have a relocation plan prior to acquiring property. She said tenants and owners will be interviewed about relocation, but the first step is to develop policies and procedures. She said the City has options in terms of reimbursement for appraisals, parking requirements, etc. The State does not reimburse for loss of good will. Mr. Blevan added that the City can implement strategies to expedite construction and assist businesses during the construction phase.

Ms. Lane said the discussion can proceed once policies and procedures are drafted. She suggested allowing businesses to review these.

Councilmember Hansen commented that a business owner always has redress through the courts if he or she feels that treatment is unfair.

Ms. Lane concluded that it is important to have a good working relationship between owner and tenant.

MEETING EXTENSION

At 10:00 p.m., Councilmember Hansen moved to extend the meeting until 10:25 p.m. Councilmember Ransom seconded the motion, which carried unanimously.

(c) Cynthia Wills, 18205 Fremont Avenue N, was concerned about spillover traffic in the neighborhoods. She said a petition with over 200 signatures is ready for submission to Council. She was also concerned about the artificial concept of a city center, although she liked the idea of the Interurban Trail as a unifying factor. She noted that at some points the trail comes very close to Aurora, so there seems to be no reason to have a large landscaped sidewalk when people could walk on the trail.

(d) Dale Horton, 17212 Aurora Avenue, spoke as another property owner and a long-time resident of Shoreline. He said his life savings are in the value of his property and the good will in his business, and he cannot relocate. He advised that everyone should work together.

(e) Ross McCurdy, 17532 Aurora Avenue N, another business owner, said the AIC is willing to work with the CATF. He said his business will probably not survive no matter what happens, but those businesses that will be marginally affected should be allowed to remain.

Deputy Mayor Montgomery thanked everyone for their input.

8. EXECUTIVE SESSION

At 10:10 p.m., Deputy Mayor Montgomery announced that the Council would recess into Executive Session for ten minutes to discuss litigation. At 10:30 p.m., the Executive Session concluded, and the workshop reconvened.

9. ADJOURNMENT

At 10:30 p.m., Deputy Mayor Montgomery declared the meeting adjourned.

Sharon Mattioli
City Clerk

Council Meeting Date: July 19, 1999 **Agenda Item: 8(b)**

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Passage Of Ordinances No. 201 And No. 202 Extending Franchises To Service Providers Operating In Annexation Area A-2 As Required By RCW 35A.14.900
DEPARTMENT:	City Manager's Office
PRESENTED BY:	Kristoff T. Bauer, Assistant to the City Manager

EXECUTIVE / COUNCIL SUMMARY

Your Council took action on June 28, 1999, to pass Ordinance No. 198 making the annexation of Area A-2 effective August 1, 1999. As your Council may recall with the annexation of Area A-3, state law dictates that franchises held by service providers prior to annexation are terminated upon the effective date of that annexation. However, the annexing jurisdiction is required to grant each of these franchisees a new franchise for seven[1] years or the remaining term of the prior franchise whichever is shorter. Recent franchises executed by the City, including those for TCI, Chambers, Metricom, ELI, Shoreline Wastewater Management District, Seattle City Light, and the Shoreline Water District, provide for the inclusion of annexed territory in compliance with this law without further Council action. Only two providers will require Council action in order to comply with RCW 35A.14.900; i.e. Rabanco and Puget Sound Energy (Formerly known as Washington Natural Gas).

Rabanco, the curbside solid waste collection operator in the annexation area, is a specific class of franchisee that was provided additional procedural protection by a 1997 revision in state law. Solid waste collection companies must have a Washington Utilities and Transportation Commission (WUTC) G-certificate[2] to operate in unincorporated areas. Unlike franchises, these certificates are not automatically terminated upon incorporation or annexation by RCW 35A.14.900. Instead the City must take affirmative action to provide notice that begins a transition period at the conclusion of which the G-certificate is canceled and the City is free to contract with a provider or otherwise make provisions to provide this service. The City took the steps necessary to start this transition period for all solid waste collection companies operating within the City upon incorporation and previous annexations.[3]

In 1997, RCW 35A.14.900 was amended increasing the transition period from five to seven years and placing additional notice requirements on municipalities to initiate this transition period. Stephen Dijulio[4], an attorney with Foster Pepper & Shefelman, drafted

[1] This used to be five (5) years. The law was amended in 1997 to increase the period to seven (7) years.
[2] The "G" stands for Garbage.
[3] Rabanco has served the City with a legal action challenging the effectiveness of these prior actions. The parties have been engaged in settlement negotiations since January 1998. No resolution has been reached.
[4] Mr. DiJulio is representing the City in the action served by Rabanco.

the proposed ordinance specifically to place the City in the best position to withstand a challenge by the existing provider regarding the City's compliance with the amended state regulation. The proposed ordinance starts the transition period for terminating Rabanco's G-certificate. This period would end in August 2006. It also provides, however, that if the City signs a contract with Rabanco, then the terms, conditions, and termination date of that contract would be effective in this annexation area. As you may recall, the Council has instructed staff to negotiate a service contract with Rabanco that would replace their G-certificate. These negotiations have been not been proceeding well due to a changes in personnel at Rabanco since its recent acquisition by Allied. Regardless, the negotiation are nearing closure, but may not result in a service contract that staff will recommend to your Council.

Puget Sound Energy is provided a franchise by proposed Ordinance No. 202. The franchise offered, however, is an extension of that granted to them by the City upon incorporation by Ordinance No. 45. This franchise expires August 31, 2000. Puget Sound Energy has expressed a willingness to forgo the seven year franchise provided for by state law preferring instead to simplify its operations within Shoreline by consolidating its operations under the terms, conditions, and expiration date of one franchise. The terms, conditions, and expiration dates of all franchises will be unified into one agreement to be negotiated prior to August 31, 2000.

In summary, the two proposed ordinances are each tailored to the unique circumstances of the franchisee in question, but they all have the same purpose; i.e. complying with state law by allowing current service providers to continue operating in the newly annexed area.

RECOMMENDATION

Staff recommends that Council pass Ordinances No. 201 and No. 202 taking action to extend the franchises of existing operators in the area annexed by Ordinance No. 198 in compliance with state law.

Approved By: City Manager LB City Attorney

ATTACHMENTS

Attachment A - Ordinance No. 201, Granting A Franchise To Rabanco Companies To Provide Solid Waste Collection Services In Certain Annexed Areas, In Accordance With RCW 35A.14.900

Attachment B - Ordinance No. 202 Granting A Franchise To Puget Sound Energy, Inc., (Formerly Known As Washington Natural Gas) For Operation Of Gas Distribution System In That Portion Of The City Of Shoreline Annexed Thereto By City Ordinance No. 198.

Attachment A

Ordinance No. 201, Granting A Franchise To Rabanco Companies To Provide Solid Waste Collection Services In Certain Annexed Areas, In Accordance With RCW 35A.14.900

ORDINANCE NO. 201

AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON, GRANTING A FRANCHISE TO ALLIED WASTE INDUSTRIES, INC., AKA RABANCO COMPANIES TO OPERATE IN CERTAIN ANNEXED AREAS, IN ACCORDANCE WITH RCW 35A.14.900

WHEREAS, the City of Shoreline ("City"), by Shoreline City Ordinance No. 198, annexed to the City as of August 1, 1999 certain property described therein ("Annexed Areas"); and

WHEREAS, RCW 35A.14.900 contains certain requirements with respect to granting franchises to public service businesses that have operated in areas that are annexed to cities; and

WHEREAS, Allied Waste Industries, Inc., a Delaware corporation operating through its subsidiary, the Rabanco Companies ("Rabanco") has operated a municipal solid waste collection business in the Annexed Areas pursuant to a certificate of necessity and convenience (G-Certificate) issued by the Washington Utilities and Transportation Commission ("WUTC");

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. WUTC Regulation Canceled. The City hereby assumes jurisdiction over solid waste collection in the Annexed Areas. The publication of this ordinance shall constitute the City's notification to the WUTC under RCW 35A.14.900.

Section 2. Franchise Granted. In satisfaction of the City's obligations under applicable law, including without limitation, RCW 35A.14.900, the City hereby grants to Rabanco a franchise to collect solid waste in the Annexed Areas subject to the terms and conditions of its WUTC G-Certificate commencing on the date that this ordinance takes effect. Upon the execution of a contract between the City and Rabanco, the franchise granted hereunder shall continue on the terms and conditions set forth in such contract, including such rates as may be provided in the contract. Rabanco's collection of solid waste in the Annexed Areas after the effective date of this ordinance shall constitute Rabanco's agreement that the City's obligations under RCW 35A.14.900 have been satisfied.

Section 3. Severability. If any section, sentence, clause, or phrase of this ordinance is held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

Section 4. Effective Date/Notification. This ordinance shall take effect and be in full force on August 1, 1999, and shall terminate on July 31, 2006 if not cancelled by agreement or operation of law prior thereto. The City Clerk is hereby directed to publish this ordinance in full and to mail a copy of the Ordinance to the WUTC.

PASSED BY THE CITY COUNCIL ON JULY 19, 1999

Mayor Scott Jepsen

ATTEST:

Sharon Mattioli, CMC
City Clerk

APPROVED AS TO FORM:

Ian Sievers
City Attorney

Date of Publication: July 22, 1999
Effective Date: August 1, 1999

Attachment B

Ordinance No. 202 Granting A Franchise To Puget Sound Energy, Inc., (Formerly Known As Washington Natural Gas) For Operation Of Gas Distribution System In That Portion Of The City Of Shoreline Annexed Thereto By City Ordinance No. 198.

ORDINANCE NO. 202

AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON, GRANTING A FRANCHISE TO PUGET SOUND ENERGY, INC., (FORMERLY KNOWN AS WASHINGTON NATURAL GAS) FOR OPERATION OF A GAS DISTRIBUTION SYSTEM IN THAT PORTION OF THE CITY OF SHORELINE ANNEXED THERETO BY CITY ORDINANCE NO. 198

WHEREAS, the City of Shoreline, by Shoreline City Ordinance No. 198, annexed additional property as described therein as of August 1, 1999; and

WHEREAS, RCW 35A.14.900 provides that any franchise or permit theretofore granted to any person, firm, or corporation by the state or county authorizing or otherwise permitting the operation of any public transportation, or other similar public service business or facility, is automatically canceled upon the annexation of that franchised area by a city, but that upon annexation the City must grant such businesses a franchise or permit to continue such business within the annexed area of the City for a term of not less than seven years; and

WHEREAS, Puget Sound Energy has been granted a franchise by King County in the annexed area that has terms substantially different from the existing franchise under which Puget Sound Energy has the authority to provide services to Shoreline; and

WHEREAS, the City has offered to grant Puget Sound Energy a franchise in accordance with King County franchise #11069 for the period of seven (7) years as required by RCW 35.13.280, but that Puget Sound Energy has declined the same; and

WHEREAS, the City of Shoreline and Puget Sound Energy desire to add the annexed territory to the terms and conditions of the existing Puget Sound Energy franchise granted thereto by Shoreline City Ordinance No. 45 through which they are granted the authority to operate in the City;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Franchise Granted. Puget Sound Energy, Inc., is granted a franchise to operate, maintain, repair and construct gas mains within the territory annexed by Shoreline City Ordinance No. 198, in accordance with and under the terms and conditions as granted by Shoreline City Ordinance No. 45.

Section 2. Directions to City Clerk. The City Clerk is hereby authorized and directed to forward a certified copy of this ordinance to the franchisee set forth in this ordinance. The franchisee shall have 60 days from receipt of the certified copy of this ordinance to accept in

writing the terms of the franchise granted by this ordinance. Failure to accept this offered franchise within that time frame shall result in the termination of the authority granted hereby.

Section 3. Official Bonds. The franchisee shall take all necessary steps to transfer any bonds, certificates of insurance, or other security currently held by, or for the benefit of, King County to the City of Shoreline within 60 days of receipt of the notification provided by **Section 2** hereof. The rights granted herein shall not be effective until such transfers are made.

Section 4. Severability. If any section, sentence, clause, or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

Section 5. Effective Date and Term. This ordinance shall take effect and be in full force upon the effective date of Shoreline City Ordinance No. 198 and shall terminate on August 31, 2000. The City Clerk is hereby directed to publish this ordinance in full.

PASSED BY THE CITY COUNCIL ON JULY 19, 1999

_____
Mayor Scott Jepsen

ATTEST:

APPROVED AS TO FORM:

_____
Sharon Mattioli, CMC
City Clerk

_____
Ian Sievers
City Attorney

Date of Publication: July 22, 1999
Effective Date: August 1, 1999

Council Meeting Date: July 19, 1999 **Agenda Item: 8(c)**

CITY COUNCIL AGENDA ITEM

CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Approval of an Interlocal Agreement with King County for transition of permitting in the A-2 Annexation Area.
DEPARTMENT:	Planning and Development Services
PRESENTED BY:	Tim Stewart, Director Allan Johnson, Planner II

EXECUTIVE / COUNCIL SUMMARY

Ordinance No. 198, adopted by your Council on June 28, 1999, officially annexed Area A-2 (See Attachment A for Vicinity Map). This annexation will become effective on August 1, 1999. On this date, the City will begin offering the full range of services to residents in this Area A-2.

As with other annexations, one of the issues in the transition of services is how to handle development permits that are in process at the time the annexation becomes effective. King County has at least 29 active permit applications in Area A-2 that are anticipated to be still in process at the time of annexation. Those permit applications, which are complete, will be considered vested and must be reviewed based upon King County regulations according to state law.

Ordinance No. 204 (See Attachment B) would authorize the City to enter into an interlocal agreement (See Attachment C) whereby King County would continue to process most vested applications submitted to King County prior to the effective date of the annexation. Applications considered incomplete or actions of a legislative or quasi-judicial nature, including SEPA actions, would be forwarded to the City. The City would receive the proportionate portion of the permit fees needed to complete review of the application. This agreement would be similar to the interlocal agreement approved for Annexation Area A-3 by your motion of October 12, 1999 and adoption of Ordinance No. 180 on November 23, 1999. Without this agreement, King County would forward all pending permits to the City for completion.

As a condition of this agreement, King County has indicated that the City would need to adopt King County regulations that would apply to the pre-annexation applications in order to clearly identify which provisions would guide proposals vested prior to the effective date of the annexation. This request is consistent with the state law related to vesting. Under the law, those applications filed with King county prior to annexation are vested under the County regulations Therefore, these provisions would only be applied

to projects considered vested under King County regulations. Shoreline regulations would apply to all applications received by the City starting on August 1, 1999.

RECOMMENDATION

Staff recommends that your Council adopt Ordinance No 204 and authorize the City Manager to execute an interlocal agreement between Shoreline and King County consistent with the terms of the Ordinance.

Approved By: City Manager City Attorney

BACKGROUND / ANALYSIS

History

Upon incorporation in 1995, the City of Shoreline adopted an interlocal agreement with King County to complete processing building permit and land use applications, which were filed prior to incorporation and vested with the County. The purpose of the agreement was to assist in an orderly transfer of authority and jurisdiction. This agreement expired on December 31, 1996. There was no need for an interlocal agreement for the annexed Area B because there were no vested permit applications in King County for that area.

The annexation of Area A-3 became effective on November 2, 1998. There were a number of permit applications in process at the time of this annexation. In response to this situation, your Council authorized the City to enter into an interlocal agreement similar to the agreement adopted upon annexation. This motion of your Council was approved on October 12, 1998. Subsequently, King County asked for an amendment to this interlocal to clearly identify that the County Plan and regulations would apply to pre-annexation applications. Your Council approved this amendment through Ordinance No. 180 adopted on November 23, 1998.

On June 28, 1999, your Council adopted Ordinance No. 198, officially annexed Area A-2. Voters approved this annexation on May 18, 1999 and this annexation will become effective on August 1, 1999. Your Council is requested to consider adoption of an interlocal agreement for Area A-2 similar to the amended interlocal used for Area A-3. This agreement would allow County staff to process administrative permit and land use applications vested prior to the effective date of annexation.

Analysis

The Department of Planning and Development Services will begin accepting land use and building permit applications in Area A-2 on August 1, 1999. These applications, which are submitted after August 1, 1999, will be guided by the City's adopted regulations.

There are a number of permits, however, submitted to King County prior to the annexation which will still be in process at the effective date. As of May 11, 1999, there were at least 17 active projects and 29 associated permits (some projects require more than one permit) in Area A-2 which were being processed by King County (See Attachment D). Most applications are for relatively minor improvement such as signs or remodels; however, there are applications for a 21-unit apartment complex and a 14-unit apartment complex, which are also in process.

The City has not been informed of any additional applications submitted since May 11 but King County will receive new applications until July 31, 1999. Complete permit applications submitted to King County before the August 1, 1999 effective date will be considered vested under King County regulations in effect prior to the annexation and review of these proposals must be guided by King County regulations.

In the absence of an interlocal agreement, King County will forward these files to the City for completion immediately following the effective date of the annexation (August 1, 1999). An interlocal agreement, similar to the agreement for transition of permits which were in process upon annexation of Area A-3, would simplify this transition by having King County continue to process non-discretionary applications which it is already reviewing. (Changes in the interlocal agreement for Area A-2 from the agreement for Area A-3 are intended to clarify and coordinate administration and do not result in significant changes to the terms of agreement used for Area A-3).

The interlocal agreement for Area A-2 is intended to be of an administrative nature only for vested applications filed in King County, such as processing of building permits. Any legislative or quasi-judicial decisions, such as subdivisions and/ or rezones, or decisions of a discretionary nature, such as final SEPA determination are to be made by City of Shoreline decision-makers. As of May 11, 1999, there were 2 applications fitting these criteria relating to the construction of a 21- unit apartment complex and clearing in conjunction with construction of a driveway. The City has not been informed of any other applications of this type that have been subsequently submitted to King County after May 11, 1999.

An analysis of the pending applications indicates that King County will likely be able to complete the permit process for most pending applications that are currently more than 50% complete prior to the termination of this interlocal agreement (scheduled for November 2000). Staff is continuing to investigate the status of permits which are early in the process to determine how many, if any, will be forwarded to the City for completion at the expiration of the interlocal agreement in November 2000.

In addition to the permits which are still pending resolution, there are 8 applications in Area A-2 which have been cancelled, expired or withdrawn (See Attachment D). Unless the applicants re-apply to King County, prior to the effective date of the annexation these applications cannot proceed with King County. However, it is possible that these applications could be submitted to the City of Shoreline following the annexation. These applications would then have to comply with the City's development regulations including any that had begun construction under King County regulations. Staff is investigating whether any construction had begun for a permit for foundation repair before this permit expired.

For applications vested and still in process with King County prior to the annexation, the interlocal agreement would allow the County to complete review of these vested applications under King County standards. County review would include:

- decisions to approve, condition or deny vested building permit applications;
- follow-up inspections and enforcement of conditions of approval;
- issuance of extensions for completion of inspections;
- issuance of ancillary permits, such as fire and mechanical permits for vested applications; and
- issuance of certificates of occupancy at completion of the projects.

- under this agreement the County would also continue to process the vested land use related applications in Area A-2 that were filed and vested with the County before the effective date of annexation.

Five days prior to the effective date of annexation, the County would provide the City with a list of all building and land use related permits and applications pending within the annexation area. The County also would agree to promptly notify the City of any applications received for the annexation area between the time this list is sent to the City and the effective date of annexation. The City will have the authority to examine these applications and determine if they are vested. If the City determines that any application is not vested, the City shall have the authority to exclude the application from further post-annexation County review.

State Environmental Policy Act (SEPA) determinations and documents prepared by the County prior to annexation would remain in effect, but Shoreline would assume lead agency status for purposes of the final threshold determination. The City would hear all pending or future appeals of SEPA threshold determinations and other SEPA matters relating to projects within the annexation area. The City would make the final threshold determination on compliance with SEPA procedural and substantive determinations if necessary. The County would notify the City when a SEPA determination is required and would not take final action on the application until the City had acted.

Following annexation the County would advise applicants to submit any new building or land use application within the boundaries of the annexation area to the City. The County would accept requests for permit renewals or extensions only when construction had begun and the renewal and extension was necessary to complete the project. The County would not accept permit applications that sought to expand the use or dimensions of the project under construction.

The agreement would take effect upon the date of annexation, August 1, 1999, and would be in place until November 2000 (the same expiration date as the interlocal agreement for Area A-3). Either party could terminate the agreement by providing at least thirty days written notice to the other party and provisions allow extension of this agreement upon consent of both parties.

As a condition of this agreement, King County has indicated that the City would need to adopt regulations that would apply to the pre-annexation applications in order to clearly identify which provisions would guide proposals vested prior to the effective date of the annexation. This request is consistent with the state law related to vesting.

An interlocal agreement with King County to process pending building and land use permits would benefit the citizens and the City in the following ways:

- The agreement would allow an orderly transition of the permitting administration in Area A-2.
- Application review would be considered under the same reviewer and the same system throughout the entire application process.

- The agreement would eliminate many issues involved in transfers of permits from one jurisdiction to another.
- Permit fees collected by the County at the outset of the project would be used for the project completion. The City would not be faced with fee transfers, which may not be adequate for project completion.

SUMMARY

This annexation of Area A-2 will become effective on August 1, 1999. On this date, the City will begin offering the full range of services to residents in this Area A-2. An interlocal agreement would facilitate the transition of permitting activities by having the County complete review of applications that are primarily administrative in nature.

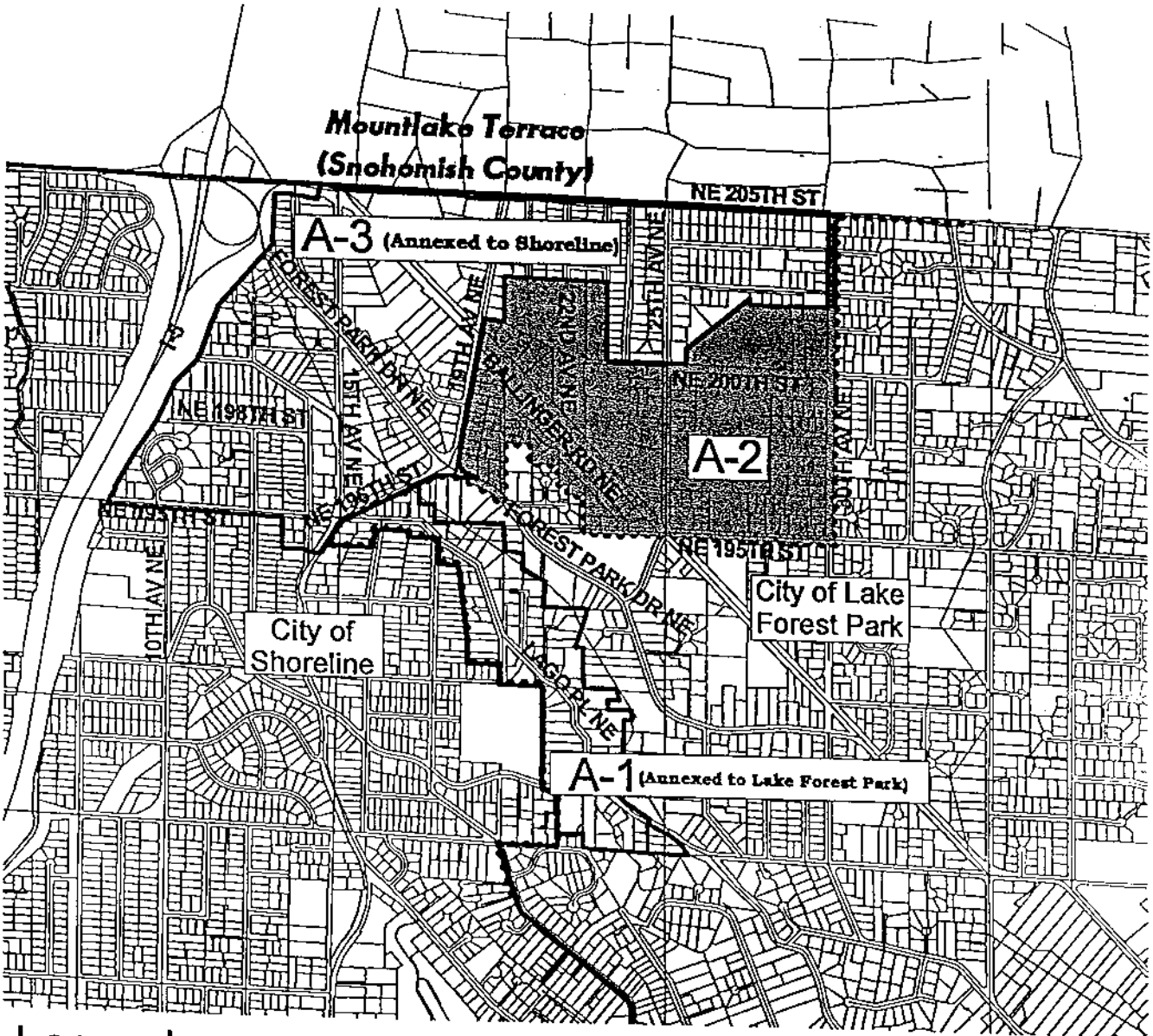
RECOMMENDATION

Staff recommends that your Council adopt Ordinance No 204 and authorize the City Manager to execute an interlocal agreement between Shoreline and King County consistent with the terms of the Ordinance.

ATTACHMENTS

Attachment A - Vicinity Map
Attachment B - Ordinance No. 204
Attachment C - Interlocal Agreement
Attachment D - Status of Active and Complete Permit Applications in Area A-2, May 11, 1999

Annexation Area A-2
Vicinity Map



SHORELINE

Planning and Development Services
November 1998

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ORDINANCE NO. 204

AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON, ADOPTING AN INTERLOCAL AGREEMENT BETWEEN SHORELINE AND KING COUNTY RELATING TO PROCESSING OF BUILDING PERMITS AND LAND USE APPLICATIONS AND ADOPTING BY REFERENCE THE KING COUNTY COMPREHENSIVE PLAN AND TITLE 21A, TITLE 16, TITLE 19, SECTION 20.44, SECTION 2.98, and TITLE 27 OF THE KING COUNTY CODE FOR ANNEXATION AREA A-2 IN ACCORDANCE WITH THE INTERLOCAL AGREEMENT

WHEREAS, the City of Shoreline has annexed an area of unincorporated King County commonly referred to as Annexation Area A-2; and

WHEREAS, all local government authority with respect to the annexation area is transferred from the County to the City upon the date of annexation; and

WHEREAS, prior to annexation, the County had received and begun processing a number of building and land use applications for property located in Annexation Area A-2, and those applications are legally vested under County laws and regulations; and

WHEREAS, to assist the orderly transition of the annexation area from the County to the City, the County and the City desire to enter into an interlocal agreement which provides that the County will continue to process those pre-annexation building permit and land use applications on behalf of the City; and

WHEREAS, King County has requested that the City adopt the County Comprehensive Plan and Title 21A, Title 16, Title 19, Section 20.44, Section 2.98, and Title 27 of the King County Code in order to carry out the terms of the interlocal agreement;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Interlocal Agreement. Authorize the City Manager to enter into an interlocal agreement, a copy of which is attached hereto and incorporated herin, with King County relating to the processing of building permits and land use application within Annexation Area A-2.

Section 2. Adoption of King County Regulations For Annexation Area. Pursuant to the interlocal agreement between King County and the City of Shoreline relating to processing of building permits and land use applications within Annexation Area A-2, the City adopts by reference the King County Comprehensive Plan and Title 21A, Title 16, Title 19, Section 20.44, Section 2.98, and Title 27 of the King County Code as presently constituted, as the applicable substantive and procedural regulation for processing all land use and building permit applications as specified in the interlocal agreement within the Annexation Area.

Section 3. Scope. This ordinance is enacted for the sole purpose of carrying out the terms of the interlocal agreement and shall have no other force or effect.

Section 4. Effective Date and Publication. This ordinance, or a summary thereof, shall be published in the official newspaper of the City, and shall take effect five days after the date of publication.

PASSED BY THE CITY COUNCIL ON JULY 19, 1999

Mayor Scott Jepsen

ATTEST:

Sharon Mattioli, CMC
City Clerk

APPROVED AS TO FORM:

Ian Sievers,
City Attorney

Date of Publication: July 22, 1999
Effective Date: July 27, 1999

INTERLOCAL AGREEMENT BETWEEN KING COUNTY AND THE CITY OF SHORELINE RELATING TO PROCESSING OF BUILDING PERMITS AND LAND USE APPLICATIONS

THIS AGREEMENT made and entered into this day by and between King County, a home rule charter County in the State of Washington (hereinafter referred to as the "County") and the City of Shoreline, a municipal corporation in the State of Washington (hereinafter referred to as the "City").

WHEREAS the City intends to annex an area of unincorporated King County which is described in Attachments 1 -A and 1 -B and which is commonly referred to as the "Shoreline Annexation Area A-2" (hereinafter referred to collectively as the "Annexation Area"); and

WHEREAS all local government authority and jurisdiction with respect to the Annexation Area is transferred from the County to the City upon the date of Annexation; and

WHEREAS the County and City agree that having the County continue to process certain Annexation Area building permit applications and land use applications on behalf of the City for a transitional period will assist in an orderly transfer of authority and jurisdiction; and

WHEREAS, the City will adopt by ordinance the King County Comprehensive Plan, Zoning and other Development Regulations for the Shoreline Annexation Area A-2, specifically adopting the following: Comprehensive Plan Map designations for Annexation Area A-2; King County Code Title 21 A, (King County Zoning Code); King County Code Title 16 (building and construction standards code); King County Code Title 19 (subdivision code); and King County Code 20.44 (SEPA regulations), and King County Code Title 27 (development permit fees); and

WHEREAS this Agreement is authorized by the Interlocal Cooperation Act, RCW 39.34;

NOW, THEREFORE, in consideration of the terms and provisions herein, it is agreed by and between the City and County as follows:

1. Building Related Applications Review.

1.1 Except as provided in section 1.2 below, the County shall continue to review and approve, approve with conditions, or deny all vested building-related permit applications filed with the County before the

effective date of Annexation which involve property within the Annexation Area. Review shall occur in accordance with those County regulations under which the application is vested, and in a manner consistent with sections 3 and 4 of this Agreement. Said review shall include follow-up inspections and enforcement of conditions of approval, issuance of extensions for completion of inspections, issuance of ancillary permits (for example, fire and mechanical) which are essential for completion of each original project permit, and issuance of certificates of occupancy at completion of the project. The types of building-related permits within this grant of authority include but are not necessarily limited to:

- building permits;
- mechanical permits;
- fire systems/fire sprinkler permits;
- hazardous material permits;
- building permit related grading and clearing permits.

1.2 At least five working days before the effective date of Annexation as determined by the Shoreline City Council, the County will prepare and send to the City a list of all building-related permits and applications pending within the Annexation Area. The County will copy or otherwise make such listed permits and applications available to the City upon specific request. The City agrees to promptly reimburse the County for the cost of any file copies prepared at the City's request, except as otherwise noted in Section 14, below. The County further agrees to promptly notify the City of any applications received for the Annexation Area between the time a list of pending applications and permits is sent to the City and the effective date of annexation. Such applications will likewise be copied or made available to the City upon request. Following Annexation, the determination of whether a particular application has vested shall be made by the City. Following annexation, those applications that the City determines have not vested shall be excluded from further County review. The City or County at any time may further exclude from this Agreement any additional permits or applications on the list upon providing written notice to the County or City.

2. Land Use Related Applications Review.

2.1 Except as provided in section 2.5 below, the County shall continue to process those vested land use related applications filed with the County before the effective date of Annexation that involve property within the Annexation Area. Processing shall occur in accordance with those County regulations under which the application is vested and in a manner consistent with sections 3 and 4 of this Agreement.

2.2 For those land use applications to be reviewed by the County pursuant to this Agreement, the County will prepare a report and recommendation to the City for use by its designated decisionmaker.

2.3 Following Annexation, the City shall be responsible for scheduling, providing notice of, and conducting any public hearings or appeals required in conjunction with an application. County staff will, at the request of City staff, attend the public hearing or appeal for the purpose of explaining any applicable County codes and policies, and any County staff findings of fact, analysis or recommendations. Nothing in this section is intended to limit the County's ability to otherwise participate in the City's public hearings or appeals in a manner independent of its role under this Agreement.

2.4 With regard to those subdivisions and short subdivisions that have been granted preliminary approval prior to Annexation, the County shall complete whatever phase of review the development is in on the date of Annexation and then turn the application over to the City for all further processing. For purposes of this Agreement, post-preliminary approval review phases include engineering plan approval, recommendation for final approval, construction inspection approval, and maintenance/defect approval. The City may negotiate, on a case-by-case basis, with the County for additional work and completion of subsequent phases. All financial guarantees required of the applicant at completion of a current review phase to secure compliance with the requirements of subsequent phases

shall be filed with or turned over to the City, which shall have sole discretion on the assessment of whether conditions guaranteed thereby have been satisfied and the release of said guarantees.

2.5 At least five working days before the effective date of Annexation, the County will prepare and send to the City a list of all land use related permits and applications pending within the Annexation Area. The County will copy or otherwise make such listed permits and applications available to the City upon specific request. The City agrees to promptly reimburse the County for the cost of any file copies prepared at the City's request, except as otherwise noted in Section 14, below. The County further agrees to promptly notify the City of any applications received for the Annexation Area between the time a list of pending applications and permits is sent to the City and the effective date of Annexation. Such applications will likewise be copied or made available to the City upon request. Following Annexation, the determination of whether a particular application has vested shall be made by the City. Following Annexation, those applications which the City determines have not vested shall be excluded from further County review. The City or County may further exclude from this Agreement any additional permits or applications on the list at any time upon providing written notice to the County or City.

3. SEPA Compliance.

3.1 In order to satisfy the procedural requirements of the State Environmental Policy Act ("SEPA"), following the effective date of Annexation, the City shall serve as lead agency for all applications identified in Sections I and 2 of this Agreement. SEPA determinations made and SEPA documents prepared by the County prior to Annexation shall continue in effect following transfer of lead agency status to the City, subject to the City's discretion to modify the same in accordance with applicable SEPA regulations. The City shall designate and identify a SEPA-responsible official to make threshold determinations and to supervise the preparation and content of environmental review for projects within the Annexation Area. The responsible official shall not be an employee, officer or agent of the County. Any and all pending or future administrative appeals from SEPA threshold

determinations and other SEPA matters relating to projects within the Annexation Area shall be heard by the City. The County will notify the City's responsible official when a SEPA determination is required and will not take final action upon the application until the responsible official has acted. The County may, but is not required to, provide technical SEPA assistance to the City's responsible official if requested. Such technical assistance may include:

- preparation of a proposed SEPA threshold determination with supporting documentation for approval, publication and notice by the City's responsible official;
- preparation and submittal of a written review and comment on any appeal received on a SEPA threshold determination recommended by County staff to the City's designated appeal hearings officer;
- review of an applicant's environmental checklist and collection of relevant comments and facts;
- attendance at appeal hearings to testify with respect to analysis of environmental impacts, mitigation measures and the environmental review process;
- preparation of any required draft, final, addendum or supplemental EIS for approval of the City's responsible official;
- coordination of adopted or required SEPA measures of mitigation with project staff. Nothing in this section is intended to limit the County's ability to otherwise comment or participate in the City's SEPA processes in a manner independent of its role under this Agreement.

3.2 County staff will provide only such assistance as is requested by the City and will collect fees from the applicant for such services consistent with the County fee schedule. With respect to activity performed by the City, any applicable fees collected by the City shall be determined under City fee schedules.

4. Administrative and Ministerial Processing

4.1 County review specified in this Agreement is intended to be of an administrative and ministerial nature only. Any and all legislative or quasi-judicial decisions, or decisions of a discretionary nature, shall be made by the City and/or its designated decisionmaker.

4.2 For purposes of this Agreement, discretionary decisions shall include, but are in no respect limited to, SEPA procedural determinations and decisions to condition or deny any permit approval on SEPA grounds.

5. Referral of New Requests. Following Annexation, the County agrees to advise permit applicants that any new building or land use application or permit requested within the boundaries of the Annexation Area must be submitted to the City. The County agrees to accept requests for permit renewals or extensions on behalf of the City only when construction has already begun and such renewal or extension is necessary to complete the project under the terms of this Agreement. The County agrees to accept requests and process for ancillary permits for buildings when such ancillary permits are necessary to complete construction of the same project under terms of this Agreement.

6. Enforcement. Following Annexation, the County may, but is not required, to enforce on behalf of the City conditions of approval for those applications which the County has retained review authority pursuant to this Agreement. Following Annexation, the City shall be responsible for undertaking bond forfeiture and all other enforcement actions normally taken by the County's Code Enforcement Section pursuant to KCC Title 23, including those relating to applications processed by the County pursuant to this Agreement.

7. Processing Priority. The County agrees to process Annexation Area applications in accordance with the County's administrative procedures, at the same level of service as provided County applications. Fees for any services provided by the City shall be determined under the City's fee schedule.

8. Filing Fees.

8.1 In order to cover the costs of performing services pursuant to this Agreement, the County shall be authorized to collect and retain such application and other fees authorized by the County ordinances or as may be modified at some future date by the County and the City.

8.2 For all applications excluded from County processing or transferred to the City pursuant to terms of this Agreement, the County will retain the base permit fee and a percentage of fees equivalent

to the percentage of permit processing and administration performed by the County on the application. Any remaining application fee amounts received by the County prior to exclusion or transfer shall be promptly forwarded to the City.

8.3 To the extent that King County incurs expenses performing activities pursuant to this Agreement which are not fully compensated for by fees collected, the City agrees to reimburse the County for such expenses upon receiving an invoice from the County specifying the activity performed and the associated unreimbursed cost to the County.

9. Termination. This is an interim agreement which is intended to coordinate the provision of permit services to t he Annexation Area. Either party may terminate this Agreement upon providing at least thirty (30) days written notice to the other party.

10. Termination procedures. Upon termination of this Agreement, the County shall cease further processing, enforcement, and related review functions with respect to Annexation Area applications identified in Sections 1 and 2 of this Agreement. The County shall within 30 days thereafter transfer to the City those application files and records, posted financial guarantee instruments, and unexpended portions of filing fees for pending land use and building related applications within the Annexation Area. Transfer documents shall be signed by the appropriate County official. Upon transfer, the City shall notify affected applicants that it has assumed all further processing responsibility.

11. Duration. This Agreement shall become effective upon incorporation and shall continue until November 2, 2000, unless otherwise terminated or extended. Either party may terminate this Agreement upon providing at least sixty (60) days written notice to the other party. This Agreement may be extended as per provided in Section 12.

12. Extension. Pursuant to a mutual agreement between the parties, this Agreement may be extended. To extend the Agreement, the City shall make a written request to the County no less than sixty (60) days prior to the end of this Agreement. The request shall specify the proposed term of the

extension. The parties must agree to the extension in writing by the termination date or the agreement will lapse.

13. Application Process. The County and the City will each prepare and have available for applicants and other interested parties a document describing the handling of applications based on this Agreement.

14. Legal Representation. Except as set forth in Section 14 below, and except for such routine advice as may be provided to the County in furtherance of its services as described in this Agreement, the services to be provided by the County pursuant to this Agreement do not include legal services, which shall be provided by the City at its own expense. This limitation applies, but is not limited to legal services enforcing conditions of development-related financial guarantee instruments.

15. File Inspection and Copying Arrangements. To minimize costs, the County shall allow the City staff to use the County copying equipment at no cost to the City, when such arrangements do not present an unreasonable inconvenience to the County. The City shall use City staff to operate the County's copying equipment and shall observe appropriate practices to secure and maintain County records copied under this Agreement.

16. Indemnification.

16.1 The County shall indemnify and hold harmless the City and its officers, agents and employees or any of them from any and all claims, actions, suits, liability, loss, costs, expenses, and damages of any nature whatsoever, by reason or arising out of any negligent action or omission of the County, its officers, agents, and employees, or any of them, in performing obligations pursuant to this Agreement. In the event that any suit based upon such a claim, action, loss, or damage is brought against the City, the County shall defend the same at its sole cost and expense; provided, that the City retains the right to participate in said suit if any principal of governmental or public law is involved; and if final judgment be rendered against the City and its officers, agents, employees, or any of them, or jointly

against the City and County and their respective officers, agents, and employees, or any of them, the County shall satisfy the same.

16.2 The City shall indemnify and hold harmless the County and its officers, agents and employees or any of them from any and all claims, actions, suits, liability, loss, costs, expenses, and damages of any nature whatsoever, by reason or arising out of any negligent action or omission of the City, its officers, agents, and employees, or any of them, in performing obligations pursuant to this Agreement. In the event that any suit based upon such a claim, action, loss, or damage is brought against the County, the City shall defend the same at its sole cost and expense; provided, that the County retains the right to participate in said suit if any principal of governmental or public law is involved; and if final judgment be rendered against the County and its officers, agents, employees, or any of them, or jointly against County and their respective officers, agents, and employees, or any of them, the City shall satisfy the same.

16.3 The City and the County acknowledge and agree that if such claims, actions, suits, liability, loss, costs, expenses and damages are caused by or result from the concurrent negligence of the City, its agents, employees, and/or officers and the County, its agents, employees, and/or officers, this Section shall be valid and enforceable only to the extent of the negligence of each party, its agents, employees and/or officers.

16.4 In executing this Agreement, the County does not assume liability or responsibility for or in any way release the City from any liability or responsibility that arises in whole or in part from the existence or effect of City ordinances, rules, regulations, policies or procedures. If any cause, claim, suit, action or proceeding (administrative or judicial), is initiated challenging the validity or applicability of any City ordinance, rule or regulation, the City shall defend the same at its sole expense and if judgment is entered or damages awarded against the City, the County, or both, the City shall satisfy the same, including all chargeable costs and attorneys' fees.

17. Administration. This Agreement shall be administered by the Director of the King County Department of Development and Environmental Services or his/her designee, and by the Director of the City of Shoreline Department of Community Development, or his/her designee.

18. Amendments. This Agreement is the complete expression of the terms hereto and any oral representation or understandings not incorporated herein are excluded. Any modifications to this Agreement shall be in writing and signed by both parties.

19. No Third Party Beneficiaries. This agreement is made and entered into for the sole protection and benefit of the parties hereto. No other person or entity shall have any right of action or interest in this Agreement based on any provision set forth herein.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed.

KING COUNTY

_____
Ron Sims
King County Executive

_____
Date

Approved as to Form:

Norm Maleng
King County Prosecuting Attorney

_____

_____
Date

CITY OF SHORELINE

_____
Robert E. Deis
City Manager

_____
Date

Approved as to Form:

Ian Sievers
City Attorney

_____

_____
Date

Annexation Area A-2 - Active Permits

Project	Permit #	Address	Notes / Explanation	Status	% Done
1 Fire Damage Repair	B95A3386	2202 NE 197TH PL	Burned Out Dwelling	ISSUED	66
2 Right of Way	L98R0029	2214 NE 197TH PL	Mark Jennings	RET/WCI	3
3 HVAC	B94A1988	2960 NE 200TH ST	Church	ISSUED	67
4 Material Storage Facility	A98M0273	19547 25TH AVE NE	(Canopy) - Temporary Vactor Decant	MTG-HELD	0
5 Roof Cover	A99B0208	19547 25TH AVE NE	Bond	OPEN	0
" "	B98C0265	19547 25TH AVE NE	Drainage Facility & Vehicle Wash Rack	PENDING	0
6 Office & Parking Lot Add.	A97B0033	19550 BALLINGER WAY NE	Bond for Land Main	OPEN	0
" "	L9600482	19550 BALLINGER WAY NE	Inspection - No PreCon Held	FINAL-I	95
7 Furnace	B94A3459	19623 30TH AVE NE	Under 100,000 BTUH	ISSUED	66
8 Adding/Moving Walls	B94A2190	19800 BALLINGER WAY NE	Paint Storage in Maintenance Bldg.	ISSUED	67
9 New Driveway	E9701362	19807 30TH AVE NE	Clearing, May be near Wetland	PENDING	0
10 Office Building	B98A2987	19909 BALLINGER WAY NE	Fire Alarm System	ISSUED	67
11 Substandard Apts.	B96I0018	19909 BALLINGER WAY NE	Operation/Construction w/out Permits	PENDING	0
12 14 Unit MF	A98I0275	19916 19TH AVE NE	Certif. Of Ins.	VALID	0
" "	B98A2315	19916 19TH AVE NE	Demo. Of Resid.	ISSUED	67
" "	B98A4400	19916 19TH AVE NE	Sprinkler Syst. & UG Supply Main	ISSUED	67
" "	B98Q0529	19916 19TH AVE NE	Stormwater Vault	ISSUED	67
" "	B99A1145	19916 19TH AVE NE	Fire Alarm Syst.	ISSUED	67
" "	L9800232	19916 19TH AVE NE	Inspect.	GRADED	25
" "	B97C0149	19916 19TH AVE NE	14 Unit MF	ISSUED	67
13 Sign	C88-0285	19936 BALLINGER WAY NE	Insurance Co.	ISSUED	66
14 Tenant Improvement	C87-0711	19939 BALLINGER WAY NE	Restaurant	ISSUED	66
" "	C88-0998	19939 BALLINGER WAY NE	Restaurant	ISSUED	66
15 Sign	C87-1451	19944 BALLINGER WAY NE	Double Face Pylon	ISSUED	66
16 Sign	C9002824	19953 BALLINGER WAY NE	Cookhouse Restaurant	ISSUED	67
17 21 Unit MF	A98M0327	ADDRESS PENDING	Pre application	MTG-HELD	0
" "	A98V0019	ADDRESS PENDING	Pre application	MTG-HELD	0
" "	E98E0174	ADDRESS PENDING	SEPA	RET/WCI	25
" "	B98C0240	ADDRESS PENDING	21 Unit MF	PENDING	0

Annexation Area A-2 - Complete Permits

Project	Permit #	Address	Notes / Explanation	Status
A Office & Parking Lot Add.	A99F0159	19550 BALLINGER WAY NE	Finance Charge	CLOSED
B Adding/Moving Walls	C9200702	19800 BALLINGER WAY NE	Renewal of C9100257	CANCELED
C Zoning Certification	L9800011	19900 BALLINGER WAY NE	Pepper Tree Apts.	VOID
D Office Bldg.	B96A0290	19909 BALLINGER WAY NE	Foundation Repair	EXPIRED
E FD 4	F9300923	19960 BALLINGER WAY NE	Ballinger Auto Clinic	EXPIRED
F 12 Unit MF	C8900468	19916 19TH AVE NE	Proposal	CANCELED
G Norbrook Place Pre-Plat	S90P0022	19807 30TH AVE NE	Archived	WITHDRAW
H 3 Lot Short Plat	L93L0126	2010 NE 195TH PL	LLA	WITHDRAW

Council Meeting Date: July 19, 1999 **Agenda Item: 9(a)**

CITY COUNCIL AGENDA ITEM

CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Aurora Corridor Pre-Design Study Recommendation from Citizens Advisory Task Force
DEPARTMENT:	Planning and Development Services
PRESENTED BY:	Tim Stewart, Director Kirk McKinley, Transportation Manager

EXECUTIVE / COUNCIL SUMMARY

This is the fourth and last scheduled workshop on the Aurora Corridor Pre-Design Study. The Aurora Corridor Citizens Advisory Task Force (CATF) will present their recommendations to you at this meeting. Their recommendation will include a description of the basic design concept and a list of principles (or policies) related to the design and implementation (refer to Attachment A). Your packet also includes a map that indicates key features of the design concept and locations of potential impacted properties (Attachment B).

Your selected design will be used as a starting base in the preliminary engineering process. The preliminary engineering process will include many meetings with property owners and tenants to identify their access, parking, and operational needs with the goal in mind that we will attempt to address these needs in the final design. The State Department of Transportation (WSDOT) will also need to approve the street channelization (striping, signing, turning movements) and the addition of new signals on the corridor. Once the preliminary engineering phase is completed in 2000, all properties along the corridor will know what their future frontage will look like, and new developments will be able to construct frontage improvements that will meet the design of the project.

The CATF is recommending Alternative 2, the people mover alternative as the base design concept. The CATF unanimously recommended this alternative with the attached design statements (Attachment A) on July 8. This completes their recommendation to your Council according to the charge that you assigned them last year. In addition to the two attachments, the consultant has redrawn Alternative 2 based on input from the CATF. These drawings will be available at your meeting on July 19, and in the Council Office on July 12.

We will begin the workshop at 5:30 on July 19, in order to take your Council on a brief tour of some of the key areas along the street. This tour will provide you the opportunity to envision the future recommended street and to see some of the impacts and potential

new pedestrian crossings or intersections. If your Council, prior to the July 19 tour, would like to suggest certain stops we can incorporate them into the field tour.

Attachment A outlines the unanimous recommendation of the CATF. Attachment B indicates some of the key features of the recommendation including: location of buildings that may potentially be partially (approximately 12) or fully (approximately two) taken in order to build the project. The highest concentration of potential building impacts is in the section between 175th and 185th on the east side of the road (between Ronald Place and Aurora, and on the Seattle City Light right-of-way). The map also identifies the proposed new traffic signal locations at 152nd, 165th, 182nd, and 195th and new signalized pedestrian locations at 149th, 170th, 180th, and 202nd. Two major skew-angle roadway closures are recommended at the north end of Westminster Way, and at the north end of Firlands Way at about 196th. The Firlands Way intersection will be relocated to 195th and Aurora. The Westminster Way intersection is recommended to become an access driveway to the triangle and to the Aurora Square property.

The July 8 CATF meeting was attended by many of the businesses at the suggestion of your Council. The CATF listened to and incorporated many of the concerns of the businesses in their recommendation to you. The most controversial area of disagreement between many of the vocal businesses and the initial recommendation related to the width of the sidewalk and landscaping/street furnishing zone. Most of the businesses at the July 8 meeting seemed fairly satisfied that the new recommendation (#3 on Attachment A) provided enough flexibility to minimize impacts to existing businesses.

RECOMMENDATION

Council action is not requested at this time. Your Council is scheduled to consider recommending a concept for the design for the Aurora Corridor on August 23, 1999.

Approved By: City Manager LB City Attorney N/A

ATTACHMENTS

Attachment A	Recommendation of the Citizens Advisory Task Force on the Preferred Alternative – Approved Unanimously July 8, 1999
Attachment B	Preferred Alternative Design Features and Potential Impacts

AURORA CORRIDOR – PRE-DESIGN STUDY

RECOMMENDATION OF THE CITIZENS ADVISORY TASK FORCE ON THE PREFERRED ALTERNATIVE – APPROVED UNANIMOUSLY JULY 8, 1999

The goal of the Aurora Corridor Pre-Design project is to develop a design concept that improves safety for pedestrians and drivers, improves the aesthetics and image of the street, adds people moving capacity, and supports existing and future business investments along the street. Landscaping is a key feature in strengthening the image and in supporting the walkability of the corridor.

The preferred design will be based upon Alternative 2, the people mover alternative. The main features of this design concept include the addition of business access transit lanes on the outside of the roadway; curbs, gutters, landscaping/street furnishing strip, and sidewalks on both sides; and the creation of a landscaped center median safety lane with left and u-turn pockets. The recommendation also includes four new signalized intersections and three new pedestrian activated signalized crossings.

The following statements outline the recommendation of the CATF on the development and implementation of the project:

1. The maximum number of lanes on an intersection leg shall not exceed eight lanes including turning lanes. Seven lanes is the desired width.

2. Provide ability at intersections for all pedestrians to safely cross (and include median refuge at intersections with pedestrian pushbuttons). New mid-block pedestrian crossings should include pedestrian activated signals. Bus stops and pedestrian crossings will complement each other.

3. Twelve foot sidewalks will be provided on both sides of Aurora the entire length. Consider reducing the initial sidewalk width to mitigate land impacts/acquisitions on existing businesses. Note: a minimum of four feet of a landscaping/street furnishing zone is included in the twelve foot width total above.

4. Utilize more landscaping or colored pavement in sidewalk areas to soften the look. The four foot landscaping/street furnishing strip behind the curb should utilize trees in tree grates/pits (consider a combination tree protector/bike rack), low growing ground cover/shrubs, and could utilize some special paving (or brick) between curb and sidewalk to strengthen the identity of an area.

5. Strive to design the project so that new sidewalks can link to existing recently constructed sidewalks (such as Seattle Restaurant Supply, Drift-on-Inn, Schucks, Hollywood Video, and Easley Cadillac).

6. Re-align the street where possible to avoid property takes.

7. As the final design is developed, work with WSDOT to obtain design approvals for lane width reductions, and look for opportunities to reduce (but not eliminate) the median width both to enable reduction of pavement widths, construction costs, and land impacts/acquisition on existing businesses.

8. Develop median breaks or intersections for business access and U-turns at least every 800-to-1000 feet (these details will be worked out during future design phases and will be based in part on the amount of traffic entering and exiting businesses).

9. Use low growing drought resistant ground-cover and space trees in the median to allow visibility across it.

10. Unify the corridor by adding art, special light fixtures, pavement patterns (and coloring at crosswalks), street furniture, banners, unique bus shelters, etc. to dramatically enhance image and uniqueness of the streetscape and develop it differently than the standard design that has been constructed for most streets.

11. Unify the entire corridor by the use of street trees, lighting, special paving, bus zone design, and other elements to visually connect the corridor along its length.

12. Provide elements in the Interurban/Aurora Junction area, between 175th and 185th that create a safe, pedestrian oriented streetscape. Elements can include special treatments of crossings, linkages to the Interurban Trail, etc.

13. Develop signature gateway designs at 145th and 205th with special interest landscaping, lighting, paving and public art to provide a visual cue to drivers that they have entered a special place.

14. Develop themes that reflect the character and uses of different sections of the street (such as the 150th to 160th area which has a concentration of international businesses, recall the historic significance of the Interurban or other historic elements, and Echo Lake).

15. Utilize the Arts Council and neighborhoods to solicit and select art along the corridor.

16. Strengthen connections to the Interurban Trail through signing and other urban design techniques.

17. Develop a design for closure of Westminster Road between 158th and 155th by developing a southbound right turn lane at 155th Street and converting the existing road section to a driveway entrance to Aurora Square. Also, develop an elevated Interurban trail crossing through "the Triangle" that is integrated with future development of the Triangle (reserve the option to build above Westminister should we not be successful in closing the roadway).

18. Pursue modifying the access to Firlands at 185th, closing Firlands north of 195th, and developing a new signal at 195th.

19. The preferred design shall include:

- Stormwater management improvements to accompany the project that follow the city's policies;

- Traffic signal control and coordination technology (including coordination with Seattle and Edmonds SR 99 signal systems);

- Traffic signal technology to enable transit priority operations;
- Continuous illumination for traffic safety and pedestrian scale lighting;
- Undergrounding of overhead utility distribution lines.

20. Traffic signals will include audible elements for the sight-impaired, and wheelchair detection loops for wheelchair users.

21. The City should establish a right-of-way policy to retain or relocate existing businesses along the corridor, including those that do not own the land on which they are located. Consideration should be given to providing financial incentives to those businesses.

22. Work with property and business owners during the preliminary engineering phase to consolidate driveways, share driveways, and potentially to share parking and inter business access across parcel lines. Be creative and sensitive to the parking needs of businesses, including consideration for some potential clustered/shared parking lots (especially if remnant parcels are available).

23. Provide improvements that will not generate an increase in neighborhood spillover traffic.

24. Work with transit agencies to provide increased service and seek capital investments from them to support this project.

25. Develop partnerships with WSDOT and King County/Metro to jointly fund the project.

26. Provide curb bulbs where practical on side streets to reduce pedestrian crossing width and to discourage cut-through traffic.

27. Strengthen and preserve the heritage of the red brick road. If the design impacts the red brick road in its current configuration/location north of 175th, preserve its heritage by relocating it elsewhere.

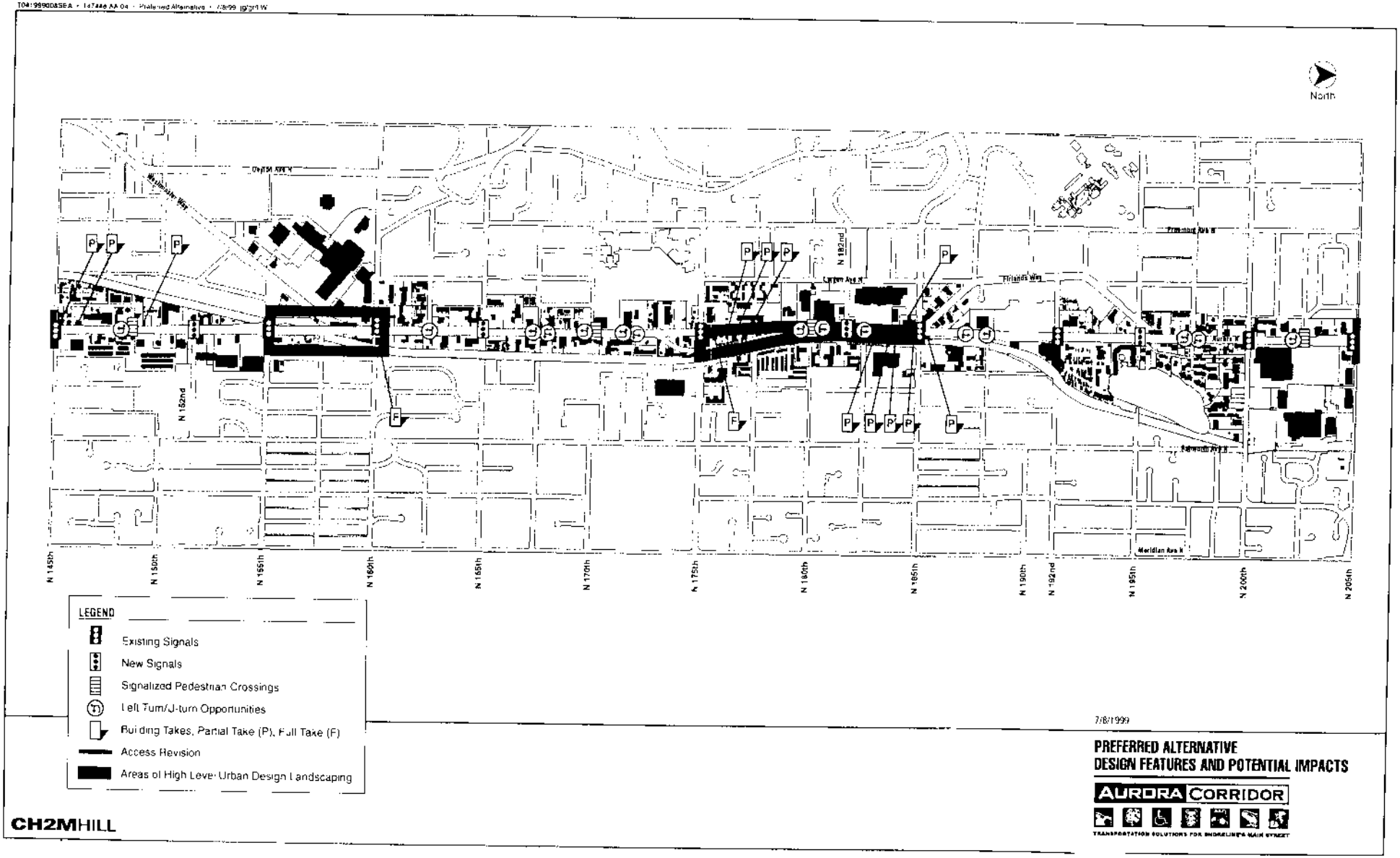
28. Consider new signalized intersections at 152nd, 165th, 182nd, and 195th.

29. Consider new pedestrian only signalized crossings in the vicinity of 149th, 170th, 180th and 202nd.

30. Sign Ronald Place south of 175th as the route to I-5.

31. Pursue reducing the speed limit to 35 mph where appropriate recognizing the potential impacts of spillover traffic with a lower posted speed.

32. Seek funding to develop a program to assist and encourage businesses to improve their facades.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N 195th
N 200th
N 205th
N 152nd
N 182nd
Linden Ave N
Firlands Way
Meridian Ave N
LEGEND
Existing Signals
New Signals
Signalized Pedestrian Crossings
Left Turn/U-turn Opportunities
Building Takes, Partial Take (P), Full Take (F)
Access Revision
Areas of High Level Urban Design Landscaping
7/8/1999
PREFERRED ALTERNATIVE
DESIGN FEATURES AND POTENTIAL IMPACTS
AURORA CORRIDOR
TRANSPORTATION SOLUTIONS FOR SHORELINE'S MAIN STREET
CH2MHILL

Council Meeting Date: July 19, 1999 **Agenda Item: 9(b)**

CITY COUNCIL AGENDA ITEM

CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	A Workshop to Discuss Development of the Code Enforcement Program and to Consider Options for Enforcement Strategies
DEPARTMENT:	Planning and Development Services
PRESENTED BY:	Tim Stewart, Director Sherri Dugdale, Code Enforcement Officer

EXECUTIVE / COUNCIL SUMMARY

During the Council discussion on September 8, 1998, Council and Staff agreed that while the code compliance method, currently in use by CRT, has addressed a substantial number of complaints, there is still a need for a comprehensive, cohesive code enforcement program to ensure public health and safety. Staff was directed to establish a systematic enforcement process, including goals, a plan, a budget, and timeline for implementing effective code enforcement.

Council has defined the 8th goal of their 1999 Work Plan as developing a "code enforcement program reflective of City values". As the first step in developing that program, Staff has outlined a project describing the problem, proposing goals and measurements for success, defining roles and responsibilities, and specifying a timeline and phases of the development.

In choosing a direction for the City's Code Enforcement Program, Council needs to provide instruction on how proactive the program should be, and how aggressively to enforce City codes. Staff will be presenting the following four program strategy options from which Council should choose:

1. Adopt a traditional basic model
2. Adopt a traditional "three strikes" model
3. Adopt a proactive "three strikes" model
4. Adopt a proactive aggressive model

Any of these models may be implemented within our current budget. Stepping up the intensity of enforcement actions and adopting proactive projects is constrained by the budget. Staff will preview a list of proactive projects (the "Dirty Dozen") that will be addressed in Phase III of the Project. A more extensive list with examples, case studies and fiscal impacts will be presented to Council in Fall 1999.

A code enforcement program reflective of City and community values cannot be realized without first defining community values. Staff is proposing to establish a dialogue with the community in order to better define those "community values". This dialog would begin in Phase II of the project and continue through Phase III.

RECOMMENDATION

Staff requests that Council approve the proposed Project Plan for developing a comprehensive code enforcement program reflective of City and community values. Staff also recommends that Council selects and supports Option 3 (Adopt a proactive "three strikes" model) for the code enforcement program strategy. Council should begin to consider the "Dirty Dozen" as your Council will be asked to provide the final direction and resource allocation for proactive projects in Phase III.

Approved By: City Manager LB City Attorney N/A

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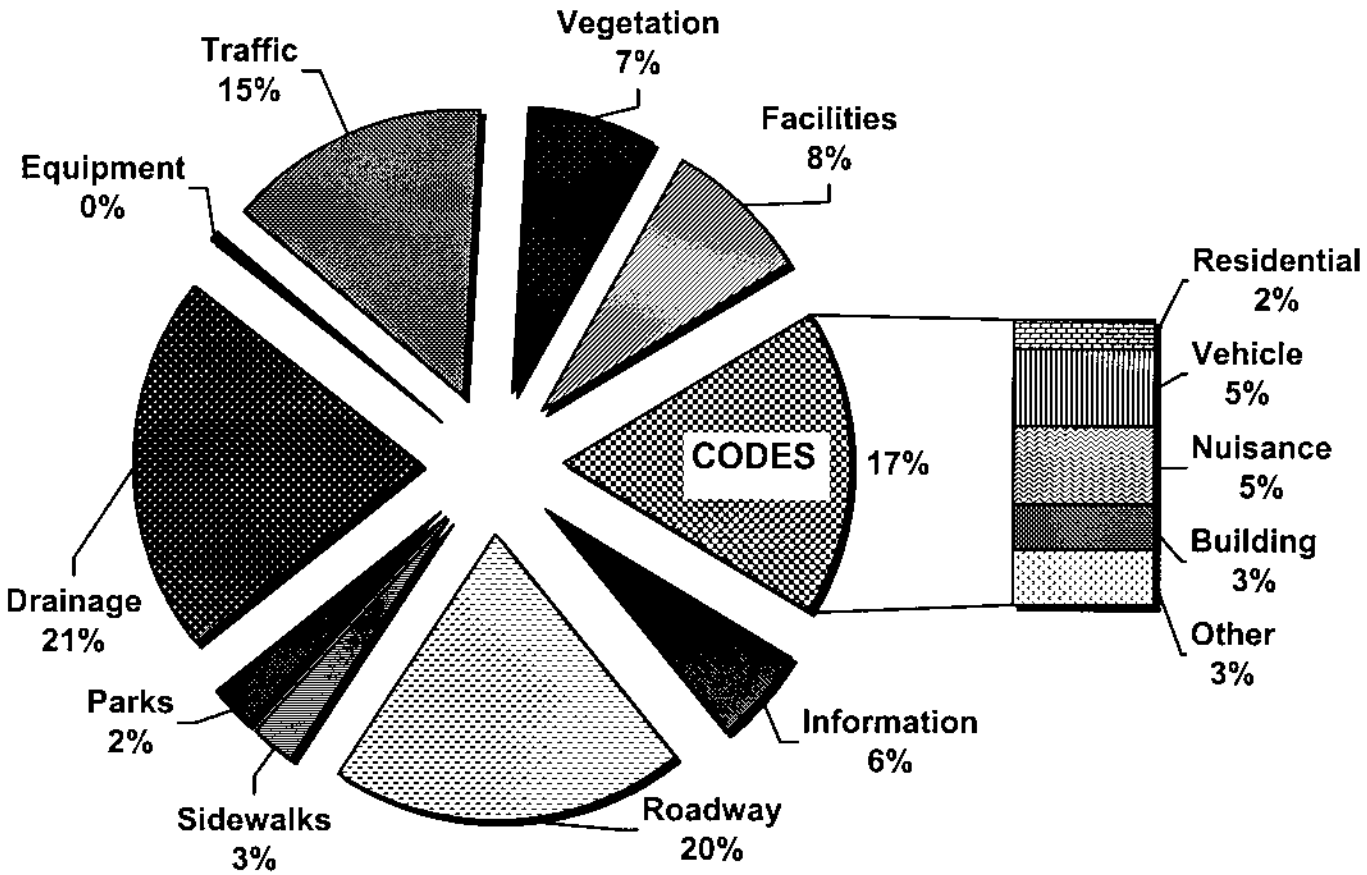
I. BACKGROUND / ANALYSIS

Prior to the City's incorporation, King County was responsible for the code enforcement in this area. They assigned one code enforcement officer for 4 hours a week. Because of the time constraints, customer service was limited, communications were generally handled via mail, and there was little or no follow-through with enforcement. Consequently, Shoreline inherited not only unresolved case files and code violations, but also the atmosphere of non-compliance. In comparison, the Customer Response Team (CRT) currently spends an average of 25 hours per week responding to complaints, attempting to educate violators, and striving for voluntary compliance.

It has been estimated that for every one complaint the City receives for code violations, there are ten more that go unaddressed. During the Council discussion on September 8, 1998, Council and Staff agreed that while the code compliance method has addressed a substantial number of complaints, there is still a need for a comprehensive, cohesive code enforcement program to ensure public health and safety. Staff was directed to establish a systematic enforcement process, including goals, a plan, a budget, and timeline for implementing effective code enforcement.

At this time, CRT continues to receive and process customer complaints based on established procedures. The chart below shows that code issues continue to be the third most requested service.

Complaints Received by CRT Incorporation - May 1999



II. ISSUES AND DISCUSSION

A. Program Planning

Council has defined the 8th goal of their 1999 Work Plan as developing a "code enforcement program reflective of City values". As the first step in developing that program, Staff has outlined a project describing the problem, proposing goals and measurements for success, defining roles and responsibilities, and specifying a timeline and phases of the development. Each of these components of the project will be discussed individually.

Project Title and Definition: As was discussed earlier, the City of Shoreline currently lacks a comprehensive code enforcement program that solves problems in a manner consistent with community values. The purpose of the Code Enforcement Project is to develop a code enforcement program reflective of City values, thereby meeting the 8th goal of the City Council's 1999 Work Plan.

Project Team: Development of a code enforcement program will be a collaborative effort between Planning and Development Services, Public Works, Shoreline Police, the City Attorney, Health and Human Services, Community and Government Relations, and the City Manager's office. Active participation and cooperation by all team members is critical to the successful development of this program. Stakeholders include the citizens of Shoreline, your Council, the Planning Commission, the Council of Neighborhoods, Chamber of Commerce, King County, and any other group or individual affected by this program. Without support from the stakeholders, the project cannot succeed.

Project Goals: The Code Enforcement Project will develop a working program that meets four primary goals:

1. Policies and procedures will be established prior to program implementation, in order to guide enforcement efforts,
2. Enforcement capabilities will be enhanced by changes to existing City codes,
3. Problem areas will be identified in the community and priority given to some based on community values and Council's recommendations, and
4. Proactive cooperative efforts to solve these community problems will be supported.

Success Measurements: The milestones that will be used to measure the success of the program include:

1. Approval of the Code Enforcement Project by the Shoreline City Council
2. Adoption of a Policy & Procedure Manual for Code Enforcement and additional enforcement tools, as appropriate
3. Incorporation of three proactive projects into the City's Comprehensive Plan to address "problem areas"
4. City Council satisfaction with the Code Enforcement Program

Timeline and Phases: The project has been divided into three phases, each with its own timeline:

Phase I is the Planning Phase and has included the consideration of code enforcement programs already in use by other cities; their policies and procedures, and their codes. Several team meetings were held to build and validate the Project Plan and to discuss problem areas and options for enforcement strategies. The Project Plan has received endorsement from the City Manager, Department Director, Project Manager, and all of the Project Team Members. Your Council's approval of the Project Plan and selection of an enforcement strategy will complete Phase I and signal the beginning of the next phase.

Phase II is the Program Development Phase. One of the key elements of this phase is the initiation of a dialog between the City and the Shoreline citizens in order to better define "community values". The intention is that this dialog will set the stage for future collaborative proactive projects for community and neighborhood improvement. Another major piece of this phase is the drafting of a policy and procedure manual. The manual will provide the foundation, authority, and guidelines for the program and must be completed prior to intensifying code enforcement efforts. Depending on the enforcement strategy chosen in Phase I, amendments to the Shoreline Municipal Code may become necessary. The formal adoption of the Code Enforcement Policy and Procedure Manual, along with any corresponding amendments to the SMC will signal the successful completion of this Phase. Targeted completion for this phase is Fall 1999.

Phase III is the Implementation Phase. The dialog between the City and the community that began in Phase II will have clarified the priorities for enforcement actions and will serve as the foundation for proactive projects. Staff will present Council with the "Dirty Dozen" – a list of twelve code-related problem areas identified by Staff, the Police, and the community. Case studies will illustrate the problems, and options for enforcement actions will be discussed, including recommendations for code revisions and fiscal implications. We will be asking your Council to select three of the "Dirty Dozen" for concentrated code enforcement in the City's Comprehensive Plan. Targeted completion for this Phase is January 2000.

Resources Needed: A critical need that has been identified for the success of this program is a functional complaint intake and tracking system that can be used by all City departments and is compatible with both Geographic Information Systems (GIS) and permit tracking systems. While CRT has a fairly good system for tracking all of their incoming complaints and classifying them according to the type of complaint, it does not track the issues that go directly to PADS, the City Manager's office, or other divisions in Public Works. Hence, the data set produced by CRT does not give an accurate picture of all the code issues, rather only the ones they deal with. Any new system would need to include modules for a GIS system to provide a geographical foundation, a permit tracking system, complaint intake and tracking system, and a code enforcement module. In order to make informed decisions, all

modules would need to interface with each other so that, for example, a person logging a complaint at a specific address would be able to access the property owner's name, the parcel number, a map, any building permits associated with the property, a history of any enforcement actions and complaints logged against the owners, without having to track down multiple files held in multiple systems.

Another resource that may benefit this program is a system to license businesses operating in the City of Shoreline. Without it, we have no real way to prevent illegal additions, establish pre-existing nonconforming uses, or to monitor who is doing business here.

Finally, there is the issue of monetary resources. Any of the options for enforcement strategies being presented in this document may be implemented without any additional monies. However, the amount of resources available for code enforcement efforts relates directly to the outcome of those efforts. Said differently, it affects how fast problems are solved, how widespread the education efforts are, how aggressively the violations are pursued, and how many proactive projects are undertaken.

B. Program Development

In choosing a direction for the City's Code Enforcement Program, your Council needs to provide instruction on two points that will guide your choice of options:

1. How aggressive should the enforcement actions be?
2. How proactive should the program be?

Staff will be presenting four program strategy options. All of them are based on models currently in use by other cities (see Attachment C for city populations, number of officers, and type of program). Attachment B gives a visual model of each of the options.

Traditional vs. Proactive Models

Traditional Model: A response-based system where enforcement actions are triggered primarily by incoming complaints. Education efforts are focused on the individual violator rather than on the larger community. This approach does "damage control" of problems.

Proactive Model: A system where enforcement actions originate not only with referrals from citizens and internal departments, but are also initiated by the active monitoring of permits, cooperative efforts with other agencies, and by the development of community projects. This approach attempts to solve problems at their root, or to prevent them altogether.

Options for Code Enforcement Program Strategies

Option 1: Adopt a traditional basic model. This option maintains the status quo. Customer Response Team (CRT) continues to respond to complaints and ask for compliance. If compliance is not obtained, a series of letters, each with stronger language, are sent to the violator before referring the case to the City Prosecutor for litigation. The City of Lynnwood and the City of Bellevue both use a proactive version of this model and include education, neighborhood improvement projects, outreach, and an inspection program for rental housing as part of their programs.

Benefits: Strong customer service focus with voluntary compliance as the primary objective. Customers are educated on an individual basis and 96% of violations are resolved with voluntary compliance.

Drawbacks: Violations proceed from multiple requests for voluntary compliance directly to litigation, which is both expensive and time-consuming. Although voluntary compliance is desirable and yields the most satisfactory results, it is ineffective when dealing with repeat violators or those who delay compliance, as there are limited financial repercussions. Also ineffective in stemming the tide of repeat code violations is the complaint driven system. While the majority of violations are resolved successfully without further investigation or enforcement, they represent only the tip of the iceberg. No resources are used for proactive projects.

Things to Consider: This approach, while appeasing those who are vocal enough to call and complain about violations, does nothing to address violations where neighbors are less vocal, but may be just as dissatisfied. In customer service terms, these are the folks who quietly take their business elsewhere, but then complain to all their neighbors. In addition, while the traditional approach may appear to be a better bargain on the surface as no additional resources are needed for education, outreach, or "projects", it may end up being much more expensive as problems are allowed to grow, unchecked, until someone complains. An excellent example of this is a residential property that was brought to Council's attention as a Case Study in the September 8, 1998 Staff Report on Code Enforcement. The property is covered with junk and debris, along with numerous junk vehicles, auto engines and parts, and other discarded materials. Because of a long-standing atmosphere of non-compliance in the Shoreline area, and limited resources for proactive efforts, enforcement actions did not begin until the neighbors began to complain. Finally, after a year and a half of trying to get the property owner to comply, the City is now faced with the possibility of having to abate the property, possibly costing upwards of $25,000.

Option 2: Adopt a traditional "three strikes" model. Compliance remains the priority, but there are more tools available for enforcement actions. As above, enforcement actions are triggered by complaints, and no "projects" are undertaken. CRT continues to respond to initial complaints and ask for compliance (Strike 1). If initial attempts at voluntary compliance are ineffective, a second attempt is made using the threat of a citation, civil fines, abatement, and/or misdemeanor charges (Strike 2). If compliance is still not obtained, the file is transferred to Code Enforcement for further enforcement (Strike 3). Options at this point include the assessment of civil fines and the pursuit of either administrative remedies (i.e. abatement and filing of costs with tax assessor's office), or legal remedies (i.e. civil citation or criminal misdemeanor charges). Voluntary compliance could still result in the dismissal or reduction of fines. A second layer of "three strikes" overlays the first as second offenses (*anywhere* in the city) skip Strike 1 and enter the system at Strike 2. Third time offenders go directly to Strike 3, and may be charged with a criminal misdemeanor. Violations that present a severe threat of or actual damage to public health & safety may enter the system at Strikes 2 or 3, as appropriate. Because this is a traditional model, attempts at education are limited to individual violators, rather than aimed at the community as a whole and no resources are used for "projects". This is a model similar to the one that Federal Way and the City of Renton use, although Renton is beginning to develop proactive projects. King County currently uses a "two strike" variation of this model.

Benefits: First time violators are given the benefit of the doubt and educated about City codes and policies. Voluntary compliance is sought throughout every step of the process, but there are consequences for continued and repetitive non-compliance. The City has several options available for enforcement actions, increasing the likelihood of gaining compliance.

Drawbacks: Again, a response-based system does not solve problems in the community and touches only the tip of the iceberg. While there may be less of a demand for resources due to a lack of citywide efforts at education or enforcement, more resources may be needed for the actual enforcement and/or abatement.

Things to Consider: This model takes a much more active role in enforcement of the codes. For a community unaccustomed to code enforcement, this approach may be received as aggressive. Council will most likely receive complaints from some in the community who wish to leave things as they are. In addition, Council may also receive criticism for initiating what may be perceived as an "aggressive" code enforcement program without first attempting to educate the community. Again, problems not dealt with in this traditional model may mushroom to be very expensive abatement problems in the future. Additional resources will be required for this model, specifically in terms of utilizing the legal system. Abatement actions may be handled administratively, rather than requiring a Court Order, although this option increases the workload of the Hearing Examiner.

Option 3: Adopt a proactive "three-strikes" model. This option has a strong customer service focus with voluntary compliance as the primary objective, plus the enforcement tools as described above, but has the addition of such problem-solving efforts such as citywide educational programs, referrals for mediation, and neighborhood clean-up efforts. With this model, it is also possible to intensify enforcement efforts for a specific proactive project. For example, the proactive project selected is to remove all unlicensed vehicles from the right-of-way. A citywide effort is made to educate the public about the issue, and a "grace period" given prior to the issuance of citations. When the publicized enforcement date begins, no further warnings are given and citations are issued to all unlicensed vehicles parked within the right-of-way. This is an example of enforcement efforts being more aggressive for a specific project only. The City of Puyallup currently uses a similar model, although education and proactive efforts are somewhat limited as there is only one code enforcement officer.

Benefits: There is a commitment on the City's part to initiate education of the community and to develop proactive "projects" for code enforcement efforts. Projects will be developed as a cooperative effort with the neighborhoods, as well as other departments and agencies – reflecting the community and neighborhood values. This is a "community-oriented" approach that attempts to solve problems rather than simply responding to calls for service (much like the community-oriented policing approach that the Shoreline Police Department has adopted).

Drawbacks: Because the program is proactive, Council may receive complaints about enforcement actions. A list of community problems would be presented for Council prioritization and approval, prior to the implementation of proactive projects that target specific problems. There will be a greater demand for resources with this model. In fact, this is likely the most expensive of all the models being presented.

Things to Consider: As stated in the previous model, an increase in enforcement actions will most likely result in complaints to Council by those who like the status quo and feel the new model is too "aggressive". And although this model includes education and outreach efforts, it also includes concentrated enforcement actions on specific issues as identified by Council. A potential "backlash" of education efforts is that the number of code complaints received by the City may actually go up due to higher visibility of the program and the increased awareness of the issues. This model will likely cost more than either of the two previous models as additional resources are needed both for the educational element and for the added enforcement tools. However, while possibly being more expensive immediately, proactive programs can be less expensive in the long run as the goal is prevention.

Option 4: Adopt a proactive aggressive model. This is Everett's model, a variation of which was recently proposed to Seattle's City Council. While an attempt is made to educate violators, they are automatically issued civil citations with hearing dates already scheduled, usually 14 days from the citation date. If the violation is cleared prior to the hearing date (requires re-inspection), the citation is dismissed and no fines are levied. If the violation remains and there is no compliance, the hearing ensues. The violator is given an opportunity to plead his/her case and a decision is rendered. If the violator does not appear at the hearing, the hearing examiner authorizes an Order of Default with provisions for abatement if compliance is not achieved within a specified period of time. Education is aimed at the entire community and proactive "projects" are given priority over incoming complaints.

Benefits: Cases are handled in a more efficient manner as the deadline for compliance, the fine amounts, and the appeal hearing are all set with the issuance of the citation. Timely compliance is rewarded with the dismissal of the citation (including fines). Provisions for abatement are included with the Order of Default, thereby avoiding an additional hearing for non-compliance.

Drawbacks: This is a fairly aggressive approach and one that may be met with dissatisfaction in the community, especially to citizens unfamiliar with code enforcement or City codes. The lack of any provisions for a transition period to acclimate citizens to the increased enforcement actions will likely exacerbate this feeling of dissatisfaction. This option is usually employed by a city that has tried other less aggressive means, to no avail.

Things to Consider: This model can almost be guaranteed to trigger phone calls to Council from citizens who are all but unaccustomed to code enforcement. While the proactive efforts at education will certainly help, there is no "grace period" prior to being issued a citation (even if that citation and any fines are dismissed upon timely compliance). Because cases are handled more efficiently, the actual number of cases processed would likely increase. In addition, the workload for the Hearing Examiner would certainly increase as hearing (and thus, compliance) dates are set with the issuance of the citation and cannot be extended by the Code Enforcement Officer. Citizens may be frustrated by delayed response to their complaints as priority is given to the proactive projects. On the other hand, once the end results of these projects are seen by the community, the citizens may be more tolerant of these priorities.

C. Preview of the "Dirty Dozen"

The following is a breakdown of code-related issues within the City. Some are general categories with several related issues, and some are specific issues in and of themselves. This was done specifically so that Council may choose a specific problem to target (e.g. all junk vehicles in the City) or a more general problem (e.g. residential neighborhoods with houses that are run down and have trash-covered premises and numerous junk vehicles parked in the yard). This list is intended only as a preview as proactive projects are addressed in Phase III of the Project. A more extensive list will be presented to Council in Fall 1999.

1. **Building** - includes building without permits, non-compliance with permit requirements, Stop Work orders, and establishing time limits for compliance. Also includes abandoned, damaged, or incomplete buildings that are allowed to sit for an extended period of time (e.g. Arigato's)

2. **Commercial** – this may include such issues as enforcement of the gambling moratorium, standards in cabarets, adult entertainment and panoram devices, etc. May also include enforcement of the Aurora Corridor Overlay.

3. **Environmental** – includes sensitive areas, wetlands violations, non-compliance with mitigation requirements, water quality issues such as illegal dumping in streams, discharges to the storm water system, etc.

4. **Home Occupation** – includes unregulated home businesses that are known to the City only when there is a complaint (e.g. home auto-repair businesses).

5. **Junk Vehicles** – on private property (usually parked on the grass) or parked and/or stored in the public ROW.

6. **Land Use** – includes provisions for bringing "grandfathered" businesses into compliance with current land use regulations. May also include enforcement of the Aurora Corridor overlay. Also includes temporary street vendors that set up shop in parking lots of other businesses.

7. **Noise** – Includes exploring the possibility of adopting state standards for acceptable noise levels (as set by the EPA, and adopted by the WAC).

8. **Public Nuisance** – includes junk and debris, attractive nuisances, danger to public health and safety. May also include light trespass.

9. **Public Use of Right-of-Way** – includes use of the ROW for business purposes (e.g. cars or merchandise for sale, advertising), parking unlicensed or expired vehicles in the ROW, and parking (storing) large recreational or commercial vehicles in the ROW.

10. **Residential Neighborhoods** – includes elements from many of the issues, concentration is on specific neighborhoods as defined by City Council, with advisement by neighborhood organizations. Most of the issues will likely relate to public nuisances and junk vehicles, which together make up nearly half of all code-related complaints received by CRT (see Attachment A).

11. **Signs** – includes commercial as well as garage sale signs, billboard inventory, and plans to bring non-conforming signs into conformance.

12. **Sub-standard Housing** – includes development and adoption of minimum housing standards. May also include provisions for a rental house registration and inspection program.

D. Getting to Community Values

A code enforcement program reflective of City and community values cannot be realized without first defining community values. The data collected by CRT offers a basic idea of the issues that most concern people. However, in most cases, these are specific violations, rather than a neighborhood or citywide view. Staff is proposing to establish a dialogue with the community in order to better define those "community values". This dialog would begin in Phase II of the project and continue through Phase III. Some of the proposed methods of soliciting comments from the community include:

A. Request for comments published in the *Shoreline Enterprise* and *Currents,*

B. Short informative piece and request for comments added to the City web site, and

C. Short presentations at neighborhood meetings.

Comments will be directed to the Code Enforcement Officer who will keep a record of the neighborhood or type of issue discussed. The results of this dialog will be compiled and will appear in the Phase III Staff Report.

III. RECOMMENDATIONS

Staff requests that Council approve the proposed Project Plan for developing a comprehensive code enforcement program reflective of City and community values. Staff also recommends that Council selects and supports Option 3 (Adopt a proactive "three strikes" model) for the code enforcement program strategy. Council should begin to consider the "Dirty Dozen", as your Council will be asked to provide the final direction on proactive projects in Phase III of the project.

IV. ATTACHMENTS

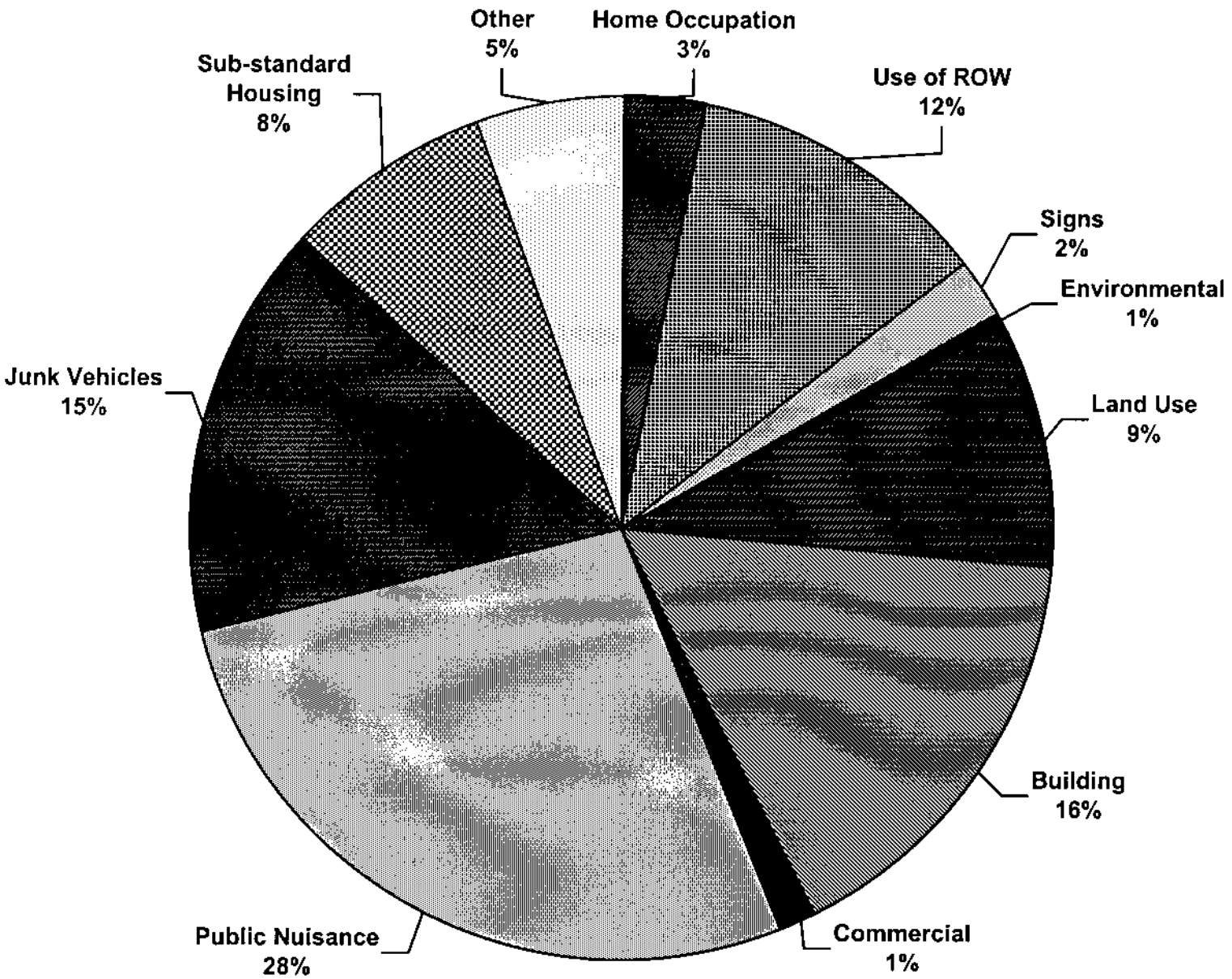
A. CRT Code Related Calls for Service – Incorporation to May 1999
This chart shows the breakdown of the CRT calls for service that are specifically related to code issues. Note that half of all code-related requests are for residential problems (nuisances, junk vehicles, and sub-standard housing).

B. Visual Representation of Options
These flow charts give an idea of how a case would proceed from beginning to end.

C. Code Enforcement Programs by City
This chart lists the cities used as models in the Options for Enforcement Strategies. It also shows the population, number of code enforcement officers, and the type of program currently in use.

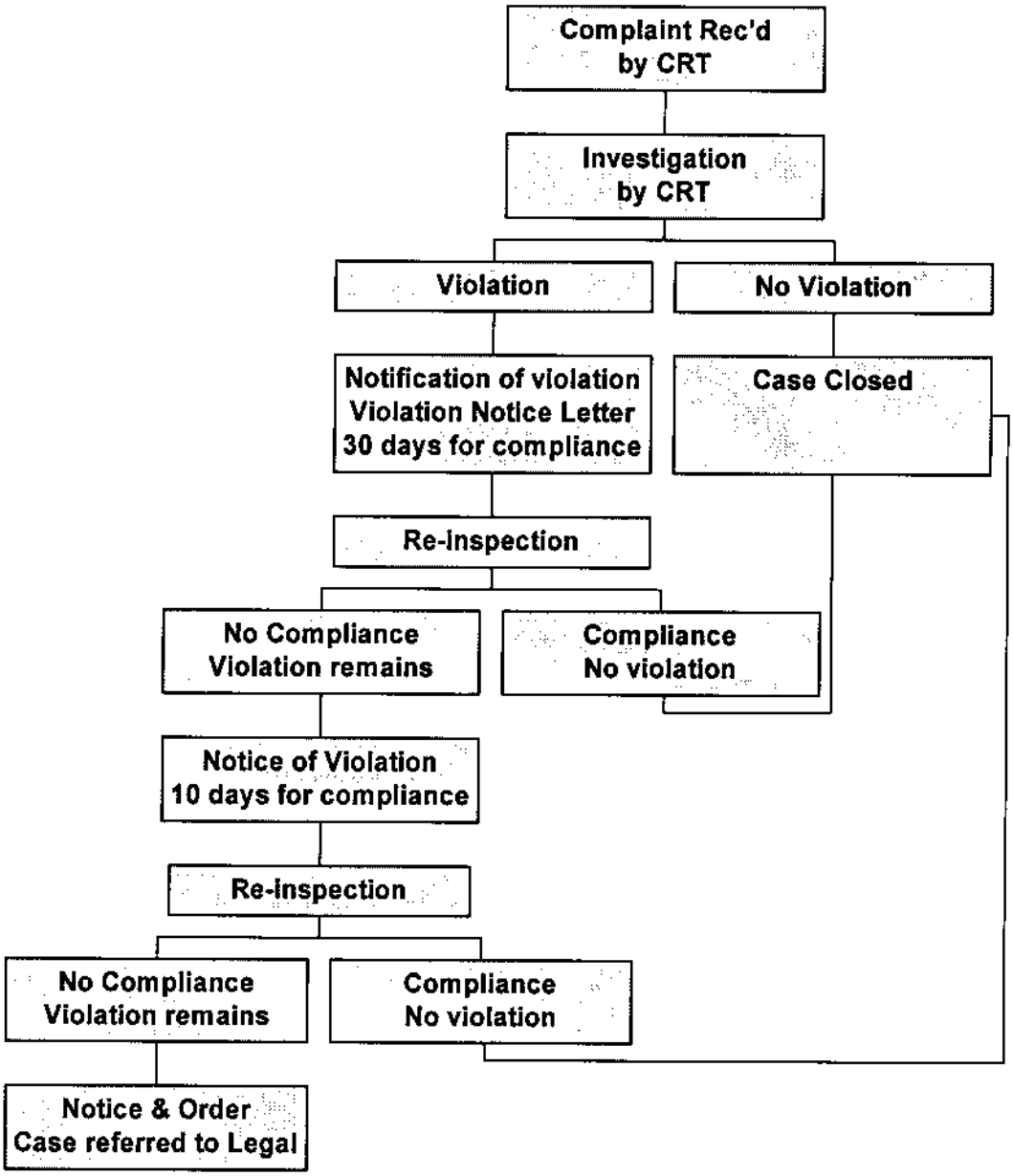
CRT Code-Related Calls for Service

Incorporation to May 1999



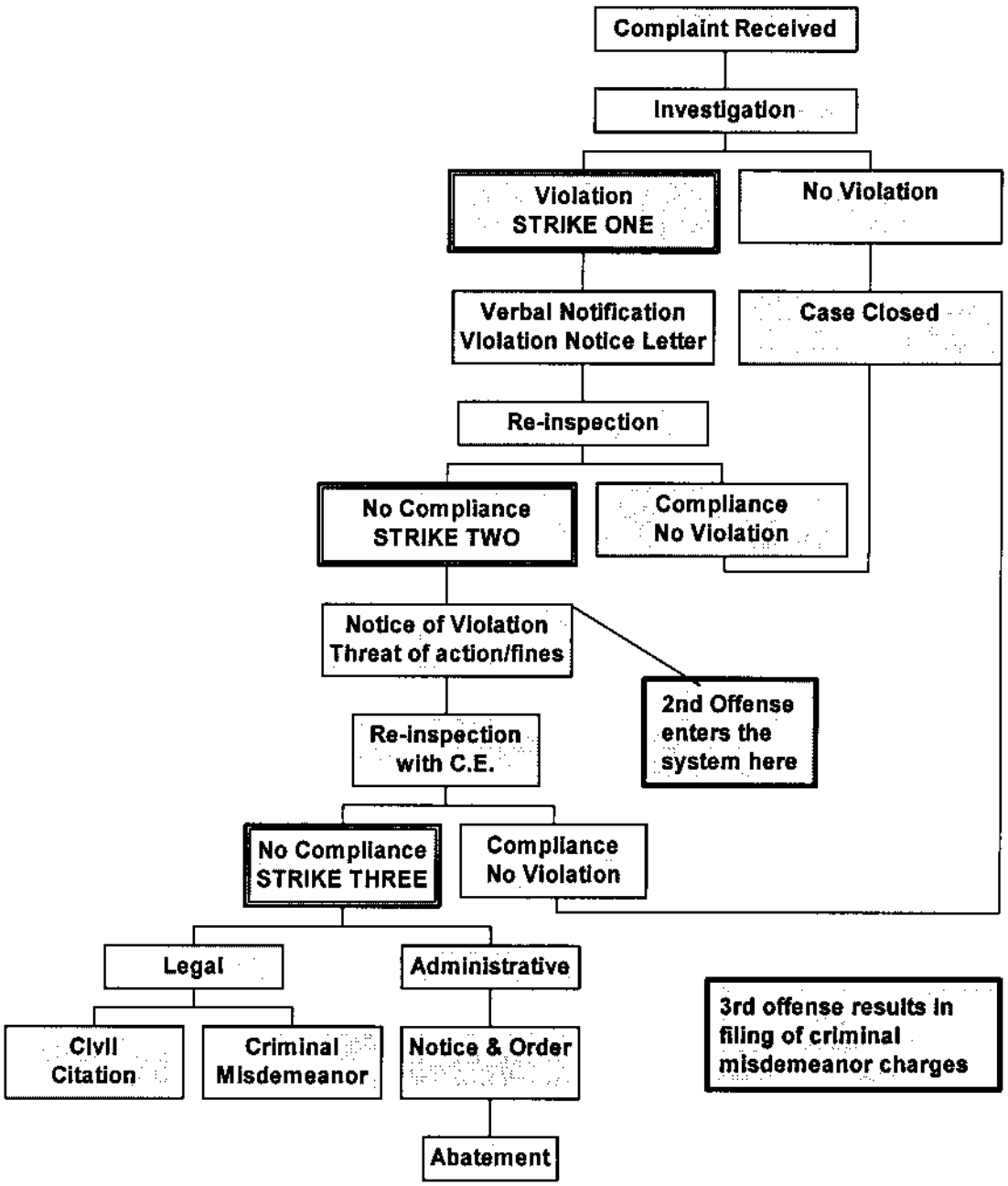
Visual Model of Option 1

(Traditional Basic Model)



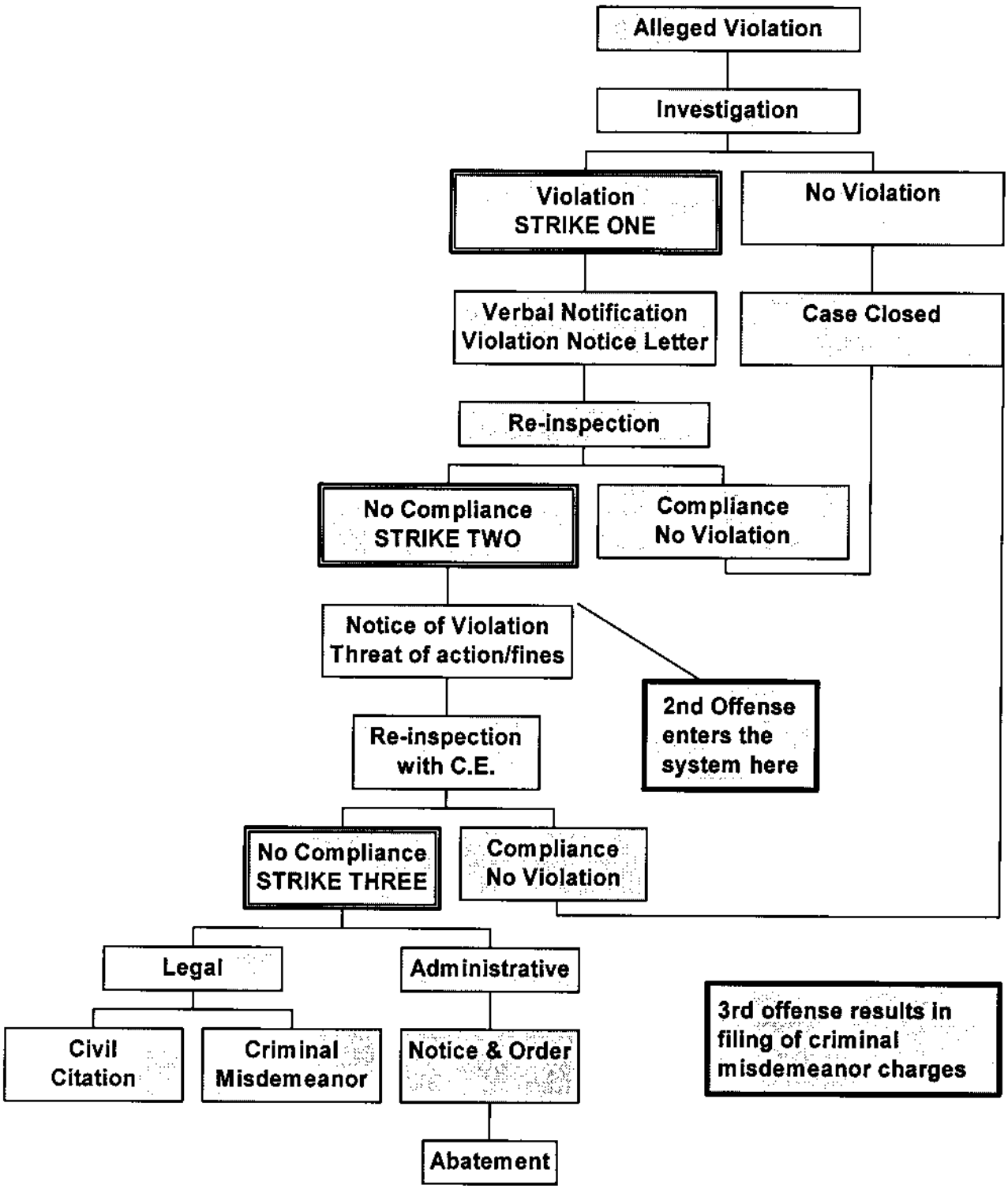
Visual Model of Option 2

(Traditional "3 Strikes" Model)



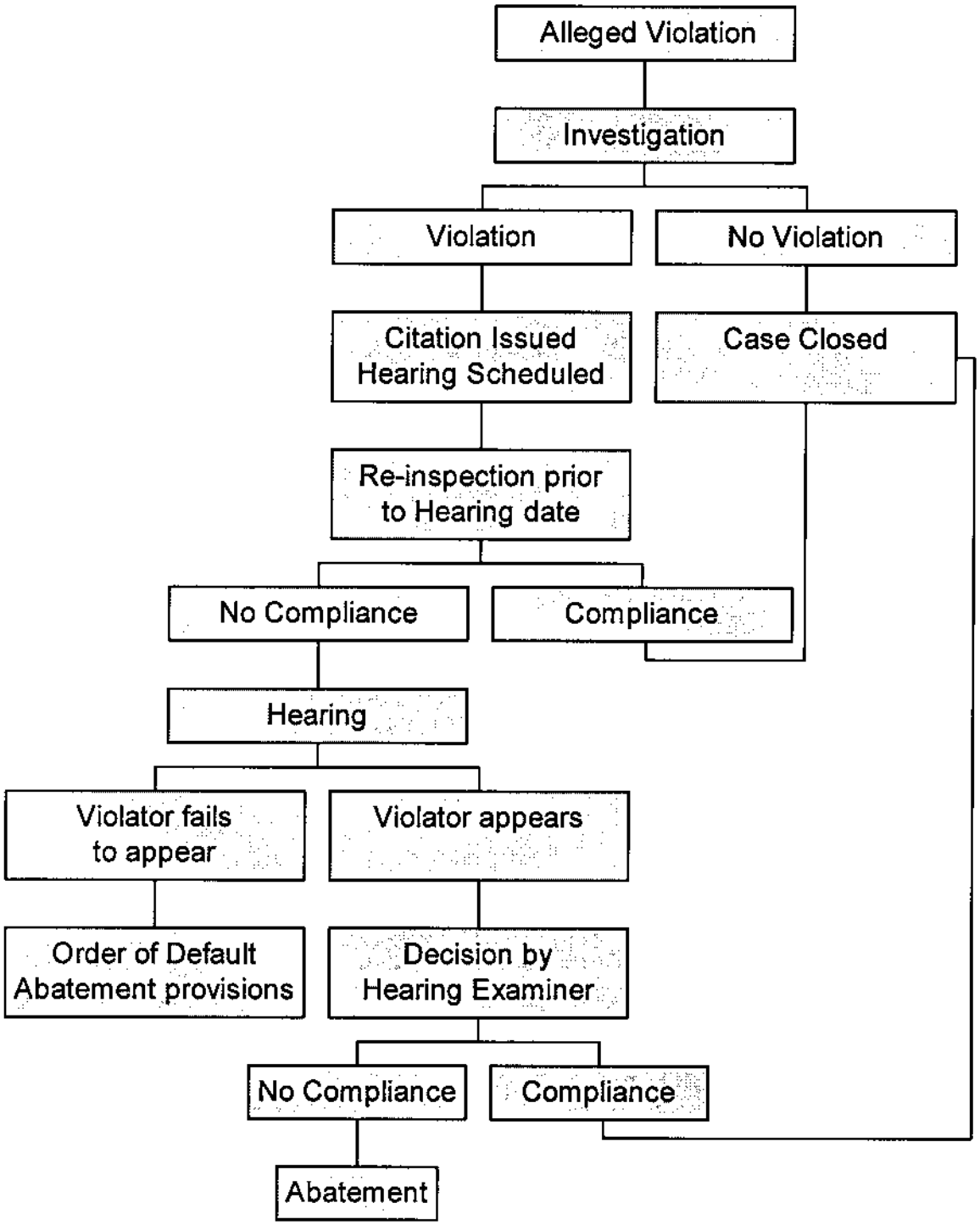
Visual Model of Option 3

(Proactive "3 Strikes" Model)



Visual Model of Option 4

(Proactive Aggressive Model)



Code Enforcement Programs by City

City	Population	# C.E. Officers	Type of Program	Comments
Bellevue	104,800	4*	Proactive Basic (modified Option 1)	*One officer dedicated to enforcement of sign codes
Everett	84,130	4	Proactive Aggressive (Option 4)	
Federal Way	75,960	2*	Traditional "3 Strikes" (Option 2)	*One officer dedicated to enforcement of sign codes
Lynnwood	33,070	2*	Proactive Basic (modified Option 1)	*One officer dedicated to enforcement of sign codes
Puyallup	29,490	1	Proactive "3 Strikes" (Option 3)	
Renton	45,920	2	Traditional "3 Strikes" (Option 2)	

Populations taken from the *1998-99 Directory of Washington City and Town Officials* published by MRSC

Council Meeting Date: July 19, 1999 **Agenda Item: 9(c)**

CITY COUNCIL AGENDA ITEM

CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Ordinance No. 203 Granting US Crossing A Franchise To Install A Conduit System Along Aurora Avenue NE
DEPARTMENT:	City Manager's Office
PRESENTED BY:	Kristoff T. Bauer, Assistant to the City Manager

EXECUTIVE / COUNCIL SUMMARY

US Crossing has applied to the City for a franchise to install conduit and fiber optic communications cable through Shoreline. Staff is presenting a proposed franchise ordinance for Council consideration.

US Crossing is a subsidiary of Global Crossing a multi-national company whose stated mission is to create the world's first independent global fiber optic network designed to offer the highest quality city-to-city communications connectivity among the largest cities worldwide. Global Crossing and its subsidiaries have completed or are in the process of completing seven to eight fiber optic rings across large water or land formations; that is the Atlantic Ocean, Pacific Ocean, South America, etc. The portion proposed to come through Shoreline is part of a ring that enters the water near Mukilteo, crosses the Pacific to Japan, crosses the Pacific to California, and then comes north eventually through Shoreline to complete the ring. Global Crossing hopes to have this ring complete and operational by early next year and is seeking to begin construction in Shoreline as soon as possible.

This proposal has some similarities to the proposal of Pacific Fiber Link discussed with your Council during the February 16 workshop that included the installation of several conduits along 15th Avenue NE. These requests are similar in that:

- Both intend(ed) to go through Shoreline providing no service directly to Shoreline residents and/or businesses
- Their business activities do not correspond with any existing franchised service currently operating within the City
- Neither company satisfies the statutory definition of "Telephone Business" contained in RCW 82.04.065 that is utilized in RCW 35.21.860 which restrict the City's authority to charge a franchise fee.

Unlike Pacific Fiber Link, US Crossing:

- Admits that they are not a "Telephone Business"
- Is installing a complete fiber optic network for their own use in selling transmission capacity on that system to others rather then installing conduit for others

- Proposes to install a smaller system using underground directional boring technology that will not require trenching or significant disruption of the right-of-way
- Will install their system under the center turn lane of Aurora Avenue North (See Attachment A)

No utilities are currently located below the center of Aurora nor is this area traditionally used for such installations. This location is not expected to interfere with or complicate anticipated improvements to Aurora.

In accordance with the feedback provided by Council during the February workshop regarding the then proposed Pacific Fiber Link franchise, staff is proposing a franchise ordinance (Attachment B) that:

- Defines the new service form (a multi-conduit fiber optic telecommunications system) that is not a telecommunications business and, therefore, not subject to state restriction on franchise fees,
- Grants US Crossing a 10 year franchise to install and maintain a Conduit System along a specific installation route (Attachment A)
- Commits US Crossing to the construction of a specific set of public capital improvements along the installation path of its facilities, specifically two 2-inch conduit and manholes for access along Aurora dedicated to the City for future use (Attachment C)

These improvements provide four key benefits to the City:

- They provide high-speed communications capacity to the region that will be accessible to telecommunications providers serving the City.
- The conduit provided to the City is expected to significantly reduce the cost of underground traffic signal control interconnections likely to be need as part of the redevelopment of Aurora.
- The City can lease the conduit to private companies or public agencies wanting to serve businesses along Aurora reducing the up front capital expenditure required to provide such service and the impact on the right-of-way. This could benefit our future economic development efforts.
- The City may also be able to use the conduit as part of a City institutional network that may be developed in conjunction with new City construction and existing Cable TV franchises.

In order to be sensitive to US Crossing's time constraints, staff has included the proposed franchise ordinance on your Council's July 26th regular meeting agenda for adoption. Any changes to the proposed ordinance resulting from discussion with Council will be brought forward as proposed amendments on July 26th.

RECOMMENDATION

This item is presented for discussion purposes only. Staff is asking for your feedback and concerns before you are asked to approve the franchise agreement on July 26th, but no specific action is required at this time.

Approved By: City Manager _____ City Attorney _____

BACKGROUND / ANALYSIS

US Crossing is a wholly owned subsidiary of Global Crossing, a company formed in early 1997 that went public with an Initial Public Offering ("IPO") in August of 1998. Since the IPO, Global Crossing's stock price has risen from $8 to $64. The company reported assets in excess of $2.6 billion by December 31, 1998. Global Crossing claims to be the world's first independent provider of global long distance telecommunications facilities and services, utilizing a network of undersea digital fiber-optic cable systems and associated terrestrial backhaul capacity.

According to Global Crossing, while there has been significant demand for global telecommunications capacity, there has not been a corresponding growth in the number of new facilities, especially in the undersea fiber-optic cable industry. Global Crossing believes that additional undersea network capacity and faster response times will be required to satisfy current and anticipated growth in telecommunications traffic. They have already begun meeting this challenge by installing a series of fiber optic rings across the oceans and continents of the world (see Fig. 1).

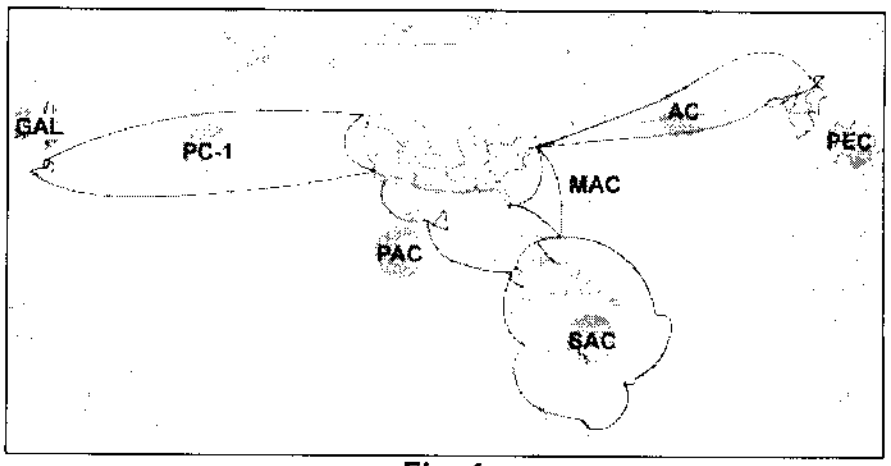


Fig. 1

US Crossing is a subsidiary of Global Crossing with a 1999 operating budget in excess of $100 million. US Crossing is charged with the task of completing all terrestrial links of the planned network within the United States and has four separate systems currently in development or construction in the states of Washington, California, Florida, and New York. This includes the segment of PC-1 (See Fig. 1) that is planned to go through Shoreline. That segment is expected to include four 1-1/4-inch & two 1-1/2-inch conduits with fiber optic cable installed by directional boring requiring access holes about every 700-ft. to 1,000-ft.

The system is designed to provide capacity to existing and future telecommunications providers. Service directly from Global Crossing to individual telecommunications customers is not expected. For this reason, taps into the system will only occur at major regional hubs and are not planned in Shoreline.

Franchise (Key Terms)

The proposed franchise ordinance is based upon Ordinance No. 85 granting ELI a franchise that was adopted by Council in June of 1996. Most of the terms and conditions are standard. One of the key differences is the identification of US Crossing's franchised business activity. US Crossing does not claim to be a

telecommunications business as state law defines that activity[1]. The terms of the proposed ordinance define a new form of utility that is focused on reselling long distance communications capacity to telecommunications businesses. US Crossing's authorized activities include the installation and maintenance of a Multi-Conduit Fiber Optic Telecommunications System.

A second key difference is that the franchise does not provide for a franchise fee due to the difficulty of calculating a fee based on gross revenues in this case where none of US Crossing's customers are located in Shoreline. Instead, US Crossing will be compensate the City for its utilization of the right-of-way by installing two 2-inch conduits along their installation route for the City. The value of this asset is discussed in further detail below.

A third key difference is that the scope of the franchise is restricted to the specific installation route identified in the franchise. Unlike other existing City franchises that grant the service provider broad authority to operate throughout the City, US Crossing's grant is restricted to the specific installation route for which compensation has been negotiated and provided.

A final key difference is that US Crossing's system is proposed to be installed underground. Unlike existing telecommunications or Cable TV providers, US Crossing is not authorized to install facilities above ground level.

Franchise Fee

The proposed ordinance provides for one time capital improvements in lieu of a cash payment or payments over time. In developing the proposed capital improvements, staff has attempted to balance the value of these improvements with the impact of the proposed franchise use on the right-of-way. In this case there has been an effort to minimize the impact of the use on the right-of-way and the capital improvements provided have strategic benefit to the City.

US Crossing will install two 2-inch conduit for the City along the entire length of the authorized installation route (Attachment A) and will provide nine access vaults, one near all of the major intersections along Aurora (See Attachment C), to ease future use of these conduits. US Crossing is providing two 1¼-inch conduits along their installation route adjacent to Shoreline in Seattle to the south and in Edmonds to the north. This will provide an easy installation path for future service providers.

US Crossing has estimated the value of the capital improvements they are providing Shoreline at $600,000. Staff has not validated their basis for this valuation, but does recognize three key ways that this system may provide future value to the City.

- First, any business or facility requiring significant telecommunications service located or interested in locating anywhere along Aurora will be half the street width

[1] State law defines "Telecommunications Business" as "...the providing of access to a local telephone network, local telephone network switching service, toll service, or coin telephone services, or the providing of telephonic, video, data, or similar communication or transmission for hire, via a local telephone network, toll line or channel, cable, microwave, or similar communication or transmission system... RCW 82.04.065 (2)

from a pre-installed conduit system that may be utilized by a local telecommunications provider to serve them. This will make the installation of that supporting system faster and cheaper.

- Second, the City will be able to utilize this conduit for traffic signal interconnects, institutional network connections, or other City uses that may currently be above ground on Seattle City Light poles incurring pole attachment fees or may have required the City to install conduit. These costs can be avoided.
- Third, the City may be able to derive revenue from leasing space in the conduit to telecommunications providers who wish to avoid the up front capital expenditure associated with installing their own underground conduit and repairing the City's right-of-way.

Efforts to minimize the impact of this installation on the right-of-way include:

- Locating the system under the center turn lane which minimizes traffic impacts during installation, keeps patched asphalt out of the high traffic areas (this area may soon be shrubbery), and avoids traditional utility use areas,
- Using directional bore technology that avoids open trenching minimizing the disruption of the right-of-way surface, and
- Locating the system deeper then most utilities reducing the potential for conflicts with future utility needs in the right-of-way.

In summary, it is staff's recommendation that the proposed capital improvements provide value to the City that is appropriately proportionate to the impacts of the proposed use of the right-of-way.

In order to be sensitive to US Crossing's time constraints, staff has included the proposed franchise ordinance on your Council's July 26th regular meeting agenda for adoption. Any changes to the proposed ordinance resulting from discussion with Council will be brought forward as proposed amendments on July 26th.

RECOMMENDATION

This item is presented for discussion purposes only. Staff is asking for your feedback and concerns before you are asked to approve the franchise agreement on July 26th, but no specific action is required at this time.

ATTACHMENTS

Attachment A – US Crossing Installation Route Map (Referenced By Franchise)

Attachment B – Proposed Ordinance No. 203 Granting US Crossing A Franchise To Install A Conduit System Along Aurora Avenue

Attachment C – Capital Improvement Specifications And Diagrams (Referenced By Franchise)

Attachment A

US Crossing Installation Route Map

Referenced in Section 2.2 of the Proposed Franchise

U.S. CROSSING FRANCHISE

Authorized Installation Route

SHORELINE

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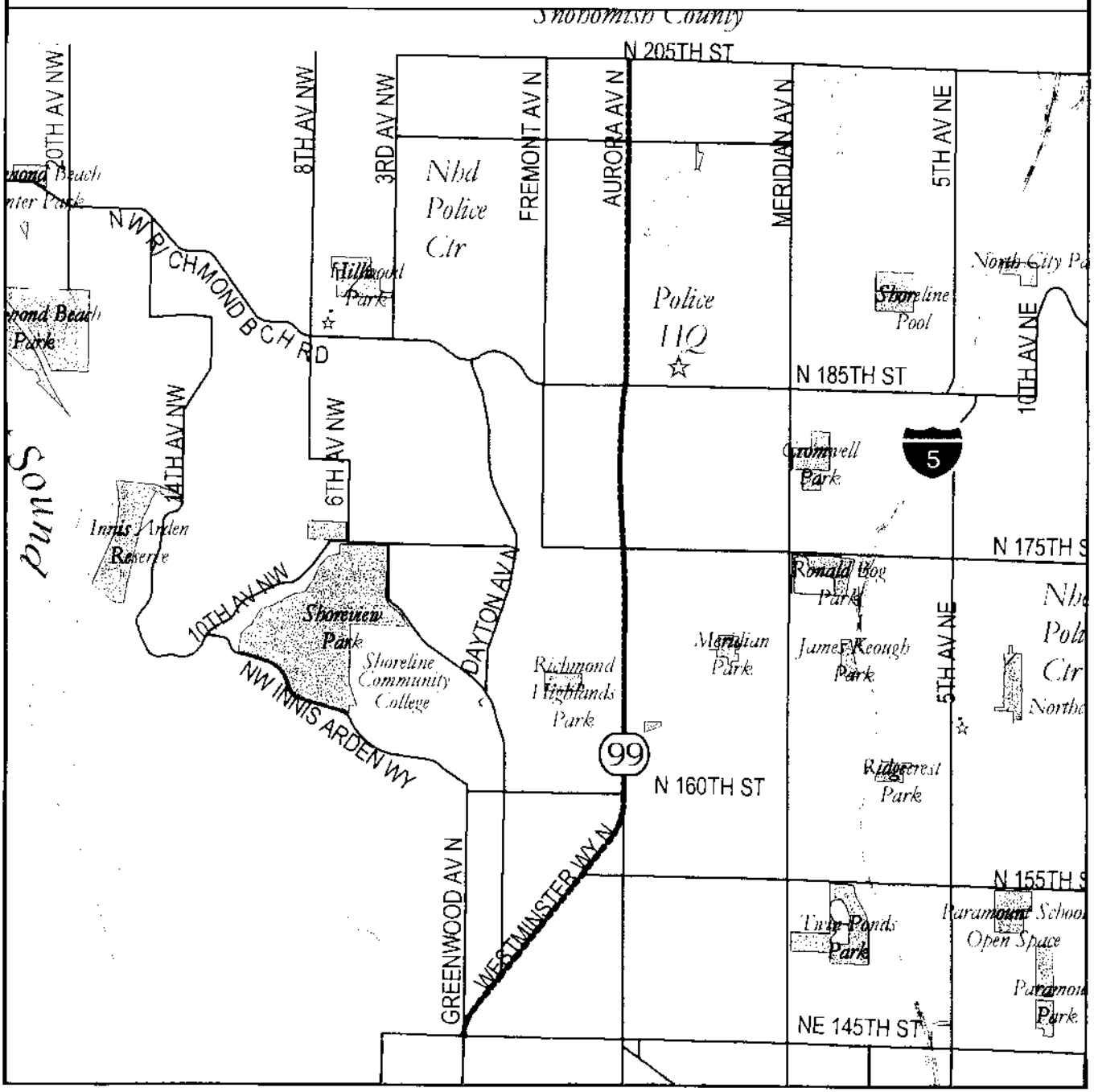
\\ar\\citymap.apr
July 8, 1999

Installation Route
Street Class
Residential
Arterial
I-5
Waterbody
Public Park
City Limits

N

1 Inch = 0.47 Miles

0 0.235 0.47 0.705 Miles



Attachment B

Proposed Ordinance No. 203 Granting US Crossing A Franchise To Install A Conduit System Along Aurora Avenue

ORDINANCE NO. 203

AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON, GRANTING US CROSSING INC. A NON-EXCLUSIVE FRANCHISE FOR TEN YEARS, TO CONSTRUCT, MAINTAIN, OPERATE, REPLACE AND REPAIR A MULTIPLE CONDUIT FIBER OPTIC TELECOMMUNICATIONS SYSTEM, IN, ACROSS, OVER, ALONG, UNDER, THROUGH AND BELOW CERTAIN DESIGNATED PUBLIC RIGHTS-OF-WAY OF THE CITY OF SHORELINE, WASHINGTON.

WHEREAS, RCW 35A.11.020 grants the City broad authority to regulate the use of the public Right-of-Way; and

WHEREAS, RCW 35A.47.040 grants the City broad authority to grant nonexclusive franchises; and

WHEREAS, the Council finds that it is in the bests interests of the health, safety and welfare of residents of the Shoreline community to grant a non-exclusive franchise to US Crossing Inc. ("US Crossing"), for the operation of a multiple conduit fiber optic telecommunications system within the City Right-of-Way; NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1 Definitions.

The following terms contained herein, unless otherwise indicated, shall be defined as follows:

1.1 City: The City of Shoreline, a municipal corporation of the State of Washington, specifically including all areas incorporated therein as of the effective date of this ordinance and any other areas later added thereto by annexation or other means.

1.2 Days: Calendar days.

1.3 Facilities: All conduit, wires, lines, fiber optic cable, equipment, supporting structures, and all other facilities associated with the Telecommunications System located in the Right-of-Way, utilized by US Crossing in the operation of activities authorized by this Ordinance. The abandonment by US Crossing of any Facilities as defined herein shall not act to remove the same from this definition.

1.4 Permitting Authority: The head of the City department authorized to process and grant permits required to perform work in the City's Right-of-Way, or the head of any agency authorized to perform this function on the City's behalf. Unless otherwise indicated, all references to Permitting Authority shall include the designee of the department or agency head.

1.5 Person: An entity or natural person.

1.6 Public Works Director: The head of the Public Works department of the City, or in the absence thereof, the head of the Permitting Authority, or the designee of either of these individuals.

1.7 Right-of-Way: As used herein shall refer to the surface of and the space along, above, and below any street, road, highway, freeway, lane, sidewalk, alley, court, boulevard, parkway, drive, utility easement, and/or road Right-of-Way now or hereafter held or administered by the City of Shoreline.

1.8 US Crossing: US Crossing Inc., a Delaware corporation, and its respective successors and assigns.

1.9 Telecommunications System: means the multiple conduit fiber optic cable telecommunications system and all Facilities associated with that Telecommunications System that US Crossing seeks to construct within the Right-of-Way.

Section 2 Franchise Granted.

2.1 Pursuant to RCW 35A.47.040, the City hereby grants to US Crossing, its heirs, successors, and assigns, subject to the terms and conditions hereinafter set forth, a franchise for a period of ten (10) years, beginning on the effective date of this Ordinance.

2.2 This franchise shall grant US Crossing the right, privilege and authority to construct, operate, maintain, replace, and use the Telecommunications System and Facilities located in the authorized installation route of the Right-of-Way as depicted in documents filed with the City Clerk under Clerk's Receiving Number 950, and as approved under City permits issued by the Permitting Authority pursuant to this franchise and City ordinances.

Section 3 Nonexclusive Franchise Grant.

This franchise is granted upon the express condition that it shall not in any manner prevent the City from granting other or further franchises in any Right-of-Way. Such franchise shall in no way prevent or prohibit the City from using any Right-of-Way or other public property or affect its jurisdiction over them or any part of them, and the City shall retain the authority to make all necessary changes, relocations, repairs, maintenance, establishment, improvement, dedication of the same as the City may deem appropriate.

Section 4 Relocation of Facilities.

4.1 US Crossing agrees and covenants at its sole cost and expense, to relocate from any Right-of-Way its Facilities when so required by a public project of the City provided that US Crossing shall in all such cases have the privilege to temporarily bypass, in the authorized portion of the same right-of-way upon approval by the City, any Facilities required to be relocated.

4.2 If the City determines that a public project necessitates the relocation of US Crossing's existing Facilities, the City shall:

4.2.1 At least sixty (60) days prior to the commencement of such project, provide US Crossing with written notice requiring such relocation; and

4.2.2 Provide US Crossing with copies of any plans and specifications pertinent to the requested relocation and a proposed temporary or permanent relocation for US Crossing's Facilities.

4.2.3 After receipt of such notice and such plans and specifications, US Crossing shall complete relocation of its Facilities at no charge or expense to the City at least ten (10) days prior to commencement of the project.

4.3 US Crossing may, after receipt of written notice requesting a relocation of its Facilities, submit to the City written alternatives to such relocation. The City shall evaluate such alternatives and advise US Crossing in writing if any of the alternatives is suitable to accommodate the work that otherwise necessitates the relocation of the Facilities. If so requested by the City, US Crossing shall submit additional information to assist the City in making such evaluation. The City shall give each alternative proposed by US Crossing full and fair consideration. In the event the City ultimately determines that there is no other reasonable alternative, US Crossing shall relocate its Facilities as directed by the City.

4.4 The provisions of this Section shall in no manner preclude or restrict US Crossing from making any arrangements it may deem appropriate when responding to a request for relocation of its Facilities by any person other than the City, where the improvements to be constructed by said person are not or will not become City-owned, operated or maintained, provided that such arrangements do not unduly delay a City construction project or result in the installation of Facilities outside the limited scope of this franchise.

Section 5 US Crossing's Maps and Records.

As a condition of this franchise, and at its sole expense, US Crossing shall provide the City with typicals and as-built plans, maps, and records that show the vertical and horizontal location of its Facilities within the Right-of-Way using a minimum scale of one inch equals one hundred feet (1"=100'), measured from the center line of the Right-of-Way, which maps shall be in hard copy format acceptable to the City and in Geographical Information System (GIS) or other digital electronic format acceptable to

the City. This information shall be provided no later than one hundred eighty (180) days after the effective date of this Ordinance and shall be updated upon reasonable request of the City.

Section 6 Incorporation By Reference.

Shoreline City Ordinance No. 83, Establishing Minimum Requirements, Procedures, And Application Information For Franchises Within Shoreline, is hereby incorporated herein by this reference. In the event of a conflict between Ordinance No. 83 and this Ordinance, this Ordinance shall control. In addition, the following limitations to the requirements of Ordinance No. 83 shall apply:

6.1 US Crossing is a wholly-owned subsidiary of Global Crossing Ltd., a publicly traded corporation listed on the NASDAQ stock exchange, and the reporting requirements stated in subsections 10(A)(2) and 10(A)(6) of Ordinance 83 shall be satisfied for all purposes under this Ordinance by Global Crossing's public annual report filed with the Securities Exchange Commission;

6.2 The franchise granted herein does not require or grant authority for US Crossing to provide services of any kind to the residents and businesses of the City of Shoreline. For this reason, any terms of Ordinance No. 83 related to the provision of services shall not apply.

Section 7 Undergrounding.

The franchise granted herein is subject to Shoreline City Ordinance No. 82, Establishing Minimum Requirements And Procedures For The Underground Installation Of Electric And Communication Facilities Within Shoreline. Consistent with that Ordinance, US Crossing shall install all of its Facilities underground in accordance with relevant road and construction standards.

Section 8 Excavation And Notice Of Entry.

8.1 During any period of relocation or maintenance, all surface structures, if any, shall be erected and used in such places and positions within the Right-of-Way so as to minimize interference with the passage of traffic and the use of adjoining property. US Crossing shall at all times post and maintain proper barricades and comply with all applicable safety regulations during such period of construction as required by the ordinances of the City or state law, including RCW 39.04.180, for the construction of trench safety systems.

8.2 Whenever US Crossing excavates in any Right-of-Way for the purpose of installation, construction, repair, maintenance or relocation of its Facilities, it shall apply to the City for a permit to do so in accordance with the ordinances and regulations of the City requiring permits to operate in the Right-of-Way. In no case shall any work commence within any Right-of-Way without a permit, except as otherwise provided in this Ordinance. During the progress of the work, US Crossing shall not unnecessarily obstruct the passage or use of the Right-of-Way, and shall provide the City with plans,

maps, and information showing the proposed and final location of any Facilities in accordance with Section 5 of this Ordinance.

8.3 At least ten (10) days prior to its intended construction of Facilities, US Crossing shall inform all residents in the affected area, that a construction project will commence, the dates and nature of the project, and provide a toll-free or local telephone number which the resident may call for further information. A pre-printed door hanger may be used for this purpose.

8.4 At least twenty-four (24) hours prior to entering Right-of-Way adjacent to or on private property to perform the installation, maintenance, repair, reconstruction, or removal of Facilities, a written notice describing the nature and location of the work to be performed shall be physically posted upon the affected private property by US Crossing. US Crossing shall make a good faith effort to comply with the property owner/resident's preferences, if any, regarding the location or placement of Facilities that protrude above the prior ground surface level consistent with sound engineering practices.

Section 9 Emergency Work, Permit Waiver.

In the event of any emergency where any Facilities located in the Right-of-Way are broken or damaged, or if US Crossing's construction area for their Facilities is in such a condition as to place the health or safety of any person or property in imminent danger, US Crossing shall immediately take any necessary emergency measures to repair or remove its Facilities without first applying for and obtaining a permit as required by this Ordinance. However, this emergency provision shall not relieve US Crossing from later obtaining any necessary permits for the emergency work. US Crossing shall apply for the required permits not later than the next business day following the emergency work.

Section 10 Recovery of Costs.

US Crossing shall be subject to all permit fees associated with activities undertaken pursuant to the franchise granted herein or other ordinances of the City. If the City incurs any costs and/or expenses for review, inspection or supervision of activities undertaken pursuant to the franchise granted herein or any ordinances relating to a subject for which a permit fee is not established, US Crossing shall pay the City's costs and expenses. In addition, US Crossing shall promptly reimburse the City for any costs the City reasonably incurs in responding to any emergency involving US Crossing's Facilities. Said costs and expenses shall be paid by US Crossing after submittal by the City of an itemized billing by project of such costs.

Section 11 Dangerous Conditions, Authority for City to Abate.

11.1 Whenever installation, maintenance or excavation of Facilities authorized by the franchise granted herein causes or contributes to a condition that appears to substantially impair the lateral support of the adjoining Right-of-Way, public or private property, or endangers any person, the Public Works Director may direct US Crossing, at US

Crossing's expense, to take actions to resolve the condition or remove the endangerment. Such directive may include compliance within a prescribed time period.

11.2 In the event US Crossing fails or refuses to promptly take the directed action, or fails to fully comply with such direction, or if emergency conditions exist which require immediate action to prevent injury or damages to persons or property, the City may take such actions as it believes are necessary to protect persons or property and US Crossing shall reimburse the City for all costs incurred.

Section 12 Safety.

12.1 US Crossing, in accordance with applicable federal, state, and local safety rules and regulations shall, at all times, employ ordinary care in the installation, maintenance, and repair utilizing methods and devices commonly accepted in their industry of operation to prevent failures and accidents that are likely to cause damage, injury, or nuisance to persons or property.

12.2 All of US Crossing's Facilities in the Right-of-Way shall be constructed and maintained in a safe and operational condition.

12.3 The City reserves the right to ensure that US Crossing's Facilities are constructed and maintained in a safe condition. If a violation of the National Electrical Safety Code or other applicable regulation is found to exist, the City will notify US Crossing in writing of said violation and establish a reasonable time for US Crossing to take the necessary action to correct the violation. If the correction is not made within the established time frame, the City, or its authorized agent, may make the correction. US Crossing shall reimburse the City for all costs incurred by the City in correcting the violation.

Section 13 Franchise Fee.

In consideration of US Crossing providing the capital improvements to the City's Right-of-Way described in the preliminary plans and specification filed with the City Clerk under Clerk's Receiving Number 951, the City agrees not to charge US Crossing any franchise fee other than standard permit and inspection fees, and the franchise application fee paid by US Crossing.

Section 14 Authorized Activities.

The franchise granted herein is solely for the construction, installation, ownership, operation, replacement, repair and maintenance of the Telecommunications System and associated Facilities, as defined herein. This franchise does not authorize US Crossing to provide services of any kind within Shoreline. US Crossing shall obtain a separate franchise for any operations or services other than authorized activities.

Section 15 Indefeasible Rights of Use.

15.1 An Indefeasible Right of Use ("IRU") is an interest in US Crossing's Facilities which gives US Crossing's customer the right to use certain Facilities for the purpose of providing telecommunications; an IRU does not provide the customer with any right to control the Facilities, or any right of physical access to the Facilities to locate, construct, replace, repair or maintain the Facilities, or any right to perform work within the Right-of-Way.

15.2 A lease or grant of an IRU regarding US Crossing's Facilities shall not require that the holder of the lease or IRU obtain its own franchise or pay any fee to the City, PROVIDED THAT, under such lease or grant of an IRU, US Crossing: (i) retains exclusive control over such Telecommunications System and Facilities, (ii) remains responsible for the location, construction, replacement, repair and maintenance of the Telecommunications and Facilities pursuant to the terms and conditions of the franchise granted herein, and (iii) remains responsible for all other obligations imposed by the franchise.

Section 16 Indemnification.

16.1 US Crossing hereby releases and agrees to indemnify, defend and hold harmless the City, its elected officials, employees, and agents from any and all claims, costs, judgments, awards or liability to any person, including claims by US Crossing's own employees to which US Crossing might otherwise be immune under Title 51 RCW, for injury, sickness, or death of any person or damage to property arising from the negligent acts or omissions of US Crossing, its agents, servants, officers or employees in performing activities authorized by this franchise. US Crossing further releases and agrees to indemnify, defend and hold harmless the City, its elected officials, employees, and agents from any and all claims, costs, judgments, awards or liability to any person (including claims by US Crossing's own employees, including those claims to which US Crossing might otherwise have immunity under Title 51 RCW) arising against the City solely by virtue of the City's ownership or control of the right-of-ways or other public properties, by virtue of US Crossing's exercise of the rights granted herein, or by virtue of the City's permitting US Crossing's use of the right-of-way or other public property based upon the inspection or lack of inspection of work performed by US Crossing, its agents and servants, officers or employees in connection with work authorized on the City's property or property over which the City has control, pursuant to this franchise or pursuant to any other permit or approval issued in connection with this franchise. This covenant of indemnification shall include, but not be limited by this reference to, claims against the City arising as a result of the negligent acts or omissions of US Crossing, its agents, servants, officers or employees in barricading, instituting trench safety systems or providing other adequate warnings of any excavation, construction, or work in any right-of-way or other public place in performance of work or services permitted under this franchise. If final judgment is rendered against the City, its elected officials, employees, and agents, or any of them, US Crossing shall satisfy the same pursuant to this Section.

16.2 Inspection or acceptance by the City of any work performed by US Crossing at the time of completion of construction shall not be grounds for avoidance of any of these covenants of indemnification. Said indemnification obligations shall extend to claims that are not reduced to a suit and any claims that may be compromised prior to the culmination of any litigation or the institution of any litigation provided that US Crossing consents to such compromise.

16.3 In the event US Crossing refuses to undertake the defense of any suit or any claim, after the City's request for defense and indemnification has been made pursuant to the indemnification clauses contained herein, and US Crossing's refusal is subsequently determined by a court having jurisdiction (or such other tribunal that the parties shall agree to decide the matter), to have been a wrongful refusal on the part of US Crossing, then US Crossing shall pay all of the City's costs and expenses for defense of the action, including reasonable attorneys' fees of recovering under this indemnification clause, as well as any judgment against the City.

16.4 Should a court of competent jurisdiction determine that this franchise is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of US Crossing and the City, its officers, employees and agents, US Crossing's liability hereunder shall be only to the extent of US Crossing's negligence. It is further specifically and expressly understood that the indemnification provided in Section 16 constitutes US Crossing's waiver of immunity under Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties.

Section 17 Insurance.

17.1 US Crossing shall procure and maintain for the duration of the franchise, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the exercise of the rights, privileges and authority granted hereunder to US Crossing, its agents or employees. US Crossing shall provide to the City an insurance certificate naming the City, for its inspection prior to the commencement of any work or installation of any Facilities pursuant to this franchise, and such insurance shall evidence:

17.1.1 Automobile Liability insurance for owned, non-owned and hired vehicles with limits no less than $1,000,000 Combined Single Limit per accident for bodily injury and property damage; and

17.1.2 Commercial General Liability insurance policy, written on an occurrence basis with limits no less than $1,000,000 combined single limit per occurrence and $2,000,000 aggregate for personal injury, bodily injury and property damage. Coverage shall include blanket contractual liability and employer's liability.

17.2 Payment of deductible or self-insured retention shall be the sole responsibility of US Crossing.

17.3 The coverage shall contain no special limitations on the scope of protection afforded to the City, its officers, officials, or employees. In addition, the insurance policy shall contain a clause stating that coverage shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. US Crossing's insurance shall be primary insurance for the City. Any insurance maintained by the City shall be excess of US Crossing's insurance and shall not contribute with it. Coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days prior written notice has been given to the City.

Section 18 Abandonment of US Crossing's Facilities.

No section of cable or portion of the Facilities laid, installed, or constructed in the Right-of-Way by US Crossing may be abandoned by US Crossing without the express written consent of the City. Any plan for abandonment or removal of US Crossing's Facilities must be first approved by the Public Works Director, and all necessary permits must be obtained prior to such work.

Section 19 Restoration after Construction.

19.1 US Crossing shall, after any abandonment approved under Section 18, or any installation, construction, relocation, maintenance, or repair of Facilities within the franchise area, restore the Right-of-Way to at least the condition the same was in immediately prior to any such abandonment, installation, construction, relocation, maintenance or repair pursuant to City standards. All concrete encased monuments which have been disturbed or displaced by such work shall be restored pursuant to all federal, state and local standards and specifications. US Crossing agrees to promptly complete all restoration work and to promptly repair any damage caused by such work at its sole cost and expense.

19.2 If it is determined that US Crossing has failed to restore the Right-of-Way in accordance with this Section, the City shall provide US Crossing with written notice including a description of actions the City believes necessary to restore the Right-of-Way. If the Right-of-Way is not restored in accord with the City's notice within thirty (30) days of that notice, the City, or its authorized agent, may restore the Right-of-Way. US Crossing is responsible for all costs and expenses incurred by the City in restoring the Right-of-Way in accord with this Section. The rights granted to the City under this paragraph shall be in addition to those otherwise provided herein.

19.3 Nothing in this Section shall relieve US Crossing from any obligation to replace disturbed right-of-way with improvements of a higher value as may be required by the plans and specifications referenced in Section 13 hereof.

Section 20 Commencement of Construction.

Initial construction of the Facilities contemplated by this franchise Ordinance shall commence no later than 180 days from the Effective Date of this franchise Ordinance.

Section 21 Bond.

Before undertaking any of the work, installation, improvements, construction, repair, relocation or maintenance authorized by this franchise, US Crossing shall furnish a bond executed by US Crossing and a corporate surety authorized to do a surety business in the State of Washington, in a sum to be set and approved by the Director of Public Works as sufficient to ensure performance of US Crossing's obligations under this franchise. The bond shall be conditioned so that US Crossing shall observe all the covenants, terms and conditions and faithfully perform all of the obligations of this franchise, and to erect or replace any defective work or materials discovered in the replacement of the City's streets or property within a period of two years from the date of the replacement and acceptance of such repaired streets by the City. US Crossing may meet the obligations of this Section with one or more bonds acceptable to the City. In the event that a bond issued pursuant to this Section is canceled by the surety, after proper notice and pursuant to the terms of said bond, US Crossing shall, prior to the expiration of said bond, procure a replacement bond which complies with the terms of this Section.

Section 22 Recourse Against Bonds and Other Security.

So long as the bond is in place, it may be utilized by the City for reimbursement of the City by reason of US Crossing's failure to pay the City for actual costs and expenses incurred by the City to make emergency corrections under Section 11 of this Ordinance, to correct franchise violations not corrected by US Crossing after notice, and to compensate the City for monetary remedies or damages assessed against US Crossing due to default or violations of the requirements of City ordinances.

22.1 In the event US Crossing has been declared to be in default by the City and if US Crossing fails, within thirty (30) days of mailing of the City's default notice, to pay the City any penalties, or monetary amounts, or fails to perform any of the conditions of the franchise granted herein, the City may thereafter obtain from the bond, after a proper claim is made to the surety, an amount sufficient to compensate the City for its damages. Upon such withdrawal from the bond, the City shall notify US Crossing in writing, by First Class Mail, postage prepaid, of the amount withdrawn and date thereof.

22.2 Thirty (30) days after the City's mailing of notice of the bond forfeiture or withdrawal authorized herein, US Crossing shall deposit such further bond, or other security, as the City may require, which is sufficient to meet the requirements of this Ordinance.

22.3 The rights reserved to the City with respect to any bond are in addition to all other rights of the City whether reserved by this Ordinance or authorized by law, and no action, proceeding, or exercise of a right with respect to any bond shall constitute an election or waiver of any rights or other remedies the City may have.

Section 23 Modification.

The City and US Crossing hereby reserve the right to alter, amend or modify the terms and conditions of the franchise granted herein upon written agreement of both parties to such amendment.

Section 24 Remedies to Enforce Compliance.

In addition to any other remedy provided herein, the City reserves the right to pursue any remedy to compel US Crossing to comply with the terms of this franchise, and the pursuit of any right or remedy by the City shall not prevent the City from thereafter declaring a breach or revocation of the franchise.

Section 25 Force Majeure.

The franchise provided herein shall not be revoked due to any violation or breach that occurs without fault of US Crossing or occurs as a result of circumstances beyond the Grantee's reasonable control.

Section 26 City Ordinances and Regulations.

Nothing herein shall be deemed to direct or restrict the City's ability to adopt and enforce all necessary and appropriate ordinances regulating the performance of the conditions of this franchise, including any reasonable ordinance made in the exercise of its police powers in the interest of public safety and for the welfare of the public. The City shall have the authority at all times to control, by appropriate regulations, the location, elevation, and manner of construction and maintenance of any fiber optic cable or other Facilities by US Crossing. US Crossing shall promptly conform to all such regulations, unless compliance would cause US Crossing to violate other requirements of law. Nothing in this Section shall require US Crossing to relocate Facilities installed in compliance with then existing City regulations.

Section 27 Cost of Publication.

The cost of the publication of this Ordinance shall be borne by US Crossing.

Section 28 Acceptance/Liaison.

After the passage and approval of this Ordinance and within thirty (30) days after such approval, the franchise granted herein shall be accepted by US Crossing by its filing with the City Clerk an unconditional written acceptance thereof. US Crossing's written acceptance shall include the identification of an official liaison that will act as the City's contact for all issues regarding this franchise. US Crossing shall notify the City of any change in the identity of its liaison. Failure of US Crossing to so accept this franchise within said period of time shall be deemed a rejection thereof by US Crossing, and the rights and privileges herein granted shall, after the expiration of the thirty (30) day period, absolutely cease and determine, unless the time period is extended by ordinance duly passed for that purpose.

Section 29 Survival.

All of the provisions, conditions and requirements of Sections 4, Relocation of Facilities; 8, Excavation And Notice Of Entry; 11, Dangerous Conditions; 16, Indemnification; 18, Abandonment of US Crossing's Facilities; and 19, Restoration After Construction, of this franchise shall be in addition to any and all other obligations and liabilities US Crossing

may have to the City at common law, by statute, or by contract, and shall survive the City's franchise to US Crossing for the use of the areas mentioned in Section 2 herein, and any renewals or extensions thereof. All of the provisions, conditions, regulations and requirements contained in this franchise Ordinance shall further be binding upon the heirs, successors, executors, administrators, legal representatives and assigns of US Crossing and all privileges, as well as all obligations and liabilities of US Crossing shall inure to its heirs, successors and assigns equally as if they were specifically mentioned wherever US Crossing is named herein.

Section 30 Severability.

If any section, sentence, clause or phrase of this Ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this franchise Ordinance. In the event that any of the provisions of this franchise Ordinance or of the franchise granted herein are held to be invalid by a court of competent jurisdiction, the City reserves the right to reconsider the grant of this franchise and may amend, repeal, add, replace or modify any other provision of this franchise Ordinance or of the franchise granted herein, or may terminate this franchise. US Crossing must accept any revisions or modifications to the franchise prior to the revised franchise becoming effective.

Section 31 WUTC Tariff Filings, Notice Thereof.

If US Crossing intends to file, pursuant to Chapter 80.28 RCW, with the Washington Utilities and Transportation Commission (WUTC), or its successor, any tariff affecting the City's rights arising under this franchise US Crossing shall provide the City with fourteen (14) days written notice.

Section 32 Assignment.

The franchise granted herein shall not be sold, transferred, assigned, or disposed of in whole or in part either by sale or otherwise, without the written approval of the City. The City's approval shall not be unreasonably withheld or delayed. Any costs associated with the City's review of any transfer proposed by US Crossing shall be reimbursed to the City by the new prospective franchisee, if the City approves the transfer, or by US Crossing if said transfer is not approved by the City.

32.1 Except as otherwise provided herein, US Crossing shall promptly notify the City prior to any proposed change in, or transfer of, or acquisition by any other party of control of US Crossing. Such change, transfer, or acquisition of control of US Crossing shall not require the prior approval of the City under this Section, except for a transaction which would result in the transfer of the franchise granted herein to a person or entity not controlling, controlled by, or otherwise under common control with US Crossing. Neither approval nor notification shall be required for mortgaging purposes or if said transfer or assignment is from US Crossing to another person or entity controlling, controlled by, or otherwise under common control with US Crossing.

32.2 A change in control shall be deemed to occur if there is an actual change in control or where ownership of fifty percent (50%) or more of the beneficial interests, singly or collectively, are obtained by other parties. The word "control" as used herein is not limited to majority stock ownership only, but includes actual working control in whatever manner exercised.

32.3 A lease or grant of an Indefeasible Right of Use ("IRU") in the Telecommunications System, the associated Facilities, or any portion thereof, to another Person shall not be considered an assignment for purposes of this Section, PROVIDED THAT, under such lease or IRU, US Crossing: (i) retains exclusive control over the Telecommunications System and Facilities, (ii) remains responsible for the location, construction, replacement, repair and maintenance of the Telecommunications System and Facilities pursuant to the terms and conditions of the franchise granted herein, and (iii) remains responsible for all other obligations imposed hereunder.

Section 33 Notice.

Any notice or information required or permitted to be given to the City or to US Crossing under this franchise may be sent to the following addresses unless otherwise specified:

US Crossing
Sherri Cook, Esq.
Vice Pres. US Crossing, Inc.
150 El Camino Drive, Suite 204
Beverly Hills, CA 90212
Phone: (310) 281-4900
Fax: (310) 281-4942

City of Shoreline
Director of Public Works
City of Shoreline
17544 Midvale Ave. NE
Shoreline, WA 98133
Office 206-546-1700
Fax 206-546-2200

Section 34 Alternate Dispute Resolution.

If the City and US Crossing are unable to resolve disputes arising from the terms of the franchise granted herein, prior to resorting to a court of competent jurisdiction, the parties shall submit the dispute to an alternate dispute resolution process agreed to by the parties. Unless otherwise agreed between the parties or determined herein, the cost of that process shall be shared equally.

Section 35 Entire Agreement.

The franchise granted herein constitutes the entire understanding and agreement between the parties as to the subject matter herein and no other agreements or understandings, written or otherwise, shall be binding upon the parties upon execution and acceptance hereof.

Section 36 Effective Date.

This ordinance shall take effect and be in full force five (5) days after the date of publication and upon acceptance by US Crossing. The City Clerk is hereby directed to publish this ordinance in full.

PASSED BY THE CITY COUNCIL ON _____, 1999.

_____
Mayor Scott Jepsen

ATTEST:

_____
Sharon Mattioli, CMC
City Clerk

APPROVED AS TO FORM:

_____
Ian Sievers
City Attorney

Date of Publication: , 1999
Effective Date: , 1999

US Crossing

Plans & Specifications

Capital Improvements

In accordance with Section 13 of Shoreline City Ordinance No. 203, and in exchange for the rights provided by that Ordinance, US Crossing agrees to perform the following work on behalf of the City of Shoreline:

1. Install two 2-inch conduits along the same path as US Crossing's installation within the City.
2. Said conduit shall be of the same grade and quality as that utilized by US Crossing for its system within the City.
3. Said conduit shall be installed in the same manner and to the same standard and specifications utilized by US Crossing in constructing its system within the City.
4. Install access vaults at the following approximate locations to allow the City access to the conduit installed on the City's behalf:

Distance from	Cross street to authorized route
500 feet North	N 145th Street
600 feet South	N 155th Street
300 feet North	N 160th Street
250 feet North	N 165th Street
600 feet South	N 175th Street
500 feet South	N 185th Street
400 feet South	N 192nd Street
350 feet South	N 200th Street
400 feet South	N 205th Street

5. All of the vaults will be located in the center turn lane.
6. The top of the vaults will be set below existing grade a minimum of 12-inches to allow adjustments in profile. Access to vaults shall be placed at existing street grade and shall be designed for traffic loads.
7. The City will be shown as the owners of the two 2" conduits and access vaults on the plans and in the ROW permit.
8. US Crossing will complete all necessary documentation requested by the City to establish the City's ownership of the provided facilities.
9. The conduit system installed by US Crossing on the City's behalf shall be completed along with the completion of US Crossing's system within Shoreline which shall be no later then February 28, 2000.
10. Plans and illustrative diagrams are attached.

Council Meeting Date: July 19, 1999 **Agenda Item: 9(d)**

CITY COUNCIL AGENDA ITEM

CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	**Sound Transit Commuter Rail Draft Environmental Impact Statement Workshop**
DEPARTMENT:	**Planning and Development Services**
PRESENTED BY:	**Tim Stewart, Director** **Kirk McKinley, Transportation Manager** **James Holland, Senior Planner**

EXECUTIVE / COUNCIL SUMMARY

At your July 19 workshop, staff will provide your Council with an overview of the recently released Draft Environmental Impact Statement (DEIS) for the Sound Transit Commuter Rail project from Seattle to Everett. This DEIS was released for review on June 25, 1999; comments are due on August 9, 1999.

The DEIS analyzes three potential commuter rail station locations in or near Shoreline: Richmond Beach Saltwater Park, the Metro Pump Station at about NW 199th and Richmond Beach Drive, and Point Wells. In our initial review of the DEIS, there appear to be four subject areas on which to focus our review. These are transportation, wetlands, parks and open space, and fish and wildlife. Staff will present our analysis of these four subject areas at the July 19 workshop.

Sound Transit has scheduled an open house and public hearing on this DEIS at the Richmond Beach Congregational Church on July 15, from 5 – 8 PM. Staff will attend this meeting and will provide your Council with a summary of concerns and comments on July 19.

Staff is prepared to draft a letter to Sound Transit with your comments on the DEIS, including your support for a station and a preferred station location, as well as mitigation comments related to the construction of a station. We can prepare this letter based on your comments on July 19, or can return on July 26 for further discussion and action.

RECOMMENDATION

A recommendation is not needed at this time. Your Council will be asked, based on the July 19 presentation to direct staff to prepare a letter for Mayor Jepsen to sign with comments and/or recommendations to Sound Transit.

Approved By: City Manager JB City Attorney N/A

BACKGROUND / ANALYSIS

On February 17, 1998, your Council held a workshop on the scoping of the DEIS. Your Council forwarded scoping issues on to the Sound Transit SEPA official. We have attached your letter (Attachment A) and the attachment to the letter (Attachment B) which summarized your Comments on the Potential Commuter Rail Station Siting in Shoreline. In February, 1998, the City of Shoreline Comprehensive Plan was still being drafted. The adopted language in the Comprehensive Plan related to the Sound Transit Commuter Rail Station is:

> *T20: Work with RTA to provide a low impact commuter rail stop in the Richmond Beach/Point Wells area. The Richmond Beach residents shall be involved in the decision making process as far as location, design, and access to* service.

As you recall, the Shoreline station is listed in the Sound Transit funding program as a "Provisional Station", meaning that it is not funded. Sound Transit staff has indicated a willingness to work with us in seeking funding to construct a station should your Council take that direction.

The Richmond Beach Neighborhood will not be having formal meetings during the summer. Staff is working with the Richmond Beach Board to try to arrange a Board meeting on the DEIS. The July 7 issue of the Shoreline Enterprise City Source column will include an article on the Commuter Rail DEIS. Sound Transit staff are notifying everyone that attended the February 10, 1998 scoping meeting, all property owners near the three potential station locations, and anyone that has submitted written comments on the availability of the DEIS and about the open house scheduled for July 15.

SUMMARY

Staff will complete their analysis of the DEIS by July 15 to provide your Council with an analysis that will assist you in developing a recommendation on station location and necessary mitigations. Staff will also place a copy of the DEIS in your Council offices.

RECOMMENDATION

A recommendation is not needed at this time. Your Council will be asked, based on the July 19 presentation to direct staff to prepare a letter for Mayor Jepsen to sign with comments and/or recommendations to Sound Transit.

ATTACHMENTS

Attachment A	February 18, 1998 letter from Scott Jepsen to Perry Weinberg
Attachment B	Comments on Potential Commuter Rail Station Siting in Shoreline (1/22/98)
Attachment C	Three maps of Shoreline station alternatives

Attachment A

February 18, 1998

Perry Weinberg
SEPA Responsible Official
Environmental Compliance Manager
1100 Second Ave., Suite 500
Seattle, WA 98101

Re: City of Shoreline Scoping Comments for Sounder Commuter Rail

Dear Mr. Weinberg:

Thank you for the opportunity to be a part of the scoping process for the Commuter Rail project, and more specifically for the potential commuter rail station identified as a provisional station in the Regional Transit Authority's Sound Move proposal. Our City Council held a work session on February 17, 1998, and has several scoping issues to pass on to you for inclusion in the environmental analysis for the commuter rail. Attached is a list of general concerns applicable to all potential station sites, and specific concerns for each of the three sites.

In addition to the attached comments, there are three major points that we want to communicate to you:

1) All three Shoreline sites need to be analyzed and mitigated in the environmental analysis. These three sites are: Saltwater Park, Point Wells, and the Metro Pump/Treatment facility site. Each of these sites has positive aspects as well as drawbacks. We are concerned with the safety, environmental, traffic, and parking impacts of a station on the Richmond Beach Saltwater Park and need to know how this site could work. The Point Wells site is in unincorporated Snohomish County, and currently is owned by Chevron Oil, and is used as an asphalt plant. The Metro site has some challenges to develop an adequate platform without impacting the shoreline. We feel all sites should haveequal analysis in the Draft Environmental Impact Statement.

2) The Richmond Beach neighborhood is very concerned about the traffic and parking impacts associated with a rail station. The environmental review needs to address existing and future ridership demand, identify how this demand would be addressed (the number of parking spaces needed, transit shuttle service to the station, etc.), and the capacity and safety impacts of this traffic on the existing roadway system.

3) Because the Richmond Beach station is classified as "provisional", the Council would like to have some analysis of methods by which the station could be funded for construction. Shoreline citizens are contributing approximately $3 million annually into the RTA budget via MVET and sales tax, and after analyzing the Regional Express Bus and Link Light Rail components, appear to be getting little in return. The Council expressed their concern for this aspect of regional equity, and, we therefore, request that the DEIS evaluate financing methods by which this station could be funded.

We look forward to reviewing the Draft Environmental Impact Statement this summer. After the DEIS is issued, we will ask our citizens for input prior to taking a position in support or against a station in Richmond Beach. We trust that the DEIS will include analysis that will enable the citizens and City Council to make a preferred recommendation on the station site. We support increased transportation options for our citizens now and in the future.

If I can be of further assistance, feel free to contact me, or phone Kirk McKinley, Transportation Planner at 546-3901.

Sincerely,

Scott Jepsen
Mayor, City of Shoreline

Attachment

c. Bob Deis, City Manager

G:dept/complan/work/kirk/rta:deisscop.doc
06/30/99

Attachment B

Comments on Potential Commuter Rail Station Siting in Shoreline

Richmond Beach Commuter Rail (Sounder) Station General Comments:

- The process to determine location and scale of a future commuter rail station shall consider concerns and issues of the local Richmond Beach residents, and mitigate those concerns to the greatest extent possible.

- The commuter rail station shall provide parking on site for its users.

- RTA should work with King County Transit to provide shuttle or improved transit service to the commuter rail station.

- RTA should work with all transit providers to develop a single fare system.

- RTA would be required to apply for a Special Use Permit. All construction would be required to comply with Shoreline construction permitting processes.

The following comments are directed to specific potential station locations:

Richmond Beach Saltwater Park:

- RTA should reconstruct 20th NW from the NW 195th intersection south to the Park entrance. The reconstruction should provide sidewalks on both sides, lighting, and the roadbed should be to arterial standards.
- The intersection of 20th NW and NW 195th should be improved to provide pedestrian sidewalks. This intersection should be studied to determine if there are traffic engineering needs to address any potential traffic growth.
- The park road from the park entrance to the parking lot should be of sufficient width and structure to support buses and trucks. Sidewalks and lighting should be provided along the road.
- Mitigation of park land loss could be accomplished through constructing a trail to Innis Arden Reserve (to the south), and by connecting a trail from the north end of the parking lot to the south street end of Richmond Beach Drive NW.
- Recommend that the southbound trains use the easternmost track to make access to Seattle bound trains convenient.
- All new parking for the trains should be as convenient as possible to the boarding areas. Shoreline would need a commitment from RTA that should future demand for commuter rail parking exceed the supply that RTA would construct more parking. Construct enough new parking spaces to accommodate projected demand. Develop a

signing or enforcement program to ensure that adequate park user parking spaces are available.

- Future commuter train planning should consider summer season morning weekend service northbound from Seattle and southbound evening service (to bring beach bound people to the park) and other regional commercial sites.

Metro Pumping Station Site:

- Because of the potential increased traffic on NW 195th, NW 196th, NW 196th Place and Richmond Beach Drive NW, sidewalks should be installed along both sides of these roadways (west of 20th NW).
- Preserve and enhance screening of parking from the residences along Richmond Beach Drive NW.
- Develop a safe intersection of the driveway to the site at Richmond Beach Drive NW @ NW 198th. Cut through traffic onto NW 198th should be addressed via traffic calming or traffic engineering designs.
- Recommend that the southbound trains use the easternmost track to make access to Seattle bound trains convenient.

Point Wells:

The Point Wells site provides an opportunity for a privately funded station. If it redevelops in the future (potential multi-family, office, retail) the development could construct/integrate a station into the project design.

- Strongly recommend that an alternative access to Point Wells be provided as mitigation for a station (205th, or?).
- A station developed at Point Wells should include a parking structure.
- Provide a sidewalk along Richmond Beach Drive NW for residents of Richmond Beach area to walk to catch the train.
- The parking and bus drop off should be on the same side as the morning southbound trains.

FIGURE 2.3-7
SHORELINE STATION
ALTERNATIVE 4a- Richmond Beach Saltwater Park

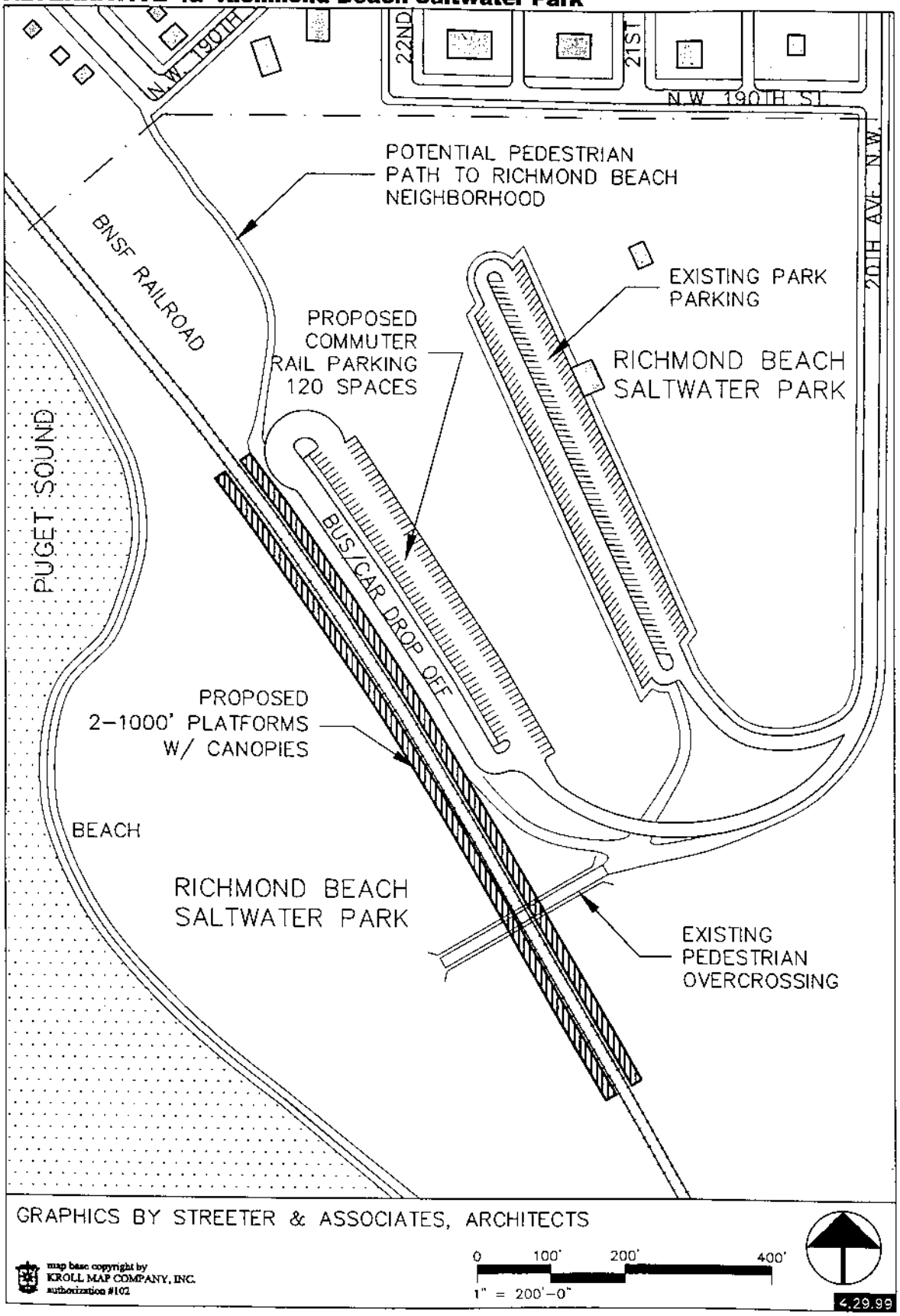


FIGURE 2.3-8
SHORELINE STATION
ALTERNATIVE 4b- Point Wells

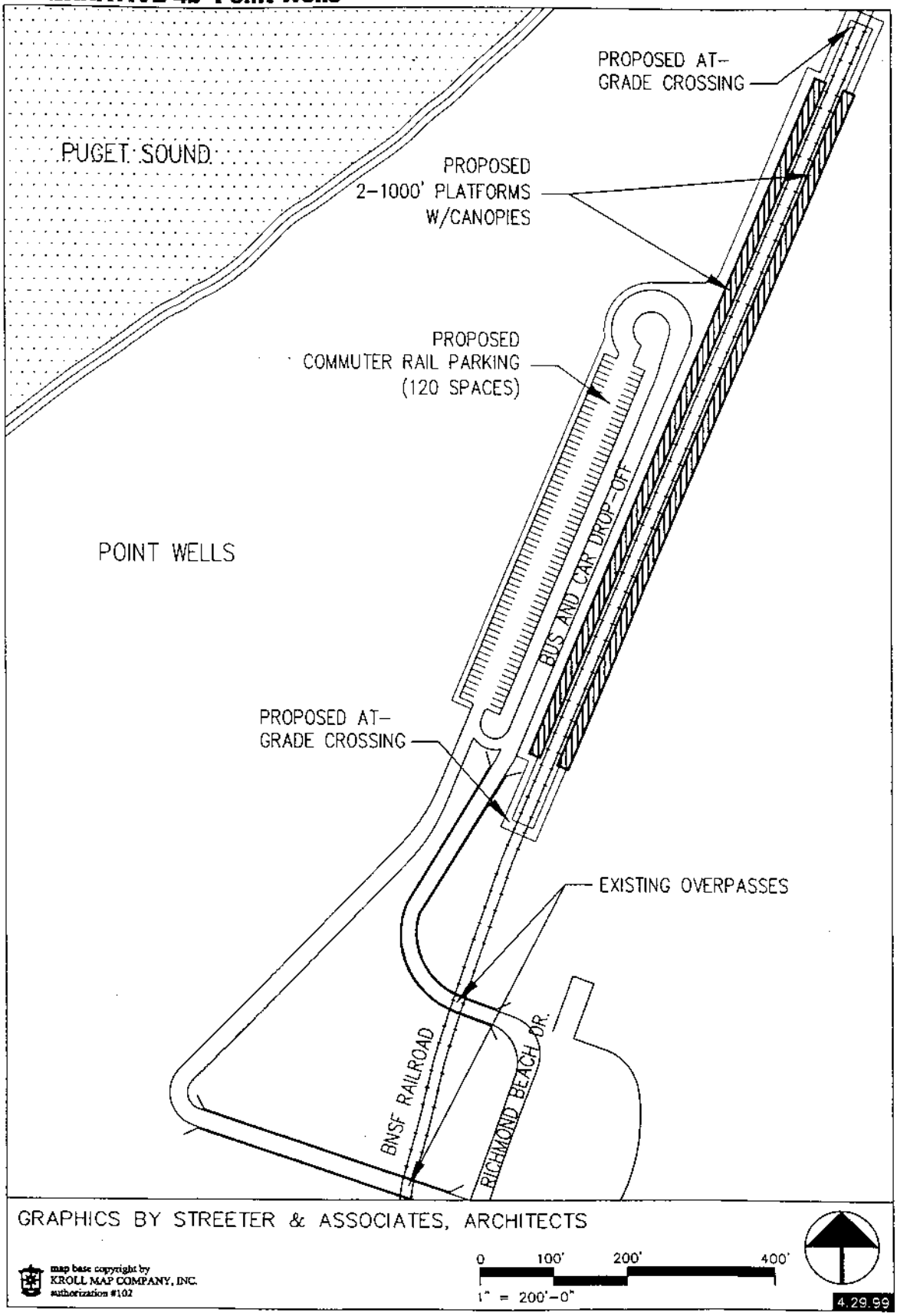
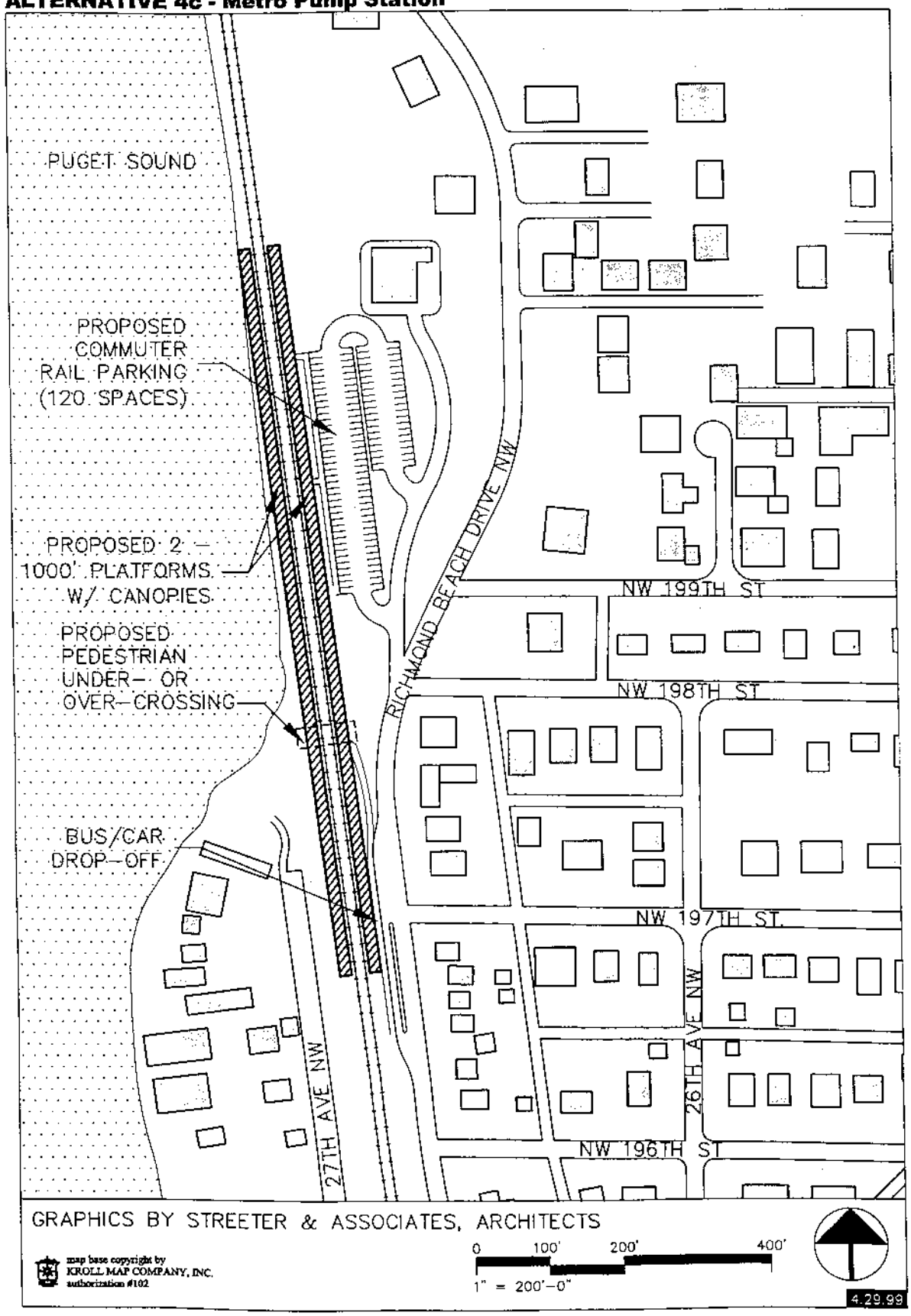


FIGURE 2.3-9
SHORELINE STATION
ALTERNATIVE 4c - Metro Pump Station



Council Meeting Date: July 19, 1999 **Agenda Item: 9(e)**

CITY COUNCIL AGENDA ITEM

CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Permit Processing Software Application Acquisition Project
DEPARTMENT:	Finance Department and Planning and Development Services
PRESENTED BY:	Joe Meneghini, Director Tim Stewart, Director

EXECUTIVE / COUNCIL SUMMARY

In line with the City of Shoreline's Five Year Information Systems Strategic Plan adopted by your Council, a recent review was undertaken of some of the City's core application and software programs (permit processing and management, Customer Response Team systems, etc.) in terms of how these systems were meeting our current needs and a look ahead of what our evolving needs were based on Council goals/workplans.

The purpose of this agenda item is to discuss with your Council our findings, specifically on the permit processing software system, and seek your concurrence for staff directions. Based on Council's workplan and the Planning and Development Services Department's operating requirements, there is an identified need for a permit processing and management and Code Enforcement software system that the City's current system does not provide. Further, the building permit software built in-house by the City does not have all the functionality (parcel/owner related update limitations, file search capabilities limitations, incomplete link to GIS, lack of inspection scheduling feature, etc.) required for effective management and operations.

The Five Year Strategic Plan specifically noted that "the City should research prepackaged software, as a matter of course, rather than reinvent the wheel with costly development."

WISE Consulting notes that these systems (permit processing, Planning and Code Enforcement) are readily available from a number of software vendors who spread development costs (millions) over hundreds of customers. Of more significance is that no one person can match the vast resources and years of permit system experience which qualified vendors apply to system development.

In looking at the issue of buying versus building software, staff recently worked with WISE Consulting Services noted above. WISE was the City's consultant on the new Finance software system selection. WISE, after reviewing the cost/benefit of buy versus build, recommended that the City purchase an integrated package (estimated

$85,000) including license fees, installation service and training. This integrated package would readily and efficiently share information between these various functions. The costs of data conversion are unknown and may increase the estimated cost.

Staff concurs that this is the best approach both in terms of time and resources. Further, that staff direction is to do a thorough software features determination/documentation, a vendor evaluation and selection and return with recommendations to your Council. This process would follow the rigorous approach used successfully to select and implement the Finance Software System.

Funds are available in the Strategic Technology Plan program.

RECOMMENDATION

No Council action is needed at this time. Staff is seeking consensus on the staff direction of acquiring software for purposes of permit processing, Land Use/Planning and Code Enforcement systems. Staff would return to your Council with vendor recommendations.

Approved By: City Manager LB City Attorney N/A

BACKGROUND / ANALYSIS

When the City took over responsibility for permits upon incorporation, there were several hundred applications underway in King County for which the City had immediate responsibility. A permit system (AppTrac System) was purchased and installed shortly after incorporation (August 1995). This system proved difficult to use and not readily expandable. Staff at that time decided to custom develop the permit system which took approximately one year to develop (with the ultimate goal of fully integrating it with the City's other software systems). As noted the system does not provide a number of features desired by the Planning and Development Services Department, such as an inspection scheduling feature and file search ease. Of critical significance, the department is operating without a planning/land use application system. These last two systems would manage land use applications, zoning matters, SEPA project information, tracking/analysis information including time sensitive dates, Code Enforcement incidents and case management tools.

As noted in the City's Five Year Information System Strategic Plan, the City should carefully review its computing needs and weigh whether to build versus buy systems to meet our needs.

WISE Consulting, who assisted the City in reviewing whether to enhance the existing permit systems or replace it, strongly recommended that the City purchase an integrated system that included permits, planning/land use and Code Enforcement. An integrated package, they noted, would allow the efficient sharing of information and ease of search and reporting that is either limited in the existing system, or does not exist.

The current building permit software system would need extensive work, estimated at 1,000 hours, to rebuild and meet the needs of the Planning and Development Services Department.

Cost and time-wise it makes sense to replace the permit system and buy a Code Enforcement/planning system. Of special consideration, this consultant notes that it is more advantageous with limited resources for the City to concentrate its resources and time on systems that are unique to the City (CRT software system) and to focus on providing outstanding operations and user support, on maintenance of existing systems and on ensuring that the in-house applications (CRT, Parks, small contractor rosters) and purchased packages are effectively linked together to be able to share information meeting user needs.

The estimated cost for a fully integrated and complete package (Code Enforcement, Permits, Planning) is approximately $85,000. This includes license fees, implementation and training. The costs of data conversion are unknown and may increase the estimated cost.

The process for selection of the software for this project would be similar to how the Finance system was selected. Staff would conduct a complete feature requirements of the three systems, document the needs, assemble a list of qualified vendors, conduct a request for proposal process, evaluate the proposals, conduct actual product

demonstrations and make a recommendation for your Council's review and determination.

Funds for this project are available in the Finance Department's Five Year Strategic Plan program.

RECOMMENDATION

No Council action is needed at this time. Staff is seeking consensus on the staff direction of acquiring software for purposes of permit processing, Planning and Code Enforcement systems. Staff would return to your Council with vendor recommendations.

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