



## AGENDA

### SHORELINE CITY COUNCIL WORKSHOP DINNER MEETING

Monday, April 28, 2008  
6:00 p.m.

Shoreline Conference Center  
Highlander Room

**TOPICS/GUESTS:** Ronald Wastewater District

### SHORELINE CITY COUNCIL BUSINESS MEETING

Monday, April 28, 2008  
7:30 p.m.

Shoreline Conference Center  
Mt. Rainier Room

	<u>Page</u>	<u>Estimated Time</u>
1. CALL TO ORDER		7:30
2. FLAG SALUTE/ROLL CALL		
3. REPORT OF THE CITY MANAGER		
4. REPORTS OF BOARDS AND COMMISSIONS		
5. GENERAL PUBLIC COMMENT		7:40
<i>This is an opportunity for the public to address the Council on topics other than those listed on the agenda and which are not of a quasi-judicial nature. Speakers may address Council for up to three minutes, depending on the number of people wishing to speak. If more than 15 people are signed up to speak each speaker will be allocated 2 minutes. When representing the official position of a State registered non-profit organization or agency or a City-recognized organization, a speaker will be given 5 minutes and it will be recorded as the official position of that organization. Each organization shall have only one, five-minute presentation. The total public comment period under Agenda Item 5 will be no more than 30 minutes. Individuals will be required to sign up prior to the start of the Public Comment period and will be called upon to speak generally in the order in which they have signed. If time is available, the Presiding Officer may call for additional unsigned speakers.</i>		
6. APPROVAL OF THE AGENDA		7:55
7. CONSENT CALENDAR		8:00
(a) <u>Minutes of Workshop Dinner Meeting of February 25, 2008</u>	<u>1</u>	
<u>Minutes of Special Meeting of March 17, 2008</u>	<u>5</u>	
<u>Minutes of Workshop Dinner Meeting of March 24, 2008</u>	<u>17</u>	
(b) <u>Approval of expenses and payroll as of April 15, 2008</u>	<u>21</u>	
<u>in the amount of \$ 1,211,802.35</u>		

(c) <u>Motion to Authorize the City Manager to Award the Construction Contract with Grade, Inc. for Construction of Boeing Creek Park and Stormwater Improvements; Award the Professional Services Contract Amendment with Otak, Inc. for Engineering Services; and Enter into Agreement with Washington State Recreation and Conservation Office to Accept a Grant of up to \$500,000 for the Boeing Creek Park Improvements Project</u>	<u>23</u>
(d) <u>Ordinance No. 503 Extending the Shoreline Water District Franchise</u>	<u>31</u>
(e) <u>Ordinance No. 501 Increasing the number of Shoreline Library Board positions from Five (5) to Seven (7)</u>	<u>33</u>
(f) <u>Motion to Adopt Council Subcommittee Recommendation to appoint two additional Members to the Shoreline Library Board</u>	<u>35</u>
(g) <u>Resolution 271 Adopting the Planning Commission Work Program</u>	<u>43</u>
(h) <u>Motion to Award Contract for Construction of Priority Sidewalks – Fremont Avenue North, to Merlino Brothers, LLC in the amount of \$234,204</u>	<u>47</u>
(i) <u>Motion to Authorize the City Manager to Execute the State of Washington Intergovernmental Cooperative Purchasing Agreement</u>	<u>51</u>
(j) <u>Resolution No. 275 Expressing Support for and Development of a Greater Echo Lake/Lake Ballinger/McAleer Creek Watershed Basin and Action Plan</u>	<u>53</u>

## 8. ACTION ITEM: PUBLIC HEARING

(a) <u>Public Hearing to receive citizens' comments on Ordinance No. 502, extension of Ordinance No. 484, as amended by Ordinance No. 488, which adopted a six-month moratorium on the filing or acceptance of any applications for mixed use or residential development projects on those lands zoned for Community Business (CB), Industrial (I) or Regional Business (RB) and which are in proximity to neighborhoods zoned for single family homes</u>	<u>59</u>	8:00
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## 9. ACTION ITEMS: OTHER ORDINANCES, RESOLUTIONS, AND MOTIONS

(a) <u>Ordinance No. 500 Amending the Shoreline Municipal Code Chapters 20.50.020 and 20.50.230 to Establish Transition Area Requirements for Residential Development of Land in Residential Business (RB), Community Business (CB) and Industrial (I) Land Use Districts in Proximity to Residential Neighborhoods</u>	<u>63</u>	8:20
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(b) <u>Ordinance No. 502 extending the Moratorium on the filing or acceptance of any applications for mixed use or residential development projects on those lands zoned for Community Business (CB), Industrial (I) or Regional Business (RB) and which are in proximity to neighborhoods zoned for single family homes</u>	<u>59</u>	8:35
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## 10. NEW BUSINESS

(a) <u>2007 Fourth Quarter Financial Report</u>	<u>145</u>	9:35
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## 11. ADJOURNMENT

10:00

*The Council meeting is wheelchair accessible. Any person requiring a disability accommodation should contact the City Clerk's Office at 546-8919 in advance for more information. For TTY service, call 546-0457. For up-to-date information on future agendas, call 546-2190 or see the web page at [www.cityofshoreline.com](http://www.cityofshoreline.com). Council meetings are shown on Comcast Cable Services Channel 21 Tuesdays at 8 p.m. and Wednesday through Sunday at 6 a.m., 12 noon and 8 p.m. Council meetings can also be viewed on the City's Web site at [cityofshoreline.com/cityhall/citycouncil/index](http://cityofshoreline.com/cityhall/citycouncil/index).*

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**CITY OF SHORELINE**  
**SHORELINE CITY COUNCIL**  
**SUMMARY MINUTES OF WORKSHOP DINNER MEETING**

Monday, February 28, 2008  
6:00 p.m.

Shoreline Conference Center  
Highlander Room

**PRESENT:** Mayor Cindy Ryu, Deputy Mayor Terry Scott, and Councilmembers Keith McGlashan, Chris Eggen, Janet Way, Doris McConnell, and Ron Hansen

**ABSENT:** none

**STAFF:** Bob Olander, City Manager; Julie Modrzejewski, Assistant City Manager; Mark Relph, Public Works Director; Scott MacColl, Intergovernmental Program Manager

**GUESTS:** Sound Transit: Joanie Earl, CEO, Sound Transit; Matt Shelden, North Corridor Lead Planner; Patrice Hardy  
King County Councilmember Bob Ferguson Staff: Megan Heahlke

Mayor Ryu called the meeting to order at 6:10 p.m. There were introductions around the table.

Joanie Earl started by discussing Proposition 1 and provided some reasons for why Sound Transit believes it failed in November. Quality and quantitative research was conducted a few weeks after to determine why it failed. Voters stated that it was too big, complex, too long a timeframe, too expensive. People did not understand what was in it. In December Sound Transit asked what could be implemented faster by 2020 with a lesser tax rate and could still meet demand in corridors. A needs report was prepared including growth projections for PSRC. The Board held a workshop on March 6 to discuss whether or not to go back to the voters this year or in 2010. The Board needs to decide by the end of March if they are to go out in 2008. If it is this November election, then in June or July the final plan needs to be adopted in order to make the ballot.

Bob Olander stated that the City is concerned with the short timeframe for feedback on the proposal and believes it runs the risk of being criticized by the public.

Joanie Earl said that the new Sound Transit website was developed and is designed to learn the public's priorities.

Mayor Ryu is concerned with the taxing length from 2009 to 2020 and asked it would slide back if done in 2010. Ms. Earl said that it depends because it's hard to determine the strategy. Mayor Ryu said that she understands that the Sound Move tax is collected



partially by sales tax, MVET, and car rental tax and when the debt is retired it rolls back to pay to operate the system. Ms. Earl said that MVET would be repealed in 2027.

Deputy Mayor Scott asked what was Sound Transit's part in the failure. Ms. Earl responded that there is no evidence that roads or transit caused the failure. What they have learned is that the public wanted it separated, more incremental, and 80% said the cost was too much with not a lot of project detail. She stated that Sound Transit needs to demonstrate more accountability to the public and that means they need to be more specific with the project schedule.

Matt Sheldon stated that they had to shrink the light-rail portions of the proposal and said that most buses use the HOV lanes; however, they would need to work with the State to improve the lanes. Mr. Sheldon questioned if it made sense to invest in more bus service if the HOV system isn't working and this would need to be looked at. Ms. Earl stated that Sound Transit staff is currently developing varying scenarios for the Board to review.

Councilmember Way asked if Sound Transit considered making the service free such as LINK in Tacoma does. Ms. Earl said that there is 1.6 miles of the streetcar system in Pierce County that determined that the cost to collect the fares would cost more than what it would generate.

Mayor Ryu stated that Sound Transit is light-rail and it seems like Sound Transit is duplicating Metro. This is of concern since the Sound Transit Board isn't elected by the public. Ms. Earl said that Sound Transit is working hard not to duplicate services. They've worked with Snohomish County to create multiple buses in Lynnwood. Community Transit and Sound Transit work at augmenting each other. She said that there has been some ongoing discussion regarding a governance structure such as a federated model.

Ms. Sheldon said that they are trying to complement each other. They looked at widening the north corridor along I-5 for BRT in Shoreline. However, there isn't a wide enough median and so it would create too large an impact. He stated that they did look at 185<sup>th</sup> but estimates came in at \$200 million to put an access site at that location; parking would add to the costs. From a rider-ship perspective, significant rider-ship doesn't exist in Shoreline and Proposition 1 did include light-rail north through Shoreline.

Councilmember Way asked if Sound Transit considered east-west connections and systems. Mr. Sheldon said that they are looking at improving access to the system and questioned where it makes sense to feed the system. Metro service is focused at Northgate.

Keith McGlashan said that BRT is different here than in Europe where they take the vehicles out of BRT. Earl said that the State's policy is that BRT should be at 45 mph at least 90% of the time. Matt said that they are moving toward a HOV based-BRT system. Scott MacColl asked if light-rail on I-5 would run into the same problem. Matt said that the east side is elevated.

Mr. Shelden said that they want to connect buses at Northgate Transit Center and not take them off the freeway center freeway station. This would provide access to new markets (Northgate, Capitol Hill, Bellevue and Overlake). It would work if Community Transit wanted to serve it. The Sounder serves the north corridor but it will not add service because the market is limited in Shoreline. Mukilteo and Edmonds isn't a large market, but they have the ability to add capacity. They are working on a parking expansion in Everett. With Ballard and Richmond Beach it doesn't generate enough rider-ship. Mr. Shelden continued that there just isn't a reasonable way to provide access to Shoreline.

Ms. Earl asked what is it Shoreline would define as the most effective investment. Bob Olander stated that staff has a number of concerns with the proposal: 1) with the draft due at the end of March it is hard to change or influence changes; 2) substantial investment in Sound Transit - why invest in HOV lanes if they are congested - this is a logical concern; 3) work on Metro service; and 4) Sound Transit 1 included at 145<sup>th</sup> and 185<sup>th</sup> light-rail; Sound Transit 2 should include at the very least planning/engineering to convert these into light rail stations in the future. Shoreline is 15<sup>th</sup> largest city and while we understand that we're not a major employment center our residents are employed and they vote. Mr. Olander continued that the main concern is that there's nothing that directly benefits residents of Shoreline and for 12 years we have talked about light rail to our City. Staff cannot support ST2.

Ms. Earl stated that the proposal has not been presented to the Board. Mr. Olander said staff's first option is extension of light rail at least to Ballinger or maybe at 185<sup>th</sup>. Ultimately, we would need some freeway stop or direct access to Sound Transit buses or light rail.

Mayor Ryu agrees and said that approximately \$3-4 million annually goes to Sound Transit and that provides a few more buses but on the existing roads; it's going to be a hard sell to the public.

Councilmember Eggen stated that while door-belling and talking to taxpayers he heard a significant amount of resistance; Sound Transit needs to pay off in a reasonable time.

Ms. Earl added that they had to look at what they could do incrementally. Light rail has a high capital cost, but with an effective bus connector system that's how it can work. There are 54 cities in the Sound Transit District; every city wants to see it.

Deputy Mayor Scott agrees with his fellow Councilmembers and staff. Our citizens understand and want to contribute and asked: Are we spending a lot for little impact? Are we going to voters too quickly?

Councilmember McGlashan said that people support light rail; but people want to get the other person out of their car. It would be helpful to find some way to serve Shoreline - some loop system to deliver them to light rail. Ms. Earl said that the plan is to take light rail to the University of Washington by 2016.

The meeting adjourned at 7:25 p.m.

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Julie Modrzejewski, Assistant City Manager

**CITY OF SHORELINE**  
**SHORELINE CITY COUNCIL**  
**SUMMARY MINUTES OF SPECIAL MEETING**

Monday, March 17, 2008 - 6:30 p.m.  
Shoreline Conference Center  
Mt. Rainier Room

**PRESENT:** Mayor Ryu, Deputy Mayor Scott, Councilmember Eggen, Councilmember Hansen, Councilmember McConnell, Councilmember McGlashan, and Councilmember Way.

**ABSENT:** None.

**1. CALL TO ORDER**

At 6:30 p.m., the meeting was called to order by Mayor Ryu, who presided.

**2. FLAG SALUTE/ROLL CALL**

Mayor Ryu led the flag salute. Upon roll call by the City Clerk, all Councilmembers were present, with the exception of Councilmember Hansen, who arrived at 6:45 p.m.

**3. CITY MANAGER'S REPORT AND FUTURE AGENDAS**

Bob Olander, City Manager, provided reports and updates on various City meetings, projects, and events.

Mark Relph, Public Works Director, provided a brief update on the transition from Waste Management to Cleanscapes as the City's waste service provider. Councilmember Way asked how many calls the City staff has received concerning the transition. Mr. Relph responded that detailed records are not yet available. However, he stated that actionable requests numbered approximately 200.

**4. COUNCIL REPORTS**

Councilmember Eggen reported on the National League of Cities (NLC) Conference. He said he attended a session on green buildings and signed up for the First Tier Suburbs Committee.

Councilmember Way commented that her biggest highlight was meeting with the legislators. She added that the session with Senator Cantwell was very enlightening. She also said the regional watershed planning session was informative. She commented that the session she attended with Congressman McDermott was very effective because he was interested in a number of issues

such as Aurora Avenue, trails, watershed planning, renewable energy, basin planning and flood prevention, and Business Access & Transit (BAT) lanes. She said her favorite session concerned arts and cultural matters and how they can bring up to a sixty times return on investment to a City. She also said she attended a grant funding workshop on renewable energy.

Councilmember McConnell announced that she attended a Human Development Steering Committee meeting and said it is an exciting time to be elected official. She commented that Senator Murray is working to get the Boeing tanker contract.

Councilmember Hansen reported that the National League of Cities Conference is a great opportunity to lobby and learn. He felt this trip was very rewarding.

Deputy Mayor Scott echoed the comments of the Council and said it is an honor to lobby on behalf of the City. He added that it is also reassuring to know that Senators Murray and Cantwell are working hard to bring funds back to our community. He said that the Council was also able to discuss issues with Congressman McDermott.

Mayor Ryu communicated that there is a funding gap in surface transportation nationwide and is facing increased congestion. She added that there is a report from the Transportation Commission at [www.transportationfortomorrow.com](http://www.transportationfortomorrow.com). There is an energy efficiency and conservation block grant program, she said, and felt the City could qualify for it. She noted that the Federal economic stimulus package will result in 2.8 million households in Washington receiving tax rebates.

Mr. Olander stated that the NLC is a collective voice for the State of Washington and the cities do have impact at the national level. He felt the cities are heard there because there are common issues such as gaps in civic infrastructures, the mortgage crisis, energy efficiency, green building, human services, and housing.

## 5. GENERAL PUBLIC COMMENT

a) Guy Olivera, Shoreline, questioned if the development code prohibited condominiums in R-4 and R-6 single family neighborhoods. He said it appears that such developments are not regulated in Shoreline. He noted that "air condos" are being developed which exceed the number of homes or condos allowed on single-family lots such as the one in Greenwood. He noted that these are being made possible by calling them "single-family condominium developments." He urged the Council to impose a moratorium against anything that differs from one home on one lot, in R-4, R-6, and R-8 zones.

b) Arthur Maronek, Shoreline, said he was surprised when he was told by the Planning staff that the code is silent on air condos and that they are now being called single family condos. He said he was told by the Planning staff that since applications for "air condos" are unregulated, they have to be approved. He also said he was told that the only standards that had to be met were front and side yard setbacks and base densities. He urged the Council to institute a moratorium on single family condos.

c) Dale Simonson, Shoreline, stated that when Shoreline became a City it adopted zoning codes to ensure developments happen in a manner consistent with neighborhoods to maintain character and desirability. He stated that there is a developer who wants to build seven new homes in Greenwood. He noted that creating shared lot ownership circumvents the code.

d) LaNita Wacker, Shoreline, stated that the Council was sworn in to represent all the people; however, they can't please all the people all of the time. She said the Council is responsible for conducting meetings and they need to be conducted in a business-like fashion. She pointed out that legislators are restricted to three minute speeches and recently there was one Councilmember who spoke on one issue for thirteen minutes. She suggested the Council address this at their retreat. She pointed out that there are parliamentary rules to move the agenda forward.

e) Dennis Lee, Shoreline, discussed the Southeast Neighborhood Subarea Planning Process and said the outline was distributed at the beginning of the year. He stated that there is an organization called the International Association of Public Participation which discusses collaboration, and that is what the City should focus on. He invited people to participate in the Southeast Neighborhood Subarea Planning Process.

Mr. Olander replied to the comments concerning subdividing property in Washington. He said there are only two ways to do it; through the normal short plat process and through the Washington Condominium Act.

Joe Tovar, Planning and Development Services Director, stated that dividing property is done through a formal subdivision or a short plat or through the Horizontal Property Regimes Act, RCW 64.32 which regulates condominiums. He added that the City doesn't prohibit usage of RCW 64.32, thus the City doesn't regulate condominiums. However, he explained it is the property owner's choice which subdivision regulation he or she uses to divide property. He noted there are issues of building placement, size, orientation, and tree retention that are site development specific issues that could be modified in the site permit requirements in the future. At present there are regulations which apply in the zone such as maximum unit counts. Lot coverage, parking requirements, and tree retention would apply under both subdivision scenarios. He noted that there would be six units if this property was subdivided by a formal subdivision or short plat or seven units if it was divided the condominium way. He noted that the Council will look at planning priorities with the Planning Commission on April 7.

Mr. Olander highlighted that this doesn't change the use because it is still single family use; however, the technical details is where the differences show up. He stated that the City staff will prepare a more detailed memorandum and get some legal advice on the range of options.

Councilmember McGlashan stated that the City is guided by state statutes and asked if the City could amend them. Mr. Tovar explained that the City adopts local ordinances under the state statutes. He was unsure of the local ordinance that correlates to the Horizontal Regimes Act, or what has been referred to as the condominium method of property division.

Ian Sievers, City Attorney, explained that the message under the Act is that if you can build a use to that density under the local ordinances, the City can't discriminate against condominium builders.

Councilmember Hansen submitted that it is because of the shared right-of-way in condominiums that allows for an extra unit to be built. Mr. Tovar concurred.

Councilmember Way said she is sensing that the community is feeling that this is like cottage housing resurfacing. She asked Mr. Tovar to present a more detailed opinion at a future Council meeting, adding that she was also concerned that there hasn't been any mechanism for public comment because it is an administrative action.

Councilmember Eggen feared that applications that circumvent the development code will come in and become vested.

Mr. Olander replied that in some cases there are benefits because they can preserve more open space. He added that the condominium act can sometimes allow for more flexibility.

Mayor Ryu pointed out that by sharing the right-of-way, not every property has to have the setbacks. She asked if there is any requirement under the Horizontal Regimes Act to save trees, add more natural drainage, or to demand higher quality or amenities.

Mr. Tovar replied that there are no additional conditions that the City can impose on this project as opposed to a short plat. He said when the City staff brings the item back there will be more information and possible options for the Council to consider.

Mr. Olander noted that one of the legal challenges that have to be met is whether or not this is an emergency throughout the City, thus requiring a moratorium.

Councilmember McGlashan questioned if this is a widespread issue in Shoreline.

Mr. Tovar noted that the last moratorium that was adopted concerning RB, CB, and I zoning applied to many properties throughout the City. However, there has only been one other property developed under this provision.

## 6. APPROVAL OF THE AGENDA

**Councilmember McGlashan moved approval of the agenda. Councilmember Hansen seconded the motion.** Mr. Olander pointed out that there are still minor language changes needed to the OPUS contract. He requested pulling the item from the Consent Calendar and suggested adding it as a study session item. He further explained that this item can be added to a future Council agenda for adoption. **Councilmember Way moved to amend the agenda to remove item 7(a) from the Consent Calendar and add it as item 8(a). Deputy Mayor Scott seconded the motion, which carried 7-0. A vote was taken on the motion to approve the agenda as amended, which carried 7-0.**

7. CONSENT CALENDAR

Consent Calendar item 7(a) was moved to Study Item 8(a).

8. STUDY ITEMS

(a) Resolution No. 274 amending Resolution No. 266 authorizing a Civic Center/City Hall Development Agreement with OPUS Northwest LLC

Mr. Olander noted that the revised agreement has no cost increase and pertains to its legal and technical aspects. He noted that the subcategories of funding were moved into different areas and the land-lease issues were clarified. He pointed out that the overall project development costs are still the same.

Debbie Tarry, Finance Director, commented that the Resolution is meant to memorialize what the Council has previously approved. She added that adoption of the resolution assists OPUS in moving forward. She said there are some discussions on some legal aspects that will continue, however, the City is hopeful everything will be finalized next week.

Jesus Sanchez, Public Works Operations Manager, noted that this is a design, build, and lease-to-own project. He noted that both parties provided input to make sure all the information was correct so that the document withstands the test of state statutes with respect to the construction done for this project. The agreement provides protection for the City and is defensible, he commented. He submitted that the cost doesn't change and it has been negotiated to ensure all parties are protected. He communicated that the changes related to defaulting and what the remedies are so both parties are protected.

Ms. Tarry added that default language is important because there needs to be a contractual obligation to buy out the developer on project completion. The lease agreement, she said, states that if the City cannot fulfill the agreement, the City will lease the building from OPUS at a certain fair market rate.

Mayor Ryu stated that there is a possibility that the bond market will change and wondered if the City should wait to purchase the bonds.

Ms. Tarry stated that the big issue going on now is that the insurance companies are on a ratings watch, so the most effective way is to go forward.

Mr. Olander stated that Congressman Barney Frank, Chair of the House Banking Committee, said insurance companies have a license to make money. He said they charge municipalities a fee to insure the bonds and they never fail. So they make money off of the bond premiums with no risk. However, they have invested those premiums unwisely and now they are in trouble. He summarized that the City always has the option not to buy insurance, but the City is in pretty good position to take its time to decide.



Councilmember Way asked for clarification on the differences between current agreement and from the agreement presented in December.

Ms. Tarry responded that the Resolution itself has changed. She explained that Resolution 274 has Sections 1, 2, and 3 which clarifies the total price and includes a predevelopment agreement. She said it also stipulates that the design and architectural costs will be paid in cash, before the construction starts, and that the ground lease language hasn't changed much.

Mr. Sievers commented that there are two leases to save financing costs. He explained that the first lease goes into effect when the City accepts the substantially completed building and when the garage is complete the City will also have a lease payment due. Finally, he explained that once both of the buildings are completed the two leases will be combined into one lease. He noted that page 25 concerning lien security interests and leasehold financing provisions were left as a placeholder for OPUS which will be completed once they complete their construction financing.

Mr. Olander submitted that this restructuring saves the City some money in that the City doesn't carry the architectural design costs throughout the 18 months of the loan. Additionally, the City doesn't have to pay construction interest on the new City Hall while the parking garage is being finished.

Councilmember Way discussed the funding sources and asked why the City is financing \$20 million while contributing \$16.1 million. Ms. Tarry replied that the \$16.1 million includes the acquisition of the Highlands Professional Center.

Mayor Ryu asked Mr. Olander to give the new Councilmembers a historical background on what the Council has spent so they can understand the whole process. Mr. Olander responded that they can provide the financial analysis documentation then focus on any specific questions the Council may have.

## 8. STUDY ITEMS

### (a) Capital Improvement Program Update

Dick Deal, Parks, Recreation and Cultural Services Director, outlined the many projects the City staff are working on to create, acquire and improve facilities for the citizens of Shoreline. He introduced Trisha Juhnke, Capital Projects Manager, and Maureen Colaizzi, Parks Planner.

Ms. Juhnke noted that there are lots of construction projects in 2008 and staff are working at keeping the community informed of them with "no surprises". She noted that these projects will be announced in the *Currents*, the website, and through various means of communication in the City.

Maureen Colaizzi, Parks Planner, highlighted the accomplishments through the beginning of 2008 and some that are in the design and planning phase for construction in 2009-2010. She noted that there are 11 projects and two that are outside of the Parks bond. She communicated

that the City owns three new properties which are South Woods, the Seattle Public Utility parcel northeast of Hamlin Park, and Kruckeberg Gardens. She discussed the future enhancements and design plans for the three properties. She noted that there are also eight Park Development Projects which are a part of the Parks bond.

Councilmember Way commented that she would like to see a phasing plan for Richmond Beach Saltwater Park. Ms. Colaizzi responded that both of the parking areas at that site would be improved first then the roadway would be addressed last. She noted that there will be a traffic control plan in place. Councilmember Way communicated that a Seattle Councilmember said they are scheduled to finish their portion of the Interurban Trail and it will be a great connection to the work Shoreline has done.

Ms. Colaizzi continued and summarized the status of and enhancements to the rest of the eleven parks projects.

Ms. Juhnke discussed the other Capital Improvement Program (CIP) projects outside of the parks program. She communicated that there are two maps on the City's website which allow the citizens to link to project information. She discussed the priority sidewalks, those that were completed in 2007 and those planned in the future. She highlighted that the City staff is actively pursuing grant opportunities that will be funded in 2009. She highlighted that many of the priority routes that have been identified are around schools and high pedestrian corridors.

Mr. Relph added that obtaining a grant for a bus stop on N 205th Street has come up in recent discussions and for other improvements on the south side of that street.

Councilmember Way hoped the City could look at N 145th Street upgrades with Seattle, the Washington State Department of Transportation (WSDOT), and King County because there needs to be some pedestrian routes built. Mr. Olander responded there have been discussions about N 145<sup>th</sup> Street. However, there are jurisdictional issues and the City doesn't own the right-of-way. Therefore, the City has had to rely on those jurisdictions to build the sidewalks.

Councilmember Eggen commented that there was discussion at the National League of Cities (NLC) about a federal grant program called "Safe Routes to School" and asked if the City staff has explored it. Ms. Juhnke responded that there are two federal grants given to the state to administer and the City has applied for both of them.

Ms. Juhnke continued her presentation and highlighted the Annual Road Surface Maintenance overlay routes and noted that asphalt is a construction item that is very dependent on fuel costs, so the cost has been increasing.

Mr. Olander explained that every few years the City goes through a pavement rating program where each segment of roadway is rated based on its condition, surface, drainage, cracking, subsurface and a priority array is established.

Ms. Juhnke then discussed the Richmond Beach Overcrossing and the Aurora Avenue North project from 165th to 205th.

Mr. Relph announced that the design consultant HDR has hit some extremely big milestones concerning the Aurora Avenue North project. He added that the schedule is aggressive and the City is sticking to it. Ms. Juhnke updated the Council on the Dayton Avenue Retaining Wall.

Deputy Mayor Scott inquired if there was a process for doing design-build on any of these projects. Mr. Relph replied he has used the design-build process in the past for road capital construction and it wasn't successful. He commented that larger scale projects, such as the new City Hall, are better served by the design-build process.

Ms. Juhnke discussed the traffic signal at 150th and 15<sup>th</sup> Avenue NE. She noted that this project has entered the construction phase. She highlighted the following construction projects; 18th Avenue NW Drainage Improvements, East Boeing Creek, 167th and Whitman, the Pan Terra Pond and Pump Station, and the Ronald Bog South Drainage Improvements. She concluded that the 2008 season is underway and there will be ten projects under construction by the end of summer with an approximate construction cost of \$9 to \$10 million dollars. She concluded that that the bid climate in the Puget Sound is improving over the past few years.

Mayor Ryu called for public comment on this item; there was no one wishing to provide public comment.

Councilmember McGlashan inquired if there could be any additional parking for Hamlin Park vis-à-vis the Fircrest Master Plan. Mr. Olander stated that having additional parking is contingent on the state supplemental capital budget and whether or not the state can fund the continuation of the master plan process. Mr. Deal added that there have been preliminary discussions concerning the master site plan. Additionally, he noted that there is a series of trail connectors identified and three master site plans options being discussed and each of them have strong trail connections. Unfortunately, he communicated that there haven't been any definitive decisions concerning parking.

Councilmember McGlashan wondered if there have been any light pollution complaints from the residents who live close to the newly installed tennis court lighting. Ms. Colaizzi replied that there was a study done and putting in smaller poles was analyzed to keep the light focused. She said the test was run Monday through Friday and they haven't received any complaints. Mr. Deal commented that the analysis shows that there is virtually no light impact to residential units.

Councilmember McGlashan inquired about Interurban Trail lighting issues in the vicinity of Westminster and those between N 200th and N 192nd. Mr. Relph responded that he could provide more detailed information to the Council at a later time.

Councilmember McGlashan asked if there would be public parking or access on the west side of Boeing Creek Park. Ms. Colaizzi responded that it is there for King County personnel to access the sewer facility off of 3<sup>rd</sup> Avenue NW.

Councilmember McGlashan asked if the City is coordinating with other utility jurisdictions so the City can avoid disturbing fresh road overlays. Ms. Juhnke responded that a letter has gone out to schedule coordinating meetings with the utilities to see what their plans are for the future. Mr. Olander said this process goes on annually as each jurisdiction shares their six year plans.

Councilmember McGlashan inquired about the foot bridge over I-5 and if there were any plans to enhance it in the future. Mr. Deal communicated that the artist who did the work on the Aurora bridges just completed a master plan to determine what it might take to get that done. He added that there is research going on with WSDOT and he will report back to the Council with more details. Responding to Councilmember McGlashan, Mr. Olander clarified that the foot bridge belongs to WSDOT.

Responding to Councilmember Way, Mr. Relph said he was going to bring a detailed report back to the Council on the planned Interurban Trail lighting.

Mayor Ryu asked if some obvious signage could be installed at Hamlin Park about it not being an off-leash dog park. Mr. Deal commented that there is less off-leash activity now, and the King County animal control officer has worked the area. He said Ms. Colaizzi and an off-leash group are putting together a plan, but it will not completely eliminate off-leash activity. Mayor Ryu added that sometimes it is easier for people to point out the laws using the signage. Mr. Olander agreed that there needs to be good signage and enforcement.

(b) Council Subcommittee Recommendations for Study Sessions and Public Input Opportunities

Julie Modrzejewski, Assistant City Manager, provided the staff report and outlined the proposed changes to Council study sessions in an effort to make them more effective. She explained the recommendations focus the public comment on study session items only and to have general public comment at the business meetings. Additionally, it was suggested to move the meetings from the Mt. Rainier to the Highlander Room to create more of a dialogue between the Councilmembers. She added that another suggestion was to reduce the public comment from three to two minutes. Additionally, she said there was a suggestion to enhance public involvement by allowing the public more direct access to the Council and department managers by adding more telephone numbers on the website and *Currents*. Mayor Ryu also made a suggestion to have a generic City business card made which lists telephone numbers for the community and City Hall. She noted there were also suggestions about an online community calendar linked to a non-City website. She stated there are online surveys that have been done by the City on their website and the suggestion from the subcommittee was to continue doing them.

Mayor Ryu called for public comment.

a) LaNita Wacker, Shoreline, opposed eliminating general public comment at study sessions. She said the public has the right to speak to public officials. She disagreed with the idea of giving the Mayor discretion on who to allow to speak because she could prevent people from voicing dissenting opinions. She added that two minutes is not enough time to speak and puts too

much pressure on people. She supported the idea of a community calendar, but was concerned about the appearance of the City sponsoring events on the website.

b) Dennis Lee, Shoreline, concurred with the previous speaker and said maybe the City can allow residents to have public comment on the website. He noted that there are people who don't like the public process and would like to speak on the website about it. He said he likes when the Planning Commission Chair dialogues with the speakers, but it gets too informal sometimes. He said he would like more dialogue between the Council and speakers. He noted that three minutes seems to be the right amount of time.

Councilmember McConnell said although she understands the speakers' point of view, the subcommittee is trying to change the study session atmosphere so that the Council has more dialogue with each other and have more efficient meetings. She said maybe the time limit can be at the discretion of the Council as a whole and not the sole discretion of the Mayor.

Councilmember Eggen commented that the Council is trying to "tweak" the rules to allow them more time to consider more contentious issues in a more focused manner, but not trying to cut off public comment.

Mayor Ryu stated that the website is extensively used and it will be used even more in the future. She recognized that online participation is coming and encouraged young people to get involved. She disagreed with the suggestion to reduce public comment to 2 minutes per speaker, or remove public comment from study sessions. She asked that the City staff document when the direct dial telephone numbers were published in *Currents*.

Councilmember Way commented that she isn't in favor of changing the public comment to two minutes because it isn't practical. However, she doesn't have a problem with moving the general public comment at the beginning of the meetings.

Mr. Olander commented that the City is facing a number of major issues and the Council and public need quality time, and focusing comment on those issues will help the Council make better decisions. He added that if the particular issue is of high importance, the Council can decide if they want to hear three or two minutes of public comment per speaker. He added that the public doesn't understand how effective their e-mails, phone calls, and letters are. He felt that the alternatives to public comment are sometimes more effective in communicating with the City staff and Council.

Councilmember Way suggested holding town hall meetings at different locations throughout the City. She added that the contact cards are good and maybe Deputy Mayor Scott could promote them during the meetings.

Councilmember McGlashan expressed opposition to the blog idea. He said other city councils and members of the different state and federal associations that the Council meets with are surprised by what the Council does in their study sessions. He stated that most jurisdictions don't televise their study sessions or take public comment. He said he is more comfortable with public comment taking place at the beginning of the meeting and not taking it after each item. He is also

opposed to changing rooms if the cost is going to be higher. He felt a round table setup would be good for study sessions. He noted that the setup in the Mt. Rainier room wouldn't be any different in the Highlander Room and the full council should have the discretion concerning public comment, not the Mayor. He concluded that the lighting in the Highlander Room is much worse than the Mt. Rainier Room.

Councilmember McConnell stated that the subcommittee did discuss the cost difference, and if meeting productivity is enhanced then the cost is worth the expenditure.

Mayor Ryu also noted that moving the meetings to another room would be on a trial basis and would only be for four weeks. She said the Council would evaluate whether or not to stay in the Highlander Room or move back into the Mt. Rainier Room.

Deputy Mayor Scott said it is noble try to create an environment that fosters discussion with more time to learn and understand each Councilmember's perspective. He said the two or three minute allocation for public comment is debatable; if you can't say what you want to say in two minutes, three isn't really going to make that much of a difference. The City is trying to provide other means for the public to have comment such as e-mail and website communication, which is the way of the future. Residents don't have time to work all day and come to the podium and speak at a meeting. He felt e-mail and website communication is an effective way to communicate with the residents. With the meeting location, he felt that the cost is a concern. He supported having sessions where good deliberation and policy decisions can be made.

Mayor Ryu suggested that the full Council, rather than the Mayor, be given discretion on allowing speakers to comment. She commented that the subcommittee worked well.

Councilmember Way commented that she is not opposed to the Mayor making the decision on public comment, but it inhibits free speech. She commented that residents are nervous about speaking to the Council and reducing the amount of time they have makes it harder.

Mr. Olander suggested language for the motion and highlighted the proposed motion to accept committee recommendation in the handout.

#### MEETING EXTENSION

**At 10:02 p.m., Councilmember Eggen moved to extend the meeting until 10:10 p.m., seconded by Deputy Mayor Scott. Motion carried 5-1, with Councilmember McGlashan dissenting and Councilmember Hansen abstaining.**

**After brief discussion, Councilmember Way moved to postpone action on this item to a future meeting, seconded by Councilmember McGlashan. Motion carried 6-1, with Councilmember McConnell dissenting.**

#### **9. ADJOURNMENT**

**At 10:08 p.m., Mayor Ryu declared the meeting adjourned.**

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Scott Passey, City Clerk

**CITY OF SHORELINE**  
**SHORELINE CITY COUNCIL**  
**SUMMARY MINUTES OF WORKSHOP DINNER MEETING**

Monday, March 24, 2008  
6:00 p.m.

Shoreline Conference Center  
Highlander Room

PRESENT: Mayor Cindy Ryu, Deputy Mayor Terry Scott, and Councilmembers Keith McGlashan, Chris Eggen, Janet Way, Doris McConnell, and Ron Hansen

ABSENT: none

STAFF: Bob Olander, City Manager; Julie Modrzejewski, Assistant City Manager; Scott MacColl, Intergovernmental Program Manager

Mayor Ryu called the meeting to order at 6:15 p.m.

Scott MacColl provided an overview of legislative items that the Council wanted staff to track and monitor during the session in Olympia. Mr. MacColl mentioned that the 32<sup>nd</sup> District Delegation will be here in two weeks for a full report to the Council. Overall, Olympia was conservative on bills that passed and on spending. Mr. MacColl stated that the following legislation passed as incentive programs:

- Evergreen Cities/Urban Forestry (2844) – CTED will develop model approaches for cities, and cities choosing to implement these approaches would receive preference when applying for various grants and loans.
- Local Climate Change (HB 6580) – includes a pilot program to fund cities or counties wishing to address this issue, and funding was included in the supplemental budget, and requires CTED to develop models and tools for cities.
- Reducing Greenhouse Gas Emissions (E2SHB 2815) – proposes to reduce greenhouse gas emissions and create clean energy jobs. This was the Governor's bill and one concern that rose was that the footprint is difficult to ascertain.

Mr. MacColl also provided an overview of the legislation that failed:

- Pt. Wells/Buildable Lands Bill (HB 1727) – would have required consistent development standards for developing unincorporated areas surrounded by incorporated areas.
- Transportation Governance (SB 6772) – would have put Sound Transit in charge of regional transit planning, and would have changed the structure of the ST Board. Deputy Mayor Scott asked if this bill will return. Mr. MacColl stated that the amount that would need to change to make this happen is huge; as a region we struggle with



this (e.g., King County and Metro merger); and it's complicated to have the public vote on it.

- Taping of Executive Sessions (3292) – would have required taping of executive sessions, to be made available after the decision was made.

Other intergovernmental updates included:

- Sound Transit
  - ST Board is scheduled to make a decision regarding going to the ballot in 2008 or 2010 at the March 27<sup>th</sup> or April 10<sup>th</sup> Board meeting. Sound Transit presented their proposal to Seashore and during that presentation the transfer at Northgate was not included. The first BRT stop was in Mt. Lake Terrace going all the way to downtown Seattle. Mr. MacColl understands however that this was not solidified with WSDOT. Mark Relph attended the last Sound Transit Board meeting where Joanie Earl, CEO of Sound Transit, distributed copies of the Council's adopted resolution. Mr. Relph testified that the City would like to collaborate with Sound Transit. Since the last proposal Sound Transit added BAT lanes to Aurora. Bob Olander stated that we needed assurance that we're not left out of light rail and at the very least Sound Transit should plan for the future and perhaps purchase property for preliminary design and engineering.
  - Staff will be contacting board members to discuss options. In the latest draft concept plan, BRT on I-5 no longer includes a transfer/station at Northgate.

Mayor Ryu stated that we are working with King County Councilmember Bob Ferguson to see if he will sign a letter to the Sound Transit Board members. Mr. Olander added that staff is setting up meetings with King County Councilmembers who are on the Board as well as Mayor Greg Nickels to share Shoreline's concerns about the proposal.

- Fircrest
  - Capital Budget includes \$445,000 for a Fircrest Campus Master Plan
    - Master Plan due to Legislature by January 1, 2010
    - Plan must include recommendations for alternative uses such as affordable housing and smart growth options
    - Plan must not prohibit the potential future expansion for the Public Health Lab
  - Public Health Lab has \$10.2 million for addition to the Public Health Lab, including receiving \$800,000 for site preparation this year.
    - Legislature has requested a risk assessment of the Health Lab prior to the next Legislative Session

Mayor Ryu, Deputy Mayor Scott, and Councilmembers Way, and Eggen expressed their concern that the lab would advance to a level 4 lab. Deputy Mayor Scott asked if there was a more suitable place for a level 4 lab. Councilmember Way asked if the assessment would include an independent review. Mr. MacColl understood that to be the case.

To wrap up the meeting, Julie Modrzejewski reviewed and finalized the Council's half day retreat report with the Council. Likewise, Ms. Modrzejewski reminded Council about their upcoming goal setting retreat scheduled for April 25-26 at the Shoreline Center.

The meeting adjourned at 7:25 p.m.

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Julie Modrzejewski, Assistant City Manager

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## CITY COUNCIL AGENDA ITEM

### CITY OF SHORELINE, WASHINGTON

<b>AGENDA TITLE:</b>	Approval of Expenses and Payroll as of April 15, 2008
<b>DEPARTMENT:</b>	Finance
<b>PRESENTED BY:</b>	Debra S. Tarry, Finance Director

#### EXECUTIVE / COUNCIL SUMMARY

It is necessary for the Council to formally approve expenses at the City Council meetings. The following claims/expenses have been reviewed pursuant to Chapter 42.24 RCW (Revised Code of Washington) "Payment of claims for expenses, material, purchases-advancements."

#### RECOMMENDATION

Motion: I move to approve Payroll and Claims in the amount of \$1,211,802.35 specified in the following detail:

##### **\*Payroll and Benefits:**

Payroll Period	Payment Date	EFT Numbers (EF)	Payroll Checks (PR)	Benefit Checks (AP)	Amount Paid
3/9/08-3/22/08	3/28/2008	23311-23505	7455-7492	35916-35927	\$498,697.44
					\$498,697.44

##### **\*Accounts Payable Claims:**

Expense Register Dated	Check Number (Begin)	Check Number (End)	Amount Paid
4/1/2008	35880	35903	\$9,607.40
4/3/2008	35904	35915	\$16,793.19
4/8/2008	35928	35951	\$134,257.56
4/8/2008	35952	35954	\$3,902.76
4/10/2008	35955	35973	\$20,810.69
4/11/2008	35974	36027	\$150,386.14
4/14/2008	36028	36057	\$376,617.25
4/15/2008	36058		\$729.92
			\$713,104.91

Approved By: City Manager \_\_\_\_\_ City Attorney \_\_\_\_\_

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**CITY COUNCIL AGENDA ITEM**  
CITY OF SHORELINE, WASHINGTON

**AGENDA TITLE:** Authorize the City Manager to: 1) Award the Construction Contract with Grade, Inc. for Construction of the Boeing Creek Park Improvements & the Boeing Creek Park Stormwater Project; 2) Award the Professional Services Contract Amendment with Otak, Inc. for Engineering Services during Construction of these Projects; and ; 3) Enter into an Agreement with the Washington State Recreation and Conservation Office to Accept a Grant of up to \$500,000 for the Boeing Creek Park Improvements Project.

**DEPARTMENTS:** Public Works and Parks, Recreation and Cultural Services

**PRESENTED BY:** Tricia Juhnke, Capital Projects Administrator  
Jon Jordan, Capital Projects Manager  
Maureen Colaizzi, PRCS Project Coordinator

**PROBLEM/ISSUE STATEMENT:**

The purpose of this staff report is to request Council's authorization to award a construction contract with Grade, Inc. and a professional services contract amendment with Otak, Inc. for construction of the Boeing Creek Park Improvements and the Boeing Creek Park Stormwater Project and for construction engineering services, respectively. The projects were advertised together as one bid package and bids were opened on April 2. The engineer's estimate is \$1,173,200. Ten bids were received with Grade, Inc. being the lowest bid at \$999,499.70. This report also requests Council's authorization to enter into an agreement with the Washington State Recreation and Conservation Office to accept a grant of up to \$500,000 to support funding of current and future improvements in Boeing Creek Park.

**RECOMMENDATION**

Staff recommends that Council Authorize the City Manager to: 1) award the construction contract with Grade, Inc. in the amount of \$999,499.70 plus a 10% contingency for construction of the Boeing Creek Park Improvements & the Boeing Creek Park Stormwater Project; 2) award the professional services contract amendment with Otak, Inc. in the amount of \$127,800 for engineering services during construction of these projects; and 3) enter into an agreement with the Washington State Recreation and Conservation Office to accept a grant in the amount up to \$500,000 for Boeing Creek Park Improvements.

Approved By: City Manager  City Attorney \_\_\_\_\_

## **BACKGROUND**

The 2008-2013 Capital Improvement Plan includes the Boeing Creek Park Improvements and the Boeing Creek Park Stormwater Project as separate CIP projects. They were designed together with the intent to advertise and construct the projects concurrently. Combining these projects is a cost-effective and efficient use of City resources because it reduces the amount of time access is restricted to park users, minimizes the duration of construction impacts, integrates the improvements to look and feel like one project, uses less staff time, and reduces costs associated with two separate construction contracts.

Boeing Creek Park offers a unique opportunity to explore 36 acres of natural forest and streams for an enriching outdoor experience. The park is in need of trail restoration improvements and user amenities to mitigate existing erosion problems and enhance this experience. The stormwater facility in Boeing Creek Park serves a vital function during storms, retaining runoff from homes, businesses and streets in the area. Stormwater drains into Boeing Creek through a flow control structure at the northwest end of the facility. The detention facility protects the neighborhood, Boeing Creek and Hidden Lake during large storm events and is in need of additional storage volume to adequately protect these resources.

Plans to modify the existing stormwater facility in Boeing Creek Park began in 2002 as part of the 3<sup>rd</sup> Avenue NW Drainage Improvement Project to alleviate flooding of homes and private property and to mitigate for peak flows from the drainage improvements and reduce downstream erosion in Boeing Creek. Park improvements were included in the design process to better integrate the stormwater facility within the park setting. The Parks, Recreation and Cultural Services (PRCS) staff identified the need for a capital improvement project; however, there was no funding identified for such improvements.

**King County Mitigation:** In the same year, King County approached the City about the county's plans to replace and upgrade the Hidden Lake Pump Station / Boeing Creek Trunk Sewer. The 3<sup>rd</sup> Avenue Drainage Improvement Project was then separated into phases. Modifications to the stormwater facility and park improvements would occur after the county's construction of the new underground sewer storage detention facility in Boeing Creek Park. The 3<sup>rd</sup> Avenue Drainage Improvements were completed in 2005 and the remaining stormwater improvements became the Boeing Creek Park Stormwater Project.

In February 2005, Council authorized an interlocal agreement with King County in which the county agreed to pay the City \$1.1 million as mitigation for all direct and indirect impacts of the Hidden Lake Sewer Project on Boeing Creek Park, Saltwater Park and the surrounding community. The City agreed to allow the county to install the underground sewer storage pipe within the boundaries of the park instead of within the street right-of-way of NW 175<sup>th</sup> Street and 3<sup>rd</sup> Avenue NW to alleviate traffic and construction concerns.

**Past Council Action:** The mitigation funds made it possible to construct the park improvement concepts as well as enhance the scope for the stormwater facility improvements. On May 23, 2005 Council authorized city staff and Otak to develop a

conceptual site plan for all the improvements in the park. The concept for Boeing Creek Park improvements, originally designed as part of the Third Avenue Drainage Improvement Project and mitigation for the King County wastewater storage pipe, was updated to reflect comments from the public, which included an expanded scope to improve trails and stream crossings. The Boeing Creek Park Improvements and the Boeing Creek Park Stormwater Project began being considered as a joint project. With the newly created CIP project for Boeing Creek Park improvements and mitigation funding, the City now had the available funding to meet match requirements for grants.

On June 27, 2005, City Council approved the Washington State Recreation and Conservation Office (RCO) application for grant funding up to \$500,000 under Resolution 233. PRCS staff submitted a grant application to the RCO to support and expand the King County Mitigation funding to construct improvements including ADA accessible trail improvements, native landscaping, fencing, interpretive signs, site furniture, a restroom, and on-street parking.

**Public Process:** An extensive public involvement process began. A project site tour was held on October 15, 2005 to introduce the community to the conceptual plan for future park and stormwater improvements. The conceptual site plan for the park was complete in late 2005; however, further design was postponed until after King County substantially completed the underground sewer facility within the park. The county completed most of their work in the park by fall 2007.

Further design and public participation ensued in 2007. A site tour and community meeting was held on May 31, 2007 to look at updated conceptual design plans and alternatives for park improvements. In addition, a neighborhood meeting was held on August 9, 2007 in accordance with the City of Shoreline Planning and Development Services (PADS) procedures for the Site Development Permit Review. The Parks, Recreation and Cultural Services (PRCS) Board and their subcommittee, the Trail Corridor Study Group, has reviewed and approved the proposed improvements.

Interested public and affected agencies were notified in January of the completed Site Development Permit proposal during the official Notice of Site Development Permit including SEPA DNS process as required by law. Project plans were available to the public throughout the process. A Determination of Nonsignificance (DNS) was issued on January 31, 2008. Construction documents were prepared and the joint project was publicly advertised in March and bids opened on April 2, 2008. Grade Inc was identified as the lowest responsible bidder.

**Scope of Work:** Awarding the contract to Grade, Inc. will allow construction of the following improvements in Boeing Creek Park: new parking and ADA access; adding benches and picnic tables, installing native landscaping and irrigation to improve habitat and aesthetics; improving trails and stream crossings; creating a cascading water feature in the stormwater facility; and replacing the perimeter fence and gates. Awarding the contract to Grade, Inc. will also allow construction of the following improvements to the Stormwater Facility: excavating approximately 4000 cubic yards of soil to increase the capacity of the stormwater detention facility; modifications to the flow control structure to reduce erosion in Boeing Creek; and grading and planting with



native vegetation to improve water quality leaving the facility. A conceptual plan of these improvements can be found in Attachments A and B.

## **ACTION ITEMS**

### **1) Award Construction Contract to Grade, Inc.**

The projects were advertised together as one bid package and bids were opened on April 2. The engineer's estimate for the project is \$1,173,200. Ten bids were received with Grade, Inc. being the lowest bid at \$999,499.70. A table of all bid results follows.

Company Name	Amount
1 Grade Inc.	\$ 999,499.70
2 Construct Company LLC	\$ 1,048,364.71
3 Road Construction Northwest, Inc.	\$ 1,091,812.00
4 Ohno Construction Company	\$ 1,109,220.00
5 Precision Earthworks, Inc.	\$ 1,136,480.00
6 Award Construction Inc.	\$ 1,158,338.09
7 Paul Brothers Inc.	\$ 1,208,312.10
8 Iliad, Inc.	\$ 1,225,353.50
9 A-1 Landscaping and Construction, Inc.	\$ 1,238,253.00
10 Advanced Construction Inc.	\$ 1,556,000.00

Staff has completed all applicable reference checks on Grade, Inc., including State Agency fiscal compliance. References were satisfactory regarding quality of construction and their history of managing budget, materials, and personnel. Staff is confident in Grade, Inc.'s ability to complete this project within all terms of the contract.

### **2) Amend Professional Services Contract with Otak, Inc.**

The construction management and inspection services contract for this project is with a separate engineering firm, *Vanir Construction Management, Inc.* and is not part of this authorization request. Otak's contract is for services other than construction management and inspection and includes: bid support services, verification of construction documents and site conditions, special inspections, developing and administering a stormwater pollution prevention plan, remodeling pond hydraulics, preparation of record drawings, and other engineering services during construction. The Otak amendment is to an existing contract for design services. Otak was selected in 2002 using the A&E Request for Qualification Waiver process for work on the 3<sup>rd</sup> Avenue NW Drainage Improvement Project. That contract was amended in 2005 for professional design services in connection with the Boeing Creek Park Improvements, the Boeing Creek Park Stormwater Project, and the Pan Terra Pond and Pump Station.

### **3) Enter into Agreement and Accept Grant from the Washington Recreation and Conservation Office** Note: In 2007, the Washington State Inter Agency Committee for Outdoor Recreation changed its name to the Recreation and Conservation Office.

The City applied for funding with the RCO in 2005 for the Boeing Creek Park Improvements per resolution 233. The project was not funded under the 2005-07 RCO

funding cycle however, and it was put on a wait list. In late 2007, PRCS staff received notice from RCO that additional funding had become available for unfunded projects from the 2005-07 RCO funding cycle. In early 2008, staff finalized all requirements of the grant to receive funding.

The RCO grant will support funding the current park improvements of the construction contract as well as future park improvements including stream crossings, additional trail improvements, and other user amenities such as interpretive and way finding signage and possibly a restroom. The RCO grant requires matching funds which can be agency or other. Adequate matching funds currently exist from a combination of the city general capital fund, the parks bond issue, and King County mitigation funds.

**FINANCIAL IMPACT:**

The improvements are funded in the 2008-2013 Capital Improvement Plan. A summary of the financial budget for these two projects can be found in Attachment C. The bid results are below engineer's estimate and there is sufficient funding in each project budget to award a contract to Grade, Inc. and a contract amendment to Otak, as presented in this Staff Report. The combined revenue for these two projects is \$2,157,096. The combined total cost estimate, including the Grade, Inc. and Otak contracts, is \$1,974,807. The projected balance from the Boeing Creek Park Improvements budget of \$121,680 will be combined with additional grant funding and bond issue funds to complete future park improvements.

**RECOMMENDATION**

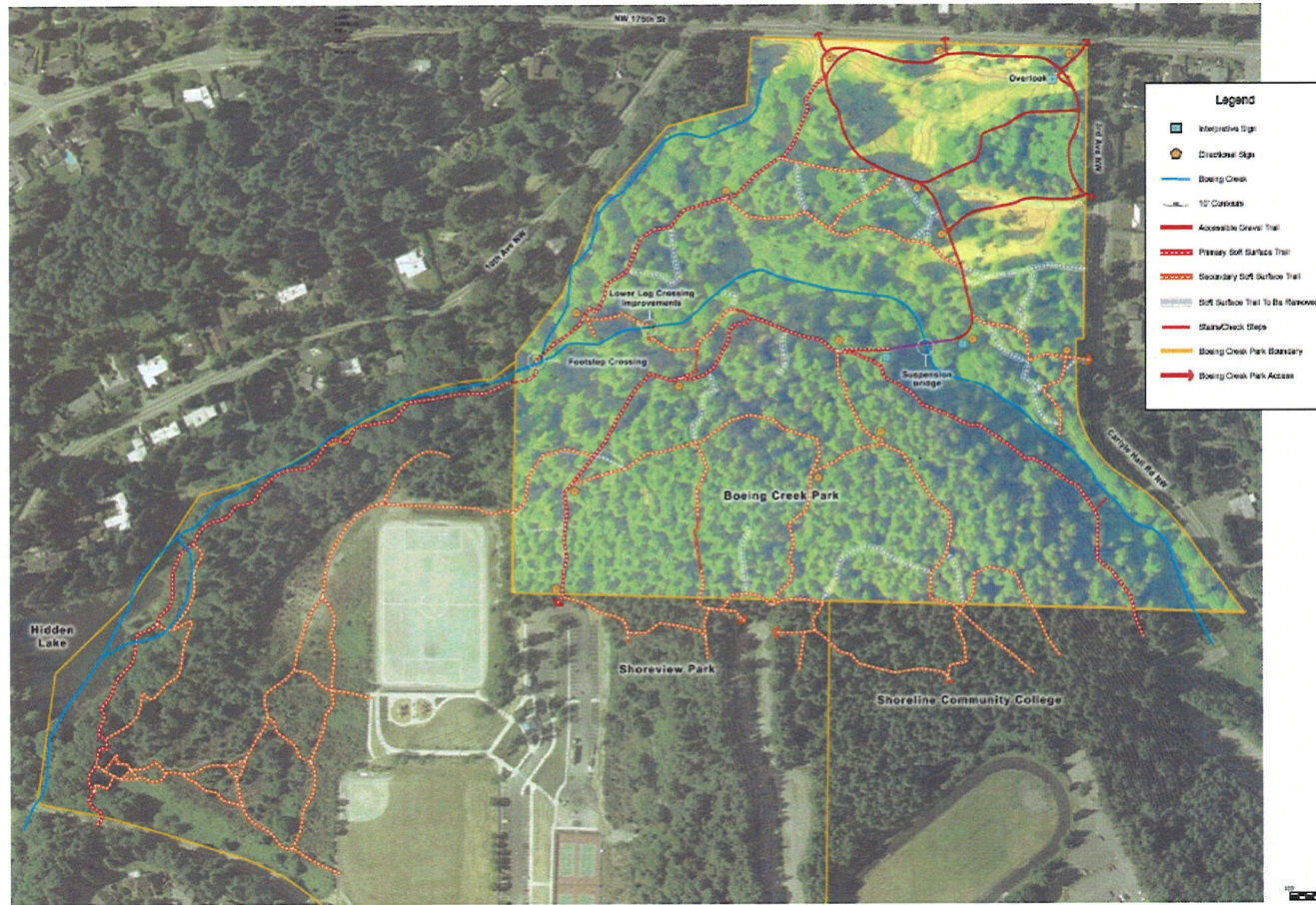
Staff recommends that Council Authorize the City Manager to: 1) award the construction contract with Grade, Inc. in the amount of \$999,499.70 plus a 10% contingency for construction of the Boeing Creek Park Improvements & the Boeing Creek Park Stormwater Project; 2) award the professional services contract amendment with Otak, Inc. in the amount of \$127,800 for engineering services during construction of these projects; and 3) enter into an agreement with the Washington State Recreation and Conservation Office to accept a grant in the amount up to \$500,000 for Boeing Creek Park Improvements.

**ATTACHMENTS:**

Attachment A – Park Trails Map  
Attachment B – Stormwater Facility Map  
Attachment C – Budget Summary

# ATTACHMENT A

## TRAILS MAP



## BOEING CREEK PARK IMPROVEMENTS - COMMUNITY MEETING

AUGUST 9, 2007  
7:30A



1218 Third Avenue, Suite 200, Seattle, Washington 98101 Phone (206) 224-7221 Fax (206) 224-9320 [www.ci.shoreline.wa.us](http://www.ci.shoreline.wa.us)





## STORMWATER FACILITY

## CONCEPTUAL PLAN



## BOEING CREEK PARK IMPROVEMENTS

AUGUST 17, 2007  
1826

1218 Third Avenue, Suite 300, Seattle, Washington 98101 Phone (206) 224-7221 Fax (206) 224-9230 [www.otak.com](http://www.otak.com)



## Budget Summary

### Boeing Creek Park Improvements

Project Costs		Subtotal	Total
<b>Engineering</b>			\$ 430,061
	Contracted Services	\$ 191,786	
	Otak	\$ 69,500	
	Vanir	\$ 97,452	
	City Costs	\$ 71,323	
<b>Real Estate Acquisition</b>		\$ -	
<b>Construction</b>			\$ 612,900
	Construction Contract	\$ 543,545	
	Contingency (10%)	\$ 54,355	
	Utilities (other)	\$ 15,000	
<b>1% for Arts</b>			\$ 5,435
<b>Total Costs</b>			\$ 1,048,396
<b>Project Revenue</b>			
	King County Mitigation	\$ 563,175	
	General Capital Fund	\$ 606,901	
<b>Total Revenue</b>			\$ 1,170,076
<b>Project Balance (revenue- costs)</b>			\$ 121,680

### Boeing Creek Park Stormwater Facility

Project Costs		Subtotal	Total
<b>Engineering</b>			\$ 424,860
	Contracted Services	\$ 211,488	
	Otak	\$ 58,300	
	Vanir	\$ 81,748	
	City Costs	\$ 73,324	
<b>Real Estate Acquisition</b>		\$ -	
<b>Construction</b>			\$ 501,550
	Construction Contract	\$ 455,955	
	Contingency (10%)	\$ 45,595	
	Utilities (other)	\$ -	
<b>1% for Arts</b>			\$ -
<b>Total Costs</b>			\$ 926,410
<b>Project Revenue</b>			
	King County Mitigation	\$ 513,714	
	Surfacewater Capital Fund	\$ 473,306	
<b>Total Revenue</b>			\$ 987,020
<b>Project Balance (revenue- costs)</b>			\$ 60,610

**CITY COUNCIL AGENDA ITEM**  
CITY OF SHORELINE, WASHINGTON

**AGENDA TITLE:** Ordinance Extending the Shoreline Water District Franchise  
**DEPARTMENT:** City Manager's Office  
**PRESENTED BY:** Bob Olander, City Manager, Ian Sievers, City Attorney

**PROBLEM/ISSUE STATEMENT:**

On April 30, 2008, the Shoreline Water District franchise agreement will expire. Staff is currently working with the Shoreline Water District to either extend the agreement for two more years or negotiate new terms. Since those negotiations are still ongoing, this report provides a placeholder on the agenda. Staff will forward to Council a revised ordinance prior to the meeting on April 28<sup>th</sup>.

**DISCUSSION:**

An initial franchise to operate the water system owned by the Shoreline Water District, generally east of I-5, was granted by the City of Shoreline in June of 2001 through Ordinance No. 274. An automatic two-year extension was invoked in 2004 providing for the current expiration date of December 31, 2006. In December of 2006, the City adopted an extension of four months providing a new expiration date of April 30, 2007. In April of 2007, the City adopted another extension of one year providing a new expiration date of April 30, 2008, to allow additional time to negotiate this agreement, however additional work remains.

**RECOMMENDATION**

It is recommended that the City Council pass the ordinance amending and/or extending the franchise with the Shoreline water District.

Approved By: City Manager  City Attorney \_\_\_\_

## **ORDINANCE NO. 503**

### **AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON, EXTENDING THE FRANCHISE UNDER WHICH THE SHORELINE WATER DISTRICT IS AUTHORIZED TO PROVIDE WATER WITHIN THE CITY OF SHORELINE.**

WHEREAS, the City of Shoreline, by Shoreline City Ordinance No. 274, granted the Shoreline Water District a non-exclusive franchise for the operation of a water system within the City right-of-way effective June 19, 2001; and

WHEREAS, the franchise granted to the Shoreline Water District by the City in Ordinance No. 274 was automatically renewed on December 31, 2004 for an additional two years, providing a new expiration date of December 31, 2006; and

WHEREAS, the City of Shoreline adopted Ordinance No. 455 to extend the term of the franchise by four months until April 30, 2007 to allow additional time for negotiations; and

WHEREAS, the City of Shoreline adopted Ordinance No. 468 to extend the term of the franchise for an additional year until April 30, 2008 to allow additional time for negotiations; and

WHEREAS, additional time is needed to negotiate the terms of a new franchise;

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

**Section 1. Franchise Extension.** The franchise granted pursuant to City Ordinance No. 274 and extended by Ordinance Nos. 455 and 468 to April 30, 2008 is further extended through the earlier of June 30, 2008, or the effective date of a replacement franchise (whichever first occurs).

**Section 2. Directions to City Clerk.** The City Clerk is hereby authorized and directed to forward certified copies of this ordinance to the Grantee set forth in this ordinance. The Grantee shall have fifteen (15) days from receipt of the certified copy of this ordinance to accept in writing the extension of the franchise granted to the Grantee in this ordinance.

**Section 3. Publication and Effective Date.** In accord with state law, this ordinance shall be published in full and shall take effect five days after passage, publication, and acceptance by the Grantee.

**PASSED BY THE CITY COUNCIL ON APRIL 28, 2008.**

**CITY COUNCIL AGENDA ITEM**  
CITY OF SHORELINE, WASHINGTON

<b>AGENDA TITLE:</b>	Expansion of Library Board Membership – Ordinance 501
<b>DEPARTMENT:</b>	Parks, Recreation and Cultural Services Department
<b>PRESENTED BY:</b>	Dick Deal, Director of Parks, Recreation and Cultural Services Department

**PROBLEM/ISSUE STATEMENT:**

The Shoreline Library Board currently consists of five members. To better facilitate the business of the Board, the Council Subcommittee for appointing Library Board members recommends that the Library Board membership be expanded from five to seven members.

**BACKGROUND:**

In the spring of 1996, the City Council formed the Shoreline Library Board to act as a liaison to the King County Library Board of Trustees, the City Council and the Shoreline community. It provides information, makes recommendations relating to the Shoreline and Richmond Beach Libraries, promotes programs, and reviews library policies.

In an effort to foster institutional memory and to ensure there will be enough members present at meetings to conduct business, the Subcommittee is recommending that the Council expand the Library Board membership to include seven members instead of the current five.

**RECOMMENDATION**

Adopt Ordinance 501 expanding the membership of the Library Board from five to seven members.

Approved By: City Manager  City Attorney \_\_\_\_

**ATTACHMENTS**

Attachment A – Ordinance 501



**ORDINANCE NO. 501**

**AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON  
AMENDING THE SHORELINE LIBRARY BOARD MEMBERSHIP BY  
ADDING TWO ADDITIONAL MEMBERS; AND AMENDING SMC  
2.25.010.**

WHEREAS, the Council finds that the members of the Shoreline Library Board should be increased to seven (7) members to better facilitate the business of the Board;

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

**Section 1. Amendment.** Shoreline Municipal Code section 2.25.010 is amended as follows:

.010 Created--Purpose.

The Shoreline library board is hereby created. The board shall consist of ~~five~~ seven members. The purpose of the library board is to provide input and make recommendations to the King County library board concerning issues relating to the Shoreline, Richmond Beach, and any additional libraries. Furthermore, it shall act as a liaison between the King County rural library district and the citizens of Shoreline in promoting library programs and policies. It will also interface with the Friends of the Library groups at each library.

**Section 2.** The four year terms of the two additional positions created in Section 1 shall commence on April 1, 2008.

**Section 3. Publication and Effective Date.** This ordinance shall take effect and be in full force five days after passage and publication of a summary consisting of the title.

**PASSED BY THE CITY COUNCIL ON \_\_\_\_\_, 2008.**

\_\_\_\_\_  
Mayor Cindy Ryu

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Scott Passey  
City Clerk

\_\_\_\_\_  
Ian Sievers  
City Attorney

Date of Publication: \_\_\_\_\_, 2008

Effective Date: \_\_\_\_\_, 2008

**CITY COUNCIL AGENDA ITEM**  
CITY OF SHORELINE, WASHINGTON

<b>AGENDA TITLE:</b>	Library Board Appointments
<b>DEPARTMENT:</b>	Parks, Recreation and Cultural Services Department
<b>PRESENTED BY:</b>	Dick Deal, Director of Parks, Recreation and Cultural Services Department

**PROBLEM/ISSUE STATEMENT:**

The Council has expanded the Shoreline Library Board's membership from five to seven members. On March 24, 2008, the Council appointed three new members to the Board to fill positions that were soon to be vacated and to fill a forfeited position. To promote and solicit applications, staff advertised the vacancies in the February 8<sup>th</sup> *Enterprise*, on the City's website, in the "It's Happening" flyer, and in the February issue of *Currents*. The City received eight applications and a Council Subcommittee interviewed all eight applicants.

The Councilmembers who volunteered to serve on the Council Subcommittee to make recommendations on the appointments were Mayor Cindy Ryu and Councilmembers Chris Eggen and Keith McGlashan. In addition to recommending applicants to fill the soon to be vacant positions, the Subcommittee also recommended that the Board be expanded to include two additional members for a total of seven members. As part of the interview process for the vacant positions, the Council Subcommittee also recommended two individuals that could fill the newly created positions.

**BACKGROUND:**

The Shoreline Library Board was formed by the City Council in the spring of 1996 to act as a liaison to the King County Library Board of Trustees, the City Council and the Shoreline community. It provides information, makes recommendations relating to the Shoreline and Richmond Beach Libraries, promotes programs, and reviews library policies.

On Tuesday, March 4, and Monday, March 17, the Subcommittee interviewed all eight people that applied for Board positions. The Subcommittee recommended reappointing Mary Lynn Potter to another four year term and appointed Karen Easaterly Behrens to fill the other soon to be vacant position. The Subcommittee also recommended appointing Lori Lynass to fill the position of a member that had forfeited her position for failure to attend three consecutive Board meetings.

In an effort to foster institutional memory and to ensure there will be enough members to conduct business, the Council expanded the membership of the Board from five to seven members.

The Subcommittee recommended Sidney Strong and Maria Peterson to serve on the Board in the future should the Council adopt an ordinance expanding the membership from five to seven members.

Because the Library Board meets every other month, the new Library Board members will be sworn in at the May 8<sup>th</sup> meeting.

### **RECOMMENDATION**

Adopt the Council Subcommittee's recommendations and appoint Sidney Strong and Maria Peterson to the Library Board for four-year terms.

Approved By:                      City Manager  City Attorney \_\_\_\_\_

### **ATTACHMENTS**

Attachment A – Recommended appointees' applications

Attachment B – List of all applicants

RECEIVED

FEB 13 2008

CITY CLERK  
CITY OF SHORELINE



## COMMUNITY SERVICE APPLICATION

### FOR MEMBERSHIP ON THE

Library Board

City Board or Commission

*(Please type or print)*

Name: Sidney J. Strong

Are you a Shoreline resident or property owner? Yes

Length of residence: 40 years

1. List your educational background. BA Political Science, University of Montana; JD University of Montana Law School, Reginald Heber Smith Fellowship, University of Pennsylvania Law School

2. Please state your occupational background, beginning with your current occupation and employer. I have been a lawyer in private practice my entire working life. I currently practice as Law Office of Sidney J. Strong. I have been the principal in several law partnerships. I practice employment law and have a litigation practice. I have also taught at the University of Washington and Edmonds Community College.

3. Describe your involvement in the Shoreline community. None

4. Describe your leadership roles and/or any special expertise you have which would be applicable to the position for which you are applying. Chair Citizens Transit Advisory Committee, National Epilepsy Foundation Professional Advisory Board, Chair Legal Services Board, Board member of numerous nonprofit organizations.

5. List the addresses of property you own in Shoreline and the type of property (residential or commercial) [REDACTED] single family residence.

**EXEMPT FROM DISCLOSURE**

Exemption: RCW 42.56.250

6. Are you an official representative of a homeowners' association or other group? If so, please name the group. No

7. Describe why you are interested in serving in this position. I worked in my college and law school libraries and in my Church library. I have a general understanding of how libraries work and how they should work. I am an avid user of the Shoreline libraries. I believe I can add a voice to the local library board for current needs and improvements and be an advocate to advance the library's interests.

**Appointment to this board or commission will require your consistent attendance at regularly scheduled meetings.**

Are you available for evening meetings? Yes Daytime meetings? On occasion

\*\*\*\*\*

Please return this application by the deadline to: City of Shoreline, City Clerk  
17544 Midvale Avenue North  
Shoreline, WA 98133  
(206) 546-8919

**Disclosure Notice:** Please note that your responses to the above application questions may be disclosed to the public under Washington State Law. The Personal Information form (page 3), however, is not subject to public disclosure.

*Thank you for taking the time to fill out this application.  
Volunteers play a vital role in the Shoreline government. We appreciate your interest.*



RECEIVED  
FEB 19 2008  
CITY CLERK  
CITY OF SHORELINE

## COMMUNITY SERVICE APPLICATION

### *FOR MEMBERSHIP ON THE*

#### *Library Board*

\_\_\_\_\_  
City Board or Commission

*(Please type or print)*

Name Maria Peterson

Are you a Shoreline resident or property owner? Resident and property owner

Length of residence 8 years

1. List your educational background. \_\_\_\_\_  
High school graduate, RN degree from Vanier College, Management Certificate from McGill University, Physical Examination I and II from University of Montreal, 80% completed Bachelor's Administration from Concordia University, and other certificates pertaining to health, management and human resources. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
2. Please state your occupational background, beginning with your current occupation and employer. \_\_\_\_\_  
Currently, I am the Quality Services Consultant for the Northern Region for North American Health Care Inc.. \_\_\_\_\_  
I have been a Director of Nursing for nearly 20 years.  
I was a Staff Development Coordinator, Infection Control Nurse, L&I Claims Manager, Intensive Care Nurse, Guest Instructor at Shoreline Community College and other colleges in Montreal, BLS Instructor.  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3. Describe your involvement in the Shoreline community. \_\_\_\_\_  
I make and donate baby items and knit wear for women who were victims of abuse and people with cancer. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
4. Describe your leadership roles and/or any special expertise you have which would be applicable to the position for which you are applying. \_\_\_\_\_  
I have strong interpersonal skills, leadership skills, human resources management. I have developed numerous policies and procedures throughout my career, not only in nursing, but also in disaster preparedness, human resources, etc. \_\_\_\_\_  
I am detailed oriented and enjoy working in groups. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
5. List the addresses of property you own in Shoreline and the type of property (residential or commercial). \_\_\_\_\_  
Residential property, one. \_\_\_\_\_  
\_\_\_\_\_
- EXEMPT FROM DISCLOSURE**  
Exemption: RCW 42.56.250
6. Are you an official representative of a homeowners' association or other group? If so, please name the group. \_\_\_\_\_  
No. \_\_\_\_\_  
\_\_\_\_\_
7. Describe why you are interested in serving in this position. \_\_\_\_\_  
I am frequently at the Shoreline Library and am very impressed by the staff and the library. Shoreline Library has been active in facilities in which I was the Director of Nursing. Their involvement was very beneficial to the residents, families, volunteers, Activities Department and staff. I encourage the residents to use the internet to browse for books of interest and so forth. With that said, if there is a way I can return the services to the Library System, I would be very happy and grateful.  
\_\_\_\_\_  
I enjoy helping out in my community in the ways that I am best fit to. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Appointment to this board or commission will require your consistent attendance at regularly scheduled meetings.**

Are you available for evening meetings? \_\_\_\_\_ Yes \_\_\_\_\_ Daytime meetings? \_\_\_ On  
Weekends \_\_\_\_\_

\*\*\*\*\*

Please return this application by the deadline to: City of Shoreline, City Clerk  
17544 Midvale Avenue North  
Shoreline, WA 98133  
(206) 546-8919

***Disclosure Notice:*** Please note that your responses to the above application questions may be disclosed to the public under Washington State Law. The Personal Information form (page 3), however, is not subject to public disclosure.

*Thank you for taking the time to fill out this application.  
Volunteers play a vital role in the Shoreline government. We appreciate your interest.*



## ATTACHMENT B

### APPLICANTS TO THE LIBRARY BOARD

(Those with an \* were appointed on March 24 and those with \*\* are recommended for appointment April 28.)

\*Karen Easterly-Behrens  
Gayle Harris  
\*Lori Lynass  
Tom Moran  
\*\*Maria Peterson  
\*Mary Lynn Potter (seeking re-appointment)  
Robert Smith  
\*\*Sidney Strong

**CITY COUNCIL AGENDA ITEM  
CITY OF SHORELINE, WASHINGTON**

**AGENDA TITLE:** Planning Commission Semi-Annual Joint Meeting with City Council  
**DEPARTMENT:** Planning and Development Services  
**PRESENTED BY:** Joseph W. Tovar, FAICP, Director  
Steve Cohn, Senior Planner

**PROBLEM/ISSUE STATEMENT:**

The City Council and Planning Commission meet jointly twice a year to adopt and review progress on the Planning Work Program, consider ways to improve the City's planning processes, clarify priorities and mutual expectations, and provide an avenue for communication. The most recent meeting occurred on April 7, 2008. At the meeting, the Council and Commission discussed the Planning Work Program, the use of Subarea Plans, and the possibility of creating a design review process.

The attached Resolution 271 reflects the discussion at the meeting and adopts the 2008 Planning Work Program, including the Comprehensive Plan Amendments that compose the 2008 Comprehensive Plan docket, and establishment of a joint City Council-Planning Commission subcommittee to explore the creation of a design review process for Shoreline.

**RECOMMENDATION**

Motion to adopt Resolution 271.

**Attachments:**

1. 2008 Work Program
2. Resolution 271

Approved By: City Manager  City Attorney \_\_\_\_

## **RESOLUTION NO. 271**

### **A RESOLUTION OF THE CITY COUNCIL, CITY OF SHORELINE, WASHINGTON, PROVIDING DIRECTION REGARDING THE CITY'S PLANNING WORK PROGRAM AND ADOPTING A SCHEDULE FOR THE PLANNING COMMISSION'S ACTIVITIES IN 2008**

**WHEREAS**, the Shoreline Planning Commission met on January 3, 2008, and January 17, 2008 to discuss progress on the Planning Work Program and to consider appropriate updates and amendments to the Work Program as it applies to Planning Commission activities in 2008; and

**WHEREAS**, the Planning Commission thereafter forwarded its recommendations regarding the Planning Work Program for consideration by the City Council and discussed it with the City Council at a joint meeting on April 7, 2008; and

**WHEREAS**, the City Council agrees that the items shown on the recommended Planning Work Program includes legislative amendments to the City's comprehensive plan and development regulations that are of a high rank order of importance; and

**WHEREAS**, the City Council expects that the adoption of a Comprehensive Housing Strategy and an Environmentally Sustainable Community Strategy in the first half of 2008 will provide further policy direction and priorities to be reflected in updated comprehensive plan and development regulations.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:**

**Section 1.** The City Council will meet twice in joint session with the Planning Commission, once in the spring and once in the fall, to hear progress on the Planning Work Program, promote a constructive exchange of ideas between the two bodies, and provide any necessary clarification or policy direction deemed appropriate.

**Section 2.** The City Council approves of the continuation of the Shoreline Speaker Series in 2008, and directs that these be televised on the City's cable access channel, and that the community at large be alerted to this opportunity through *Currents*, the City website and other appropriate media.

**Section 3.** The City Council affirms its support first expressed in Resolution 254 for the concepts of subarea plan updates, legislative rezones, planned area zones and form-based codes as innovative techniques to refine and update and apply the City's land use policies, and

**Section 4.** The City Council adopts the Planning Work Program for 2008 including the 2008 Comprehensive Plan Docket (Master Plan CPA with its associated

Comprehensive Plan Map and policy amendments and code changes) as shown in Attachment 1 hereto.

**Section 5.** The City Council and Planning Commission will establish a subcommittee consisting of three members from each body to work with staff to explore the creation of a design review process in Shoreline. The subcommittee will review alternative approaches to the design review functions that are used in other local jurisdictions and develop a recommendation as to the appropriate approach to use in Shoreline.

**ADOPTED BY THE CITY COUNCIL ON April 28, 2008.**

\_\_\_\_\_  
Cindy Ryu, Mayor

ATTEST:

\_\_\_\_\_  
Scott Passey, City Clerk

# Shoreline Planning Work Program

Legend		Planning Commission Role												Other Action		X		Council Adoption							
		2008												2009											
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul					
<b>Comprehensive Housing Strategy (CHS)</b>																									
Council considers implementation as part of budget																									
Plan and Code Amendments heard by Planning Commission (as component of Subarea Planning)																									
<b>Development Code Amendments</b>																									
Code Amendments to replace moratorium (interim regulations) in Community Business, Regional Business & Industrial Zones																									
Development Amendment Code Package #1																									
Development Amendment Code Package #2																									
<b>Environmentally Sustainable Community (ESC) Strategy</b>																									
Staff prepares final draft of ESC Strategy																									
Public meeting(s)																									
Council adopts ESC Strategy																									
Planning Commission review of implementation Strategies																									
<b>Fircrest Master Planning</b>																									
DSHS Phase I Public Outreach																									
DSHS Report to Legislature/Legislative Decision																									
Phase II Master Plan Permit Development																									
Staff/PC Master Plan Review (January 2009)																									
<b>Ridgecrest Commercial Area Community Vision</b>																									
Neighborhood Meetings/Planning Commission Hearings																									
Council adopts new zoning																									
<b>Master Plan CPA and Code Amendments</b>																									
Staff prepares Comprehensive Plan and Code Amendments																									
CPA & Code Amend heard by Planning Comm.																									
Council adopts CPA) and Code Amendments																									
<b>South Bridge Subarea Plan</b>																									
Staff prepares background information																									
Neighborhood Meeting																									
Subarea Plan development (through late 2009)																									
Plan & Code amendments heard by Planning Commission																									
Council adoption of Plan & Code amendments																									
<b>Southeast Neighborhoods Subarea Plan and Zoning</b>																									
Staff develops background info/CAC develops Subarea Plan																									
Open House																									
Planning Commission reviews Subarea Plan (early 2009)																									
Council adopts Subarea Plan																									
<b>Town Center</b>																									
Staff and consultants conduct community outreach																									
Staff prepares Plan & Code Amendments for Central Shoreline																									
Plan & Code amendments heard by Planning Commission																									
Council adopts Plan and Code Amendments																									

## Other Work Program Items: Crista Master Plan

Revised 04/10/08

**CITY COUNCIL AGENDA ITEM**  
CITY OF SHORELINE, WASHINGTON

<b>AGENDA TITLE:</b>	Award Contract for Construction of Priority Sidewalks – Fremont Avenue North
<b>DEPARTMENT:</b>	Public Works
<b>PRESENTED BY:</b>	Mark Relph, Director of Public Works Tricia Juhnke, Capital Projects Administrator Ross Heller, Capital Project Manager II

**PROBLEM/ISSUE STATEMENT:**

Staff is requesting Council to authorize the award of a construction contract for the 2008 Sidewalk Priority Routes - Fremont Avenue North Project to the low bidder Merlino Brothers, LLC in the amount of \$234,204.00.

**BACKGROUND**

The Priority Sidewalks Program was initiated in 2006 to provide sidewalks within the City based on the Priority Routes identified in the Transportation Master Plan. Fremont Avenue North is identified as a Priority 1 route.

Fremont Ave N was initially designed and advertised in 2006, but there were no bids and subsequently not enough funds. Similarly, in 2007, a more comprehensive design was completed and the project advertised for construction, but again no bids were received. There were not adequate funds to re-advertise in 2007. The project was re-advertised in March, 2008 and 6 bids were received.

The project will construct an asphalt pathway on the east side of Fremont Avenue North from N 165<sup>th</sup> Street to N 170<sup>th</sup> Street. Concrete curb ramps will be built to current ADA standards at the intersections. The contractor has 45 working days to complete the project, and is expected to start at the end of June.

Design is also underway for N 192<sup>nd</sup> Street from the Interurban Trail to Ashworth Ave N, and for Ashworth Ave N from N 185<sup>th</sup> to 192<sup>nd</sup> Streets. The N 192<sup>nd</sup> Street connection will be constructed in 2008. Depending on funding and design, the Ashworth project will be constructed in 2009.

**BID RESULTS AND ANALYSIS**

The bid opening was held on April 3, 2008. 6 bids were received, with the totals as follows:



### RECOMMENDATION

Staff recommends that Council authorize the City Manager to award a contract to Merlino Brothers, LLC for the Construction of Priority Sidewalks – Fremont Avenue North in the amount of \$234,204.

Approved By:      City Manager  City Attorney \_\_\_\_



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**CITY COUNCIL AGENDA ITEM**  
CITY OF SHORELINE, WASHINGTON

<b>AGENDA TITLE:</b>	Motion to Authorize the City Manager to Execute the State of Washington Intergovernmental Cooperative Purchasing Agreement
<b>DEPARTMENT:</b>	Finance
<b>PRESENTED BY:</b>	Debbie Tarry, Finance Director Cathy Robinson, Purchasing Officer

**ISSUE STATEMENT:**

Staff is requesting approval for the City Manager to execute an Intergovernmental Cooperative Purchasing Agreement (ICPA) with the State of Washington, for the purpose of cooperative governmental purchasing activity that each party is authorized by law to perform.

Pursuant to Chapter 39.34 RCW Interlocal Cooperation Act, the City of Shoreline has had an ICPA with the State of Washington since 1996 in order to utilize State Contracts; however, the State has requested a new agreement be signed in order to accommodate a new two-year billing structure for all political sub-divisions. This new billing structure gives the State the option to invoice for the fees every two years instead of each year. The cooperative fee charged to the City is based on a percentage of the City's annual expenditures. This fee percentage will not change.

As one of more than 700 cooperative members, our collective buying power allows us to take advantage of substantial savings on contracts for goods and services. This agreement gives us access to more than 300 contracts.

This agreement shall remain in effect until canceled by either party.

**RECOMMENDATION**

Staff recommends that Council authorize the City Manager to execute the State of Washington Intergovernmental Cooperative Purchasing Agreement.

Approved By: City Manager  City Attorney \_\_\_\_

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**CITY COUNCIL AGENDA ITEM**  
CITY OF SHORELINE, WASHINGTON

<b>AGENDA TITLE:</b>	Resolution No. 275 in Support of Joint Lake Ballinger Basin Plan
<b>DEPARTMENT:</b>	Public Works
<b>PRESENTED BY:</b>	Mark Relph, Public Works Director Jesus Sanchez, Operations Manager

**PROBLEM/ISSUE STATEMENT:**

At the Monday, April 7<sup>th</sup> Study Session, Council reviewed and discussed a proposed resolution regarding the development of a drainage master plan for the McAleer Creek Basin, including Echo Lake and Lake Ballinger. Staff was directed to return the resolution for formal action by Council.

The resolution (Attachment A) directs staff to continue working collaboratively with the Cities of Edmonds, Lynnwood, Mountlake Terrace and Lake Forest Park, plus Snohomish County, the State of Washington and the federal government to address water quality and quantity issues within the McAleer Creek Basin. Following the adoption of the resolution, staff would begin to discuss a formal Inter-local Agreement (ILA) with the involved entities defining the project responsibilities, financial commitments and schedule. This ILA would be approved by the City Council at a future date yet to be determined.

At the Study Session, the Council asked how the adjacent drainage basin of Lyon Creek may be part of this effort and thereby, part of this resolution. The City of Lake Forest Park did experience considerable flooding problems in the December, 2007 storm as a result of high water in both McAleer Creek and Lyon Creek.

The Lyon Creek basin is located adjacent and east of the McAleer Creek basin (Attachment B). A tributary of Lyon Creek emanates from Mountlake Terrace and passes through the City of Shoreline. This tributary crosses the county line near 24<sup>th</sup> Ave NE and traverses the northeast corner of the City of Shoreline on its way to Lake Forest Park, where both McAleer and Lyon Creek enter Lake Washington approximately ¼ mile from each other. At their closest points (near Lake City Way by the Lake Forest Park Town Center), the creeks are less than 400 feet apart.

Mountlake Terrace and Lake Forest Park are joining in a secondary effort to ensure that both Lyon Creek Basin and McAleer Creek Basin are carefully evaluated to develop a long-term plan to address concerns regarding both flooding and water quality. The cities of Lynnwood and Edmonds have not joined in the Lyon Creek effort and have clearly separated their intent from their commitments on McAleer Creek. This is probably the case, since the drainage basin of Lyon Creek is not within these two cities.

Only the City of Lake Forest Park has passed a formal resolution to address the issues of Lyon Creek basin.

The resolution in Attachment A provides a basis for the City's future support in the Echo Lake/Lake Ballinger/McAleer Creek Basin. Staff would suggest a future but separate resolution for the Lyon Creek basin once we understand the details of the McAleer Creek Basin ILA and the demands upon our own City resources.

**FINANCIAL IMPACT:**

None at this time

**RECOMMENDATION**

Staff recommends the Council adopt Resolution No. 275 joining together with neighboring jurisdictions to promote the stewardship of the Echo Lake/Lake Ballinger/McAleer Creek basin. Staff would also suggest a future but separate resolution for the Lyon Creek basin once we understand the details of the McAleer Creek Basin Inter-Local Agreement (ILA) and the demands upon our own City resources.

Approved By:      City Manager  City Attorney \_\_\_\_

**ATTACHMENTS**

Attachment A -      Resolution No. 275

Attachment B -      Map of the McAleer Creek and Lyon Creek Basins

## **RESOLUTION NO. 275**

### **A RESOLUTION OF THE CITY OF SHORELINE, WASHINGTON, EXPRESSING SUPPORT FOR AND DEVELOPMENT OF A GREATER ECHO LAKE/LAKE BALLINGER /MCALEER CREEK WATERSHED BASIN AND ACTION PLAN**

WHEREAS, the Echo Lake/Lake Ballinger/McAleer Creek watersheds are vital to the communities of Shoreline, Lake Forest Park, Mountlake Terrace, Lynnwood, and Edmonds; and

WHEREAS, Lake Ballinger accepts waters that flow from Echo Lake, Hall Lake, and Chase Lake and also receives stormwater runoff from many area roads and highways such as Aurora Ave N and SR 104; and

WHEREAS, Lake Ballinger is headwaters to McAleer Creek, a Chinook bearing stream, which flows from Mountlake Terrace through Shoreline and Lake Forest Park to Lake Washington and subsequently to Puget Sound; and

WHEREAS, that stormwater runoff negatively impacts the water quality, salmon habitat, riparian areas, and also causes severe city infrastructure and personal property damage due to flooding; and

WHEREAS, many problems from runoff are caused by pollution such as toxic chemical pollution from fertilizers and pesticides, heavy metals, fecal coli form, and sedimentation which contribute to poor water quality and health problems for residents and wildlife; and

WHEREAS, these municipalities consider it a high priority to collectively work to improve the condition of all the water bodies mentioned and the quality of life for their residents with clean water and a better environment so that these waters are eventually "fishable and swimmable," and have been working diligently to comply with all applicable State and Federal laws; and

WHEREAS, the aforementioned cities are all subject to the MPDES Phase II municipal stormwater permit issued by the Department of Ecology in February of 2007 and recognize that there are advantages in terms of cost effectiveness and successful program outcomes to complying with the permit requirements through collective action to the maximum extent possible; and

WHEREAS, the federal government, the State of Washington, and the Counties of King and Snohomish, are also are required by their laws to protect the water quality of Echo Lake, Lake Ballinger, McAleer Creek Lake Washington, and Puget Sound; now therefore

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SHORELINE,  
WASHINGTON AS FOLLOWS:**

**Section 1.** The City of Shoreline supports regional efforts to address stewardship of the Echo Lake / Lake Ballinger / McAleer Creek Watershed.

**Section 2.** The City of Shoreline is committed to working and meeting with other city and county officials in creating an interlocal agreement to support regional efforts addressing the stewardship issues of the Echo Lake/Lake Ballinger/McAleer Creek watershed.

**Section 3.** Shoreline City Council directs staff to build upon and continue their considerable effort to work collaboratively with other cities, Snohomish County, the State of Washington and the federal government to address these issues, and work on developing an "Echo Lake/Lake Ballinger/McAleer Creek Watershed Basin and Action Plan" for future review, with the intent of addressing stewardship issues of the Echo Lake/Lake Ballinger/McAleer Creek watershed.

**ADOPTED BY THE CITY COUNCIL ON APRIL 28, 2008.**

---

Cindy Ryu, Mayor

ATTEST:

---

Scott Passey, City Clerk

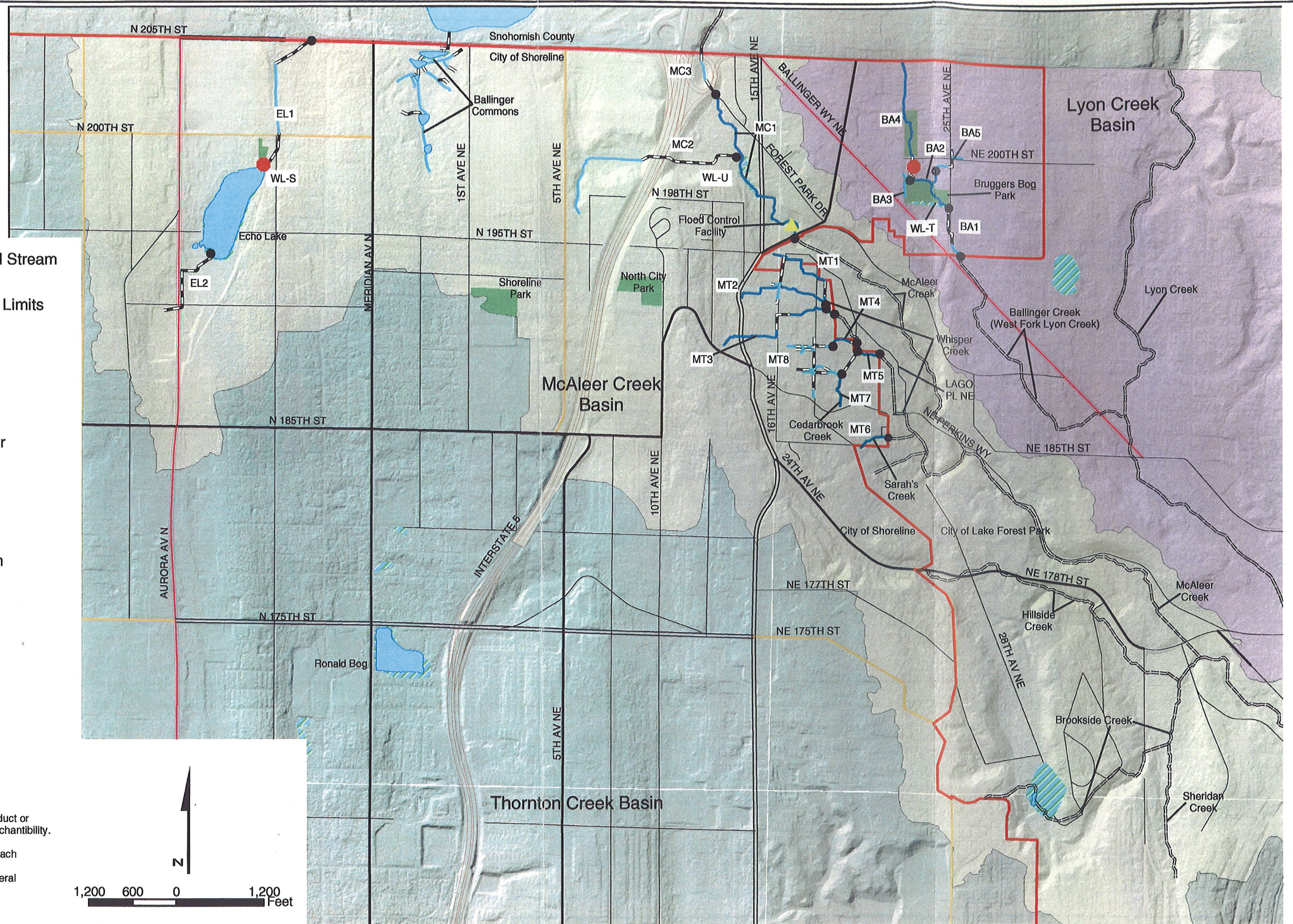
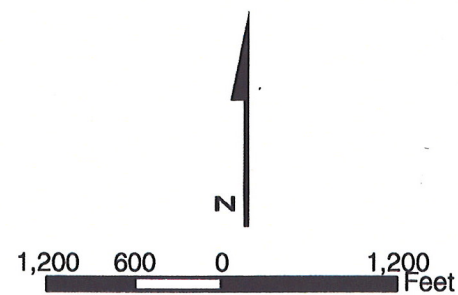


## Legend

- Natural Stream
- Intentionally Created Stream
- Piped Water Course
- Stream Outside City Limits
- ▨ Wetlands
- WL-S Wetland ID
- MC1 Reach ID
- Reach Start Point
- Fish Passage Barrier
- ▲ Detention Pond
- Parks
- Lyon Creek Basin
- McAleer Creek Basin
- Waterbodies
- ▭ Shoreline City Limits
- Interstate
- State Route
- Principal Arterial
- Minor Arterial
- Collector Arterial
- Residential Street

No warranties of any sort accompany this product or are implied including accuracy, fitness, or merchantability.

For regulatory purposes, segments within a reach are classified on a site-specific basis. The mapping in this document provides a general guide to classification.





**CITY COUNCIL AGENDA ITEM**  
CITY OF SHORELINE, WASHINGTON

<b>AGENDA TITLE:</b>	Public Hearing on Adoption of Ordinance No. 502 Extending Moratorium on Acceptance of Residential Development Applications in CB, RB and Industrial Land Use Districts in Proximity to Residential Neighborhoods
<b>DEPARTMENT:</b>	Planning and Development Services
<b>PRESENTED BY:</b>	Joe Tovar, Planning Director

**PROBLEM/ISSUE STATEMENT:**

On October 29, 2007, the City Council adopted Ordinance No. 484 establishing a six month moratorium on acceptance of applications for residential development of land in Community Business ("CB"), Residential Business ("RB") and Industrial ("I") land use districts in proximity to residential neighborhoods. That moratorium, as amended, expires on April 29, 2008.

The Planning Commission has recommended amended regulations to adopt transition area requirements for residential development in commercial zones adjacent to residential neighborhoods. These amended regulations are before the Council for adoption tonight (Ordinance No. 500). If adopted tonight, Ordinance No. 500 will not go into effect until May 6, 2008. If Council wants to continue prohibiting acceptance of applications for residential development in CB, RB and I zones in proximity to single family zones under the existing code amendments, Council needs to adopt a brief moratorium extension to cover the gap between the moratorium's current expiration date (April 29) and the effective date of the amended regulations set forth in Ordinance No. 500 (May 6).

**ALTERNATIVES ANALYZED:**

The alternative to adopting this two week moratorium is for Council to let the existing regulations go back into effect. In other words, if Council does not want to extend the moratorium for this brief gap in time, then the existing code regulations will apply between April 29 - May 6, until the new regulations take effect.

**RECOMMENDATION**

Staff recommends that Council conduct a public hearing and adopt Ordinance No. 502 approving a two week extension to the moratorium and interim controls for acceptance

of residential development applications in Community Business, Residential Business and Industrial land use districts in proximity to residential neighborhoods

Approved By:

City Manager 

City Attorney 

## ATTACHMENTS

Attachment A: Ordinance No. 502

## **ORDINANCE NO. 502**

**AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON, EXTENDING UNTIL MAY 12, 2008 A MORATORIUM AND INTERIM CONTROL PURSUANT TO RCW 35A.63.220 PROHIBITING THE FILING OR ACCEPTANCE OF ANY APPLICATIONS FOR RESIDENTIAL DEVELOPMENT OF LAND WITHIN THE COMMUNITY BUSINESS, INDUSTRIAL OR REGIONAL BUSINESS LAND USE DISTRICTS IN PROXIMITY TO RESIDENTIAL NEIGHBORHOODS**

WHEREAS, the Shoreline City Council found, pursuant to Ordinance No. 484, as amended, that acceptance of development applications proposing new residential development in Community Business, Regional Business and Industrial zoning districts utilizing current development standards and density may allow development that is incompatible with existing neighborhoods, leading to erosion of community character and harmony, and a decline in property values; and

WHEREAS, the City Council continues to find that the integrity of existing land uses may suffer irreparable harm unless a moratorium is adopted and that the potential adverse impacts upon the public safety, welfare, and peace, as outlined herein, continue to justify the declaration of an emergency; and

WHEREAS, the current moratorium expires April 29, 2008 unless extended or terminated before that date; and

WHEREAS, the City Council held a public hearing April 28, 2008 to consider extension of the moratorium until May 12, 2008; and

WHEREAS, an interim control until May 12, 2008 will allow the City to continue preserving planning options and preventing substantial change until the existing land areas so designated and the proposed amendments to the development standards applicable to residential development in these zones are adopted; NOW, THEREFORE,

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

**Section 1. Findings of Fact.** Based upon the public hearing held on the extension of Ordinance No. 484, as amended, the recitals set forth above are hereby adopted as findings of the City Council.

**Section 2. Moratorium Extension Adopted.** The Moratorium adopted by Ordinance No. 484, as amended, is extended until May 12, 2008.

**Section 3. Emergency Declared and Effective Date.** The City Council declares that an emergency exists requiring passage of this ordinance for the protection of public health, safety, welfare and peace based on the Findings set forth in Section 1 of

this ordinance. This ordinance shall take effect and be in full force immediately upon passage and shall expire fourteen days from its effective date unless extended or repealed according to law.

**Section 3. Publication.** A summary of this ordinance consisting of the title is approved for publication in the official newspaper of the City.

PASSED BY THE CITY COUNCIL ON APRIL 28, 2008.

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Mayor Cindy Ryu

ATTEST:

APPROVED AS TO FORM:

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Scott Passey  
City Clerk

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Ian Sievers  
City Attorney

Date of Publication:

Effective Date: April 28, 2008

**CITY COUNCIL AGENDA ITEM**  
CITY OF SHORELINE, WASHINGTON

**AGENDA TITLE:** Transition Area Code Amendments in Response to Moratorium-Ordinance No. 484, as Amended by No. 488  
**DEPARTMENT:** Planning and Development Services  
**PRESENTED BY:** Joseph W. Tovar, FAICP, Director  
Paul Cohen, Senior Planner

**PROBLEM/ISSUE STATEMENT:**

Ordinance No. 484, as amended by No. 488, was adopted October 29, 2007 establishing a moratorium in response to community concerns over intense and tall apartment developments that were proposed adjacent to single family neighborhoods (Exhibit A). The moratorium was adopted for 6 months to temporarily stop development in Community Business, Regional Business, or Industrial (CB, RB, or I) zones within 90 feet of the residential R-4, R-6, or R-8 zones. The moratorium is expected to remain in effect until the City provides development code solutions to address intensive multifamily and commercial development as it transitions to single family neighborhoods. The Planning Commission has recommended code amendments that accomplish this goal. The moratorium expires April 29, 2008.

If the Council adopts Ordinance No. 500, there will be a 5-day gap between the expiration date of Moratorium Ordinance No. 488 and the effective date of the code amendments. Ordinance No. 502 will be presented tonight to consider a 2-week extension of the moratorium in order to bridge the gap so that development applications cannot be vested until the code amendments take effect.

**FINANCIAL IMPACT:**

Transition area requirements will help improve the desirability of single family neighborhoods for the people who live there. This may maintain the property values and taxes in single family neighborhoods. Transition areas may decrease the development potential of select CB, RB, and I zoned property.

**RECOMMENDATION**

Staff recommends that Council adopt the code amendments set forth in Ordinance No. 500 (Exhibit B).

Approved By:

City Manager 

City Attorney 

## INTRODUCTION

These amendments directly implement the following Comprehensive Plan goal and policies:

- Housing Goal H III: Maintain and enhance single-family and multifamily residential neighborhoods, so that they provide attractive living environments, with new development that is compatible in quality, design and scale within neighborhoods and that provides effective transition between different uses and scales.
- Housing Policy 28: Assure that site and building regulations and design guidelines create effective transitions between substantially different land uses and densities.
- Community Design Policy 9: Buffer the visual impact of commercial, office, industrial and institutional development on residential areas by requiring appropriate building and site design, landscaping, and shielded lighting to be used.

The amendments refine the parameters of the moratorium to require transition area regulations only where CB, RB, or I zones either abut R-4, R-6, or R-8 zones or are directly across a street right-of-way from R-4, R-6, or R-8 zones. The intent of the recommendations is provide adequate landscape buffer to the abutting single family zones and to reduce the bulk and height of buildings to diminish shadows and the "looming" quality of a 60 or 65-foot buildings near single family zones. These amendments would reduce building bulk and increase landscape buffers up to 80 feet into a RB, CB, or I zoned property.

In this proposal the Planning Commission recommends to further the intent of the moratorium by;

1. Including all types of land uses and not just residential development per the moratorium,
2. Removing existing code language that allows R-48 zones adjacent to single family to build up to 60 feet in height,
3. Replacing current transition area provisions that had been adopted only for Industrial (I) zones, and
4. Limiting vehicular access to "arterial" classified streets unless traffic can be deterred from cutting through single family neighborhoods.

## BACKGROUND

The City has had commercial zoned property adjacent to single family zoned property since prior to incorporation. The full development potential of these properties has not been experienced until recently with proposals for apartments and the construction of buildings at South Echo Lake. The City wants to respond to the impacts and increasing

concerns of larger scale development adjacent to single family zones with code amendments to ensure basic protections to the community. The City will likely refine these amendments as subarea plans are introduced in order to respond to more site specific conditions such as topography, traffic patterns, and the interface of other contrasting zones.

### **SEPA Review**

The City issued a SEPA Determination of Non-significance April 4, 2008. The appeal period ended April 18, 2008 without appeal. (Exhibit C)

### **Planning Commission Meetings**

The Planning Commission held meetings March 13 and 20<sup>th</sup> and a public hearing April 3, 2008. (Exhibit D)

### **Amendment Key Elements**

The key elements that affect select CB, RB, or I zones are:

- Include all RB, CB, or I zoned properties abutting or across street rights-of-way from R-4, R-6, or R-8 zones;
- Building envelopes must include an abutting 20 foot setback with additional 800 square foot open spaces to further reduce building bulk;
- Building height will be limited to 35 feet initially to match adjacent single family maximum building heights and then allow buildings to increase in height at a 2:1 slope;
- Ensuring the best landscape screening; and
- Limiting vehicular access to classified arterials or if not feasible when traffic mitigations can be imposed.

### **Planning Commission Recommended Code Amendments (underlined and italic) for Transition Area Requirements**

*(1) Development in CB, RB, or I zones abutting to or across street rights-of-way from R-4, R-6, or R-8 zones shall meet the following transition area requirements.*

The moratorium place a hold on commercial development 90 feet from single family property. This moratorium affected approximately 92 CB, RB, or I zoned parcels. The proposed transition area code amendments would refine the scope to affect approximately 70 parcels (dark red areas of Exhibit E).

The proposed code amendments focus the protection to single family properties that are most affected by these commercial zones. The intent is to focus in on where the impact is the greatest and apply effective and reasonable commercial development regulations that reach 80 feet into those properties (Exhibit F).

*(a) A 35-foot maximum building height at the required setback and a building envelope within a 2 horizontal to 1 vertical slope up to the maximum building*

height including any roof top equipment and appurtenances for the commercial zone zone.

The intent of this section is to match the adjacent maximum single family building height on the commercial property with the current 20 foot setback and then use a 2:1 building envelop. This will reduce the "looming" quality of a 60 or 65-foot high building near single family backyards (Exhibit G).

(b) Property abutting R-4, R-6, or R-8 zones must have additional setbacks for every 50 linear feet of abutting property. The additional setback must be a minimum of 20 feet and 800 square feet of open ground.

The intent is to complement the 35-foot height limit of single family buildings with additional setbacks that would break-up the potential for a broad building mass with more of a single family house scale. Each additional setback could potentially remove three, 800 square foot apartments.

(c) Type I landscaping and a solid, 8-foot property line fence shall be required for transition area setbacks abutting R-4, R-6, and R-8 zones. Type II landscaping shall be required for transition area setbacks abutting rights-of-way across from R-4, R-6, R-8 zones. Patio or outdoor recreation areas may replace up to 20% of the landscape area that is required in the transition area setback so long as Type I landscaping can be effectively grown. No patio or outdoor recreation area in the transition area setback may be situated closer than 10 feet from abutting property lines. Required trees species shall be selected to grow a minimum height of 50 feet. A developer shall review with abutting property owners the proposed Type I landscape materials and spacing. If the developer and any abutting property owner mutually agree, the City may approve an alternative landscaping buffer with substitute tree species, spacing or size. The landscape area shall be a recorded easement that requires plant replacement as needed to meet Type I landscaping. No utility easements shall encroach into the landscaping requirements if it is determined that they would impair the viability of the buffer.

The intent is to ensure and provide ample landscape area to grow Type I landscaping abutting single family. Type I acts as a screen with mostly native conifers, 10 feet in height at planting and planted 10 feet apart with shrubs 3 feet apart. Patio and outdoor recreation areas are limited to provide more privacy to the abutting single family properties.

d) All primary access to development subject to the transition area requirements shall be taken from an arterial street unless determined to not be technically feasible. Determination of technical feasibility shall be made by the Director of Planning and Development Services. Developments determined by the Director as unable to take access from an arterial street shall work with the City's Traffic Engineer to develop and implement a traffic mitigation plan to protect the adjacent single-family community.



The intent is to ensure street capacity for a development with greater traffic and to discourage cut-through traffic on residential streets. The only transition area property that does not have direct access to a City classified arterial is at 1210 N. 152<sup>nd</sup> St.

### **Planning Department Recommendations**

Staff supports the intent and content of the Planning Commission's recommendations. However, the Planning Department recommends alternative language underlined below only to clarify the regulations so that they are more easily understood and administered.

(1) Development in CB, RB, or I zones abutting or across street rights-of-way from R-4, R-6, or R-8 zones shall meet the following transition area requirements:

(a) A 35-foot maximum building height at the required setback and a building envelope within a 2 horizontal to 1 vertical slope up to the maximum building height for CB, RB or I zones, including roof structures housing or screening elevators, stairways, tanks, ventilating fans, or similar equipment required for building operation and maintenance, fire or parapet walls, skylights, flagpoles, chimneys, utility lines, towers, and poles, steeples, crosses, spires, balconies and WTFs.

(b) Property abutting R-4, R-6, or R-8 zones must have a 20 foot setback. No more than 50 feet of building façade abutting this 20 foot setback shall occur without an open space of 800 square feet with a minimum 20 foot dimension.

(c) Type I landscaping and a solid, 8-foot property line fence shall be required for transition area setbacks abutting R-4, R-6, or R-8 zones. Type II landscaping shall be required for transition area setbacks abutting rights-of-way across from R-4, R-6 or R-8 zones. Patio or outdoor recreation areas may replace up to 20% of the landscape area that is required in the transition area setback so long as Type I landscaping can be effectively grown. No patio or outdoor recreation areas in the transition area setback may be situated closer than 10 feet from abutting property lines. Required trees species shall be selected to grow a minimum height of 50 feet. A developer shall provide a Type I landscaping plan for distribution with the Notice of Application. Based on comments, the City may approve an alternative landscape buffer with substitute tree species, spacing and size. The landscape area shall be a recorded easement that requires plant replacement as needed to meet Type I landscaping. Utility easements parallel to the required landscape area shall not encroach into the landscape area.

(d) All vehicular access to proposed development in RB, CB, or I zones shall be from arterial classified streets unless determined by the Director to be technically not feasible. If determined to be technically not feasible, the developer shall implement traffic measures, approved by the City Traffic Engineer, which mitigate potential cut-through traffic impacts to single family neighborhoods.

### **DISCUSSION**

The Commission discussed the proposal over the course of three meetings. The Commission heard from approximately 10 people (Exhibit H). Their concerns are:

1. Building envelop should be a 2:1 slope from the property line not the 35 foot height limit.
2. More public notice is needed for code changes or development proposals.
3. Traffic and parking overflow into single family neighborhoods.
4. Limit density to 48 units per acre.
5. Building height limits should not include parapets and roof top equipment for an additional 15 feet.
6. Rezone bordering single family zones to an intermediary density such as R-24.

### **Questions Raised by the Planning Commission**

**What assures that the Type I Landscape Area will be substantial and its purpose not compromised?** The proposed code amendments: 1. Require a landscape easement be recorded with title to ensure plant replacement, no building allowed, and limit recreation space to 20%. 2. Protect the landscape buffer from being diminished by a utility easement that runs parallel to the abutting property. 3. Allow abutting property owners to negotiate alternative tree selections.

**Would surface parking lots be allowed behind a building that is abutting a single family zone?** Under this proposed code amendment surface parking lots would be allowed behind the 20-foot wide landscape area with plants and fence. It would effectively screen parking and it would provide additional building setback.

**How would transition areas requirements be applied to properties that only partially abut each other?** The proposed language requires transition area requirements when abutting to or across street right-of-ways from R-4, R-6, or R-8 zones. That provision means that any portion of the adjoining commercial property that meets this criterion will require transition area requirements radiating in from the point of property contact.

**How would commercial properties be impacted if they are shallow?** Generally, commercial properties less than 80 feet in depth may not reach the allowable height limit. The proposed Type I landscaping is unchanged from the current code language, however, the additional assurance for a longer lasting buffer and more setbacks into the building bulk are further impacts on the development potential.

**Could a multi-building development circumvent the additional setback requirement?** The code amendment describes setbacks as an envelope in which buildings must be contained. Those setbacks will be met unrelated to the number of buildings. Sites less than about 80 feet wide may be able to building a building 50 feet long and then be required to add setbacks of the remaining property whether there is enough for 800 square feet, however, the open space will need a minimum dimension of 20 feet.

The Commission agrees that the proposal will likely result in structures that are less bulky and less dense than the development currently allowed in these commercial zones. They believe that there will be greater protection to the single family neighborhoods abutting or near these potential developments. In addition, the Planning Commission discussed and acknowledged that possible impacts of traffic and parking would likely be secondary impacts to the neighborhood depending how parking standards would apply and where traffic would enter or leave a site and be controlled. The Planning Commission acknowledged that this amendment will be an effective protection but may need refinement as the City considers subarea plans and subsequent code amendments.

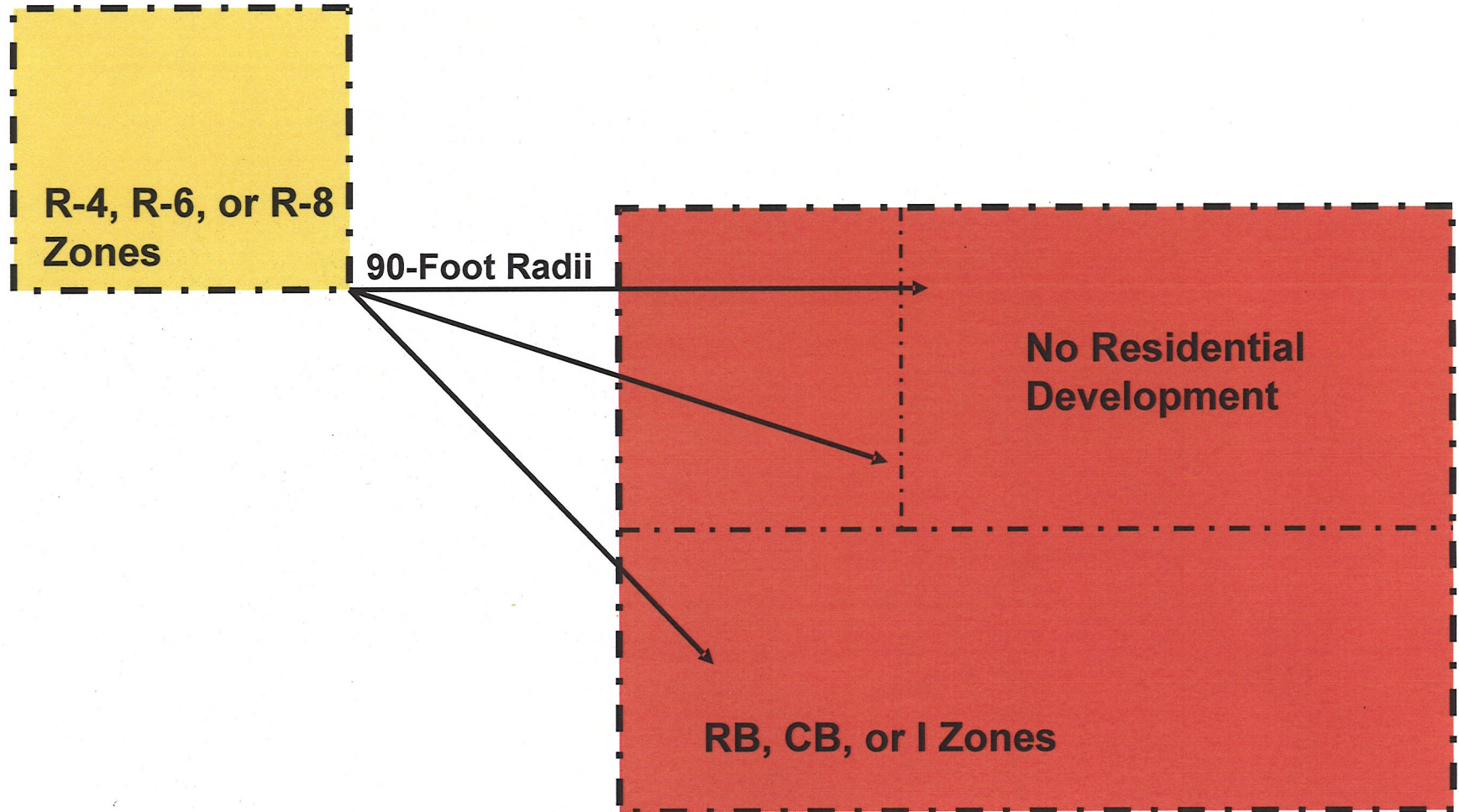
### **RECOMMENDATION**

Staff recommends that Council adopt the code amendments set forth in Ordinance No. 500 (Exhibit B).

### **EXHIBITS**

- A. Moratorium 488
- B. Ordinance No. 500 Code Amendment
- C. SEPA Determination
- D. Planning Commission Public Hearing and Minutes
- E. City Map of Affected Properties
- F. Plan View of Transition Area
- G. Cross-Section of Transition Area
- H. Public Comment Letters

# Moratorium 488



# ORIGINAL

## ORDINANCE NO. 488

**AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON, AMENDING A MORATORIUM ON THE FILING OR ACCEPTANCE OF ANY APPLICATIONS FOR RESIDENTIAL DEVELOPMENT OF LAND WITHIN THE COMMUNITY BUSINESS, INDUSTRIAL OR REGIONAL BUSINESS LAND USE DISTRICTS IN PROXIMITY TO RESIDENTIAL NEIGHBORHOODS.**

WHEREAS, under the provisions of the Growth Management Act the City has adopted development regulations implementing the City of Shoreline Comprehensive Plan; and

WHEREAS, the City's adopted land use regulations pursuant to Land Use Policies for the Community Business and Regional Business land use designations include Community Business, Regional Business and Industrial zoning districts in both of these Comprehensive Plan land use designations; and

WHEREAS, these three business zones include development standards for residential development which may be incompatible when located adjacent to existing residential zones; and

WHEREAS, the continued acceptance of development applications proposing new residential development utilizing existing community business, regional business and industrial zone development standards and density may allow development that is incompatible with existing neighborhoods, leading to erosion of community character and harmony, and a decline in property values; and

WHEREAS, a six-month moratorium on the filing of applications for residential development in these three business zones will allow the City to preserve planning options and prevent substantial change until the existing land areas so designated and the text of development standards applicable to residential development in these zones is reviewed and any needed revisions are made to these regulations; and

WHEREAS, the City Council has determined from recent public correspondence and comment that the integrity of existing land uses may suffer irreparable harm unless a moratorium is adopted; and

WHEREAS, the potential adverse impacts upon the public safety, welfare, and peace, as outlined herein, justify the declaration of an emergency; and

WHEREAS, pursuant to SEPA regulation SMC 20.30.550 adopting Washington Administrative Code Section 197-11-880, the City Council finds that an exemption under SEPA for this action is necessary to prevent an imminent threat to public health and safety and to prevent an imminent threat of serious environmental degradation through

# ORIGINAL

continued development under existing regulations. The City shall conduct SEPA review of any permanent regulations proposed to replace this moratorium; and

WHEREAS, a public hearing was held on Ordinance No. 484 adopting a moratorium on residential development in the CB, RB and I zones in close proximity to low density residential neighborhoods; and

WHEREAS, Council finds that some exceptions to the moratorium should be adopted to allow certain residential development covered by the moratorium which does not created an impact to adjacent residential neighborhoods; now therefore

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

**Section 1. Finding of Fact.** The recitals set forth above are hereby adopted as findings of the City Council.

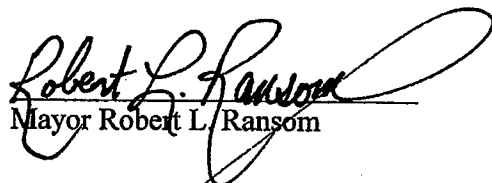
**Section 2. Moratorium Amended.** Section 2 of Ordinance 484 is hereby amended as follows:

A moratorium is adopted upon the filing of any application for development within the Community Business, Regional Business or Industrial zoning districts of the City which includes proposed residential use of any parcel located within 400 90 feet of an R-4, R-6 or R-8 zoning district. No land use development proposal or application may be filed or accepted which proposes a development described in this section. Development otherwise prohibited by this moratorium shall be allowed if the following criteria are met:

1. The maximum height of a residential building proposed in the RB, CB, and I zones shall not exceed 40 feet above the average elevation of the shared property line with R-4, R-6, or R-8 zones.

**Section 3. Effective Dates.** This ordinance shall take effect and be in full force five days after publication of a summary consisting of the title in the official newspaper of the City, and shall expire April 29, 2008 unless extended or repealed according to law.

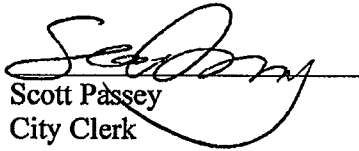
PASSED BY THE CITY COUNCIL ON DECEMBER 17, 2007

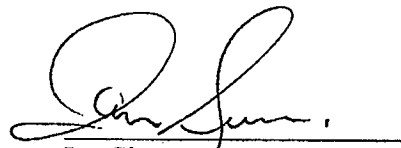
  
Mayor Robert L. Ransom

ATTEST:

APPROVED AS TO FORM:

ORIGINAL

  
Scott Passey  
City Clerk

  
Ian Sievers  
City Attorney

Date of publication: ~~December 20, 2007~~ January 14, 2008  
Effective date: December 25, 2007 January 19, 2008

## **ORDINANCE NO. 500**

### **AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON AMENDING THE SHORELINE MUNICIPAL CODE, SECTIONS 20.50.020 AND 20.50.230, TO ESTABLISH TRANSITION AREA REQUIREMENTS FOR RESIDENTIAL DEVELOPMENT OF LAND IN RESIDENTIAL BUSINESS, COMMUNITY BUSINESS, AND INDUSTRIAL LAND USE DISTRICTS IN PROXIMITY TO RESIDENTIAL NEIGHBORHOODS**

WHEREAS, the City of Shoreline is a jurisdiction planning under the Growth Management Act and is therefore subject to the goals and requirements of Chapter 36.70A RCW during the preparation of development regulations, including those that pertain to development standards adjacent to residential zones; and

WHEREAS, the Planning Commission conducted study session workshops on March 13 and March 20, 2008, and held a Public Hearing on April 3, 2008, after which the Commission approved a recommendation to the City Council to amend sections 20.50.020 and 20.50.230 of the Municipal Code;

WHEREAS, on February 8, 2008, the proposed amendments were submitted to the State Department of Community Development for comment pursuant to WAC 365-195-820 and no comments were received; and

WHEREAS, a SEPA Determination of Nonsignificance was issued on April 4, 2008 in reference to the proposed amendments to the Development Code; and

WHEREAS, the Council finds that the amendments adopted by this ordinance are consistent with and implement the Shoreline Comprehensive Plan and comply with the adoption requirements of the Growth Management Act, Chapter 36.70A. RCW; and

WHEREAS, the Council finds that the amendments adopted by this ordinance meet the criteria in Title 20 for adoption of amendments to the Development Code; NOW THEREFORE,

### **THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON DO ORDAIN AS FOLLOWS:**

**Section 1. Amendment.** Shoreline Municipal Code Sections 20.50.020 and 20.50.230 are amended as set forth in Exhibit 1, which is attached hereto and incorporated herein.

**Section 2. Repeal.** Ordinance No. 488, as extended, establishing a moratorium and interim controls on the filing and acceptance of residential development applications in Community Business, Residential Business, and Industrial zoning districts in proximity to residential zones is hereby repealed upon the effective date of this ordinance.

**Section 3. Severability.** Should any section, paragraph, sentence, clause or phrase of this ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this ordinance be preempted by state or federal law or regulation, such decision or preemption shall not affect the validity of the remaining portions of this ordinance or its application to other persons or circumstances.



**Section 4. Effective Date and Publication.** A summary of this ordinance consisting of the title shall be published in the official newspaper and the ordinance shall take effect five days after publication.

**PASSED BY THE CITY COUNCIL ON APRIL 28, 2008.**

\_\_\_\_\_  
Mayor Cindy Ryu

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Scott Passey  
City Clerk

\_\_\_\_\_  
Ian Sievers  
City Attorney

Date of Publication: May 1, 2008  
Effective Date: May 6, 2008

**20.50.020 Standards – Dimensional requirements.**

A. Table 20.50.020(1) specifies densities and dimensional standards for permitted development applicable in residential zones.

Table 20.50.020(2) specifies densities and dimensional standards for residential development in other zones.

Table 20.50.020(1) – Densities and Dimensions in Residential Zones

Note: Exceptions to the numerical standards in this table are noted in parentheses and described below.

Residential Zones							
STANDARDS	R-4	R-6	R-8	R-12	R-18	R-24	R-48
Base Density: Dwelling Units/Acre	4 du/ac	6 du/ac (7)	8 du/ac	12 du/ac	18 du/ac	24 du/ac	48 du/ac
Min. Density	4 du/ac	4 du/ac	4 du/ac	6 du/ac	8 du/ac	10 du/ac	12 du/ac
Min. Lot Width (2)	50 ft	50 ft	50 ft	30 ft	30 ft	30 ft	30 ft
Min. Lot Area (2)	7,200 sq ft	7,200 sq ft	5,000 sq ft	2,500 sq ft	2,500 sq ft	2,500 sq ft	2,500 sq ft
Min. Front Yard Setback (2) (3)	20 ft	20 ft	10 ft	10 ft	10 ft	10 ft	10 ft
Min. Rear Yard Setback (2) (4) (5)	15 ft	15 ft	5 ft	5 ft	5 ft	5 ft	5 ft
Min. Side Yard Setback (2) (4) (5)	5 ft min. and 15 ft total sum of two	5 ft min. and 15 ft total sum of two	5 ft	5 ft	5 ft	5 ft	5 ft
Base Height	30 ft  (35 ft with pitched roof)	30 ft  (35 ft with pitched roof)	35 ft	35 ft	35 ft  (40 ft with pitched roof)	35 ft  (40 ft with pitched roof)	35 ft  (40 ft with pitched roof)  (8) (9)
Max. Building Coverage (2) (6)	35%	35%	45%	55%	60%	70%	70%

Max. Impervious Surface (2) (6)	45%	50%	65%	75%	85%	85%	90%
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Exceptions to Table 20.50.020(1):

- (1) Repealed by Ord. 462.
- (2) These standards may be modified to allow zero lot line developments. Setback variations apply to internal lot lines only. Overall site must comply with setbacks, building coverage and impervious surface limitations; limitations for individual lots may be modified.
- (3) For exceptions to front yard setback requirements, please see SMC 20.50.070.
- (4) For exceptions to rear and side yard setbacks, please see SMC 20.50.080.
- (5) For developments consisting of three or more dwellings located on a single parcel, the building setback shall be 15 feet along any property line abutting R-4 or R-6 zones. Please see SMC 20.50.130.
- (6) The maximum building coverage shall be 35 percent and the maximum impervious surface shall be 50 percent for single-family detached development located in the R-12 zone, excluding cottage housing.
- (7) The base density for single-family detached dwellings on a single lot that is less than 14,400 square feet shall be calculated using a whole number, without rounding up.
- ~~(8) For development on R-48 lots abutting R-4, R-6, and R-8 zoned lots the maximum height allowed is 35 feet. The height of these lots may be increased to a maximum of 50 feet with the approval of a conditional use permit or to a maximum of 60 feet with the approval of a special use permit.~~
- (9) ~~(8)~~ For development on R-48 lots abutting R-12, R-24, R-48, O, NB, CB, NCB, RB, I, and CZ zoned lots the maximum height allowed is 50 feet and may be increased to a maximum of 60 feet with the approval of a conditional use permit.

Table 20.50.020(2) – Densities and Dimensions for Residential Development in Nonresidential Zones

STANDARDS	Neighborhood Business (NB) and Office (O) Zones	Community Business (CB) Zone (2)	Regional Business (RB) and Industrial (I) Zones (2)
Maximum Density: Dwelling Units/Acre	24 du/ac	48 du/ac	No maximum
Minimum Front Yard Setback	10 ft	10 ft	10 ft

Minimum Side Yard Setback from Nonresidential Zones	5 ft	5 ft	5 ft
Minimum Rear Yard Setback from Nonresidential Zones	15 ft	15 ft	15 ft
Minimum Side and Rear Yard (Interior) Setback from R-4 and R-6	20 ft	20 ft	20 ft
Minimum Side and Rear Yard Setback from R-8 through R-48	10 ft	10 ft	15 ft
Base Height (1)	35 ft	60 ft	65 ft (2)
Maximum Impervious Surface	85%	85%	95%

Exceptions to Table 20.50.020(2):

(1) Please see Exception 20.50.230(3) for an explanation of height bonus for mixed-use development in NB and O zones.

~~(2) For all portions of a building in the I zone abutting R-4 and R-6 zones, the maximum height allowed at the yard setback line shall be 35 feet, 50 foot height allowed with additional upper floor setback (transition line setback) of 10 feet. To 65 feet with additional upper floor setback (transition line setback) of 10 feet after 50 foot height limit. Unenclosed balconies on the building are above the 35 foot transition line setback shall be permitted to encroach into the 10 foot setback.~~

(2) Development in CB, RB, or I zones abutting or across street rights-of-way from R-4, R-6, or R-8 zones shall meet the following transition area requirements:

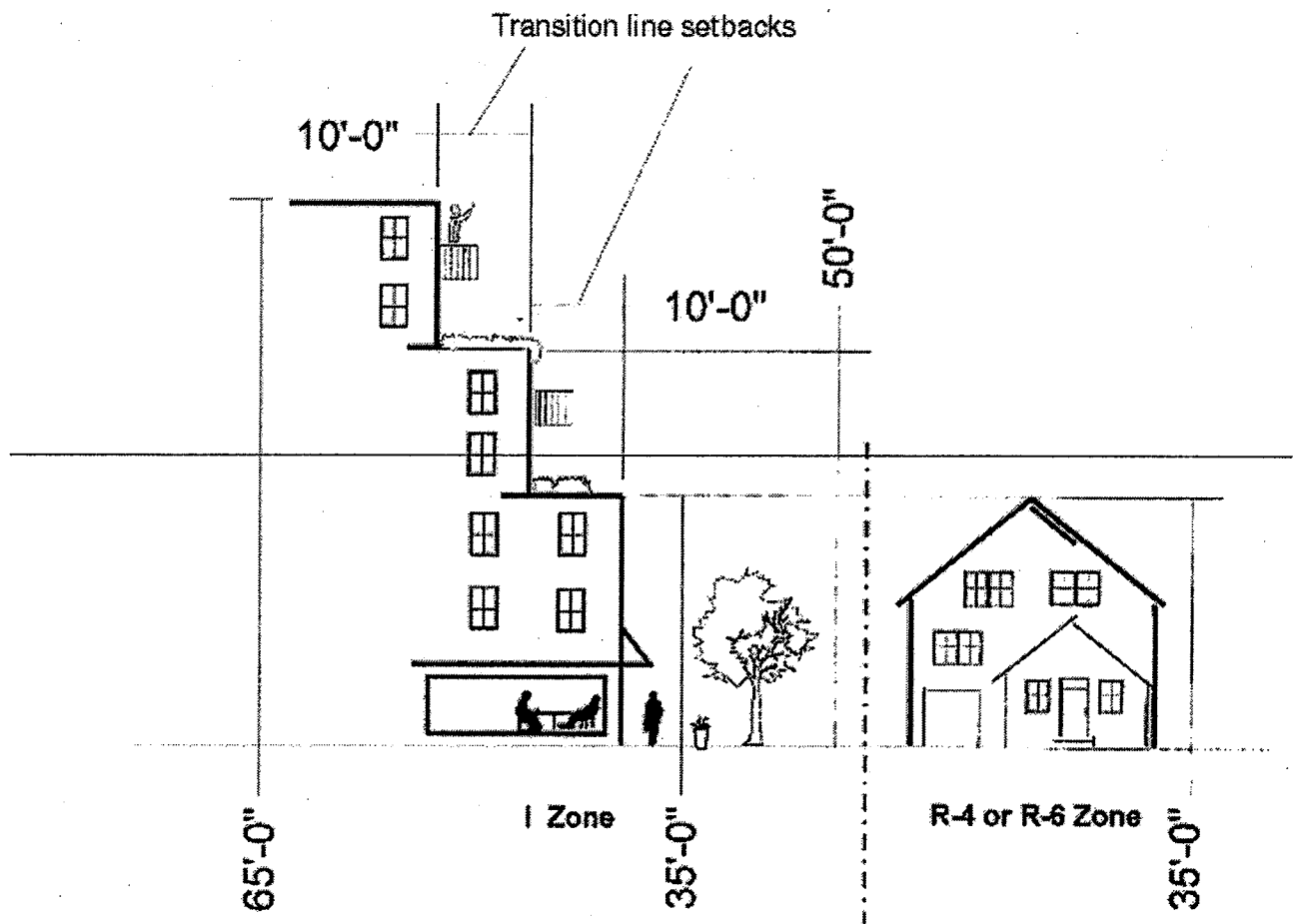
(a) A 35-foot maximum building height at the required setback and a building envelope within a 2 horizontal to 1 vertical slope up to the maximum building height for CB, RB or I zone, including roof structures housing or screening elevators, stairways, tanks, ventilating fans, or similar equipment required for building operation and maintenance, fire or parapet walls, skylights, flagpoles, chimneys, utility lines, towers, and poles, steeples, crosses, spires, balconies and WTFs.

(b) Property abutting R-4, R-6, or R-8 zones must have a 20 foot setback. No more than 50 feet of building façade abutting this 20 foot setback shall occur without an open space of 800 square feet with a minimum 20 foot dimension.

(c) Type I landscaping and a solid, 8-foot property line fence shall be required for transition area setbacks abutting R-4, R-6, or R-8 zones. Type II landscaping shall be required for transition area setbacks abutting rights-of-way across from R-4, R-6 or R-8 zones. Patio or outdoor recreation areas may replace up to 20% of the landscape area that is required in the transition area setback so long as Type I landscaping can be effectively grown. No patio or outdoor recreation areas in the

transition area setback may be situated closer than 10 feet from abutting property lines. Required trees species shall be selected to grow a minimum height of 50 feet. A developer shall provide a Type I landscaping plan for distribution with the Notice of Application. Based on comments, the City may approve an alternative landscaping buffer with substitute tree species, spacing and size. The landscape area shall be a recorded easement that requires plant replacement as needed to meet Type I landscaping. Utility easements parallel to the required landscape area shall not encroach into the landscape area.

(d) All vehicular access to proposed development in RB, CB, or I zones shall be from arterial classified streets unless determined by the Director to be technically not feasible. If determined to be technically not feasible, the developer shall implement traffic mitigation measures, approved by the City Traffic Engineer, which mitigate potential cut-through traffic impacts to single family neighborhoods.



~~Figure Exception 20.50.020(2): For all portions of a building in the I zone abutting to R-4 and R-6 zones, the maximum height allowed at the yard setback line shall be 35 feet, 50-foot height allowed with additional upper floor setback (transition line setback) of 10 feet. Sixty-five feet allowed with additional upper floor setback (transition line setback) of 10 feet after 50-foot height limit. Unenclosed balconies on the building that are above the 35-foot transition line setback shall be permitted to encroach into the 10-foot setback.~~

**20.50.230 Site planning – Setbacks and height – Standards.**

Table 20.50.230 – Dimensions for Commercial Development in Commercial Zones

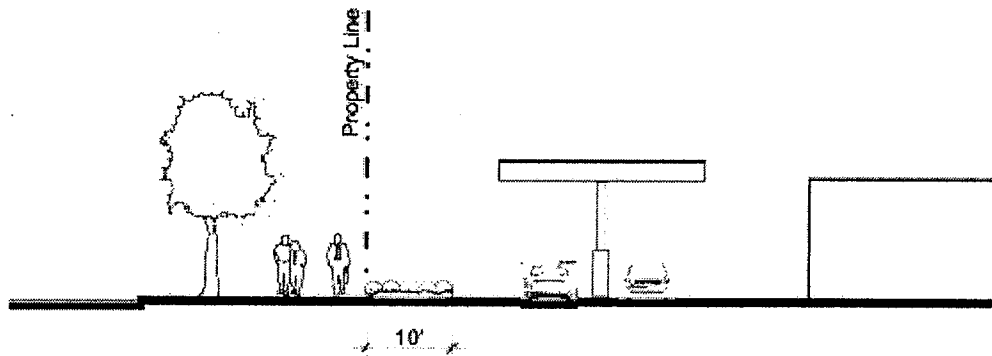
Note: Exceptions to the numerical standards in this table are noted in parenthesis and described below.

STANDARDS	Neighborhood Business (NB) and Office (O) Zones	Community Business (CB)	Regional Business (RB) and Industrial (I) Zones
Min. Front Yard Setback (Street) (1) (2)	10 ft	10 ft	10 ft
Min. Side and Rear Yard (Interior) Setback from NB, O, CB, RB, and I Zones (2)	0 ft	0 ft	0 ft
Min. Side and Rear Yard (Interior) Setback from R-4 and R-6 (2)	20 ft	20 ft	20 ft
Min. Side and Rear Yard (Interior) Setback from R-8 through R-48 (2)	10 ft	10 ft	15 ft
Base Height (5)	35 ft (3)	60 ft	65 ft (4)
Max. Impervious Surface	85%	85%	90%

Exceptions to Table 20.50.230:

(1) Front yard setback may be reduced to zero feet if adequate street improvements are available or room for street improvements is available in the street right-of-way.

Front Yard (Street) Setback: Residential developments (excluding mixed-use developments), parking structures, surface parking areas, service areas, gas station islands, and similar paved surfaces shall have a minimum 10 feet wide, fully landscaped separation measured from the back of the sidewalk.



Example of landscaped setback between the sidewalk and a gas station.

- (2) Underground parking may extend into any required setbacks, provided it is landscaped at the ground level.

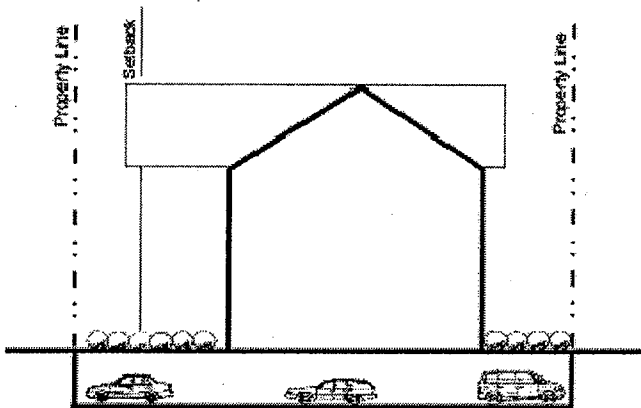
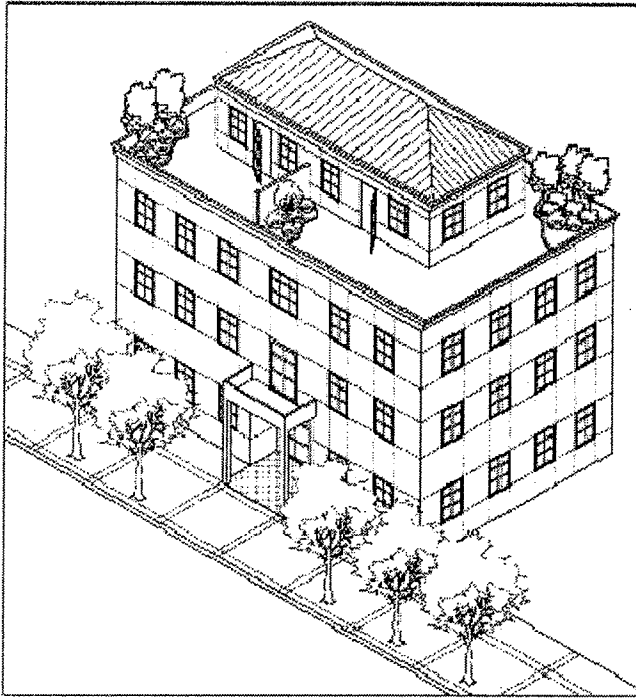


Diagram of multifamily structure with underground parking within a required setback.

- (3) Bonus for mixed-use development in NB and O zones: In order to provide flexibility in types of housing and to meet the policies of the Comprehensive Plan, the base height may be increased for mixed-use development to four stories or up to 50 feet, if the added story is stepped back from the third story walls at least eight feet, and subject to the following requirement:

Residential dwelling units shall occupy a minimum of 25 percent to a maximum of 90 percent of the total floor area of the building.





Example of bonus floor for mixed-use development.

(4) See SMC Table 20.50.020(2), Exception (2), for transition area requirements for CB, RB, or I development abutting R-4, R-6, or R-8 zones or across the street rights-of-way from R-4, R-6, or R-8 zones. For all portions of a building in the I zone abutting R-4 and R-6 zones, the maximum height allowed at yard setback line shall be 35 feet, 50-foot height allowed with additional upper floor setback (transition line setback) of 10 feet. To 65 feet with additional upper floor setback (transition line setback) of 10 feet after 50-foot height limit. Unenclosed balconies on the building that are above the 35-foot transition line setback shall be permitted to encroach into the 10-foot setback.

(5) Except as provided in SMC Table 20.50.020(2), exception (2)(a), the following structures may be erected above the height limits in all zones:

- a. Roof structures housing or screening elevators, stairways, tanks, ventilating fans, or similar equipment required for building operation and maintenance, fire or parapet walls, skylights, flagpoles, chimneys, utility lines, towers, and poles; provided, that no structure shall be erected more than 15 feet above the height limit of the district, whether such structure is attached or free standing;
- b. Steeples, crosses, and spires when integrated as an architectural element of a building may be erected up to 18 feet above the height limit of the district.



## Planning and Development Services

17544 Midvale Avenue N.  
Shoreline, WA 98133-4921  
(206) 546-1811 ♦ Fax (206) 546-8761

### SEPA THRESHOLD DETERMINATION DETERMINATION OF NON-SIGNIFICANCE (DNS)

#### Transition Area Code Amendments

#### PROJECT INFORMATION

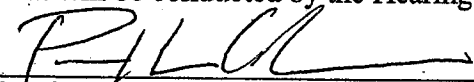
**Date of Issuance:** April 4, 2008  
**Proposed Project Description:** Amend Development Code to reduce building envelope and increase landscape screening in RB, CB, or I zones when adjacent to R-4, R-6, or R-8 zones  
**Project Number:** NA  
**Applicant:** City of Shoreline  
**Location:** City-Wide  
**Parcel Number:** City Wide  
**Current Zoning:** City-Wide  
**Current Comprehensive Plan Land Use Designation:** City-Wide  
**COMMENT PERIOD DEADLINE:** April 3, 2008

#### THRESHOLD DETERMINATION: Determination of Non-significance (DNS).

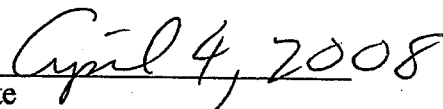
The City of Shoreline has determined that the proposal will not have a probable significant adverse impact on the environment and that an environmental impact statement is not required under RCW 43.21C.030(2)(c). This decision was made after numerous visits to potential sites and review of the environmental checklist, site plans, building elevation plans, and other information on file with the City. This information is available to the public upon request at no charge. Please see the Shoreline Comprehensive Plan, RCW 43.21C.020, and SMC Chapter 20.30.490 for more information about the sources of SEPA Substantive Authority.

#### APPEAL INFORMATION

The optional DNS process, as specified in WAC 197-11-355, has been used. A Notice of Application that stated the lead agency's intent to issue a DNS for this project was issued on April 4, 2008 and a 14 day comment period followed. There is no additional public comment for this DNS. The threshold determination on the Type L action may be appealed within 14 calendar days following the date of the determination. Appeals of the SEPA threshold determination must be received by the City by 5:00 PM on April 18, 2008. Appeals must include a fee of \$420.75 and must comply with the General Provisions for Land Use Hearings and Appeals in sections 20.30.170-270 of the Shoreline Development Code. If an appeal is filed, the City will include it with the required open record pre-decisional public hearing on the use permit that will be conducted by the Hearing Examiner at a date to be determined.

  
Paul Cohen, Project Manager  
Department of Planning and Development Services  
City of Shoreline

Date



## CITY OF SHORELINE

### SHORELINE PLANNING COMMISSION SUMMARY MINUTES OF REGULAR MEETING

March 20, 2008  
7:00 P.M.

Shoreline Conference Center  
Mt. Rainier Room

#### COMMISSIONERS PRESENT

Vice Chair Kuboi  
Commissioner Wagner  
Commissioner Phisuthikul  
Commissioner McClelland  
Commissioner Harris  
Commissioner Hall (left at 8:20 p.m.)

#### STAFF PRESENT

Joe Tovar, Director, Planning & Development Services  
Paul Cohen, Senior Planner, Planning & Development Services  
Jessica Simulcik Smith, Planning Commission Clerk

#### COMMISSIONERS ABSENT

Chair Piro  
Commissioner Broili  
Commissioner Pyle

#### CALL TO ORDER

Vice Chair Kuboi called the regular meeting of the Shoreline Planning Commission to order at 7:08 p.m.

#### ROLL CALL

Upon roll call by the Commission Clerk, the following Commissioners were present: Vice Chair Kuboi, and Commissioners Wagner, Phisuthikul, McClelland, Harris and Hall. Chair Piro and Commissioners Broili and Pyle were excused.

#### APPROVAL OF AGENDA

The Director's Report was moved to after the public hearing. The remainder of the agenda was approved as presented.

#### APPROVAL OF MINUTES

Approval of the minutes of March 6, 2008 was deferred to the next meeting. The Commission asked staff to review the minutes and clarify the use of the terms "applicant" and "applicants" and "property" and "properties".

## GENERAL PUBLIC COMMENT

**Joseph Irons, Shoreline**, expressed concern about the traffic impacts to his neighborhood street, Ashworth Avenue North, which is a residential street. They haven't seen good result from the neighborhood traffic safety program that was recently implemented. As more development occurs in the area, more traffic would come through the street. He asked that the City take more steps to make the street safer. Mr. Tovar suggested the Commission request a written report from the Public Works Department regarding Ashworth Avenue. Mr. Irons shared that the neighbors have continually worked with the Public Works Department, but the programs they have implemented have not improved the situation. In fact, the light that was recently installed actually seems to have made the situation worse. He noted that several of his concerned neighbors were in the audience, as well.

Mr. Tovar clarified that the Planning Commission does not have a roll in resolving rights-of-way issues. These matters are handled by the Public Works Director, the City Manager, and the City Council. Commissioner McClelland pointed out that while the Commission is interested in learning about residual affects on a neighborhood street as the result of a change, they do not have the authority to resolve the problems.

**Les Nelson, Shoreline**, recalled that for the past six months he and others have come before the Commission to explain how they interpret the relationship between the Comprehensive Plan and the zoning code, particularly regarding the concepts of unlimited density, regional business and community business. Apparently, the City Council agreed with his interpretation because they created a moratorium over night, which doesn't typically happen unless there is a real issue that needs to be addressed. The interpretations the City has been making over the years are based on the assumption that the code is law. He expressed his belief that just because a City passes something by ordinance, doesn't mean it can't be tested and found to be out of compliance with the Comprehensive Plan. According to the Growth Management Act, this could make the code invalid and require the City to make changes. He expressed his interpretation that the concept of unlimited density is inconsistent with the Comprehensive Plan.

Mr. Tovar agreed that if a citizen feels the Development Code and the Comprehensive Plan are inconsistent, an appeal could be filed to the Growth Management Hearings Board. However, the law was carefully constructed by the legislature so that the appeal period to allege non-compliance or lack of consistency is opened when the local government publishes notice of the action and closes 60 days later unless an appeal has been filed. So the actions that Mr. Nelson referenced cannot be challenged by the Growth Management Act. He summarized that anything the City Council adopts by ordinance (amendments to the code or to the plan) is subject to an appeal, but it has to be filed within 60 days of when the action was taken and would be limited to individuals of standing (people who provided comments in writing or verbally to the Planning Commission and City Council). He expressed his belief that the proposed amendments would be consistent with the current Comprehensive Plan.

Mr. Nelson pointed out that if a code regulation was never adopted through the comprehensive plan amendment process, one could argue that the 60-day clock never was started. Mr. Tovar agreed that if the City adopts an ordinance without publishing notice of the change, there would be no limit on the appeal period. Commissioner Wagner asked how this would impact the moratorium that was put in

place by the City Council. Mr. Tovar explained that the Growth Management Act has a special provision for moratoriums and interim controls, which is what the City currently has in place. If no amendments have been adopted by the time the moratorium expires at the end of April, the code would revert back to the way it was previously.

### **PUBLIC HEARING ON CODE AMENDMENTS TO REPLACE MORATORIUM (INTERIM REGULATIONS) IN CB, RB, AND I ZONES**

Vice Chair Kuboi reviewed the rules and procedures for the legislative public hearing to consider code amendments to replace the moratorium (interim regulations) in the CB, RB and I zones. He noted that because the notice for the hearing did not meet the City's requirement, another public hearing would be conducted on April 3<sup>rd</sup>. Those who speak tonight would also be allowed to speak at the next hearing. However, he asked that those who do speak twice limit their comments to new observations. He emphasized that the Commission would not deliberate and make a recommendation to the City Council until after the second public hearing has taken place.

### **Staff Overview and Presentation of Preliminary Staff Recommendation**

Mr. Cohen reviewed the staff report. He advised that the code amendments were instigated by a moratorium that was passed by the City Council in October of 2007. The purpose of the moratorium was to stop all residential development in CB, RB and I zones that are located within 90 feet of the R-4, R-6 and R-8 zones. The moratorium was later amended to exclude proposals that are less than 40 feet above the average elevation of the shared property line. He recalled that there was quite a bit of neighborhood concern about a proposed development on 152<sup>nd</sup>, and the City Council responded by passing the moratorium until the issues and concerns could be addressed. Staff agreed there were not enough requirements to address the impacts of intensive development adjacent to single-family zones. He referred to the proposal that was prepared by staff to address the transition area requirements, keeping in mind that as subarea plans are created later on, the transition areas would be further refined.

Mr. Cohen reviewed the Comprehensive Plan goals and policies that support transition area requirements. Housing Goal H III talks about new development that is compatible in quality, design and scale within neighborhoods and that provides effective transitions between different uses and scales. Housing Policy H28 talks about having effective transitions between substantially different land uses and density. There is also policy support to require appropriate building and site design, landscaping, and design features to make the more intense uses more compatible with the single-family residential neighborhoods.

Mr. Cohen reviewed that the proposed amendments would delete a section in SMC 20.50.020 which allows R-48 zoning adjacent to single-family to reach heights of 50 and 60 feet. In addition, new language would be added to both SMC 20.50.020(2) – Exception 2 and SMC 20.50.230 – Exception 4. He referred the Commission to Attachment C, which outlines the proposed code amendments. He advised that since the last meeting the City Attorney recommended some changes to clean up redundancy in language. In addition, the Planning Commission asked staff to define or simplify the

terms "buffer," "setback," and "inset." The new language relies on the terms "transition area" and "setbacks" as a way to describe the concept proposed in the new language.

Mr. Cohen reviewed the following elements of the proposed language as follows:

- All development in commercial CB, RB or I zones abutting to or across a street right-of-way from single-family zones R-4, R-6 and R-8 shall meet transition requirements.
- For these commercial zones abutting to or across the street right-of-way from R-4, R-6, and R-8 zones, transition areas allow a 35-foot maximum building height at the required setback and a building envelope within a 2 horizontal to 1 vertical slope up to the maximum building height for the commercial zone.
- In addition to setbacks, building facades abutting R-4, R-6 and R-8 zones must have setbacks for every 50 horizontal feet of façade. The setback must be a minimum 800 square feet of open ground with a minimum 20-foot horizontal dimension. *Mr. Cohen advised that the intent of requirement is to break up the potential massiveness and bulk of a residential/commercial building that abuts a single-family residential zone. He advised that originally, the moratorium was only for residential development in the zone, but staff felt the requirements should be extended to all types of development in these zones.*
- Transition area setbacks shall contain Type I landscaping along property lines abutting R-4, R-6 and R-8 zones and Type II landscaping along property lines with right-of-way across from R-4, R-6 and R-8 zones. A solid, 8-foot high fence shall be placed on the abutting property line. Patio or outdoor recreation areas are allowed up to 20% of buffer area and no less than 10 feet from abutting property lines if Type I landscaping can be effectively grown. Required tree species shall be selected to grow a minimum height of 50 feet. The option for a written agreement with the abutting property owners to delete or substitute tree varieties must be offered by the developer and submitted to the City. The entire length and 20-foot wide landscape area shall be a recorded easement that requires plant replacement as needed to meet Type I landscaping. No utility easements can encroach into the landscaping requirements. *Mr. Cohen advised that the last four sentences were added at the request of the Commission. He recalled that at their last meeting, they expressed concern about whether an evergreen Type I screen would be maintained and replanted to maintain an effective screen. He said concern was also raised that crucial landscaping could be compromised in some situations when there is a utility easement that requires no obstructions. Staff is suggesting that the buffer not be allowed to compromise the easement. This would require an applicant to either move the buffer further back or place it on the other side, but they would not be allowed to diminish the size of the buffer area. A Commissioner also suggested that a developer be allowed to enter into an agreement with abutting single-family property owners to delete or substitute tree varieties. The language proposed by staff would require the developer to approach the neighbor, asking if the proposed landscaping would be okay or if something else would work better for them. The proposed language would also ensure that the tree species planted would provide effective screening and reach a minimum of 50 feet of mature height.*

Mr. Cohen provided a cross section drawing showing how the proposed language would be applied to a commercial (RB, CB or I) zone that is both abutting and across the street from a single-family zone. He pointed out that the chances of this occurring on the street side is quite slim because there are only four RB, CB and I zoned properties in the City where there is single-family both across the street and behind. He also provided a drawing of a computer generated building that could potentially be located on the property at 152<sup>nd</sup> and Aurora Avenue based on the proposed amendment. The drawing identifies a landscape buffer, a 20-foot setback, a building starting at 35 feet in height, cut ins, and a 2:1 slope up to the maximum height of 65 feet. There would be no stepback required on the street side because the other side of the street is not zoned R-4, R-6 or R-8. He suggested that the drawing represents the type of development that could potentially occur on most of the parcels highlighted on the map. He provided pictures to illustrate the view of the building from various locations around the property.

#### **Questions by the Commission to Staff and Applicant**

Commissioner Phisuthikul asked what would happen if a piece of commercial property borders two zones, one being residential and one commercial. Mr. Cohen answered that a transition zone would only be required for the portions of property that directly abut a single-family zone.

Commissioner McClelland suggested it is important to differentiate between a single-family use and a single-family zone. The proposed amendments apply to properties that abut single-family zones, and this should be made clear. The remainder of the Commission concurred. Commissioner Phisuthikul suggested it also be made clear that the term "single-family zone" refers to R-4, R-6 and R-8 zoned properties. Mr. Tovar agreed.

#### **Public Testimony or Comment**

**Brent Spillsbury, Shoreline**, said he lives on Stone Avenue and about 100 yards diagonally from the new building that is being proposed on the Overland Trailer Park property. Right now he can look out his window and view trees. While it appears the City is trying to create code language that is more acceptable, the proposed amendments could still result in large, massive buildings. A 240-unit development across the street from him would have a significant impact, and that is not something he ever contemplated when he moved to the City. While new trees would be required for screening, it would take 20 years for them to reach a reasonable height. He suggested they require larger trees from the start. He also suggested a 40-foot building height limit would be a more reasonable standard. Allowing a 60-foot high building seems inappropriate next to small residential homes. He suggested the City take into account that, right now, there are no three-story buildings in their neighborhood. He said he would like the Commission to work on the document more, but they are going in the right direction.

Commissioner Wagner asked if Mr. Spillsbury is concerned about the number of people that would move into the neighborhood or is he more concerned about the visual bulk of a potential building. Mr. Spillsbury expressed his belief that a six-story building was too large when located adjacent to a single-family neighborhood. He said he is opposed to growth and its potential impact on the environment.

**Ganesh Prakash, Shoreline**, said he lives next to Mr. Spillsbury. He said he was under the impression that the proposed amendments would only result in a senior housing project in his neighborhood, but it appears the language would allow commercial and industrial uses to occur in a building up to sixty feet high. He expressed his belief that a senior housing project would not be unreasonable, but a six-story building would be a safety hazard for the community. He suggested that if the property is developed as a senior housing building, the housing units should be constructed on the ground floor, where emergency access is more readily available. He questioned why commercial and industrial uses should be allowed next to single-family zones. He said he wants to continue to enjoy the peace and quiet of his property, and the trees, too. The proposed language would likely result in additional traffic that would impact his neighborhood.

At the request of Commissioner McClelland, Mr. Cohen clarified that the proposed amendments address the bulk issues associated with development in the RB, CB and I zones. However, it is important to keep in mind that commercial, residential and some industrial uses would all be allowed in these zones. Mr. Tovar explained that Mr. Prakash's remarks were related to a senior housing proposal that was originally submitted for the Overland Trailer Park property. However, it is important for the Commission to keep in mind that the proposed amendments would not govern the types of uses allowed in the RB, CB and I zones. Land use would be addressed later as part of the subarea planning process. Mr. Cohen said it is also important to remember that the amendments would be applied to RB, CB and I zones citywide.

**Joseph Irons, Shoreline**, pointed out that the staff report does not address traffic impacts associated with more intense development of the RB, CB and I zones. He said he is in favor of growth, as long as it is done right and reviewed comprehensively. This review must include a discussion about potential traffic impacts. He asked that the comments he made earlier about traffic impacts on Ashworth Avenue be included as part of the public record for this hearing. The City Council and City staff knows that Ashworth Avenue is a problematic street, and it is inappropriate to allow development to occur at a greater density. He suggested the proposed amendments require a traffic impact study to identify the potential impacts to residential streets.

Commissioner Wagner pointed out that a traffic analysis would be required as part of the development permit review. Mr. Cohen said that larger projects would require a traffic analysis, and perhaps a parking analysis. They would also require a SEPA review, which would allow the City to implement mitigating measures. He referred to the Echo Lake Project and noted that to alleviate the traffic impacts, turning movements from the property were limited. In addition, traffic calming and barriers would be added if necessary to protect the neighborhood to the east.

Vice Chair Kuboi asked staff to talk about how a traffic study for a given project would address the cumulative affect of all of the projects on the street. Mr. Cohen said a basic traffic analysis for most projects would study trips generated from the property, but it would also include a traffic capacity analysis for the street. Based on this information, staff could require modifications to a project to mitigate the impacts as part of the SEPA review. Vice Chair Kuboi summarized that the traffic analysis would take into account all the other activity on the street and how a new project would contribute. If the project pushes the street into an untenable traffic situation, the applicant would be required to



mitigate the situation. Mr. Tovar added that mitigation measures could include on or off-site improvements, but he cautioned against thinking that the SEPA analysis for a project would result in a reduction of the bulk of a proposed building.

Commissioner McClelland asked if a traffic analysis could conclude that a proposal would generate too much traffic for the street. Mr. Tovar explained that if mitigating measures (improvements) are identified, the City could impose these conditions on the approval. If it is not possible to mitigate the impacts below the threshold of a reasonable level, the consequence would not be denial of the project. Instead, an environmental impact statement would be required and a decision would then be made on the permit. He clarified that a SEPA document (checklist or an environmental impact statement) does not approve or deny a project; its purpose is to disclose impacts.

**Janet Kortlever, Shoreline**, pointed out that the maps provided by staff do not show that 152<sup>nd</sup> turns a corner into Ashworth Avenue. The proposed development at the Overland Trailer Park would tip the bulk of traffic over the limit of what the neighborhood could bear. She noted that all of the surrounding commercial buildings in the neighborhood are only one story. The proposed amendments would allow for an increased commercial use of the area. She said she was present to represent her neighbors, who have a huge interest in reducing traffic problems on Ashworth Avenue. They have worked with staff to reduce speeds and regain their quiet neighborhood. The traffic counts indicate there are between 1,200 and 1,500 cars per day going down Ashworth Avenue. The traffic calming measures have not worked to date, and this is due in large part to the light that was put in at 152<sup>nd</sup>. If widening the street is an option to accommodate the new development, the traffic numbers would increase further. Ashworth Avenue is already used as a cut through street.

Ms. Kortlever said it is mistake to think that neighbors are not concerned because they don't attend all of the meetings. She said she has left messages with each City Council Member about the neighbors concerns and their willingness to serve on a neighborhood traffic committee. She asked that the Commission preserve the single-family neighborhood and stop lowering the value of their homes by adding overwhelming new traffic. They were dismayed to learn of plans to widen their residential street to bring more and faster traffic through.

Commissioner McClelland asked if dead ending the street would resolve the problem. Ms. Kortlever said City staff has indicated this would not be an option because the street is used by emergency vehicles. The City did install a sign on Stone Avenue stating that the street was for local access only, but she has not received feedback from the City over whether this would be possible for Ashworth Avenue, as well.

**Les Nelson, Shoreline**, expressed concern that the proposed language would only address a transition for those single-family zoned properties that are adjacent to the CB, RB and I zones. However, it is important to keep in mind that a large development could also impact the residential properties that are further away. The map only identifies a portion of the properties that were covered by the moratorium. He suggested that the sketch-up model does not accurately depict what the building would look like in terms of scale. He said he is worried about further loss of trees on Aurora Avenue, and he pointed out

that it would take many years for the new ones to grow to an adequate height to replace those that exist now. He emphasized that a six-story building would not fit in with residential neighborhoods.

**Joe Kraus, Shoreline**, said that while the CB, RB and I zoned properties would limit development to a maximum of 65 feet in height, it is important to understand that an additional 15 feet in height would be allowed for rooftop equipment. This could result in a total building height of 80 feet. He questioned why the planners don't make this clear to the public. He said he lives on North 152<sup>nd</sup> Street and is concerned about the proposed development in that area on property that is landlocked on three sides. This site would not be able to accommodate the amount of traffic the proposed development would generate, including access buses, nurses, delivery trucks, maintenance trucks, taxis, mail vehicles, moving vehicles, social workers, and aid vehicles. No provisions were proposed for off-street or guest parking.

Mr. Kraus said he recently traveled north on Aurora Avenue at 5:30 p.m. Before he reached 145<sup>th</sup>, he was already stopped in traffic even though there were no accidents. At 143<sup>rd</sup> there was a huge crane two blocks off Aurora putting in a foundation for 500 more residential units. The Echo Lake Project would add an additional 500 units. He questioned how the City plans to address the traffic problems.

#### **Final Questions by the Commission**

Commissioner Wagner noted that many of the sites where the proposed language would apply are extremely small and may not accommodate a total building height of 60 feet. Therefore, a 50-foot tree may be disproportionately more than what would typically be expected for a 20-foot tall building just because it happens to be zoned RB and located next to a single-family zone. Mr. Cohen said he would look at the number of properties that would be impacted by this requirement and determine whether it would make sense to include an alternative landscape provision for developments that are not greater than 35 feet in height. Commissioner Wagner noted that Type I Landscaping does not have a 50-foot minimum provision, and this was added at the request of the Commission. She said another option would be to apply the 50-foot provision to the larger sites only. Mr. Cohen said the current landscape requirement for CB, RB, and I zones adjacent to single-family zones is 20 feet of Type I Landscaping. The current language would enhance this provision further.

Commissioner Phisuthikul recalled that at the last meeting he expressed concern about how the proposed requirement for an inset area of 800 square feet would impact narrow and odd-shaped properties. He asked staff if they have explored options for making the size of the required inset more proportional to the dimension of the property. Mr. Cohen said the proposed requirement should hold regardless of the width of the property. The idea is to diminish the bulk of a building from a single-family property owner's point of view. He acknowledged that this may result in some awkward building designs in order to meet the transition requirements.

Commissioner McClelland said she would no longer be a member of the Commission on April 3<sup>rd</sup>, so she wanted to provide some editing comments. She agreed with staff that wherever rights-of-way are mentioned, it should say "street rights-of-way." In addition, single-family should be called "single-family zones." She expressed her belief that providing a six-foot fence and 50-foot trees would not

adequately screen a six-story building from an adjacent single-family zoned property. She agreed with Commissioner Phisuthikul that the inset requirement should be proportionate to the height of the proposed building. She questioned whether the insets would soften the impact as much as anticipated. She also noted the report should not say that each inset would potentially remove three, 800-square-foot apartments. This is an editorial statement that does not need to be part of the code language.

Commissioner McClelland referred to Item c on Page 21 and suggested they change the word "grow" to "grown." Also, she suggested the last sentence be changed by replacing "can" with "may." This would make it clear that no utility easement would be allowed to encroach into the landscaping requirements. In the last paragraph on Page 21, she pointed out that the word "holistically" was misspelled.

Commissioner McClelland said she spoke with Ms. Melville after the last meeting about her understanding that floors above grade could have balconies that look over into the neighbors' backyards. Mr. Cohen said that balconies would be allowed, but they would have to be located within the allowed building envelope, which takes into account the setback and stepback requirements. Commissioner McClelland said Ms. Melville was concerned that even with all of the proposed provisions that were intended to create some privacy for single-family properties, allowing balconies would defeat the purpose.

Commissioner McClelland said this is a situation where staff has done everything they can to make the transition better for most of the properties on the map, but it is still going to be a terrible situation for single-family residents living near the 152<sup>nd</sup> Street project. She agreed that Ashworth Avenue is not appropriate for semi-trucks to access. If the light at 152<sup>nd</sup> has caused people to bypass and get to Meridian via Ashworth Avenue, the City must take action to stop it. She urged the neighbors to go before the City Council and request they take action to resolve the problem.

Vice Chair Kuboi pointed out that Commissioners Harris and McClelland would no longer be serving on the Commission at the time of the April 3<sup>rd</sup> continued hearing. However, he suggested the Commission avoid offering opinions and subjective comments until they have completed the public hearing on April 3<sup>rd</sup> and begin their deliberations.

Commissioner Harris referred to Commissioner Phisuthikul's comment about how the setback or inset concept would be applied to narrow lots. He noted that the requirement would only be implemented if a building has more than 50 feet of continual length. A narrow lot could be developed into a series of smaller structures the full width without the insets, and this would meet the articulation requirement and break up the mass. Mr. Cohen said he would consider this issue and provide a clear answer at the next meeting. He expressed his belief that whether there is one or more buildings, all the buildings should be required to collectively create the setbacks. A 20-foot gap between the buildings would meet the requirement.

#### **Continuation of the Public Hearing**

**COMMISSIONER WAGNER MOVED TO CONTINUE THE PUBLIC HEARING ON CODE AMENDMENTS TO REPLACE THE MORATORIUM (INTERIM REGULATIONS) IN CB,**

**RB, AND I ZONES TO THURSDAY, APRIL 3, 2008. COMMISSIONER PHISUTHIKUL SECONDED THE MOTION. THE MOTION CARRIED 4-0-1, WITH COMMISSIONER HARRIS ABSTAINING.**

The Commission recessed at 9:02 p.m. The meeting reconvened at 9:07 p.m.

### **DIRECTOR'S REPORT**

Mr. Tovar reminded the Commission of their joint meeting with the Park Board on March 27<sup>th</sup>. The topic of discussion would be the draft Shoreline Sustainability Strategy document, which was provided to each of the Commissioners. He particularly noted that Chapter 4 focuses on implementation.

Mr. Tovar recalled that, at the request of the City Council, staff hired a consultant to conduct a study on the financial feasibility of four, five and six-story buildings on the property currently being proposed for Planned Area II in the Ridgcrest Commercial Neighborhood. The study would be posted on the City's website on March 21<sup>st</sup> and presented to the City Council on March 24<sup>th</sup>. The City Council would discuss the issue again on March 31<sup>st</sup>, and staff anticipates they would reach a conclusion on what the zoning of the property should be at that time.

Mr. Tovar announced that a kick-off meeting for the Southeast Shoreline Neighborhoods Subarea Plan was held on March 19<sup>th</sup>. There were about 50 people in attendance. At some point a citizen advisory committee would be appointed to guide the process.

Mr. Tovar advised that at the March 17<sup>th</sup> City Council Meeting a contingent of neighbors expressed concern about a proposed "air condo" development in the Greenwood area near 155<sup>th</sup>. He explained that the term "air condo" is used in Snohomish County to apply to certain common wall and stacked dwelling units in single-family zones. Although a complete application has not been filed, the applicant is proposing to create a seven-home, single-family detached project using the condominium act provisions rather than the subdivision statute and ordinance. This means that rather than independent lots, with a public right-of-way serving the lots, there would be seven single-family homes on a common, shared piece of ground. Ownership would be segregated using condominium act provisions. The project would still be subject to provisions for storm drainage, tree retention, and setbacks. He noted that a similar project was constructed on the north side of 175<sup>th</sup> east of Linden Avenue. The neighborhood group asked the City Council to adopt a moratorium on this form of ownership, and the City Attorney has concluded that the City Council does not have the legal authority to prohibit someone from using the condominium act as an alternative to the subdivision statute. However, they can require them to meet all the development regulations.

Commissioner McClelland asked Mr. Tovar to share more information about the neighbors' objections. Mr. Tovar explained that the neighbors pointed out that if the same property had been subdivided into individual lots served by a public right-of-way, the developer would only be able to construct six homes. By going through the condominium process, the applicant could construct seven homes because he wouldn't have to deduct for right-of-way. Instead, they would provide a shared access road that is in common ownership. The neighbors were also concerned that more trees would have to be removed to

## **CITY OF SHORELINE**

### **SHORELINE PLANNING COMMISSION SUMMARY MINUTES OF SPECIAL MEETING**

March 13, 2008  
7:00 P.M.

Shoreline Conference Center  
Mt. Rainier Room

#### **COMMISSIONERS PRESENT**

Chair Piro  
Vice Chair Kuboi  
Commissioner Wagner  
Commissioner Phisuthikul  
Commissioner McClelland  
Commissioner Harris  
Commissioner Hall (left at 9:20 p.m.)  
Commissioner Broili

#### **STAFF PRESENT**

Joe Tovar, Director, Planning & Development Services  
Steve Cohn, Senior Planner, Planning & Development Services  
Paul Cohen, Senior Planner, Planning & Development Services  
Flannery Collins, Assistant City Attorney  
Jessica Simulecik Smith, Planning Commission Clerk

#### **COMMISSIONERS ABSENT**

Commissioner Pyle

#### **CALL TO ORDER**

Chair Piro called the special meeting of the Shoreline Planning Commission to order at 7:08 p.m.

#### **ROLL CALL**

Upon roll call by the Commission Clerk, the following Commissioners were present: Chair Piro, Vice Chair Kuboi, and Commissioners Wagner, Phisuthikul, McClelland, Harris, Hall, and Broili. Commissioner Pyle was excused.

#### **APPROVAL OF AGENDA**

The Director's Report was moved the end of the meeting. The remainder of the agenda was approved as presented.

#### **APPROVAL OF MINUTES**

The minutes of February 21, 2008, were approved as submitted.

## GENERAL PUBLIC COMMENT

Susan Melville, Shoreline, pointed out that the southwest corner of her property is 13½ feet from the northeast corner of the Overland Trailer Park, yet she has never received a public notice about the proposed project. She expressed concern that the City did not give adequate notification of the proposal, since she has never seen *THE ENTERPRISE* available at Top Food or the Central Market, and it is infrequently delivered on her street. While she used to learn City information on Channel 21, she no longer can find the channel on cable. Most people do not think to read the Shoreline webpage to see what type of development is going to take place near them, but that is really all the public notice that was made available. It seems the neighbors have been left to figure out their own notification process.

Mr. Cohen pointed out that developers are responsible for providing notice of neighborhood meetings. However, the pending application for the Highland Trailer Court property was put on hold by the moratorium. Therefore, no application was submitted or vested. If a new application is filed under the new rules and someone argues that the public meeting notification was inadequate and did not meet the requirements of the code, staff could require the applicant to do the meeting over. He emphasized that the City was not required to advertise tonight's study session, but the public hearing would be advertised in the local newspapers, etc. He pointed out that the proposed code amendment would be applied Citywide and not to just this one site. Therefore, notices would not be posted on properties and individual notices would not be sent out.

Mr. Tovar agreed this is a chronic concern and staff will advocate improvements when code amendments are discussed by the Commission in a few months. He also suggested that the City's requirements for communicating with the general public about legislative amendments could be one of the topics for discussion at the joint City Council/Planning Commission meeting. It is important for the public to know what is going on, and the City must talk about how they can improve the current situation.

Mr. Cohen pointed out that since the site was proposed for development, many concerned neighbors have contacted the City. As a result, staff has met with several of the neighbors to discuss the issue further. He summarized that staff is always willing to respond to a citizen's request to discuss a proposed project.

Dennis Lee, Shoreline, explained that quasi-judicial reviews are conducted based on the rules found in the Revised Code of Washington, and they are typically fairly clean. However, the legislative process is a different matter. He suggested the Commission ask for an evaluation of the process after a legislative matter has been decided. For example, he noted that the Briarcrest Neighborhood Association was notified of the City's proposed Southeast Neighborhood Subarea Plan, but they were responsible for notifying the rest of the stake holders. He suggested it would be much better to include the neighborhood in the subarea planning process. Leaving the neighbors out of the process is a big mistake.

Les Nelson, Shoreline, recalled he was before the Planning Commission in October to talk about a very large scale development (the former Highland Trailer Court site) that was proposed for a one-acre parcel

that would have equated to about an R-240 zone. Projects of this type continue to pop up throughout the City because the current zoning and process for approval does not require Commission review. He reminded the Commission that he believes the Comprehensive Plan does not support a residential density above R-48. He recalled that when the City was incorporated, Regional Business was R-36, with a 35-foot height limit. He noted the Comprehensive Plan identifies most of these areas as Community Business, and the Comprehensive Plan is supposed to govern. He referred to Land Use Policies 18 and 19, which do not mention any zoning above R-48. He asked the Commission to keep this in mind. Citizens do not want to see six-story buildings next to neighborhoods.

Commissioner Broili commented that the Commission does not review development proposals that are consistent with the current code requirements. Development proposals only come before the Commission if an applicant is asking for a variance or there is some other anomaly in the way the property is being developed that is outside of the code.

### **REPORTS OF COMMITTEES AND COMMISSIONERS**

None of the Commissioners provided comments during this portion of the meeting.

### **STUDY SESSION ON CODE AMENDMENTS TO REPLACE MORATORIUM IN COMMERCIAL BUSINESS (CB), REGIONAL BUSINESS (RB) AND INDUSTRIAL (I) ZONES**

Mr. Cohen presented the staff report on the proposed amendments to replace the moratorium in CB, RB and I zones. He explained that Moratorium 488 was passed in October of 2007 in response to a strong neighborhood reaction to a proposal located at 1210 North 152<sup>nd</sup> Street, where an applicant was proposing 240 units in a six-story structure abutting an R-6 zoned neighborhood. The site was zoned RB and abuts an R-6 zone. Though the RB zoning had been in place since before the City incorporated, the development potential and its impact were not apparent to nearby residents until an actual project had been proposed. In addition, the City was concerned about other similar situations citywide since the code presently has relatively few protections for low-density areas that abut high-density zones.

Mr. Cohen referred to the proposed code amendment, which is succinct and direct, and is intended to be a short term "patch" to reduce impacts to adjacent single-family neighborhoods until the City can get through a larger subarea planning processes where transition requirements would be refined. He referred to Comprehensive Plan Housing Goal H III, which talks about transition areas between more intensive development and single-family neighborhoods. The goal is to provide new development that is compatible in quality, design and scale (within neighborhoods) and that provides effective transitions between different uses and scales. He further noted that Housing Policy H28 states that the City should assure that site and building regulations and design guidelines create an effective transition between substantially different land uses and density. This goal is reiterated again in Community Design Policy CD9, which states that the visual impact of commercial, office, industrial and institutional development must be buffered from residential areas. He summarized that those three items provide the policy support for the proposed code amendment.

Mr. Cohen explained that the current Development Code has one area that conflicts with the moratorium's intent and three areas where the amendment needs to be repeated since it does not have its own code section. He reviewed that the proposed amendment would delete Exception 9 in SMC 20.50.020 which allows R-48 zoning adjacent to single-family to reach heights of 50 and 60 feet. In addition, the following new language would be added to both SMC 20.50.020(2) – Exception 2 and SMC 20.50.030 – Exception 4.

- **All development in commercial CB, RB or I zones abutting to or across a right-of-way from single-family zones R-4, R-6 and R-8 shall meet these requirements.** *Mr. Cohen explained that staff wanted to make sure that single-family properties across the street were included. The original moratorium talked about any commercial property within 90 feet, and the new language would include only properties abutting or across rights-of-way. Staff's intent was to simplify which commercial zoned properties would be affected by the transition area requirement and to show the affect of transition area requirements the first 100 feet into a commercial property. He noted that the proposed definition of transition area affects fewer properties than those affected by the moratorium. Mr. Cohn pointed out that if there's an intervening property between single-family and the commercial property, the proposed language would not impact this property. The residential property must be abutting or across the street in order for this provision to apply.*
- **For these commercial zones abutting to or across a street rights-of-way from R-4, R-6 , and R-8 zones transition areas allow a 35-foot maximum building height at the required setback and a building envelope within a 2 horizontal to 1 vertical slope up to the maximum building height for the commercial zone.** *Mr. Cohen explained that the intent of the proposed language is to match the adjacent maximum single-family building height on the commercial property with the current 20-foot setback and then use a 2:1 building envelope up to the maximum height allowed in the zone. This would reduce the looming quality of a 60-foot high façade with decks peering into single-family backyards. He provide a sketch (Attachment D) to illustrate the concept.*
- **In addition to setbacks, building facades abutting R-4, R-6 and R-8 zones must have insets minimally for every 50 horizontal feet of façade. The inset must be a minimum 800 square feet of open ground with a minimum 20-foot horizontal dimension.** *Mr. Cohen advised that the intent of this proposed language is to complement the 35-foot height limit of single-family homes with a horizontal element to break up the potential for a broad and voluminous building mass for more of a single-family house scale. He noted that each inset would potentially remove three, 800-square foot areas. He reminded the Commission that the Code already has multi-family residential design standards that further refine the façade, roof, etc.*
- **Transition area setbacks shall contain Type I landscaping along property lines abutting R-4, R-6 and R-8 zones and Type II landscaping along property lines with right-of-way across from R-4, R-6 and R-8 zones. A solid, 8-foot high fence shall be placed on the abutting property line. Patio or outdoor recreation areas are allowed up to 20% of buffer area and no less than 10 feet from abutting property lines if Type I landscaping can be effectively grown.** *Mr. Cohen explained that the purpose of Type I landscaping is to screen. He said the intent of the proposed language is to provide ample landscape area to grow Type I landscaping abutting single-family zones.*



*Type 1 landscaping would act as a screen with mostly native conifers, 10 feet in height at planting, and planted 10 feet apart with shrubs three feet apart. In addition, patio and outdoor recreation areas would be limited to provide more privacy to the single-family properties. Again, he referred to Attachment D to further illustrate the concept and emphasized that it was not intended to replicate the site on North 152<sup>nd</sup>, but the transition requirements on the back side would be similar. He reviewed sketch ups to illustrate how the proposed code amendments could be applied to the property at 1210 North 152<sup>nd</sup> Street.*

Mr. Cohen referred to the two maps (Attachment B) that were prepared by staff to identify the properties that would be impacted by the proposed amendments. The maps identify all of the CB, RB and I zones in pink. The commercial zones impacted by the transition area are identified by a darker red. The yellow areas identify single-family zones that trigger the transition area requirements. He noted that the proposal is not a lot different than the initial moratorium, but it involves slightly fewer properties.

Commissioner Wagner asked how the business owners in the CB, RB and I zones could find out how the proposed amendments would impact them. Mr. Cohen answered that staff would use the maps to make an administrative decision about the transition requirements.

Vice Chair Kuboi asked if there is a height requirement for mature trees as part of the Type I Landscape Standard. Mr. Cohen said the idea is to select species that would grow taller, but the trees must be at least 10 feet high when planted. Vice Chair Kuboi said it appears that the proposed language would allow a developer to plant a type of tree that eventually grows to 11 feet tall, and that would meet the letter of the language. Mr. Cohen said there is language in the landscape standards about using native species, but no more specific standards related to maximum height.

Commissioner Broili asked how the City would enforce long-term maintenance of the landscaped areas. Mr. Cohen answered that the code would require a two-year maintenance agreement, and any problem trees would have to be replaced. However, once a certificate of occupancy has been granted, the maintenance would be addressed by the tree code. Commissioner Broili pointed out that the tree code would permit a property owner to legally remove all of the required trees within a fairly short period of time, since it allows the removal of up to six significant trees every three years. Mr. Tovar said that would theoretically be possible. He suggested staff come back with additional language that would require a property owner to record an easement over that part of the property indicating that the screening trees could not legally be cut without permission from the City.

Commissioner Hall pointed out that in other apartment complexes that have been constructed in Shoreline, the trees end up being appreciated by the inhabitants of the new buildings as much as the property owners across the street. He cautioned the Commission not to go too far to regulate things that are going to be generally preferred by the neighborhoods anyway. Once the trees have been planted and established, the community support for the image is likely to be strong enough that there would be no need to require an easement dedication for the City to constantly monitor. Commissioner Broili agreed, as long as the units are owner-occupied. However, he would be concerned about apartment complexes because absentee landlords often don't care about maintaining the trees. Commissioner Phisuthikul

pointed out that the property owner would be responsible to maintain any character that enhances the property. Removing trees could end up devaluing a property.

Mr. Cohen pointed out that on large CB, RB or I zoned properties, the transitioning area requirements would only impact the first 100 feet into the site. Commissioner Wagner clarified that a bulky, tall building would be allowed on a large CB, RB or I zoned property, as long as it is set back at least 100 feet from the property line.

Vice Chair Kuboi said the proposed language uses the terms "setback," "transition area," and "buffer area." It sounds like some of the buffer area would be in the setback and some of the transition area might be in the buffer area. He suggested staff provide more clear definitions of these terms. Mr. Cohen agreed the buffer area is a part of the transition area. The transition area is the whole requirement around the property, and the setbacks and insets and buffers are components of that area.

Commissioner Wagner asked where the setback area would be measured from when CB, RB and I zones are located across the street from single-family zones. Mr. Cohen said the transition area would be measured from the subject property line, which is consistent with the current code. It would not be measured from the property across the street that it would impact.

Commissioner Phisuthikul asked if the phrase "public rights-of-way" includes alleyways. Mr. Cohen answered affirmatively. Commissioner Phisuthikul asked what the setback requirements would be from an alleyway that abuts a single-family property. Mr. Cohen answered that he would have to research how the City currently views alleyways to see if the existing language would meet the intent of the transition area requirements. If it doesn't staff would propose appropriate language for the Commission to consider at their next meeting. Commissioner Phisuthikul said that if a commercial property fronts two or three streets, then the setback from all three streets would only be 10 feet. Mr. Cohen agreed and noted that the building envelope with a 2:1 slope would be from all three streets, as well.

Commissioner Harris pointed out that the proposed amendments do not take grade or topography into consideration. Mr. Cohen agreed. Commissioner Harris pointed out that the Aurora Square site is probably at least 30 feet below the residential zones above. In theory, the residential units could be looking down on roofs if the proposed code amendments are approved. Mr. Tovar reminded the Commission that the proposed amendments are intended to be a first generation fix to the problem of transition. As the Commission does more detailed reviews of specific sub areas, they will consider issues such as topography, lot size, circulation, adjacent land uses, existing vegetation, etc. This effort may cause them to revisit the transition issue again and perhaps make adjustments.

Commissioner McClelland asked if any of the single-family properties identified in yellow on the maps are designated in the Comprehensive Plan for a higher use. Mr. Cohen said he doesn't know the answer to that question right now. Mr. Tovar agreed that staff would study this more to identify potential inconsistencies between the zoning and the Comprehensive Plan.

Commissioner Phisuthikul asked how staff arrived at their recommendation that the stepback of the building should be 2:1. He cautioned that a 2:1 stepback requirement could result in a large area of non-

useable space, and a setback of 1:1 would be a better proportion to incorporate the space into the design of the building. Mr. Tovar said the 2:1 setback concept came out of the Ridgcrest Commercial Neighborhood proposal as an acceptable setback for properties that are immediately adjacent to low-density single-family properties. He agreed with Commissioner Phisuthikul that this ratio might not be appropriate in all situations, and the Commission could consider this issue when they look at different parts of town in more detail in the future. He reminded the Commission that the proposed amendments are meant to be a "patch" for the near term, and there are things they can do in the long-term to better address the issues on an area-by-area basis. Commissioner Broili said he is pleased with the proposed amendments as a first step in a longer process. However, he cautioned that he doesn't want to lose flexibility to address individual and unusual situations that might come up. It is important to keep flexibility in the code so long as it allows for creative approaches and solutions. But at the same time, it should not allow for abuse. The proposed language represents a good start.

Given that the issue at hand is bulk, appearance and transition, Vice Chair Kuboi asked if color would be a parameter worth considering. He noted that color can make things stand out or blend in, depending on the goals. Mr. Cohen reiterated Mr. Tovar's comment that this is the initial attempt to take care of most of the concern raised by citizens. Color is subjective and addressing color at this time could significantly slow down the amendment process. He said staff's goal is to get the amendments in place as soon as possible. However, color would be an appropriate topic of discussion when considering more refined design standards later on.

Mr. Cohen said he would work quickly to update the draft language to address the Commission's questions and concerns and get it out to them as soon as possible in preparation of the public hearing on March 20<sup>th</sup>. He said the City Attorney has provided suggestions for refining the language to make it clearer.

Mr. Tovar agreed with Mr. Cohen that color and other issues could be addressed at a later date. He said that later in the meeting the Commission would consider possible discussion items for the joint Planning Commission/City Council Meeting. He suggested the Commission may want to discuss the potential review of the City's current design standards and their design review process. This issue could have major policy implications.

Commissioner Hall thanked staff for providing excellent sketches to illustrate the 2:1 setback concept. However, he noted current code would allow an additional 15 feet of height for a 10-foot setback. He agreed with Commissioner Broili that 2:1 may not be the right number in every situation, but it provides for a step in the right direction as an interim code.

Commissioner Wagner asked staff to explain why Neighborhood Business (NB) zones are not part of the proposal. Mr. Cohen pointed out that the base height for a NB zone is 35 feet, which is more at the scale of single-family residential height limits. In addition, the properties tend to be small and in smaller commercial pockets. He said NB zones that are next to R-4 and R-6 zones currently require a 20-foot setback and Type I Landscaping. Commissioner Hall noted the moratorium only applied to CB, RB and I zones. Chair Piro suggested this clarification be communicated to the City Council as part of the amendment package.

Commissioner Wagner pointed out that the sketch provided by staff does not identify potential parking options. She suggested that the proposed language could provide incentive for developers to place parking lots next to single-family residences. Mr. Tovar suggested they ask the public at the hearing if they want to have a parking lot on the other side of the trees and fence with the building mass further away, or they would rather have the building mass somewhat closer. She agreed with Commissioner Broili that the code should be flexible. However, the proposed amendments would result in a reduction in the developer's ability to maximize the current space. She suggested the next version of code revisions should include options that allow developers to give something back to the community in exchange for being able to use more of their space.

Commissioner McClelland suggested that when a developer submits a development proposal in an RB or CB zone that is adjacent to a single-family zone, perhaps the City could require the applicant to at least offer to landscape the first ten feet of each of the affected single-family parcels so that some of the screening and transition actually takes place on the other properties. While not everyone would want to take advantage of this offer, it could help soften the impact to a row of single-family parcels. She suggested this would provide a softer buffer than a fence or large trees as currently proposed. Mr. Tovar advised that most of the buffering materials would likely be coniferous plantings and not ornamental and other types of plantings that would normally be found in most single-family neighborhoods. However, the City could consider establishing a minimum buffer standard for the subject property, but provide flexibility that would allow a developer to diminish the requirement somewhat with the permission of neighbors as suggested by Commissioner McClelland.

Commissioner Broili said he is not enthralled with the idea of making a developer landscape someone else's backyard. However, perhaps it would make sense to allow flexibility for a property owner to work with neighboring property owners to provide different landscaping that allows for better solar access and screening.

Vice Chair Kuboi inquired if the proposed language would impact the proposed City Hall Project. Mr. Tovar answered it would not impact the structure because the building would be located at the extreme southwest corner of the property and more than 100 feet from the property line.

Commissioner Phisuthikul expressed concern that requiring an inset that provides 800 square feet of open ground for every 50 horizontal feet of façade may place too much burden on small properties where the property line abutting the residential area is only 100 feet. In addition, if a building is 40 feet away from the parking lot already, the proposed language would still require an open court. This could potentially result in a loss of 20 feet of building articulation. Mr. Cohen said the 800 square foot inset and the 35-foot height identifies the building envelope. If a developer decides to build 20 feet further into his/her own property for a total of 40 feet, the offset requirement would not apply as long as the envelope was met. Articulation would be required as a part of multi-family development, but it would be smaller than 800 square feet. Staff came up with 800 square feet because it was substantial and a step beyond based on the scale of potential development in the RB, CB and I zones. The offsets on the back side would break up the initial parts of the building into more of a single-family scale.

Commissioner McClelland referred to Commissioner Pyle's emailed comments, particularly his proposal that they add language that would limit access to commercial and multi-family development that is subject to transition from arterial streets only. He further recommended that if access from an arterial street is not available, the applicant would be responsible for the installation of appropriate traffic calming devices. Commissioner Wagner pointed out that the properties in question are located on Aurora Avenue or other major arterials, and most people would access the properties via major streets. Commissioner McClelland said she recently visited the Echo Lake area and found that 192<sup>nd</sup> Street is getting overwhelmed by cars that are using it to access Meridian Avenue. Chair Piro said his interpretation of Commissioner Pyle's recommendation was related to the access location for the development, which should be from the arterial streets only.

Commissioner Hall questioned if they want to require access from major arterials only. He suggested that adding more access points along Aurora Avenue could create problems. Perhaps it would be better for the access to come from a side street and then head towards a controlled intersection along Aurora Avenue. He also expressed concern about the safety of allowing cars coming from underground parking garages right on to Aurora Avenue. He agreed that traffic safety is important, but the issue would be better addressed by the City's Engineering Department. He cautioned against creating code language that could end up hindering public safety in the future. Chair Piro agreed with Commissioner Hall.

Mr. Tovar said the specific question of circulation and access is important and could be considered in more detail as part of the subarea planning process. Again, he reminded the Commission that the proposed language is intended to be a patch that would fit all of the RB, CB and I situations throughout the City to some level of improvement over the existing codes. However, staff acknowledges there are different circumstances that need to be looked at more closely through the subarea planning process.

Commissioner Broili agreed with Commissioner Hall and reminded the Commission that any development permit that is submitted to the City would be reviewed carefully. The City's Engineering Department would not approve a development permit that allows vehicular access from underground parking directly onto Aurora Avenue.

#### **PUBLIC COMMENT**

**John Behrens, Shoreline**, pointed out that all the proposed amendments are aimed at visual transition. He suggested that a true transition would include form, density and use. Trying to make something look smaller than it is doesn't really address what "transition" really means. If transition is done properly, it improves and helps create a sense of community in a neighborhood. He suggested the sites should be limited to two acres in size. This would allow the City to create a true transition between the single-family homes and the larger structures. The one acre of the site that is adjacent to single-family residential could be developed as R-24. This would allow for owner-occupied town house development with on-site parking and would help buffer the privately owned homes adjacent to the development. He pointed out that if the entire state of Virginia were zoned R-100, the entire population of the United States could live in the state. He cautioned that when the City creates zoning proportions that are like R-200, they are really creating quite a bit of density. Limiting the zoning to two-acre sites would allow for appropriate transition and cut down on the density.

Commissioner Wagner asked for clarification about Mr. Behrens' suggestion that properties be limited to two acres in size. Mr. Behrens suggested the proposed zoning language should only apply to parcels that are in excess of two acres. This would actually create a real transition. Otherwise, the proposal's only purpose would be to alleviate visual impact. Commissioner Wagner explained that Mr. Behrens' proposal would leave all RB, CB and I zoned properties that are less than two acres in size as status quo. She noted that, at this time, a property that is smaller than two acres in the RB zone would be allowed to build 60 feet straight up with no transition. Mr. Behrens clarified that the current zoning caps the density of any proposed development. To say you would have a 65-foot wall on a one-acre structure is to assume a density that the acre wouldn't realistically hold.

Chair Piro clarified that Mr. Behrens is speaking only about those parcels less than two acres that are already zoned RB, CB and I. Mr. Behrens appears to be suggesting they keep the existing zoning, without any transition requirement when adjacent to a single-family property. Mr. Behrens said that a one-acre site would be limited to the zoning that's allowed under the Comprehensive Plan. Commissioner Wagner pointed out that the RB zone doesn't currently have a limit on actual number of units allowed on a site. Mr. Cohen agreed and noted that a one-acre lot that is zoned RB could potentially be developed into 200 tiny units.

Commissioner McClelland clarified that the Comprehensive Plan is not the zoning code. They are talking about the City's development regulations and zoning code, and all of the subject parcels have already been zoned RB, CB and I. They are not discussing a Comprehensive Plan issue. Changing the zoning of the subject parcels to R-18 or R-24 zoning would require a down zone. The current proposal would not change the zoning designation for any properties.

Mr. Behrens explained that the Comprehensive Plan includes a map that shows land use. Unless he is mistaken, none of the subject properties are identified on the Comprehensive Plan land use map as RB. He specifically referred to the property at 152<sup>nd</sup> Street and Aurora Avenue. Commissioner McClelland pointed out that the Comprehensive Plan designations use different words than the zoning code. Regional Business is a permitted zone, not a comprehensive plan designation.

Chair Piro said he is still not clear how Mr. Behrens proposal would address the issue of transition. Mr. Behrens said his proposal would address a land use issue. It would take a two-acre site and actually use transition in shape, function and density. You would go between single-family homes to create an interim step up into a different type housing that would be zoned at around R-24. Then you would leave the last acre as a visual transition area as discussed by the Commission. Building large structures adjacent to single-family homes as per the proposal only provides a visual transition from the neighborhood. Commissioner McClelland asked if Mr. Behrens is proposing the City rezone a one-acre strip of RB, CB and I properties that are adjacent to single-family zones to R-18 or R-24. Mr. Behrens said that was not his intent. Instead, he said he doesn't believe the current land use allows for density in excess of R-24 or R-48, so the City would not have to down zone or take away a developer's right to use the property. They would just not allow him/her to use it in excess of what is already allowed. Mr. Behrens agreed to submit his proposal in a written form to make it more understandable.

Mr. Cohen said Mr. Behrens' main concern is that the zoning is not compatible with the Comprehensive Plan. He noted that the Comprehensive Plan identifies many of the subject properties as CB, which allows a variety of designations, including RB. In addition, the CB land use designation would allow residential, commercial or office development up to 60-feet in height. He summarized that if Mr. Behrens' real concern is about height, it is important to note there is very little distinction between what is allowed in the CB and RB zones. He emphasized that, practically, there is no conflict between the Comprehensive Plan and the code. The code allows higher density than R-48 in a number of zones, most specifically in RB.

Mr. Tovar said it is important to understand that staff disagrees with the way Mr. Behrens and Mr. Nelson have addressed their understanding of how the plan reads and what it does and does not allow. While Mr. Behrens is welcome and entitled to express his opinion, staff does not believe his proposal is supportable or necessary.

Commissioner Broili agreed with Mr. Behrens that transition must include more than structure size and look. It should address density and use, as well. Mr. Tovar said staff agrees, but they feel the best place to address this issue is during the subarea planning processes for individual areas. Mr. Broili agreed.

#### **PUBLIC COMMENT**

Susan Melville, Shoreline, said she is more confused than she was before the meeting. She said she moved to Shoreline six years ago. After the developer's public hearing, she became much more interested in Shoreline politics. Since then, she has attended a number of City Council and Planning Commission Meetings. She hears over and over that the Comprehensive Plan was prepared by the citizens of Shoreline and represents the vision of Shoreline. She further hears that the zoning map was inherited from King County. She referred to the Comprehensive Plan land use map, which shows amendments through January 2006. The Overland Trailer Court is clearly identified on the map as Community Business, but it was identified as Regional Business at the first neighborhood meeting. She suggested that the vision of Shoreline (Comprehensive Plan land use map) appears to have no meaning. She said she did not get any notice when the zoning of the property was changed in 2006 even though she owns property just 13 feet away. None of her neighbors received notice, either. She said she visited the City's Planning Department on two occasions in 2007 to find out what was going on with the property. Even though there had been a predevelopment meeting with the developer, she was told there was nothing planned for the property.

Commissioner Hall suggested staff prepare a document to demonstrate the relationship between the Comprehensive Plan and the zoning map. It would also be important to explain some of the history about how the Comprehensive Plan was created. Mr. Tovar agreed to prepare this document. However, he suggested that is not really Ms. Melville's concern. He agreed that the zoning map and Comprehensive Plan land use map say different things for the subject properties. In order to have a clear understanding, it is important to read the policies found in the text of the Comprehensive Plan, as well. He agreed this is frustrating and confusing, but staff has determined that the proposed amendments would not be inconsistent with the Comprehensive Plan.

Chair Kuboi asked staff to respond to Ms. Melville's comment about not being told that something was going on with the Overland Trailer Court property. Mr. Tovar explained that if a citizen asks staff what is happening on a piece of property, they will tell them if an active permit application has been filed. They may not even know about a project if the developer is working on preparing an application. They may not know about a neighborhood meeting until after the meeting has occurred. He is not surprised that staff didn't know about the proposal for the trailer park, since an application had not been filed. He emphasized that staff does not withhold information from the public about permit applications. Vice Chair Kuboi asked if staff can share information they know about a proposal that is in the pre-application stage. Mr. Tovar said staff typically informs the public of any plans they know about. However, the technical staff is often unaware of conversations potential developers have with senior planners. A project is not real to the City until a permit application has been submitted. Commissioner Wagner asked if it would be inappropriate for staff to speculate to someone in the public about a potential project that has not been submitted as an application. Mr. Tovar said he did not see a problem with staff sharing the knowledge they have with the public when asked.

Chair Piro said the Commission has heard many times over the years that somehow the Comprehensive Plan is the City of Shoreline's, and the zoning code is some alien document they inherited from King County. It is important to understand that while the two documents must be compatible, it doesn't mean they are uniform word for word. It is very fair to acknowledge that the City's Comprehensive Plan has a history that builds upon decades of planning that was done by King County. As the City has incorporated, they seized their own destiny by creating a new Comprehensive Plan. Existing zoning had status under King County, and they are working to resolve issues and make the zoning consistent with the Comprehensive Plan. It is everyone's intent to make sure they achieve the vision of the Comprehensive Plan. The document prepared by staff can clarify the relationship between the two documents from a comprehensive perspective.

Les Nelson, Shoreline, provided a photograph to illustrate what the view of the Overland Trailer Park Project would be from his neighborhood. He noted that the proposed project would change the character of the neighborhood significantly. They want to follow the vision for Shoreline and encourage open space and trees. In this particular project, letters regarding a pre-application meeting were exchanged between the applicant and the City a full year before the neighborhood meeting was conducted. The City denied the applicant's request for a parking reduction at first, but later authorized the change. He questioned why staff was unable to tell the neighbors that a project was being considered.

Mr. Nelson referred to his written comments which were entered into the record as Exhibit 1. He said he would like the City to rezone the properties to R-24. He said he believes the Comprehensive Plan identifies an intermediate and true transition zone, which is not just about heights. He expressed his belief that the proposed amendments would still result in a huge building. Further, he suggested that if they don't create an R-24 zone, the drawing should be modified to start at the property line and then incorporate a 2:1 stepback ratio. If they want to allow a developer to get some of the height back they could require them to soften the surface with a green and growing building that looks good. If emergency access is going to be required, the applicant should be required to move the building in order to provide space for both the access and the required landscaping. The landscaping should be maintained.



Chair Piro referred to the sketch provided by Mr. Nelson to illustrate the difference between the staff's proposal and his neighborhood association's alternative recommendation. He asked if Mr. Nelson is proposing that strictly residential projects in CB, RB and I zones be limited to 35 feet in height and mixed use would be limited to 50 feet. Mr. Nelson answered affirmatively. Chair Piro asked what height limit Mr. Nelson would propose for an office/commercial development. Mr. Nelson said the 50-foot limit is desirable to encourage mixed-use, which is what they desire for the RB and CB zones. Chair Piro asked if Mr. Nelson's proposal would apply to all parcels in the RB, CB and I zones, regardless of size. Mr. Nelson answered affirmatively, but he further suggested that narrow properties be limited to 35-feet in height. He urged them to maintain the recommended 2:1 stepback ratio. He said he would rather the City be overprotective to start with.

**Dennis Lee, Shoreline**, said he is really unhappy about how the Commission and staff handled Ms. Melville's frustrations. While it is okay to ask a citizen to provide clarification, it is inappropriate for the Commission to debate with a citizen. Mr. Lee expressed his belief that the Comprehensive Plan provides the foundation and vision for the City. The document was created through a group of 150 citizens who participated in monthly meetings from April 1996 to June 1997. The group conducted an in-depth exploration of key issues facing Shoreline, and they helped City staff consider issues important to the residents and businesses. He suggested that if the Commission were to poll the participants of the initial group, they would indicate that high density in Shoreline is R-48. The group talked about zoning transitions: R-6, R-12, R-24 and then R-48. Mr. Lee said he believes the citizens are being run around, and he doesn't even live near one of these zones. He expressed concern they are trying to provide a transition for a zone that is too high, and the citizens don't really know what's going on.

Commissioner Wagner pointed out that the RB, CB and I zones already exist on the subject properties, and the current zoning regulations allow a certain amount of development. The proposal would reduce what the developer originally had the ability to do by putting transition requirements in place. Now it appears that Mr. Lee is implying that is still higher than what the citizens of Shoreline expect. Mr. Lee said he doesn't really think most people know what's going on, and he questioned why that is. He said he supports the concept of transition, but he doesn't support changing everything to RB zoning so that residential development can occur without a comprehensive plan process. The Comprehensive Plan is supposed to be the foundation for the zoning code. If the zoning code is not consistent, it must be changed to be consistent with the Comprehensive Plan. Then the City could conduct the special study area reviews and update the Comprehensive Plan in the future. He expressed concern they are moving into ultra-high density when that was never what the citizens wanted.

Commissioner Wagner asked Mr. Lee to share his thoughts on what an appropriate transition zone would be for the subject properties. Mr. Lee proposed they use the R-48 zoning as the maximum density until a review of the Comprehensive Plan has been completed. The goal should be to preserve some of the CB zones and make it possible to have very high density near places that already have adequate infrastructure. He suggested that conditions have changed since the Comprehensive Plan was adopted, and a thorough review is warranted to encourage sustainable communities and to address the demands of the Growth Management Act.



## **Notice of Public Hearing of the Planning Commission Including Optional SEPA DNS Process**

**The City of Shoreline will hold a public hearing for proposed Transition Area Requirements in response to Moratorium #488 on development in RB, CB, and I zones within 90 feet of R-4, R-6, and R-8 zones of the City. The proposed code amendments will restrict the height and bulk of buildings and enhance landscape buffers of development abutting or across rights-of-way from these single family zones.**

The City expects to issue a SEPA Determination of Nonsignificance. The SEPA comment period ends on April 3, 2008 at 5:00 p.m. This may be the only opportunity to comment on environmental impacts of this proposal.

Copies of the proposal and SEPA Checklist are available for review from Project Manager, Paul Cohen at the City Hall Annex, 1110 N. 175<sup>th</sup> Street Suite #107.

Interested persons are encouraged to provide oral and/or written comments regarding the above project at an open record public hearing. Letters and email will be accepted up until the public hearing. The hearing is scheduled for **April 3, 2008 at 7 PM** in the Mt. Rainer Room of the Shoreline Conference Center, 18560 First Avenue NE, Shoreline, WA.

Please mail, fax (206-546-8761) or deliver comments to City of Shoreline, Attn. Paul Cohen 17544 Midvale Avenue North, Shoreline, WA 98133 or emailed to [pcohen@ci.shoreline.wa.us](mailto:pcohen@ci.shoreline.wa.us).

Any person requiring a disability accommodation should contact the City Clerk at 206-546-8919 in advance for more information. For TTY telephone service call 206-546-0457. Each request will be considered individually according to the type of request, the availability of resources, and the financial ability of the City to provide the requested services or equipment.

# DRAFT

These Minutes Subject to  
April 17<sup>th</sup> Approval

## CITY OF SHORELINE

### SHORELINE PLANNING COMMISSION SUMMARY MINUTES OF REGULAR MEETING

April 3, 2008  
7:00 P.M.

Shoreline Conference Center  
Mt. Rainier Room

#### Commissioners Present

Chair Piro  
Vice Chair Kuboi  
Commissioner Behrens  
Commissioner Broili  
Commissioner Hall  
Commissioner Kaje  
Commissioner Perkowski  
Commissioner Pyle

#### Staff Present

Joe Tovar, Director, Planning & Development Services  
Steve Cohn, Senior Planner, Planning & Development Services  
Paul Cohen, Senior Planner, Planning & Development Services  
Flannery Collins, Assistant City Attorney  
Jessica Simulcik Smith, Planning Commission Clerk

#### Guest

Terry Scott, Deputy Mayor

#### Commissioners Absent

Commissioner Wagner

#### CALL TO ORDER

Chair Piro called the regular meeting of the Shoreline Planning Commission to order at 7:08 p.m.

#### ROLL CALL

Upon roll call by the Commission Clerk, the following Commissioners were present: Chair Piro, Vice Chair Kuboi, and Commissioners Behrens, Broili, Hall, Kaje, Perkowski, and Pyle. Commissioner Wagner was excused.

#### APPROVAL OF AGENDA

The Director's Report was divided into two segments, one before and one after the public hearing. The Commission accepted the agenda as amended.

## **SEATING OF NEW COMMISSIONERS**

Terry Scott, Deputy Mayor, pointed out that Planning Commissioners are volunteers for the community, and their work is very important to the City. Their purpose is to provide guidance and direction for Shoreline's future growth through continued review and improvement to the City's Comprehensive Plan, Zoning Code, Shoreline Management Plan, environmental protection plans, and other related land use documents. Members serve a four-year term, and their work is very much appreciated by the City Council.

Mr. Scott conducted the swearing in ceremony for each of the following new Commissioners: John Behrens, Janne Kaje, and Ben Perkowski. He also swore in returning Planning Commissioners Will Hall and Michael Broili.

## **DIRECTOR'S REPORT**

Mr. Tovar alerted the Commission that the City Council adopted the new Planned Area 2 Zone for the Ridgcrest Commercial District, with the accompanying text, on March 31<sup>st</sup>. He reviewed that the City Council spent six evenings considering the Planning Commission's recommendation, as well as additional information that was provided by the public and staff. He summarized that the City Council adopted Mixed-Use Zoning for Planned Area 2. There was significant discussion about Planned Area 2A and the City Council approved building forms up to six stories as recommended by the Commission. However, they did make some changes and imposed additional regulations; the most notable was the concept of an additional sloping 2:1 setback above the third level of buildings. The City Council also made some changes to the parking requirements so that 80% of the required parking must be provided on the property, another 10% must be within a block, and the final 10% must be within two blocks.

Mr. Tovar announced that also on March 31<sup>st</sup>, the City Council considered an ordinance to extend the property tax exemption program to the Ridgcrest Commercial Neighborhood. They approved 350 units that could be applied for under the property tax exemption program.

Chair Piro inquired regarding the margin for the City Council's vote for the two items. Mr. Tovar said the final vote on the whole zoning package after numerous amendments was unanimous. The property tax vote was five in favor, none against, and two abstentions.

## **APPROVAL OF MINUTES**

The meeting minutes of March 6, 2008, March 13, 2008 and March 20, 2008 were approved as submitted.

## **GENERAL PUBLIC COMMENT**

Susan Melville, Shoreline, expressed concern that the City does not provide adequate notice of public hearings. Most of the citizens in Shoreline do not typically read the notices that are placed in *THE SEATTLE TIMES*, and *THE ENTERPRISE* is not dependably delivered to everyone in the City. The only

printed notice that goes to everyone is in the Shoreline *CURRENTS*, but there was no mention of the hearing in the March Edition. She urged the City to be more active in getting out public notice for hearings.

Commissioner Behrens asked Ms. Melville for ideas other than *CURRENTS* and other magazine and newspaper publications to get adequate information to the public. Ms. Melville suggested they could use Channel 21, but she does not get this station. While there is a phone number you can call for information, the notice of this public hearing was not recorded on the message until just a few days ago. Commissioner Behrens invited Ms. Melville to notify the Commission of any ideas she has for better notice publication. He said he would like to see the City provide more timely notice, as well.

Commissioner Pyle explained that legislative hearings require citywide notification, whereas quasi-judicial site-specific hearings require notice to all citizens within 500 feet of a subject property. He noted that tonight's hearing is a legislative matter to consider changes to the rules and process for reviewing and approving applications city-wide. No site-specific development proposal has been submitted at this time. Ms. Melville said she understands the difference between the two types of notice requirements. However, she expressed concern that by the time the City posts notice of a development application, the project proposal is a "done deal." The citizens have a right to know about all public hearings, and it shouldn't be the neighborhood's responsibility to deliver the notices. Chair Piro said the Commission shares the citizens' concerns about adequate notice of hearings, and they are always looking for opportunities to improve communications.

Les Nelson, *Shoreline*, said he is also concerned that the City did not provide adequate notification of tonight's hearing. The City's information line did not provide information until just a day or two before the hearing. In addition, Channel 21 was not available to citizens over the weekend and notice was not placed in *THE ENTERPRISE*, either. He suggested the City place large notices at gathering places throughout the City, such as the bigger grocery stores.

#### **LEGISLATIVE PUBLIC HEARING ON CODE AMENDMENTS TO REPLACE MORATORIUM IN COMMUNITY BUSINESS (CB), REGIONAL BUSINESS (RB) AND INDUSTRIAL (I) ZONES**

Chair Piro explained the rules and procedures for the legislative public hearing to replace the moratorium in the CB, RB and I Zones. He opened the public hearing and invited staff to present an overview of the proposal.

#### **Staff Overview and Presentation of Preliminary Staff Recommendation**

Mr. Cohen reviewed that in October of 2007, the City Council adopted Ordinance 484, which placed a moratorium on residential development proposals in CB, RB and I zones that are located within 90 feet of R-4, R-6 and R-8 single-family residential zones. The Council later modified the moratorium to exempt proposals less than 40 feet above the average elevation of the shared property line (Ordinance 488). Based on the City Council's direction, staff identified proposed transition area requirements to address the moratorium. Mr. Cohen referred to the list of Comprehensive Plan Policies that support

transition area requirements and talked about creating effective transitions between substantially different land uses and densities.

Mr. Cohen referred to the maps that were prepared by staff to illustrate the commercial zoning districts that would be affected by the proposed transition area requirements. These areas have been defined as the RB, CB and I zones that abut or are across the street from R-4, R-6 and R-8 zones. He identified the properties that were affected by the moratorium, but would no longer be affected based on the proposed language because they are not abutting or across the street from single-family residential zones. Originally, the moratorium affected 92 parcels, and the proposed new language would affect 70.

Mr. Cohen referred to a diagram titled, "Transition Area Cross Section," which shows the cross sections between CB, RB and I zones and R-4, R-6 and R-8 zones that are both abutting and across the street. He emphasized that there are only three or four situations (along 15<sup>th</sup> Avenue in North City) where there is single-family residential zoning both abutting and across the street from an RB, CB and I Zone. Typically, it is either one or the other. Therefore, it is unlikely that a commercial building would be stepped back on both sides. Mr. Cohen noted that the moratorium only affected residential development in the CB, RB and I zones. However, staff believes the intent was more related to the intensity and size of development. Therefore, they have expanded the proposed language to include any type of development: residential, mixed-use, commercial, industrial, etc.

Again, Mr. Cohen referred to the cross section diagram and noted that it identifies both the potential size of adjacent single-family homes (up to 35 feet) and the size of common single-family homes. The diagram also identifies a minimum 15-foot setback for the single-family residential property, and a minimum 20-foot setback for the adjacent commercial or multi-family residential property. The diagram illustrates the current and potential building bulk based on the existing code language, as well as the potential building bulk based on the proposed amendment language that requires both setbacks and setbacks.

Mr. Cohen referred to a map that was similar to the cross section diagram, but added more complexity based on questions raised by the Commission and citizens. It identifies a parcel in an RB, CB or I zone that is both across the street and abutting a single-family zone. He emphasized that the proposed language would only apply to RB, CB and I zones that are either adjacent to or across the street from single-family residential zones. He advised that in addition to the 20-foot setback requirement, an additional 20-foot setback would have to occur every 50 linear feet of property width with a minimum 20-foot dimension. This requirement would further reduce the bulk of a building.

Mr. Cohen referred to a map of the property on 152<sup>nd</sup> Street, which provides an example of how the cross section drawing would be applied to actual properties. He noted that Type I Landscaping would be required in the setback area to provide adequate screening. At the request of the Commission, additional language was added to allow a developer of a site to approach abutting property owners asking if they want different landscaping. If so, an agreement between the two parties must be filed with the City. Mr. Cohen continued to explain how the setback and other requirements of the proposed language would be applied to the subject property.

Mr. Cohen reviewed the following three questions the Commission raised on March 20<sup>th</sup>:

- ***How would transition area requirements be applied to properties that only partially abut each other?*** Mr. Cohen explained that the proposed language would apply when RB, CB and I zones are abutting or across rights-of-way from R-4, R-6 and R-8 zones. As currently proposed, any portion of the adjoining commercial property that meets this criterion would require transition area requirements radiating in from the point of property contact. He noted that this concept is further illustrated by the diagrams provided by staff. He summarized that staff does not recommend additional changes to the amendment language to address this issue.
- ***How would commercial properties be impacted if they are shallow?*** Mr. Cohen explained, that generally, commercial properties less than 80 feet in depth would not be able to attain the allowable height limit. In addition, the proposed Type I landscaping is unchanged from the current code language. However, an additional assurance for a longer lasting buffer and more setbacks into the building bulk would further impact the development potential. Staff believes it is important to maintain the proposed transition area landscaping and screening requirements even for shallow lots. Therefore, staff is not recommending a change to the proposed language to address this issue.
- ***Could a multi-building development circumvent the additional setback requirement?*** Mr. Cohen recalled that concern was raised that a development proposal with multiple buildings could circumvent the intent and language for further setbacks where facades exceed 50 linear feet. He agreed this would be possible, for example, if 40-foot facades were proposed in separate buildings with a 10-foot separation between buildings. Therefore, staff is recommending the language be changed to require that the setbacks be applied to the entire site no matter the number of buildings.

Mr. Cohen reviewed that, currently, the Development Code has one area that conflicts with the moratorium's intent and two areas where the amendment needs to be repeated since it does not have its own code section. He reviewed that the following proposed revisions would delete Exception 8 in SMC 20.50.020 which allows properties that are zoned R-48 to develop with buildings up to 60 feet with a special use permit. Staff felt this was a superfluous and never used provision that doesn't meet the spirit of the moratorium. Staff is recommending this section be deleted. Mr. Cohen said staff is also recommending that Exceptions 2 of SMC 20.50.020(2) and Exemption 4 of 20.50.230 be replaced with new language. Mr. Cohen explained that the existing language is applicable to transition area requirements for industrial zones only. He said staff felt this language was no longer useful or applicable and should be expanded to include the RB and CB zones.

Mr. Cohen clarified that the current code splits up the provisions for multi-family, commercial and mixed-use developments, but the proposed new language would appear in the code twice in order to apply to both the multi-family and commercial sections, which includes mixed-uses. He noted that, based on comments from the City Attorney and the Commission, some changes were made to the proposed language since the Commission's last review. He reviewed the updated draft proposed language as follows:

**2. Development in CB, RB and I zones abutting to or across street rights-of-way from R-4, R-6 and R-8 zones shall meet the following transition area requirements:**

- a. A 35-foot maximum building height at the required setback and a building envelope within a 2 horizontal to 1 vertical slope up to the maximum building height for the commercial zone.**
- b. Property abutting R-4, R-6 and R-8 zones must have additional setbacks for every 50-linear feet of abutting property. The additional setback must be a minimum of 20 feet and 800 square feet of open ground.**
- c. Type I landscaping and a solid 8-foot property line fence shall be required for transition area setbacks abutting R-4, R-6 and R-8 zones. Type II landscaping shall be required for transition area setbacks abutting right-of-ways across from R-4, R-6, and R-8 zones. Patio or outdoor recreation areas may replace up to 20% of the landscape area and be no closer than 10 feet from abutting property lines so long as Type I landscaping can be effectively grown. Required tree species shall be selected to grow a minimum height of 50 feet. A written agreement with the abutting property owners to delete or substitute tree varieties shall be offered by the developer and submitted for City approval. The landscape area shall be a recorded easement that requires plant replacement as needed to meet Type I landscaping restoration after any utility disruptions.**

**Questions by the Commission to Staff and Applicant**

The Commission discussed whether “shall” or “may” would be more appropriate in the second to the last sentence of Provision “c”. Ms. Collins pointed out that since this provision would be optional, “may” would be more appropriate. However, Chair Piro and Commission Pyle pointed out that the intent was to require property owners to offer to work with adjacent single-family property owners. Commissioner Hall cautioned that if a property owner is required to offer an adjacent property owner the opportunity to substitute tree varieties based on a joint agreement, adjacent property owners could refuse to sign the written agreement, thus creating a defacto moratorium. He felt they should leave it optional to seek agreement with a neighbor in order to do something different. The prescriptive option has already been established in the code. The Commission agreed to discuss this issue further during their deliberations.

Vice Chair Kuboi asked if Provision “c” would require a developer to reach an agreement with all abutting property owners or individual property owners. Mr. Cohen said the concept would be applied to individual property owners. It would be unreasonable to expect all of the residential neighbors to coordinate and enter into a collective agreement.

Commissioner Behrens asked what would happen if various neighbors all wanted different landscaping. He also asked what would happen in the case of a property owner who is selling his property and has no vested interest in what happens between his/her property and the proposed development. Mr. Cohen said the intent is that the developer would be required to approach each property owner and offer an



opportunity to change the landscaping along each individual property line. Mr. Tovar clarified that staff's intent was that the offer would be made to abutting property owners by the applicant, and mutual agreement would have to be present before a departure from the code requirement would be allowed. He cautioned against establishing code language that would allow either party to have an absolute trump over changes to the code. He emphasized that any agreement would have to be reviewed and approved by the City, and staff would look not only at the interest of the developer and the current owner, but also any future owners.

Commissioner Pyle said he understood the proposed language in Provision "c" was drafted with the intent of offering some lesser landscaping requirement due to someone's potential desire for solar access. An adjacent property owner may not want a 50-foot line of evergreens in his/her backyard if they would block the sun. He summarized that as per the proposed code language, a developer would be required to notify the neighbor of the maximum amount of landscaping required between the two properties and offer the ability to reach an agreement for a lesser amount of landscaping in order to maintain adequate solar access. The proposed language would not give the neighbor the opportunity to require the developer to provide more than Type I landscaping. Mr. Cohen said the intent is to allow for an agreement that would change the landscape materials to something else, but not increase the landscaping more than what is already required.

Commissioner Kaje suggested the language in Provision "c" related to patio and outdoor recreation areas is awkward, and he asked staff to clarify their intent. Mr. Cohen clarified, that as proposed only 20% of the 20-foot setback area and the additional setback area could be used for patios and outdoor recreation. None of it could approach closer than 10 feet to the bordering property line. The idea is to ensure there is ample room for Type I landscaping to thrive and become fully effective. The language allows some flexibility, but the Type I landscaping should not be compromised. Commissioner Kaje suggested the language could be improved to better describe the intent. The Commission agreed to discuss this issue further during their deliberations.

Commissioner Pyle inquired if the City's current Development Code allows 8-foot fences. Mr. Cohen affirmed they are allowed, but a building permit would be required. Typically under the Development Code, 8-foot fences are not exempt from the setback requirements. This would be an exception to the current provisions. The Commission agreed to consider this issue further during their deliberations.

Vice Chair Kuboi asked what would happen if five separate abutting property owners all indicate different desires for landscaping. If this were allowed, the species of landscaping would change from one abutting property to the next. Mr. Cohen agreed. Vice Chair Kuboi pointed out the landscaping would be located on the RB, CB or I zoned property. This could become onerous and look odd from a developer's perspective to have a hodgepodge of vegetation along the property line. Mr. Cohen said the developer would be required to approach the abutting property owners to discuss landscaping alternatives. This could result in different versions of landscaping. While the developer may not like the end result, the proposed language offers the clearest way to provide flexibility for the adjoining property owners. He recalled the public comments about not wanting monstrous trees looming over their residential properties, blocking their solar access. The proposed language represents the cleanest way to

provide some flexibility. Allowing a developer to determine that the alternative plans were too inconsistent would bog down the provision and make it difficult to administer.

Mr. Tovar explained that, typically, it would be in the applicant's interest to put in fewer or smaller trees than the standard would require. He agreed that requiring an applicant to create five different landscape areas could be an excessive burden. In addition, City staff could be required to adjudicate these types of issues between applicants and abutting property owners. He summarized that the purpose was to enable less material than the standard, but only if it were mutually agreeable to both parties.

Commissioner Broili said he is adamant about allowing more flexibility for adjacent property owners. In most cases, these people have lived in the area for a number of years and would be significantly impacted when a property is redeveloped. While he is not opposed to development, there should be some opportunity for developers to work with adjacent property owners and offer respite from the huge impacts. He pointed out that landscaping is not naturally constrained by property lines. Most landscapes are multi-cultures of many different plant species, and a competent landscape architect should be able to mitigate the requirements of five different property owners into a landscape that meets everyone's needs. He said he believes the provision would require a developer to be more thoughtful in the way they create a transition between the properties.

Commissioner Kaje requested clarification on the provision related to patios and recreation areas in the setbacks. Using staff's diagram, he asked if the 20% provision would be measured by calculating all of the landscape area on the total development or just 20% of the landscape area that falls under the transition area rules. He noted that if it were measured based on landscape area on the total development, a developer could construct a large patio against the abutting fence only 10 feet away. Mr. Cohen agreed the language could be tweaked to make it clear that the 20% requirement would only apply to the required setback on the abutting property line. Perhaps the language should be changed to say "may replace up to 20% of the setback area required for the transition."

Commissioner Behrens agreed with Commissioner Broili that the intent of Provision "c" is to create diversity between the property lines, which is an admirable approach. Perhaps they could come up with a system that allows for a common decision process, possibly as part of the development permit application process.

### **Public Testimony or Comment**

Dennis Lee, Shoreline, expressed his belief that the proposed language would result in an RB zone with mega density for only small areas of the City. He said he recently read through the Comprehensive Plan, which appears to be a visionary document that is supposed to be the foundation for the City's Development Code. He agreed that the zoning map is out of compliance with the Comprehensive Plan, but the proposed language would not result in transition zoning. The Comprehensive Plan Map identifies transition zoning as moving from R-48 to R-24 and R-6 zoning. He suggested that forcing a situation where a density of over R-100 would be located next to an R-6 zone should not be considered transition zoning. He suggested staff is trying to grind the detail in order to get the concept to work, but

approving the proposed language could result in a real problem because the Comprehensive Plan would no longer be the foundation.

**Les Nelson, Shoreline**, referred to the handout he provided to the Commission on March 20<sup>th</sup>, in which he proposed the Commission consider a 2 to 1 setback ratio. He noted that significantly fewer properties would be impacted by the proposed language than the number that were impacted by the existing moratorium. He distributed a letter (Exhibit 1) to the Commission to identify items that he did not feel were addressed by the proposed language. For example, while a lot of detail was provided to make the amendment work, staff still seems to focus on just one development. There are many other areas along Aurora that would be impacted by the proposed amendment. He noted the proposed language would still allow an overall building height of 80 feet. He pointed out that in his neighborhood, an 80-foot building would still look bad from 500 feet away.

Mr. Nelson said that as currently proposed, the property owners that are 200 to 400 feet away would not have any say on what happens to the landscaping. He suggested that a developer could offer to pay an adjacent property owner in order to provide less landscaping. He said he would prefer to have taller trees in the landscaped areas. Mr. Nelson said the proposed language would allow deviations in what has historically been required for parking in order to provide an incentive to developers. This would result in cars parking in the residential neighborhoods. He expressed concern that traffic impacts associated with the more intense developments have not been addressed. While the proposed language represents a big improvement in addressing transition areas, he suggested it would take much more work to effectively transition between an R-8 zone and an R-240 zone.

**Janet Kortlever, Shoreline**, said she is appalled at the amount of time the Commission and Mr. Cohen spent discussing the issues, when they are only offering the audience two minutes each to comment. She noted they lost a few audience members because they had to wait so long to speak. She announced that during the past week, a county assessor visited each home on Ashworth Avenue and beyond onto 152<sup>nd</sup> Avenue, which has not been identified on the maps that have been presented. The assessor suggested the traffic on the street is more indicative of what would exist on an arterial street. The assessor said she talked previous with a gentleman who is in a wheelchair who indicated he no longer feels it is safe to go down the street. Ms. Kortlever said she has the same problem crossing her street to get to the mailbox on the other side. She has to walk slowly, and she is afraid that people coming fast around the corner will hit her. She said the assessor also indicated that the proposed amendment would result in a reduction in their property values. She said she recently received her new tax statement, and her property value went up significantly. She said she lives on a fixed income and doesn't know how she will be able to afford to stay in her home. She said she would also not be able to afford to live in the senior housing development that is being proposed.

Commissioner Hall pointed out that Ms. Kortlever expressed concern about property values going down and also about them going up. Ms. Kortlever said she is not concerned about her property values going up, but about her taxes going up. Commissioner Hall pointed out that property taxes are directly related to property values. Ms. Kortlever said the assessor indicated the property values would drop. Commissioner Hall asked if Ms. Kortlever wants the property values to go up or down. Ms. Kortlever said the point she was trying to make was that the senior housing development would be tax exempt,

along with many others that are now being developed. It seems the proposal would benefit the developers and not the community. It would put more strain on the single-family property owners to pay the tax revenue needed by the City to operate a good community.

**Susan Melville, Shoreline**, expressed that while the proposed amendment would apply to numerous properties throughout the City, it was created to address concerns raised over the proposed development at the Overland Trailer Court property, where there is only one adjacent single-family residential property owner. She noted that the proposed landscaping would include trees that grow to a maximum of 50-feet tall, but they should remember a potential building could be 80-feet tall. The adjacent neighbor of this property is not so concerned of the biomass of the 50-foot trees, but the building mass of 80 feet. She noted that the proposed language would not allow utility easements to encroach into the landscaping requirements. She noted there is a utility easement along the back portion of the Overland Trailer Court property. Would a 10-foot easement require the developer to push the development back further onto the property?

Ms. Melville referred to a picture of the proposed development for the Overland Trailer Court and the Stone Court Apartment Building. She noted that the Stone Court Apartment Building is only 20 feet from her property line, and the proposed new building would be 20 feet from her neighbor's property line. She questioned why the setbacks would be the same given that the proposed building would be much higher. She noted that the large trees are owned by the residential property owner, and they are already 50 feet tall. She also noted the 35-foot trees along the property line that were 10 feet when originally planted 15 years ago. She said she and her neighbors met with Mr. Cohen on March 13<sup>th</sup> to discuss their concerns. She also raised her issues to the Commission on March 20<sup>th</sup>. However, the property would still be allowed to develop to a significant height that would impact the neighbors.

Mr. Cohen clarified that the proposed language would not allow utility easements to encroach into the landscaped setback area. The landscape requirement would be added onto the width of the utility easement, which could possibly require a developer to move the building further back. Chair Piro asked if this requirement would apply to underground easements, as well. Mr. Cohen answered affirmatively. He explained that in most every situation, utility companies won't allow developers to put large landscaping materials on top of utility easements.

**Joe Kraus, Shoreline**, recalled a plan submitted by a developer of the property known as the Overland Trailer Court. The plan called for a 65-foot building, and 15 additional feet for rooftop equipment. He said Mr. Cohen indicated that the code allows for this additional 15 feet, so the potential height of a building in the proposed new zone would be 80 feet or eight stories. He questioned why the diagrams provided by staff illustrate a maximum building envelope of 65 feet in height, when an additional 15 feet would actually be allowed. He suggested this is an attempt to deceive the citizens. Although he has raised this issue on numerous occasions, it has never been addressed by City staff.

Commissioner Behrens noted that Mr. Kraus lives close to the existing Safeway Store. He asked if Mr. Kraus can see the service equipment on the roof of the Safeway Store from his home. Mr. Kraus answered that he could not. However, people who live in other locations can. Commissioner Behrens asked Mr. Kraus if the impacts associated with rooftop equipment could be partially mitigated and more

tolerable if the design process required the equipment to be shielded from view behind corners, cornices, gables, etc. Mr. Kraus said he is not only concerned about visibility. Requiring a developer to screen the equipment would likely result in a loss of units, which would be undesirable to developers. Rather than taking away from the area of the building, Commissioner Behrens said he is more interested in exploring options for designing buildings in such a way that some of the visual impacts of rooftop equipment are mitigated. Mr. Kraus said this would not address his concern since a 65-foot building with a high number of units would still have too great of an impact on the community, particularly related to traffic. He noted that, as he testified at an earlier meeting, the additional traffic impacts have not been addressed, either.

**Jeff Johnson, Shoreline**, said he lives in the Richmond Beach Neighborhood. He submitted his written comments to the Commission, and they were identified as Exhibit 2. Mr. Johnson noted that in all of the testimony expressed by the citizens, it is clear that they believe all R-4 and R-6 single-family residential neighborhoods are under attack. He referred to Table 20.50.020.2, which would allow apartment developments in the I zone to have a 20-foot side or rear yard setback when adjacent to R-4 and R-6 zones. At that point, their respective maximum heights would match. However, at 10-foot increments, the I zone's maximum height limit would stair step to 50 feet and 65 feet respectively, and then up to a maximum of 80 feet. He suggested that a height buffer of at least one property parcel with a 35-foot maximum height be established between the I zone and the R-4 and R-6 zones. This buffer zone should allow only neighborhood business, office or high-density residential uses. This would create a buffer that allows a greater setback and avoid the creation of a huge visual impairment for surrounding single-family residential property owners. Mr. Johnson urged the Commission to assess how the proposed language would impact traffic volumes, property values, etc. He expressed his belief that the character of the neighborhoods in Shoreline are being sacrificed to some degree by decisions to make these kinds of large developments part of the neighborhoods.

Chair Piro asked how Mr. Johnson would propose creating a buffer parcel in a scenario where there is already R-4 or R-6 zoning adjacent to R-48 zones. Mr. Johnson suggested that in these situations, the proposal put forth by the City Council is something they would have to agree to. If not, they should work to create neighborhoods that are both livable and sustainable for everybody.

### **Final Questions by the Commission and Commission Deliberation**

Commissioner Pyle recalled that prior to the initial meeting the Commission conducted on this topic, he submitted a list of comments to staff. One issue he raised was regarding traffic. While he feels the proposed language represents a good attempt to mitigate for a larger, more intense development adjacent to a lower intense use, he is concerned that the proposed language makes no attempt to address traffic impacts. He agreed that the concept of stepping the building back and providing landscaping would help mitigate the impacts, but the Commission should keep in mind that the overarching goal should be to protect single-family neighborhoods by managing the existing zoning. He said that unless the City is willing to regulate traffic through the single-family neighborhoods, they would be unable to adequately protect them. He urged that the language be changed to require that development take access from an arterial street. The language should provide some method for determining feasibility. If it is determined unfeasible to take access from an arterial, a developer should be required to work with the City's Traffic

Engineer to develop a traffic mitigation plan for the impacted neighborhoods. Commissioner Pyle pointed out that it takes neighborhoods a significant amount of time to go through the neighborhood traffic enhancement program to mitigate traffic issues.

Commissioner Hall asked that the minutes from the March 13<sup>th</sup> and March 20<sup>th</sup> hearings be included as part of the record. Ms. Collins indicated that these two documents would be included as part of the record that is forwarded to the City Council along with the Commission's recommendation.

Mr. Kaje questioned the provision that allows rooftop equipment to extend an additional 15 feet in height. While this is already part of the code, the proposed language could be fairly straightforward and prohibit this equipment from being located on the portion of the building that is at the greater height. He recognized that this equipment is necessary, but it could be provided outside of the step up section of the building envelope. Mr. Cohen said that is the intent of the diagram showing the maximum building envelope, but perhaps the language should be changed to make it clear that nothing would be allowed an exception from the 2 to 1 slope requirement.

The Commission discussed how they would go about making changes to the proposed language before forwarding their recommendation to the City Council. Mr. Tovar advised that staff could compose alternative language for the Commission to consider. However, if they do not make a recommendation tonight, it would be difficult for the City Council to consider the language and make a decision by the time the moratorium expires on April 29<sup>th</sup>. The Commission could recommend the City Council extend the moratorium until they can complete their work.

Chair Piro noted that it would not be possible for the Commission to make a decision on the traffic mitigation component raised by Commissioner Pyle at this time. He questioned if the Commission would support advancing the proposed language and then come back with another piece that deals with traffic mitigation and other issues that require additional time. Mr. Tovar agreed they could deal with the proposed language now. Then the Commission could recommend to the City Council that this item be added to their 2008 work program. Staff could prepare a proposal for the Commission's review, but it would take a number of months to fine tune the language, take it through the SEPA process, etc. Chair Piro suggested that Commissioner Pyle's concern appears to be tied to larger areas of the City where residential and commercial properties interface.

Commissioner Hall said that while he recognizes the Commission has the option of asking the City Council to extend the moratorium, he would prefer to give the City Council the option of deciding whether to move the proposed amendment ahead or not. Given the Commission's timeline, the only reasonable way they can give the City Council the option to either extend the moratorium or replace it with new language would be for the Commission to take action now. While he recognizes that traffic and parking are huge issues for not only this proposal, but for other rezones they have considered, he would like the Commission to get a motion on the table and do their best to take action on the proposal. This would give the City Council the ability to continue the public process and either extend the moratorium or do something else.

### Continued Commission Deliberations

**COMMISSIONER HALL MOVED TO RECOMMEND APPROVAL OF THE PROPOSED TRANSITION AREA AMENDMENTS (TO REPLACE THE MORATORIUM IN CB, RB AND I ZONES) AS PRESENTED IN ITEM 8.1 ATTACHMENT C IN THE APRIL 3, 2008 PLANNING COMMISSION AGENDA PACKET. COMMISSIONER PYLE SECONDED THE MOTION.**

Commissioner Hall pointed out the Commission has held several work session discussions with staff, and they have taken public testimony on three occasions. While he understands the concerns about public notice, he noted that when the moratorium was put in place there was a number of people aware of the issue. However, they have not received a significant amount of public comment during their hearings. He reminded the Commission that the proposal is intended to be an interim patch to protect the neighborhoods and streets while allowing some development to move forward. As per the current moratorium, development is not allowed in these areas at this time. He recommended that as the Commission's final recommendation progresses, it would be appropriate to make amendments to improve the language based on comments received from the public and Commission concerns. For example, he said he likes the concept of forcing a 2 to 1 setback to apply to all rooftop equipment, etc.

Commissioner Pyle agreed with Commissioner Hall that the proposed language was intended to be a patch that would work in the interim as the Commission moves forward with real fixes to the Development Code. He recalled that one of the initial reasons for the moratorium was that the scale of development that could occur directly adjacent to a single-family neighborhood might not be appropriate. While some members of the public may argue that elements of the proposed language are not appropriate, the staff and Commission have worked hard to put in place mitigation measures that would ensure some sort of sustained separation so these two types of developments could coexist. The proposed language is a step in that direction, but he would propose amendments as the discussion moves forward.

**COMMISSIONER PYLE MOVED TO AMEND THE MAIN MOTION TO ADD A SUBSECTION "d" TO 20.50.020(2) THAT WOULD READ AS FOLLOWS:**

***d. ALL PRIMARY ACCESS TO DEVELOPMENTS SUBJECT TO TRANSITION AREA REQUIREMENTS SHALL BE TAKEN FROM AN ARTERIAL STREET UNLESS DETERMINED TO BE NOT TECHNICALLY FEASIBLE. DETERMINATION OF TECHNICAL FEASIBILITY SHALL BE MADE BY THE DIRECTOR OF PLANNING AND DEVELOPMENT SERVICES. DEVELOPMENTS DETERMINED BY THE DIRECTOR AS UNABLE TO TAKE ACCESS FROM AN ARTERIAL STREET SHALL WORK WITH THE CITY'S TRAFFIC ENGINEER TO DEVELOP AND IMPLEMENT A TRAFFIC MITIGATION PLAN TO PROTECT THE ADJACENT SINGLE-FAMILY COMMUNITY.***

**COMMISSIONER BROILI SECONDED THE MOTION.**

Commissioner Pyle explained his rationale for proposing the amendment. He felt that while the form is addressed in the draft amendment, the unintended consequences associated with traffic impacts have not

been adequately addressed to protect the residential neighborhoods. He pointed out that people would make decisions in their day-to-day commute to cut time. If that means going through a single-family neighborhood, that's what they'll do if allowed. Therefore, it is important to provide traffic calming measures to make the situation tolerable for the community.

Commissioner Behrens expressed his belief that Commissioner Pyle's proposed amendment would go a long way in solving some of the problems that have been raised by the citizens. However, he suggested the language be amended further to address both the entrance and exit points to the property. The Commission agreed that the term "access" would cover both exist and entrance points.

Commissioner Hall said he plans to support the proposed amendment because protecting the single-family neighborhoods is important. He recalled they discussed at a previous meeting that there might be situations where it wouldn't really be feasible to implement the concept put forth in Commissioner Pyle's initial proposal, but he is satisfied that the new proposed amendment would provide a satisfactory alternative.

**THE MOTION TO AMEND THE MAIN MOTION WAS APPROVED 8-0.**

**COMMISSIONER HALL MOVED TO AMEND THE MAIN MOTION TO CHANGE THE FOLLOWING SUBSECTIONS OF 20.50.020(2) TO READ AS FOLLOWS:**

**2. DEVELOPMENT IN CB, RB, OR I ZONES ABUTTING OR ACROSS STREET RIGHTS-OF-WAY FROM R-4, R-6 OR R-8 ZONES SHALL MEET THE FOLLOWING TRANSITION AREA REQUIREMENTS:**

- b. PROPERTY ABUTTING R-4, R-6, AND R-8 ZONES MUST HAVE ADDITIONAL SETBACKS FOR EVERY LINEAR FEET OF ABUTTING PROPERTY. THE ADDITIONAL SETBACK MUST BE A MINIMUM OF 20 FEET AND 800 SQUARE FEET OF OPEN GROUND.**
- c. TYPE I LANDSCAPING AND A SOLID 8-FOOT PROPERTY LINE FENCE SHALL BE REQUIRED FOR TRANSITION AREA SETBACKS ABUTTING R-4, R-6, AND R-8 ZONES. TYPE II LANDSCAPING SHALL BE REQUIRED FOR TRANSITION AREA SETBACKS ABUTTING RIGHTS-OF-WAY ACROSS FROM R-4, R-6 AND R-8 ZONES.**

**COMMISSIONER BROILI SECONDED THE MOTION. THE MOTION CARRIED 8-0.**

**COMMISSIONER HALL MOVED TO AMEND THE MAIN MOTION TO HAVE SUBSECTION "a" OF 20.50.020(2) READ AS FOLLOWS:**

- a. A 35-FOOT MAXIMUM BUILDING HEIGHT AT THE REQUIRED SETBACK AND A BUILDING ENVELOPE WITHIN A 2 HORIZONTAL TO 1 VERTICAL SLOPE UP TO THE MAXIMUM BUILDING HEIGHT, INCLUDING ANY ROOFTOP EQUIPMENT AND APPURTENANCES FOR THE COMMERCIAL ZONE.**



Commissioner Hall said the intent of his proposed amendment is for the 2 to 1 setback line to continue beyond the height of the livable structure; and that any elevators, stairwells, etc. would have to fit within that same 2 to 1 slope. If the property is not wide enough, the developer could end up losing one story.

#### **COMMISSIONER PYLE SECONDED THE MOTION.**

Commissioner Behrens said that when he raised a concern regarding rooftop equipment, he was visualizing buildings he had seen where the outside top railing on the building is created in such a way to hide the rooftop equipment. But Commissioner Hall's proposal would be a much more honest way of addressing the concern.

Commissioner Pyle asked if the current Development Code allows a developer to place mechanical equipment at the ground level. Mr. Cohen answered affirmatively, but said developers rarely propose this option. Commissioner Pyle asked if the mechanical equipment would be allowed in the required setbacks. Mr. Cohen answered that it would be allowed within the setback if it is located below ground, but above equipment would be considered a structure and have to meet the setback requirements. Commissioner Pyle asked if the City allows cell phone antennas to be placed on the top of buildings. Mr. Cohen said the current Development Code allows cell phone antennas up to 15 feet above the existing building height. Commissioner Pyle noted that as per Commissioner Hall's proposal to amend, cell phone towers would have to fit within the triangle of the 2 to 1 setback. Commissioner Hall agreed that is the intent of his motion. He emphasized that as proposed, no rooftop equipment or appurtenances would be allowed to extend beyond the building envelope.

Mr. Cohen said a different section of the code states that a cell phone antenna can only be 15 feet higher than any existing building. They can be constructed up to 15 feet above the maximum height allowed in the zone. On a building that is 65 feet from the flat of the roof, a cell phone antenna could go an additional 15 feet. Commissioner Broili noted antennas would not be allowed to extend 15 feet above the mechanical equipment. Commissioner Pyle noted that the proposed new language would push the mechanical equipment to the center of the building, which is good design that would lower the perceived height of a building.

#### **THE MOTION TO AMEND THE MAIN MOTION WAS APPROVED 8-0.**

**COMMISSIONER KAJE MOVED TO AMEND THE MAIN MOTION TO CHANGE A PORTION OF SUBSECTION "c" OF 20.50.020(2) TO READ AS FOLLOWS:**

***PATIO OR OUTDOOR RECREATION AREAS MAY REPLACE UP TO 20% OF THE LANDSCAPE AREA THAT IS REQUIRED IN THE TRANSITION AREA SETBACK SO LONG AS TYPE I LANDSCAPING CAN STILL BE EFFECTIVELY GROWN. NO PATIO OR OUTDOOR RECREATION AREA IN THE TRANSITION AREA SETBACK MAY BE SITUATED CLOSER THAN 10 FEET FROM ABUTTING PROPERTY LINES.***

**COMMISSIONER HALL SECONDED THE MOTION. THE MOTION TO AMEND THE MAIN MOTION CARRIED 8-0.**

The Commission discussed the concern raised earlier about the last section of Subsection "c", which would require a developer to approach abutting property owners with an offer of alternative landscaping in the setback area. As currently proposed, a developer would have the option of offering to enter into an agreement with abutting property owners regarding landscaping. Concern was expressed that perhaps this should be a requirement rather than optional.

**COMMISSIONER BROILI MOVED TO AMEND THE MAIN MOTION TO CHANGE A PORTION OF SUBSECTION "c" OF 20.50.020(2) TO READ AS FOLLOWS:**

***A DEVELOPER SHALL REVIEW WITH ABUTTING PROPERTY OWNERS THE PROPOSED TYPE I LANDSCAPE MATERIALS AND SPACING. IF THE DEVELOPER AND ANY ABUTTING PROPERTY OWNER MUTUALLY AGREE, THE CITY MAY APPROVE AN ALTERNATIVE LANDSCAPING BUFFER WITH SUBSTITUTE TREE VARIETY, SPACING OR SIZE.***

Commissioner Kaje said the proposed language should make it clear that a developer could enter into an agreement with one or all abutting property owners. Mr. Tovar said the agreements could be different for each property.

**COMMISSIONER PYLE SECONDED THE MOTION.**

Commissioner Behrens questioned if they should use the word "every" instead of "any." Commissioner Hall said he would prefer an approach that makes it mandatory for a developer to offer an agreement to every property owner. Where they reach mutual agreement, the concept could move forward.

**THE MOTION TO AMEND THE MAIN MOTION CARRIED 8-0.**

Commissioner Hall referred to the last sentence of Subsection "c" and noted there are many kinds of easements. He expressed that a utility that is put in to serve the property may have an easement. For example, an easement might be required in order to connect with utilities that are provided within the right-of-way. He asked if this could create unintended consequences by making the utilities impenetrable? Mr. Tovar pointed out that the intent of this sentence is to ensure that vegetation in the setback areas remains viable. Perhaps the standard should be refined to make it clear that if the Planning and Development Services Department concludes an easement would interfere with the viability of plant materials and the function of the buffer, it would not be allowed. But if the easement would not interfere with the plantings, it could be allowed.

**COMMISSIONER HALL MOVED TO AMEND THE MAIN MOTION TO HAVE A PORTION OF SUBSECTION "c" OF 20.50.020(2) CHANGED TO READ:**

***NO UTILITY EASEMENTS SHALL ENCROACH INTO THE LANDSCAPING REQUIREMENTS IF IT IS DETERMINED THAT THEY WOULD IMPAIR THE VIABILITY OF THE BUFFER.***

**COMMISSIONER BROILI SECONDED THE MOTION.**

Commissioner Kaje questioned if the intent of the second to the last sentence in Subsection c is to say replacement of plants would only have to occur if they were lost due to utility disruption, or would a developer be required to maintain Type I Landscaping, period. Commissioner Hall noted that the words that are highlighted would be deleted, making it clear that a developer would be required to maintain Type I Landscaping.

**THE MOTION TO AMEND THE MAIN MOTION CARRIED 8-0.**

Commissioner Hall recalled that several people who testified raised the issue of consistency between the Comprehensive Plan and the Zoning Ordinance. He agreed this is a confusing matter that should be further clarified by staff in the future. However, he is comfortable moving the proposed amendment forward with a recommendation that it replace the current moratorium. As they revisit these areas through the subarea planning process, they can consider revisions to both the zoning and land use designations in order to achieve consistency of vision.

Commissioner Hall recalled Mr. Nelson's previous suggestion that they downzone all of the RB, CB and I zones to R-24. He said this may work in some areas, but not others. The question of how to create a transition through zoning is interesting. Would it be better to up zone the adjacent residential properties or down zone the adjacent commercial properties? These are the types of questions that should be handled at the community level through the subarea planning process.

Commissioner Hall recalled that Mr. Spillsbury pointed out the need to limit height, and the changes proposed by the Commission would improve this situation. He reminded the Commission that the more they limit height, the more development gets spread out. The community must make a decision if they want to grow up or see sprawl. They must face issues such as climate change, air quality, commute distances, sustainability, runoff, etc. By and large, housing twice as many people above a foundation would have less of an impact on earth. Height versus sprawl is a balance between protecting neighborhoods and meeting other needs. He said he is comfortable with the proposed language, since before the moratorium the code allowed 65 feet in height with no upper floor setbacks. The proposed language represents an improvement over the existing regulations. Commissioner Hall noted that virtually all the testimony the Commission heard was focused on one development; and he agreed with Mr. Nelson that they need to do a more comprehensive review of this issue. However, this cannot be done before the moratorium expires. He said he plans to support the motion, as amended.

Commissioner Pyle asked if the City would be subject to any potential litigation associated with taking if they were to propose an action to downzone a property that was still consistent with the Comprehensive Plan land use designation. Commissioner Hall pointed out that downzones happen all the time in

communities. Ms. Collins agreed with Commissioner Hall that downzoning would be legally possible, as long as it is consistent with the Comprehensive Plan.

Commissioner Behrens recalled that parking was the most difficult issue the City Council dealt with as part of the Ridgecrest Commercial Neighborhood Rezone. He suggested that it would be false to pretend this is not an important element. He urged the Commission to address this concern even though it may take a lot of work. He pointed out that parking impacts associated with the proposed amendment would have a significant and direct impact on surrounding residential properties. The City must establish parking standards to adequately protect the neighborhood from impacts associated with large developments. He suggested they consider sticking with the strict construction of the existing parking restrictions in the Development Code and not allow the parking requirements to be altered. Parking is the only way to control the size and impact of a building. Parking is part of the market forces that determine the success of a building, and waiving the parking requirement would unfairly burden the neighborhood and empower a developer. Commissioner Behrens recognized that the Commission would not be able to address all of the concerns now, but he suggested that perhaps they are exercising an optimism that would probably not work. The Council would hear from all the citizens in the neighborhood about their parking problems. Unless they have a way to address this concern, they are not really offering help to the City Council.

Chair Piro noted that one secondary impact associated with the proposal is that creating more of a transition and lessening the bulk may translate into a less intense development from what would have been allowed under the existing code before the moratorium was put in place. He emphasized that the proposed language would not waive the parking requirements, and the language may even lessen the intensity of potential development. The subsequent result could also be less parking demand. He reminded the Commission that they passed a second action, after their vote on the Ridgecrest Commercial Neighborhood zoning proposal, to suggest the City Council provide guidance and direction for taking these types of issues up in the near future. He noted that parking issues are not unique to any one development in the City, and the majority of the Commissioners agree that parking must be addressed in a comprehensive, citywide manner.

#### **Vote to Recommend Approval or Denial or Modification**

**THE MAIN MOTION TO APPROVE THE PROPOSED TRANSITION AREA AMENDMENTS AS AMENDED WAS APPROVED 7-0-1, WITH COMMISSIONER BEHRENS ABSTAINING.**

#### **Closure of Public Hearing**

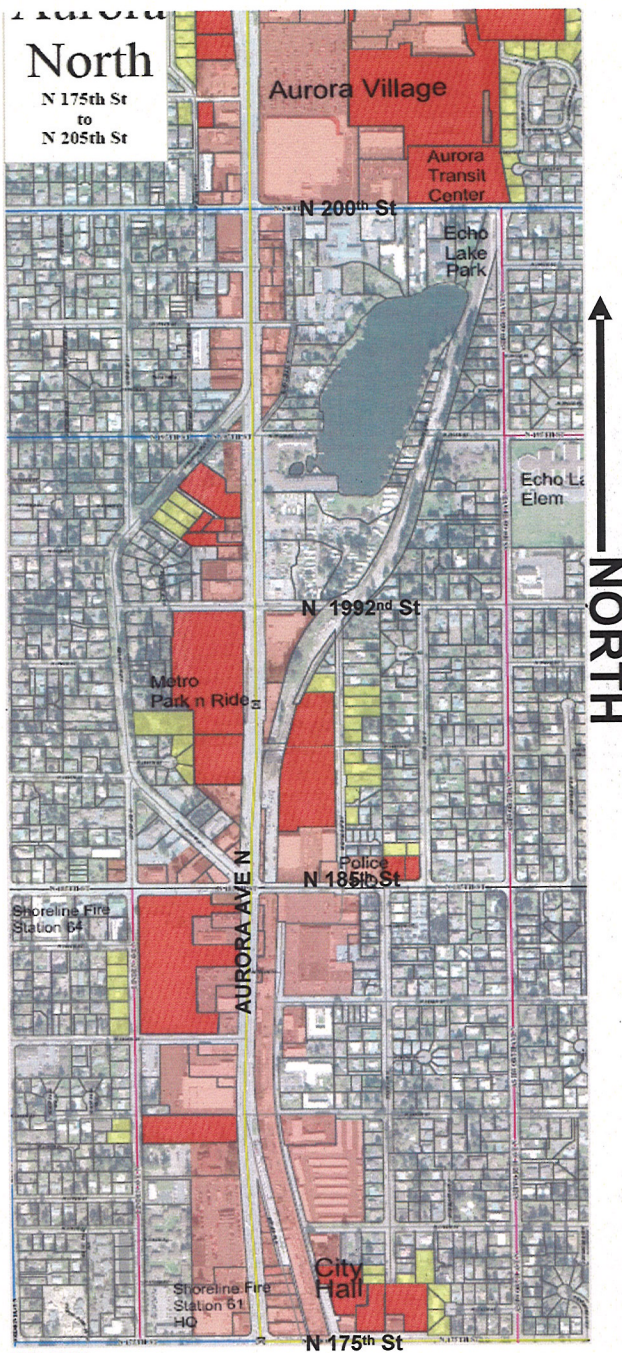
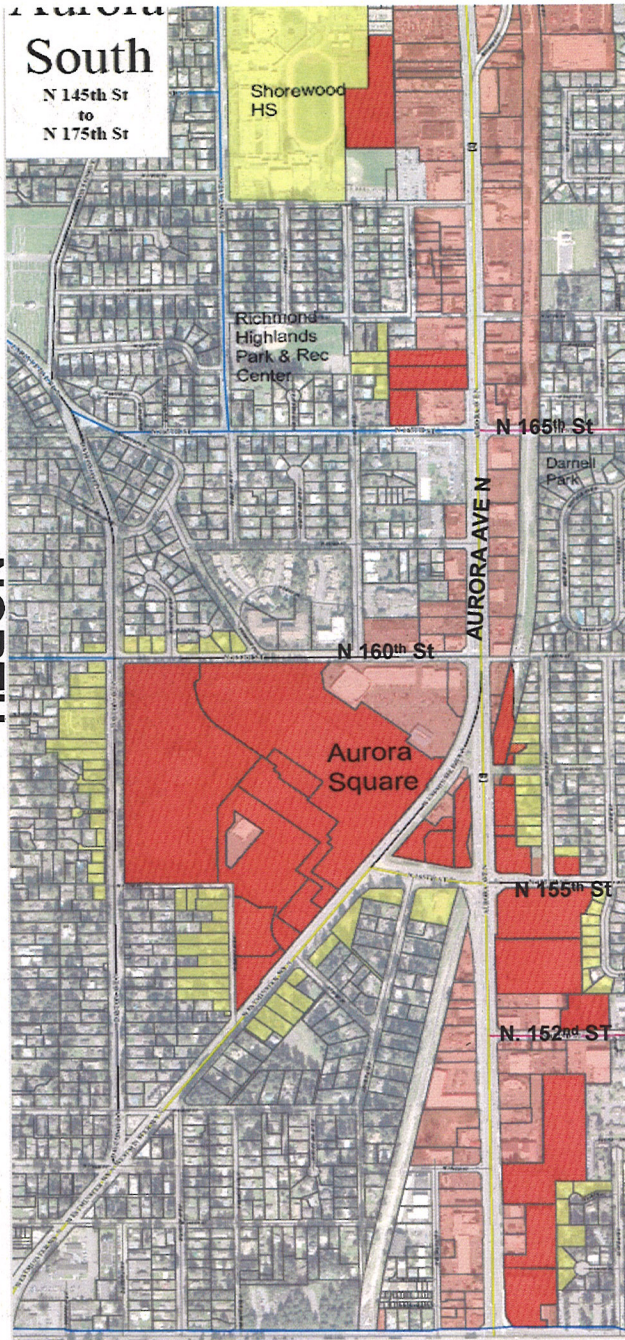
**COMMISSIONER BROILI MOVED TO CLOSE THE PUBLIC HEARING. COMMISSIONER PYLE SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.**

#### **REPORTS OF COMMITTEES AND COMMISSIONERS**

Chair Piro announced that Mr. Tovar, the City's Planning Director, is showcased in the April Edition of Planning Magazine. He will receive a national award at the American Planning Association Conference



# City-Wide Maps of Parcels Affected by Transition Areas in Red



**DRAFT**

**CB, RB, I**

**Transition Area Requirements**

- City Boundary
- CB, RB, I
- Tax Parcel Boundary

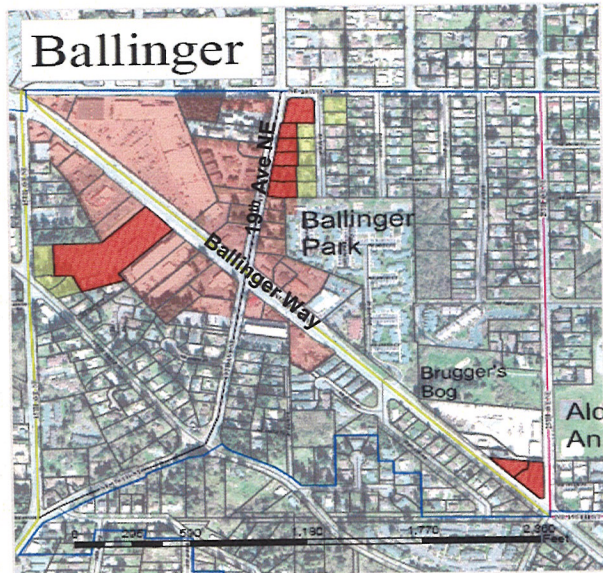
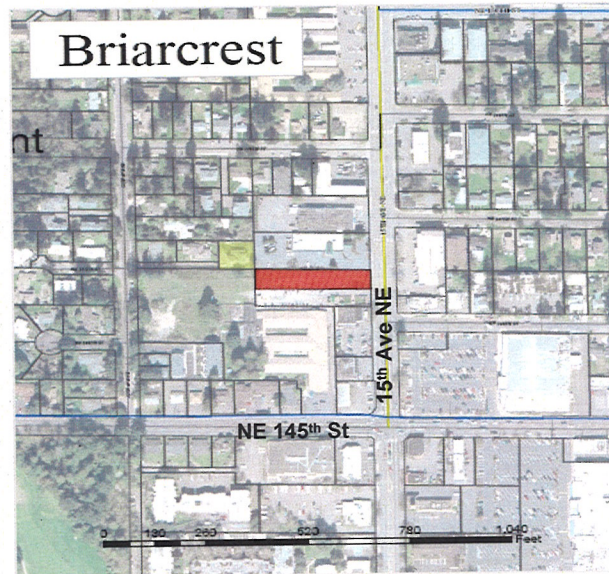
- CB, RB, I that Require Transition Area
- R4, R6, R3 that Trigger Transition Area



127



# City-Wide Maps of Parcels Affected by Transition Areas in Red



**DRAFT**

**CB,RB,I  
Transition Area Requirements**

- City Boundary
- Tax Parcel Boundary

- CB,RB,I that Require Transition Area
- R4,R6, R8 that Trigger Transition Area
- CB,RB,I

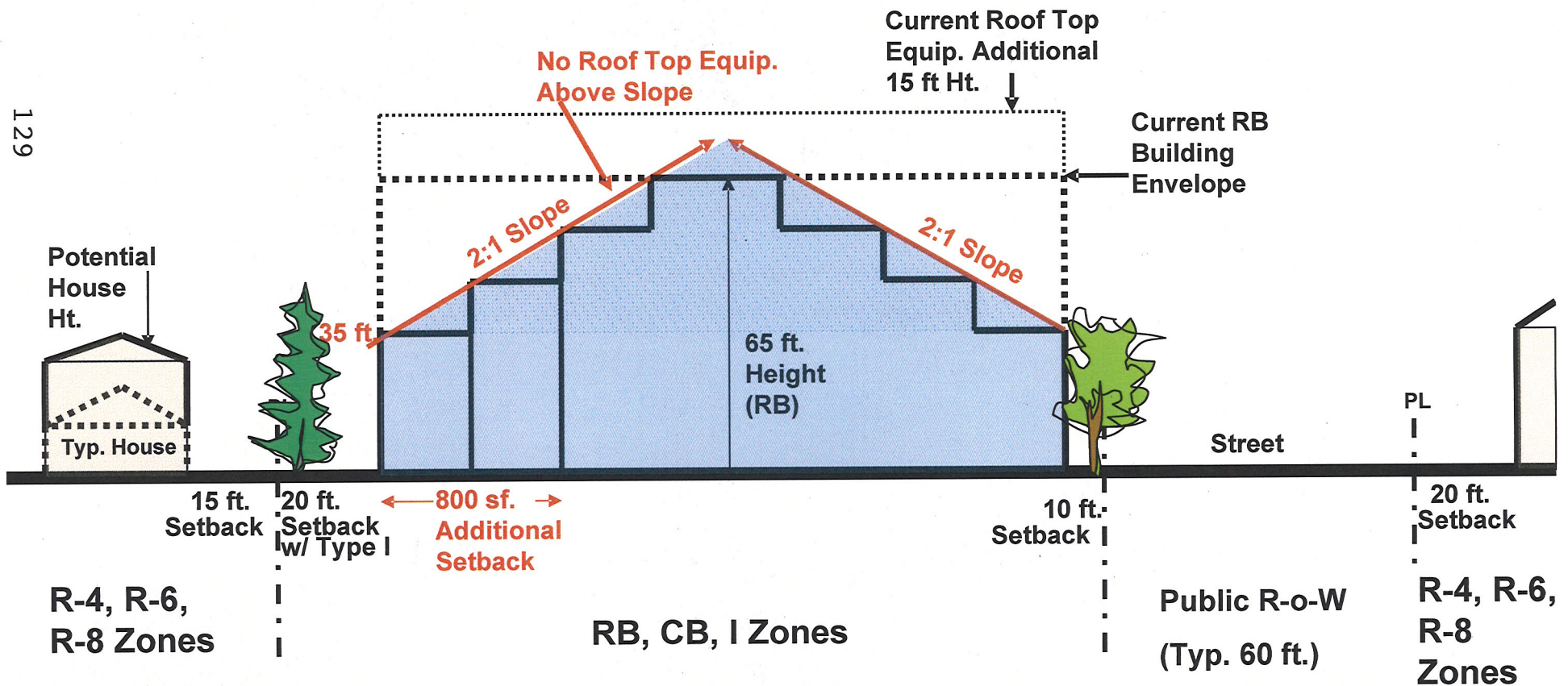


No warranties of any sort,  
including accuracy,  
fitness, or merchantability,  
accompany this product.  
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SHORELINE CONSULTING, LLC 405-71-884



# Transition Area Cross-Section

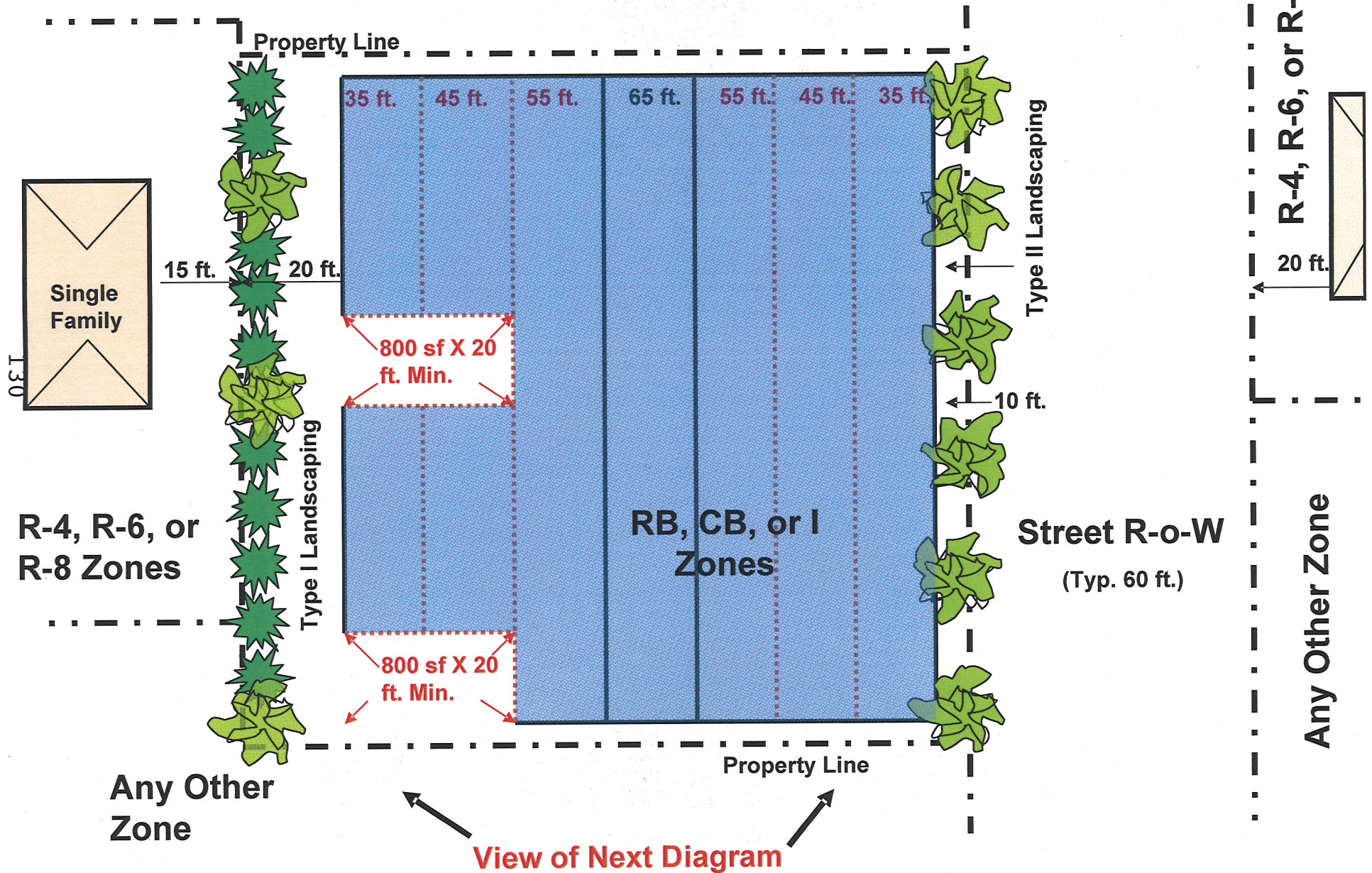
(Amendments in Red)





# Transition Area Plan View

(Amendments in Red)





RECEIVED

*Susan T. Melville*

15305 Stone Ave. North  
Shoreline, WA 98133-2661  
(206) 365-3061  
s.melville1@comcast.net

JAN 22 2008

City Manager's Office

January 17, 2008

City Council  
City of Shoreline  
17544 Midvale Ave. N.  
Shoreline, WA 98133

Re: John B. Sullivan, CFO, Steve Smith Development LLC  
12/17/2007 letter to Mayor and City Council of Shoreline

To Shoreline City Council Members:

Following are comments about Mr. Sullivan's letter. While I realize the moratorium is still in effect, I request the Council consider this input in future deliberations about plans for this property.

[The moratorium] affects the whole parcel if the property line lies within 100 feet of any other low density . . . zoned property . . . . As identified in the attached list . . . this represents a total assessed property valuation of \$331,563,800 . . . annual property tax revenues of \$4,372,300 . . . 46% of the total.

I certainly can't identify all the property owners listed on the attachment, but the Safeway and Sears properties are listed. How many other properties not directly affected by this 6-month moratorium are included in the \$331<sup>+</sup>M property valuation?

This project will be property tax exempt. Overland Trailer Court is currently valued (for tax purposes) at \$1.5M and owners paid \$20,003 in 2007 property tax: lost revenue to the City.

This project will compete directly with properties that do pay property taxes.

The Stone Court Apartments (R-18) directly to the east occupies .61 acres, is valued at \$1.7M and paid \$21,161 in 2007 property tax. It has 14 two bedroom/two bathroom units, 820ft<sup>2</sup>, which rent for \$850 - \$1000/month, including all utilities except garbage and offer tenants free off-street parking.

The Autumn Ridge (R-18) directly south of Overland occupies 6.65 acres, is valued at \$11.6M and paid \$143,851 in property tax in 2007. It has 84 one-bedroom units, 491 - 622ft<sup>2</sup>, which rent for \$650 - \$700. Autumn Ridge offers its tenants: Clubhouse, Racquetball Court, Residents' Lounge, Swimming Pool and free off-street parking.

Finally, because there is limited on-street parking (certainly more than at Overland) management representatives at SHAG New Haven advise visitors to park in lots belonging to the adjacent strip mall. At the public meeting neighbors were told construction equipment would be using the strip mall parking lot adjacent to Overland. How long will these tax-

Re: John B. Sullivan, CFO, Steve Smith Development LLC  
12/17/2007 letter to Mayor and City Council of Shoreline

paying businesses survive with their parking occupied first by construction equipment and later by visitors and service providers?

Why is (or did) the City even considering permitting this tax-exempt "intensive development" which will compete directly with tax-paying property and threaten area businesses?

[Each and every property owner] will find their personal finances adversely affected by finding fewer housing opportunities as well as fewer nearby job opportunities

This project is senior housing. Are there 240 Shoreline seniors unable to find "affordable" housing? Many if not most of the planned units at Overland are  $\pm 500$  ft<sup>2</sup> units renting for a minimum of \$688 (including utilities-*except electricity*) and tenants will be charged extra for off-street parking (\$40/month at New Haven); this exceeds market rate. If the property owner and developer are concerned about fewer housing opportunities in Shoreline, why aren't we considering low-income housing to replace the trailer court and its now displaced really low-income residents? What nearby job opportunities? Once the construction is complete, how will this facility provide living-wage jobs? What will adversely affect the personal finances of "each and every property owner" are widening and straightening N. 152nd and Ashworth, installing sidewalks and providing additional fire and emergency workers to serve this senior community.

By stepping down the allowed density as you travel from commercial toward the residential, a more natural and harmonious transition will insulate the single-family residents.

In the December 17 meeting Council members Ransom and Hansen, who have served on the Council since the City was formed, stated this was exactly the Council's original intent.

Furthermore, up-zoning areas adjacent to these long-standing commercial zones will have tangible benefits to existing residents such as the property owners adjacent to our property.

Having destroyed the character of our neighborhood with this "intensive development", Mr. Sullivan apparently wants to up zone our property somehow increasing its value: perhaps by tear down our houses so he can build even more "intensive developments"!

Redevelopment to higher and better uses is currently sorting out these prior planning lapses is illustrated in some of the accompanying photographs of current single family residences in the City of Shoreline

Attached is a copy of Mr. Sullivan's attachment #1. Is this really our vision of Shoreline?

In the specific case of the neighbors to Overland Trailer Park (sic), they have bought into (and in one case built upon) transitional property adjacent to long-standing commercial uses.

I don't know when the trailer court went in, however, each of my neighbors bought their home in a single-family residential neighborhood which (may or may not at the time of purchase) have included a very private lot containing one-story trailers sited among over 30 (now mature) trees. The use of the land for a six-story building - actually the building will be

Re: John B. Sullivan, CFO, Steve Smith Development LLC  
12/17/2007 letter to Mayor and City Council of Shoreline

80 feet tall, built property line to property line (with minimum setbacks per zoning laws), with 106 windows on the side facing north and a few 10-foot trees as a screen (per developer's drawings) is not the same thing! As to the reference to the newly built house (presumably the one shown in photograph #5 attached to Mr. Sullivan's letter), it is occupied by very nice people who own and operate a dry cleaning business near 145th. They work all the time and, while we have provided them information about this development, they have shown no interest one way or the other and we do not speak for them.

It is important for the city to timely reaffirm its commitments to... and the affordable housing needs of its senior population.

Based on information provided by the developer and information from other SHAG projects, this proposed "affordable housing" would be at or above the market price of rental housing in this area. The more one looks into the project, the more it appears to be a giant boondoggle, primarily benefiting its owners and not benefiting its residential or business neighbors, seniors or the City of Shoreline.

Sincerely,



Susan T. Melville

Attachment

cc: Joe Tovar, Director  
Shoreline Planning & Development Services

**Susan T. Melville**  
15305 Stone Ave. North  
Shoreline, WA 98133-2661  
(206) 365-3061  
s.melville1@comcast.net

---

February 19, 2008

Paul Cohen, Senior Planner, Current Planning  
Shoreline Planning and Development Services  
1110 N. 175th St., Suite 107  
Shoreline, WA 98133-4921

Re: Overland Trailer Court  
Transition Regulations to Replace Moratorium

Dear Mr. Cohen:

At city meetings we often hear that the zoning map was inherited from King County and that it is not in compliance with the Comprehensive Plan (Comp Plan). The Comp Plan was developed after Shoreline became a city twelve years ago and it continues to reflect the citizen's wishes and the growth and vision that go along with the Growth Management Act. Mayor Ransom and Councilman Hansen served continuously on the City Council since 1995 and reiterated at the December 19 meeting that the original intent of the Council was to provide transition between large-scale development and single family homes. Members of the Council supported this principal when they unanimously passed the moratorium. Statements of this vision are contained in the Comprehensive Plan (emphasis added):

**Housing Element - Goals & Policies**

**Goal H III:** Maintain and enhance single-family and multi-family residential neighborhoods, so that they provide attractive living environments, *with new development that is compatible in quality, design and scale within neighborhoods and that provides effective transitions between different uses and scales.*

**Housing Policies**

**H5:** *Require new residential development to meet or make provisions for the minimum density as allowed in each zone.* **H6:** *Encourage infill development on vacant or underutilized sites to be compatible with existing housing types.*

**Maintain and Enhance Neighborhood Quality**

**H22:** Initiate and encourage community involvement to foster a positive civic and neighborhood image.

**H23:** *Maintain the current ratio of owners and renters.*

**H28:** *Assure that site and building regulations and design guidelines create effective transitions between substantially different land uses and densities.*

In preparing transitional regulations to replace the moratorium I ask that you remember, first, the Overland Trailer Court property is zoned CB in the Comp Plan and, second, that you respect the stated vision for Shoreline. A five or six story building, even if it has 10-foot set backs on the upper floor(s) does not meet the standard of "transition" between large scale development and single family homes intended by the Comp Plan; a 20-foot rear setback and 10-foot side setbacks,

even if the developer agrees to put in a few 10 foot trees as a screen, does not create an effective transition between substantially different land uses and densities as described in the Comp Plan.

While the action of the Planning Commission at its January 17 meeting no doubt met the letter of the law, it did not meet the spirit of the Comp Plan. Changing requirements of Community Business zoning to equal those of Regional Business zoning bypasses the rezoning process. Shoreline residents invested in this City. This action in the Towncenter Subarea denied them what the Comp Plan promised: community involvement in decisions concerning their neighborhoods.

Shoreline residents deserve to be able to trust city officials to represent them and support the "vision" of Shoreline that was implied by the Comp Plan when they purchased their property. Shoreline residents do not deserve to wake up one morning and find "intensive development" in their backyard.

Sincerely,



Susan T. Melville

cc: Planning Commission  
Shoreline City Hall  
17544 Midvale Avenue North  
Shoreline, WA 98133-4921

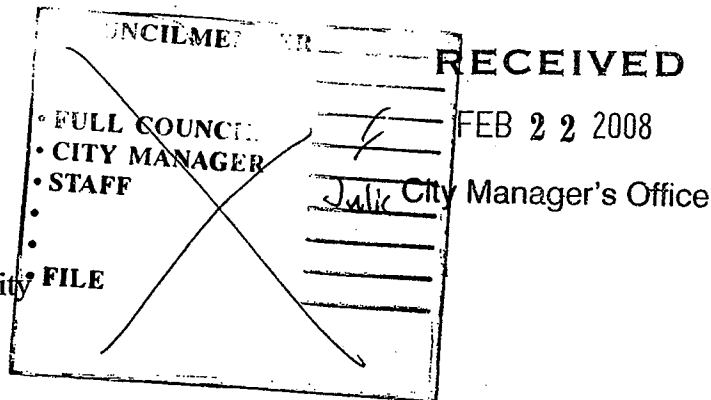
Ms. Cindy Ryu, Mayor  
Shoreline City Hall  
17544 Midvale Avenue North  
Shoreline, WA 98133-4921

Joseph W. Tovar  
Director, Shoreline Planning and Development  
Services  
1110 N. 175th St., Suite 107  
Shoreline, WA 98133-4921

12750 39<sup>th</sup> Ave. NE  
Seattle, WA 98125  
February 20, 2008

Cindy Ryu,  
Mayor of Shoreline City

Dear Mayor Ryu:



This is the official notice that Overland Trailer Park, 1210 N. 152<sup>nd</sup> St, Shoreline, WA 98133, closed February 2, 2008 as the last tenant vacated. Notification has been given by the relocation agent, Kerry Lynch with API, to the buyers of the property. Ms. Lynch filed reports to the County and State re: the closure. I know of no closure statement requirement for Shoreline. Let this serve as that notice.

However, we have serious problems with the redevelopment.

The city council put a moratorium on construction in 2007 just as the buyers went to apply for permits to build senior affordable housing, with no notification to those of us who would be so adversely affected.

We were out of the state and had to hire a lawyer to represent us at the council meeting. See letter dated December 16, 2007 to the Council members.

Now we have a vacant property with problems of individuals attempting to occupy the apartment building, people dumping garbage on the property and general nuisance activities. I had to engage a security person to occupy one unit to oversee the premises. We have no income yet expenses continue to go on. In April a large property tax will be charged against us. We have other expenses for liability and fire insurance. Electricity, water, garbage, sewer must be maintained for the security person on the premises.

Mayor Ryu, I spent 30 years taking care of low-income people and paid taxes based on the zoning at 1210 N. 152nd. Jack helped start the Paramedic program and trained those individuals. I taught English at Shoreline Community College. We have been responsible and useful people in this community. I needed to sell the property and affordable senior housing seemed a perfect fit for the area. Most recently I spent a year helping to relocate each person, a process both demanding and costly. I am pleased with the results. Now we need to move quickly ahead with the project for affordable senior housing.

You must be aware of the difficulty the buyers and we are in. The buyers refuse to close until they get some resolution. And I am forced to continue in limbo which is not acceptable.

I am appealing to your good sense and judgment to assist in ending the moratorium and allowing the project to proceed; it fits the guidelines Shoreline has established for density and affordable housing. The property is located in an urban corridor with business all around. Decisions should not impact the value of our property adversely. We need your help. Thank you.

*Madine Murray, member  
Overland Trailer Park LLC*

RECEIVED

March 10, 2008

MAR 19 2008

Shoreline City Council City Manager's Office

Re: Overland Trailer park

My name is Lila Amidon, and I live at 15309 Stone Ave. North. This is a single-family residence and it shares a property line with the Overland Trailer Court property.

I would like to express some of my concerns with the proposed development.

First, I am concerned with the trees that are on my side of the property line. These trees have existed for over 50 years and provide a nice buffer (green belt) between my property and the trailer court property. My concern is that these trees may be damaged due to the excavation of the existing utilities, and the construction of the proposed 8-foot fence. I insist that great care be taken when removing the old utility lines so that any damage to the root structure of these trees can be avoided. In addition I do not give my consent (implied or written) to trim any part of these existing trees, except those parts of the existing trees that extend over the property line, and, that may impede the construction of a new fence.

I am also concerned with drainage. Please require that the contractor follow all city ordinances and completely prevent any drainage from the trailer court property and its structures, on to my property.

My final concern is parking within the proposed 20-foot setback between my property line and the proposed structure. If parking is to be established in this area, please see to it that the contractor provides for proper vehicle placement and appropriate wheel blocks that would prevent a vehicle from hitting or driving through the fence. I am also concerned about any oil pollution that may leak from these vehicles. Please see to it that the contractor takes special precautions to prevent any oil pollution leaking from any parked vehicles from draining onto my property or into the soil adjoining my property.

Thank you for your consideration.



Lila Amidon  
15309 Stone Ave North  
Shoreline WA 98133  
206-362-5703



## Shoreline Planning Commission

March 13, 2008

Written Comment

- [1] I agree with Ms. Melville's statement regarding public notification of meetings dealing with proposed development in the city.
- (\*) Developers should not be in charge of public meeting notification.
- [2] I support points 4 & 5 of Commissioner Pyke's email dated March 13. Please give serious consideration to these points.
- [3] I oppose Commissioner Wagner's suggestion that height restrictions be waived if developers meet Design Incentives (ie clock tower). This suggestion negates the 2:1 slope recommended by Paul Cohen. Current height requirements of 35, 60 and 65 feet ~~are~~ should be enforced as legislated.
- (\*) Changes to current zoning height requirements should not be considered without significant input from city residents.

Please leave this form with the clerk at the end of the meeting.

This is a public record

Respectfully submitted,  
Doug Reid  
Shoreline Resident



# 1 3/13/08

Las Nelson

**Transition Comments/Recommendations;**

1. In order to truly meet the objective of transition between R4,6,8 developed neighborhoods and higher density such as R48 and beyond we believe that at a minimum a typical block width or property depth be provided at an intermediate zoning category such as R12 to R 24. The concept of allowing these Multi-story developments on lots smaller than 2 acres is NOT what has been envisioned in Shoreline, neither by the Planning Commission nor by the Comprehensive Plan. Our No.1 suggestion is to limit development on acreage less than 2 acres or 200' depth, to no more intense than R24, with building height not to exceed 35'.

2. If the above suggestion is not deemed appropriate, then in order to reduce the visual bulk of building adjacent to single family, require a 2:1 building envelope beginning at ground level at the property line is proposed.

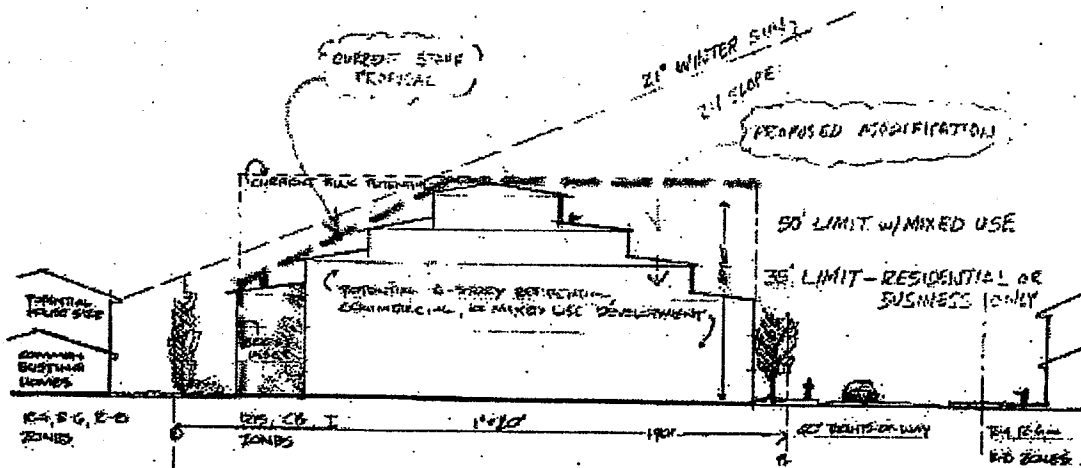
This would allow little obstruction of the typical winter sun angle for preventing loss of solar access.

Although this is more restrictive than the 35' currently allowed on the single family side, the single family lots would typically be covered at less than 35% lot coverage, whereas the commercial sites could be near to 100% creating a virtually continuous wall of building, offering no break for light or visual.

The other affect this modification achieves is to move the primary bulk of taller buildings farther back from the single family side. (Keep in mind we are trying to create a truly intermediate zoning category, to comply with the Complan, where a separate lot for that purpose may not be available.).

**PROPOSED MODIFICATION TO  
TRANSITION AREA CROSS SECTION**

Item 8.a - Attachment D



3. Provide protection in the Code so that Type 1 Landscaping cannot be deleted by Utility easements, or requests from Fire Dept, etc for more access space. Addressing this up

front by identifying the specific issue in the Code would hopefully allow developers to incorporate any additional setbacks needed to accommodate the landscaping and minimize the chance that a last minute changes requested by fire or other Utilities will not delete the required landscaping.

4. Allow 10' height incentive above the 2:1 line if a "growing green" surface is presented to the single family side, planters, landscaping etc. that essentially presents a softened, vegetative appearance. The specific "green roof, green wall" design would require design review and neighborhood approval.

5. I suggest that on RB, CB zoned properties that are less than 100' deep that height limit of 35' be imposed, no exceptions.

6. Height limit of 50' maximum for RB zoned "Transition" properties only if mixed use is incorporated, and this will be the absolute limit, no additional mechanical rooms above that height....in other words when we say 50' we mean 50'.

7. Consider as an alternative to the 2:1 assigning the first 100' of lot depth adjacent to single family to be developed as a maximum equivalent of R24 density, and following the 35' height limits.

#### Issues:

When Shoreline Incorporated as a City, the Zones that are currently identified RB had a 35' height limit and R36 maximum density.

The additional height and Unlimited Density currently identified in our Code has aggravated the need for transition. The City created the problem, now it is time for the City to fix the problem so single family homeowners do not suffer a "taking" of property rights and values.

The approved 2005 Comprehensive Plan is quite clear that R48 is the maximum residential density allowed, and any other interpretation requires an assumption that the current Code amendments that exist were done by a Comprehensive Plan amendment process.

Approval at any point of Unlimited Density projects is open to being appealed through the GMA Hearings board. Lets not allow the standard set in Ballard.....









**Moratorium and Transition Amendments**  
**Current Outstanding Issues/Background;**



**The current Moratorium was initially created in October 2007 to protect single family neighborhoods from overly intense development.**

Why? Proposed massive development adjacent to single family neighborhoods brought to light the need for immediate modifications to our Code, long noted and overdue.

Ordinance 484 was initially adopted October 2007 and revised on Dec 17, 2007 as Ordinance 488 which slightly relaxed the effect of the Moratorium (to allow buildings no higher than 40' sighted from the single family property line)

**What is currently being devised:**

City Staff were directed to work on Code Improvements that would effectively replace the protection currently provided by the Moratorium, (due to expire April 29 unless extended) Terming this as "Transition Amendments" and as a "temporary patch" it should address all issues covered by the moratorium. In fact it would be reasonable to start off being more protective in nature until final Code Amendments are drafted. Rather it leaves several issues not addressed AND deletes about 75% of the single family properties that are currently being protected by the Moratorium.

**What is NOT being addressed:**

Determination of which single family properties would be physically affected by loss of view, solar loss, and decreased property values as mentioned in the Moratorium language by construction of these massive developments.

Only the affect of a single development is being focused on.

Overall building height of 80' is still allowed (from 100' away it still looks bad)

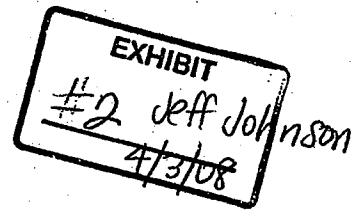
Density is not being limited so that equivalent R zones as high as R240 can occur.

Parking deviations from what has historically been enforced in our Code are being allowed as a "developer incentive" better known as "parking in your neighborhoods"

Traffic Impacts to neighborhoods from Intense density development not addressed

And, as previously mentioned the number of properties protected by the Moratorium has been redefined so that only a small percentage of single family areas would be provided protection.

*Les Nelson*



## Shoreline Planning Commission

April 3, 2008

Written Comment

R4/R6 neighborhoods are under attack. Table 20.50.020(2) allows I zoning (apartments) to have a side or rear yard setback to R-4/R-6 zones of 20'. At that point their respective maximum heights match. But at 10 foot increments, the I zone maximum height stair steps to 50' then 65' respectively. I suggest that a height buffer of at least one property parcel of 35 foot maximum height NB/D or high density R multifamily be required between the I zone and R-4/R-6 zones.

Jeffrey A. Johnson  
Jeffrey A. Johnson  
2009 NW 201<sup>st</sup> Street  
Shoreline WA 98177

Please leave this form with the clerk at the end of the meeting

**This is a public record**

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**CITY COUNCIL AGENDA ITEM**  
CITY OF SHORELINE, WASHINGTON

<b>AGENDA TITLE:</b>	Public Hearing on Adoption of Ordinance No. 502 Extending Moratorium on Acceptance of Residential Development Applications in CB, RB and Industrial Land Use Districts in Proximity to Residential Neighborhoods
<b>DEPARTMENT:</b>	Planning and Development Services
<b>PRESENTED BY:</b>	Joe Tovar, Planning Director

**PROBLEM/ISSUE STATEMENT:**

On October 29, 2007, the City Council adopted Ordinance No. 484 establishing a six month moratorium on acceptance of applications for residential development of land in Community Business ("CB"), Residential Business ("RB") and Industrial ("I") land use districts in proximity to residential neighborhoods. That moratorium, as amended, expires on April 29, 2008.

The Planning Commission has recommended amended regulations to adopt transition area requirements for residential development in commercial zones adjacent to residential neighborhoods. These amended regulations are before the Council for adoption tonight (Ordinance No. 500). If adopted tonight, Ordinance No. 500 will not go into effect until May 6, 2008. If Council wants to continue prohibiting acceptance of applications for residential development in CB, RB and I zones in proximity to single family zones under the existing code amendments, Council needs to adopt a brief moratorium extension to cover the gap between the moratorium's current expiration date (April 29) and the effective date of the amended regulations set forth in Ordinance No. 500 (May 6).

**ALTERNATIVES ANALYZED:**

The alternative to adopting this two week moratorium is for Council to let the existing regulations go back into effect. In other words, if Council does not want to extend the moratorium for this brief gap in time, then the existing code regulations will apply between April 29 - May 6, until the new regulations take effect.

**RECOMMENDATION**

Staff recommends that Council conduct a public hearing and adopt Ordinance No. 502 approving a two week extension to the moratorium and interim controls for acceptance

of residential development applications in Community Business, Residential Business and Industrial land use districts in proximity to residential neighborhoods

Approved By:

City Manager 

City Attorney 

## ATTACHMENTS

Attachment A: Ordinance No. 502



## **ORDINANCE NO. 502**

**AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON, EXTENDING UNTIL MAY 12, 2008 A MORATORIUM AND INTERIM CONTROL PURSUANT TO RCW 35A.63.220 PROHIBITING THE FILING OR ACCEPTANCE OF ANY APPLICATIONS FOR RESIDENTIAL DEVELOPMENT OF LAND WITHIN THE COMMUNITY BUSINESS, INDUSTRIAL OR REGIONAL BUSINESS LAND USE DISTRICTS IN PROXIMITY TO RESIDENTIAL NEIGHBORHOODS**

WHEREAS, the Shoreline City Council found, pursuant to Ordinance No. 484, as amended, that acceptance of development applications proposing new residential development in Community Business, Regional Business and Industrial zoning districts utilizing current development standards and density may allow development that is incompatible with existing neighborhoods, leading to erosion of community character and harmony, and a decline in property values; and

WHEREAS, the City Council continues to find that the integrity of existing land uses may suffer irreparable harm unless a moratorium is adopted and that the potential adverse impacts upon the public safety, welfare, and peace, as outlined herein, continue to justify the declaration of an emergency; and

WHEREAS, the current moratorium expires April 29, 2008 unless extended or terminated before that date; and

WHEREAS, the City Council held a public hearing April 28, 2008 to consider extension of the moratorium until May 12, 2008; and

WHEREAS, an interim control until May 12, 2008 will allow the City to continue preserving planning options and preventing substantial change until the existing land areas so designated and the proposed amendments to the development standards applicable to residential development in these zones are adopted; NOW, THEREFORE,

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

**Section 1. Findings of Fact.** Based upon the public hearing held on the extension of Ordinance No. 484, as amended, the recitals set forth above are hereby adopted as findings of the City Council.

**Section 2. Moratorium Extension Adopted.** The Moratorium adopted by Ordinance No. 484, as amended, is extended until May 12, 2008.

**Section 3. Emergency Declared and Effective Date.** The City Council declares that an emergency exists requiring passage of this ordinance for the protection of public health, safety, welfare and peace based on the Findings set forth in Section 1 of

this ordinance. This ordinance shall take effect and be in full force immediately upon passage and shall expire fourteen days from its effective date unless extended or repealed according to law.

**Section 3. Publication.** A summary of this ordinance consisting of the title is approved for publication in the official newspaper of the City.

PASSED BY THE CITY COUNCIL ON APRIL 28, 2008.

---

Mayor Cindy Ryu

ATTEST:

APPROVED AS TO FORM:

---

Scott Passey  
City Clerk

---

Ian Sievers  
City Attorney

Date of Publication:

Effective Date: April 28, 2008

## CITY COUNCIL AGENDA ITEM

### CITY OF SHORELINE, WASHINGTON

<b>AGENDA TITLE:</b>	2007 Fourth Quarter Financial Report
<b>DEPARTMENT:</b>	Finance
<b>PRESENTED BY:</b>	Debbie Tarry, Finance Director

#### PROBLEM/ISSUE STATEMENT:

Attached is the 2007 fourth quarter financial report. This report summarizes the financial activities during 2007 for all City funds. It is provided to keep the Council informed of the financial issues and the financial position of the City. The Executive Summary section of the report provides a high level overview. More detailed information on specific revenue and expenditures is provided following the Executive Summary.

Page 27 of the fourth quarter financial report contains information on the City's investment portfolio. The City's investment portfolio is considered very safe, but given all the recent information on the crisis in the housing and financial markets, Council may find it beneficial to review this section.

#### FINANCIAL IMPACT:

The table on page 2 provides a summary of the financial results for all City funds for 2007.

#### RECOMMENDATION

No action is required by the Council. This item is provided for informational purposes.

Approved By: City Manager  City Attorney \_\_\_\_

#### ATTACHMENTS

Attachment A – 2007 Fourth Quarter Financial Report

Revenues							Expenditures					
Fund	2007 Budget	2007 Projected	2007 Actuals	2007 Carryover	Variance Actuals + Carryovers v. Projected	% Variance	2007 Budget	2007 Projected	2007 Actuals	2007 Carryover	Variance Actuals + Carryover v. Projected	% Variance
General Fund	\$34,238,843	\$29,001,142	\$29,683,174	\$93,077	\$775,110	2.67%	\$34,542,541	\$33,837,486	\$32,961,412	\$373,096	-\$502,978	-1.49%
Streets	\$2,595,379	\$2,330,173	\$2,367,674	\$0	\$37,501	1.61%	\$2,595,379	\$2,532,552	\$2,240,063	\$224,258	-\$68,231	-2.69%
SWM Utility Fund	\$6,817,785	\$3,733,008	\$3,775,061	\$75,000	\$117,053	3.14%	\$6,817,785	\$4,500,270	\$2,888,322	\$1,270,830	-\$341,118	-7.58%
General Capital	\$26,341,796	\$5,079,056	\$5,588,458	\$307,012	\$816,414	16.07%	\$35,474,846	\$13,883,857	\$12,184,532	\$1,916,166	\$216,841	1.56%
Roads Capital	\$13,066,740	\$9,238,305	\$8,365,226	\$456,683	-\$416,396	-4.51%	\$16,358,554	\$14,308,485	\$11,245,004	\$2,429,442	-\$634,039	-4.43%
General Reserve Fund	\$58,546	\$92,500	\$136,000	\$0	\$43,500	47.03%	\$2,274,862	\$2,274,862	\$2,410,860	\$0	\$135,998	0.00%
Code Abatement Fund	\$100,000	\$15,057	\$16,325	\$0	\$1,268	8.42%	\$100,000	\$15,000	\$1,688	\$0	-\$13,312	-88.75%
Asset Seizure Fund	\$23,500	\$35,000	\$20,226	\$0	-\$14,774	-42.21%	\$23,500	\$12,779	\$13,567	\$0	\$788	6.17%
Revenue Stabilization Fund	\$5,987,115	\$3,878,753	\$6,123,113	\$0	\$2,244,360	57.86%	\$0	\$0	\$0	\$0	\$0	0.00%
Unltd Tax GO Bond Fund	\$1,800,000	\$1,800,298	\$1,768,906	\$0	-\$31,392	100.00%	\$1,636,228	\$1,635,928	\$1,635,928	\$0	\$0	0.00%
Public Arts Fund	\$0	\$30,385	\$47,115	\$0	\$16,730	55.06%	\$84,000	\$30,385	\$35,184	\$0	\$4,799	0.00%
Vehicle Operations Fund	\$139,988	\$147,561	\$148,100	\$0	\$539	0.37%	\$139,988	\$139,988	\$130,487	\$0	-\$9,501	-6.79%
Facility - Major Maintenance Fund	\$110,000	\$110,000	\$62,266	\$0	-\$47,734	-43.39%	\$110,000	\$110,000	\$47,813	\$0	-\$62,187	-56.53%
Equipment Replacement Fund	\$416,315	\$330,506	\$370,727	\$0	\$40,221	12.17%	\$200,746	\$129,656	\$198,909	\$75,000	\$144,253	111.26%
Unemployment	\$10,500	\$12,150	\$14,357	\$0	\$2,207	18.16%	\$10,000	\$10,000	\$5,708	\$0	-\$4,292	-42.92%
Totals	\$91,706,507	\$55,833,894	\$58,486,728	\$931,772	\$3,584,607	6.42%	\$100,368,429	\$73,421,248	\$65,999,477	\$6,288,792	-\$1,132,979	-1.54%



# **2007 Year End Financial Report**

Prepared by the Finance Department

*For*

*Fiscal Year January 1, 2007 – December 31, 2007*

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## **EXECUTIVE SUMMARY**

### **General Fund**

2007 General Fund revenue including carryovers totaled \$29,776,251 which was greater than 2007 projected revenue of \$29,001,142 by \$775,110 or 2.67%. This is an increase of 7.26% over total 2006 revenues of \$27,759,897 which is primarily the result of increased revenues from sales tax, utility tax and franchise fees, permit revenue, investment interest grants and recreation fees. The 2007 variance in actual revenue collections can primarily be attributed to better than expected revenue from sales tax (\$385,051), utility tax and franchise fees (\$158,207) and investment interest (\$195,440).

The 2007 actual expenditures were \$32,961,412 and the 2007 carryovers were \$373,096 for a total 2007 expenditure of \$33,334,508. This is \$502,978 or 1.49% below projected expenditures of \$33,837,486.

The net result of revenues exceeding projections by \$775,110 and expenditures being \$502,978 below projections is increasing the fund balance by \$1,278,080.

In 2007 staff had projected a 2007 budget savings of at least \$545,000. These monies were transferred to the City Hall project in 2007. The final 2007 savings were \$1.278 million greater than the original projection. In March 2008 the City Council authorized \$446,265 of these savings for the City Hall project, leaving \$831,815 of net savings unallocated. At this time staff is recommended that the remaining savings be allocated as follows:

- City Hall Project Utility Hookups - \$81,000. To used to allocate towards the expected \$170,000 cost for utility hook-ups related to the new building. The remaining \$89,000 will come from reductions to operating budget costs in 2008 (\$39,000) and \$50,000 from real estate excise tax.
- City Hall Project - \$500,000. To be used to either reduce the amount of debt issued for the project or to cover costs in areas such as audio visual equipment, generator, furniture and fixtures, or unanticipated contingency funds.
- Telephone System Acquisition - \$250,000. On April 14, 2008, Council authorized the City Manager to sign a contract with All Phase Communications, Inc. for the implementation of a new telephone system.

### **Street Fund**

Actual revenues for 2007 were \$2,367,674, just \$37,501 or 1.61% above projected revenue. Right-of-way fee revenue was above projections by \$35,615 or 29.8% due to increased activity. Investment interest was above projections by \$21,332 or 57.4%. Fuel tax collections were below projections by \$17,674 or 2.4%.

The 2007 actual expenditures were \$2,240,063 and the 2007 carryovers were \$224,258 for a total 2007 expenditure of \$2,464,321. This is \$68,231 or 2.69% below projected expenditures of \$2,532,552.

The resulting 2007 ending fund balance is \$984,322.

## **Surface Water Utility Fund**

The 2007 actual revenues were \$3,775,061 and the 2007 carryovers were \$75,000 for total 2007 revenue of \$3,850,061. This was \$117,053 or 3.14% more than projected revenue of \$3,733,008. Surface Water Utility Revenue was primarily affected by the following: Specifics of the Surface Water Utility Revenue are as follows:

- Investment interest was \$251,107 or 67.4% above projected revenue of \$372,500.
- The City received \$117,876 from King County for Hidden Lake mitigation.
- Grant revenue of \$75,000 carried over into 2008.
- Storm drainage fees were \$36,295 or 1.24% less than projected.
- The primary difference between actual and projected revenues is that the amount of Public Works Trust Fund Loan (PWTFL) used was \$290,635 less than anticipated. This PWTFL is for the Ronald Bog Drainage Improvements.

The 2007 actual expenditures were \$2,888,322 and the 2007 carryovers were \$1,270,830 for a total 2007 expenditure of \$4,159,152. This is \$341,118 or 7.58% below projected expenditures of \$4,500,270. Broken out between operating and capital, the expenditures were as follows:

- Operating expenditures were \$98,234 or 5.32% under projections of \$1,848,178
- Capital expenditures were \$242,884 or 10.99% under projections of \$2,210,255.

The 2007 ending fund balance is \$6,308,410. This includes all revenue and expenditure activity and the requested carryovers.

## **Capital Improvement Funds**

### **General Capital**

Actual revenues for 2007 were \$5,588,458 and 2007 carryovers were \$307,012 for total revenue of \$5,895,470. This is \$816,414 or 16.07% above projected revenues of \$5,079,056. The primary reason for the better than expected revenue is \$719,498 in unanticipated revenue from investment interest. Investment interest was primarily higher than projected because of major land purchases funded by the 2006 bond proceeds occurring later than originally projected. Real Estate Excise Tax (REET) collections were \$148,708 or 17.05% above projections.

The 2007 actual expenditures were \$12,184,532 and the 2007 carryovers were \$1,916,166 for a total 2007 expenditure of \$14,100,698. This is only \$216,841 or 1.56% over projected expenditures of \$13,883,857.

The resulting 2007 ending fund balance is \$15,611,586.



## **Roads Capital**

Actual revenues for 2007 were \$8,365,226 and the 2007 carryover were \$456,683 for total revenue of \$8,821,909. This is \$416,396 or 4.51% below projected revenues of \$9,238,305. Revenues were less than expected due to project timing delays for grants, lower than expected investment interest (\$263,098 or 49.2%) and lower than expected fuel tax revenue (\$64,554). On the positive side REET revenue was \$148,708 or 16.2% better than projected.

The 2007 actual expenditures were \$11,245,004 and the 2007 carryovers were \$2,429,442 for a total 2007 expenditure of \$13,674,446. This is \$634,039 or 4.43% below projected expenditures of \$14,308,485.

The resulting 2007 ending fund balance is \$5,844,344.

## All Funds Summary

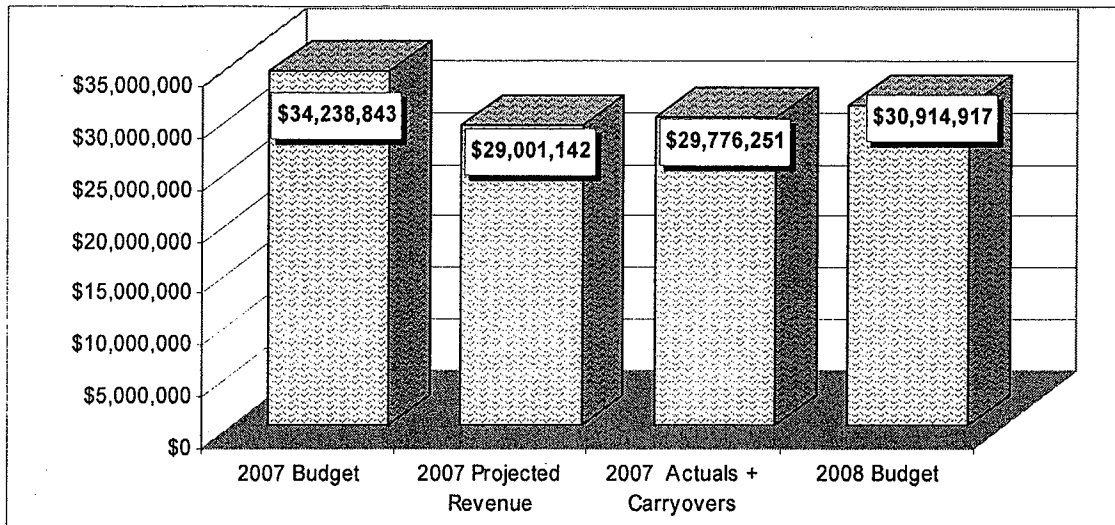
The following table provides a summary of the financial results for all City funds for 2007 and includes the 2007 carryover. The second chart shows the estimated ending fund balances or 2007:

Revenues							Expenditures					
Fund	2007 Budget	2007 Projected	2007 Actuals	2007 Carryover	Variance Actuals + Carryovers v. Projected	% Variance	2007 Budget	2007 Projected	2007 Actuals	2007 Carryover	Variance Actuals + Carryover v. Projected	% Variance
General Fund	\$34,238,843	\$29,001,142	\$29,683,174	\$93,077	\$775,110	2.67%	\$34,542,541	\$33,837,486	\$32,961,412	\$373,096	-\$502,978	-1.49%
Streets	\$2,595,379	\$2,330,173	\$2,367,674	\$0	\$37,501	1.61%	\$2,595,379	\$2,532,552	\$2,240,063	\$224,258	-\$68,231	-2.69%
SWM Utility Fund	\$6,817,785	\$3,733,008	\$3,775,061	\$75,000	\$117,053	3.14%	\$6,817,785	\$4,500,270	\$2,888,322	\$1,270,830	-\$341,118	-7.58%
General Capital	\$26,341,796	\$5,079,056	\$5,588,458	\$307,012	\$816,414	16.07%	\$35,474,846	\$13,883,857	\$12,184,532	\$1,916,166	\$216,841	1.56%
Roads Capital	\$13,066,740	\$9,238,305	\$8,365,226	\$456,683	-\$416,396	-4.51%	\$16,358,554	\$14,308,485	\$11,245,004	\$2,429,442	-\$634,039	-4.43%
General Reserve Fund	\$58,546	\$92,500	\$136,000	\$0	\$43,500	47.03%	\$2,274,862	\$2,274,862	\$2,410,860	\$0	\$135,998	0.00%
Code Abatement Fund	\$100,000	\$15,057	\$16,325	\$0	\$1,268	8.42%	\$100,000	\$15,000	\$1,688	\$0	-\$13,312	-88.75%
Asset Seizure Fund	\$23,500	\$35,000	\$20,226	\$0	-\$14,774	-42.21%	\$23,500	\$12,779	\$13,567	\$0	\$788	6.17%
Revenue Stabilization Fund	\$5,987,115	\$3,878,753	\$6,123,113	\$0	\$2,244,360	57.86%	\$0	\$0	\$0	\$0	\$0	0.00%
Unltd Tax GO Bond Fund	\$1,800,000	\$1,800,298	\$1,768,906	\$0	-\$31,392	100.00%	\$1,636,228	\$1,635,928	\$1,635,928	\$0	\$0	0.00%
Public Arts Fund	\$0	\$30,385	\$47,115	\$0	\$16,730	55.06%	\$84,000	\$30,385	\$35,184	\$0	\$4,799	0.00%
Vehicle Operations Fund	\$139,988	\$147,561	\$148,100	\$0	\$539	0.37%	\$139,988	\$139,988	\$130,487	\$0	-\$9,501	-6.79%
Facility - Major Maintenance Fund	\$110,000	\$110,000	\$62,266	\$0	-\$47,734	-43.39%	\$110,000	\$110,000	\$47,813	\$0	-\$62,187	-56.53%
Equipment Replacement Fund	\$416,315	\$330,506	\$370,727	\$0	\$40,221	12.17%	\$200,746	\$129,656	\$198,909	\$75,000	\$144,253	111.26%
Unemployment	\$10,500	\$12,150	\$14,357	\$0	\$2,207	18.16%	\$10,000	\$10,000	\$5,708	\$0	-\$4,292	-42.92%
Totals	\$91,706,507	\$55,833,894	\$58,486,728	\$931,772	\$3,584,607	6.42%	\$100,368,429	\$73,421,248	\$65,999,477	\$6,288,792	-\$1,132,979	-1.54%

# Fund Balance Overview

All City Funds	2007 Beginning Fund Balance	2007 Actual Revenue	2007 Actual Expenditures	Ending Fund Balance	Net Carryovers	2007 Projected Ending Fund Balance
General Fund	\$8,642,165	\$29,683,174	\$32,961,412	\$5,363,927	-\$280,019	\$5,083,908
Streets	\$1,080,969	\$2,367,674	\$2,240,063	\$1,208,580	-\$224,258	\$984,322
SWM Utility Fund	\$6,617,501	\$3,775,061	\$2,888,322	\$7,504,240	-\$1,195,830	\$6,308,410
General Capital	\$23,816,814	\$5,588,458	\$12,184,532	\$17,220,740	-\$1,609,154	\$15,611,586
Roads Capital	\$10,696,881	\$8,365,226	\$11,245,004	\$7,817,103	-\$1,972,759	\$5,844,344
General Reserve Fund	\$2,274,861	\$136,000	\$2,410,861	\$0	\$0	\$0
Code Abatement Fund	\$151,199	\$16,325	\$1,688	\$165,836	\$0	\$165,836
Asset Seizure Fund	\$18,242	\$20,226	\$13,567	\$24,901	\$0	\$24,901
Revenue Stabilization Fund	\$0	\$6,123,113	\$0	\$6,123,113	\$0	\$6,123,113
Unltd Tax GO Bond Fund	\$10,000	\$1,768,906	\$1,635,928	\$142,978	\$0	\$142,978
Public Arts Fund	\$240,253	\$47,115	\$35,184	\$252,184	\$0	\$252,184
Vehicle Operations Fund	\$53,585	\$148,100	\$130,487	\$71,198	\$0	\$71,198
Facility - Major Maintenance Fund	\$189,073	\$62,266	\$47,813	\$203,526	\$0	\$203,526
Equipment Replacement Fund	\$1,483,561	\$370,727	\$198,909	\$1,655,379	-\$75,000	\$1,580,379
Unemployment	\$62,673	\$14,357	\$5,708	\$71,322	\$0	\$71,322
Totals	\$55,337,777	\$58,486,728	\$65,999,478	\$47,825,027	-\$5,357,020	\$42,468,007

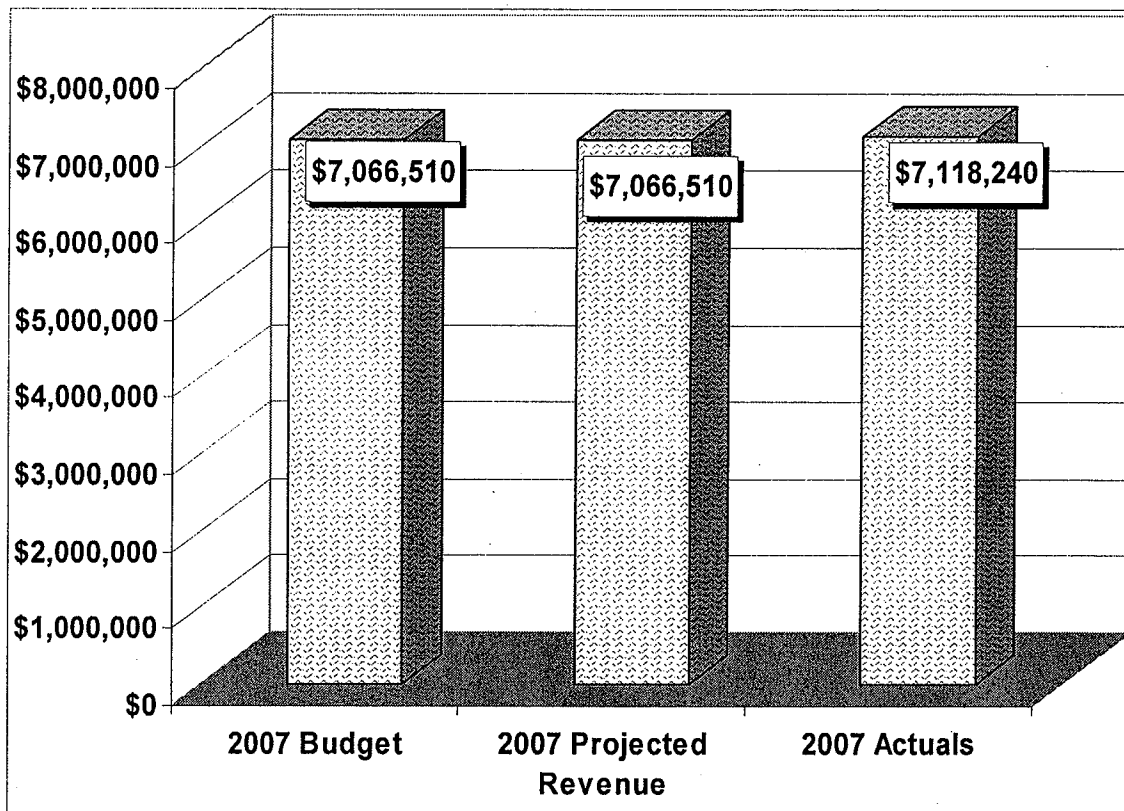
## General Fund Revenue



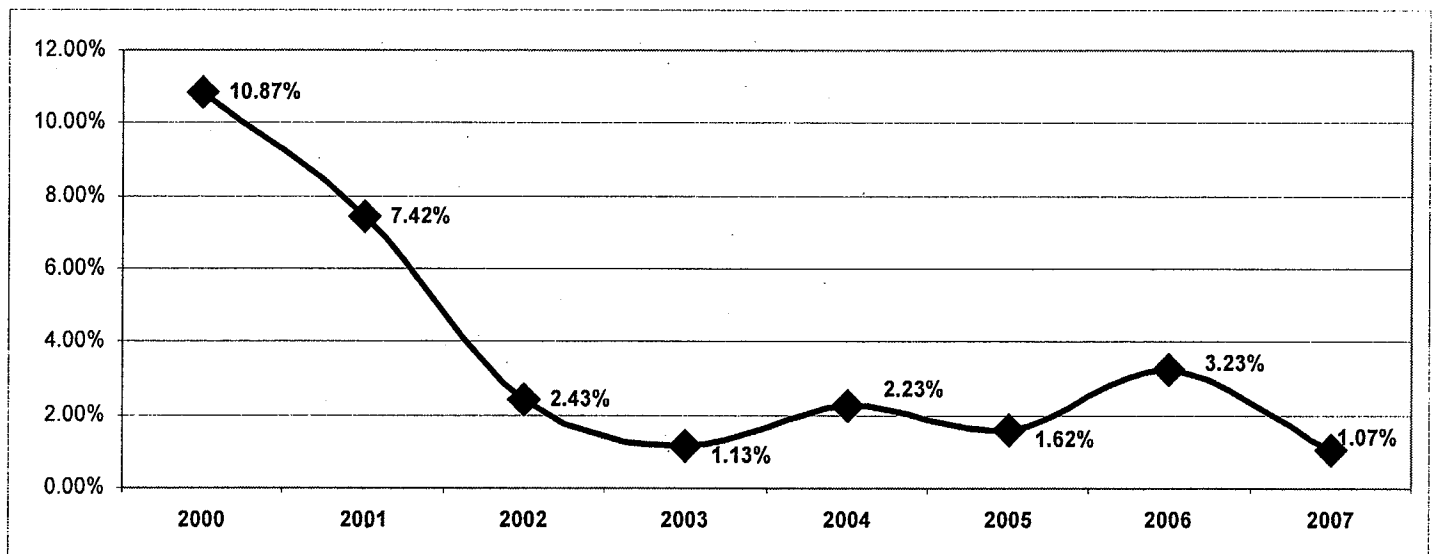
2007 General Fund revenue including carryovers totaled \$29,776,251 which was greater than 2007 projected revenue of \$29,001,142 by \$775,110 or 2.67%. This is an increase of 7.26% over total 2006 revenues of \$27,759,897 which is primarily the result of increased revenues from sales tax, utility tax and franchise fees, permit revenue, investment interest grants and recreation fees. The 2007 variance in actual revenue collections can primarily be attributed to better than expected revenue from sales tax (\$385,051), utility tax and franchise fees (\$158,207) and investment interest (\$195,440). These revenue sources make up 84% of the excess revenues.

Revenue Source	2007 Budget	2007 Projected Revenue	2007 Actuals	2007 Carryover	2007 Actuals + Carryover	\$\$ Variance Actuals v. Projected	% Variance
Budgeted Fund Balance	\$6,091,854	\$166,500	\$0	\$0	\$0	-\$166,500	100.00%
Property Tax	\$7,066,510	\$7,066,510	\$7,118,240	\$0	\$7,118,240	\$51,730	0.73%
Sales Tax	\$6,250,000	\$6,250,000	\$6,635,051	\$0	\$6,635,051	\$385,051	6.16%
Criminal Justice Sale Tax	\$1,224,500	\$1,224,500	\$1,297,341	\$0	\$1,297,341	\$72,841	5.95%
Utility Tax and Franchise Fee Category							
Natural Gas Utility Tax	\$1,045,000	\$1,045,000	\$1,053,645	\$0	\$1,053,645	\$8,645	0.83%
Sanitation Utility Tax	\$340,000	\$340,000	\$336,983	\$0	\$336,983	-\$3,017	-0.89%
Cable TV Utility Tax	\$98,000	\$348,000	\$403,116	\$0	\$403,116	\$55,116	15.84%
Telephone/Cell Utility Tax	\$1,555,000	\$1,724,660	\$1,752,641	\$0	\$1,752,641	\$27,981	1.62%
Water Franchise Fee	\$565,000	\$565,000	\$606,442	\$0	\$606,442	\$41,442	7.33%
Sewer Franchise Fee	\$655,595	\$655,595	\$659,000	\$0	\$659,000	\$3,405	0.52%
Storm Drainage Utility Tax	\$177,000	\$177,000	\$173,560	\$0	\$173,560	-\$3,440	-1.94%
Cable TV Franchise Fee	\$530,000	\$580,000	\$608,075	\$0	\$608,075	\$28,075	4.84%
Utility Tax/Franchise Fee Subtotal	\$4,965,595	\$5,435,255	\$5,593,462	\$0	\$5,593,462	\$158,207	2.91%
Electricity Contract Payment	\$1,000,000	\$1,000,000	\$1,010,382	\$0	\$1,010,382	\$10,382	1.04%
Gambling Tax	\$2,134,500	\$2,105,504	\$1,998,002	\$0	\$1,998,002	-\$107,502	-5.11%
State Revenue	\$744,304	\$729,526	\$760,723	\$0	\$760,723	\$31,197	4.28%
Permit Revenue	\$1,293,935	\$1,443,529	\$1,508,057	\$0	\$1,508,057	\$64,528	4.47%
Parks & Recreation Revenue	\$1,185,608	\$1,244,723	\$1,283,266	\$0	\$1,283,266	\$38,543	3.10%
Fines & Licenses	\$34,530	\$80,556	\$149,097	\$0	\$149,097	\$68,541	85.08%
Grants & Misc. Revenue	\$789,705	\$796,737	\$676,311	\$93,077	\$769,388	-\$27,349	-3.43%
Investment Interest	\$411,355	\$411,355	\$606,795	\$0	\$606,795	\$195,440	47.51%
Transfers-In	\$1,046,447	\$1,046,447	\$1,046,447	\$0	\$1,046,447	\$0	0.00%
<b>Total General Fund Revenue</b>	<b>\$34,238,843</b>	<b>\$29,001,142</b>	<b>\$29,683,174</b>	<b>\$93,077</b>	<b>\$29,776,251</b>	<b>\$775,110</b>	<b>2.67%</b>

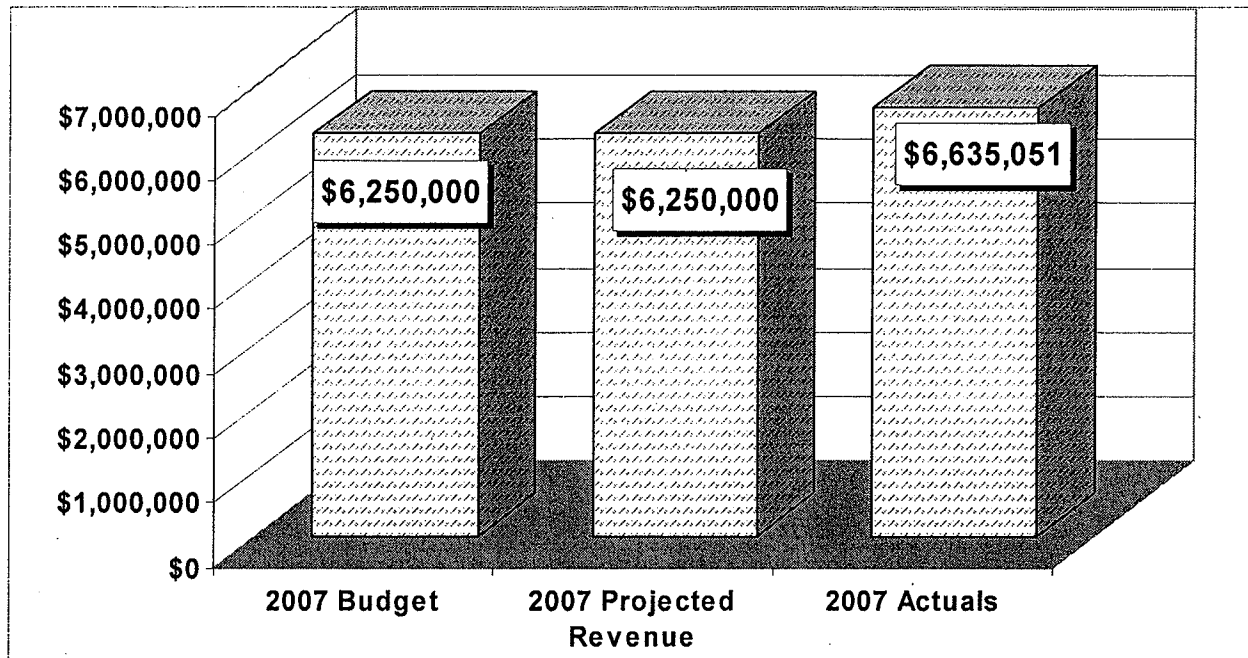
## Property Tax Revenue



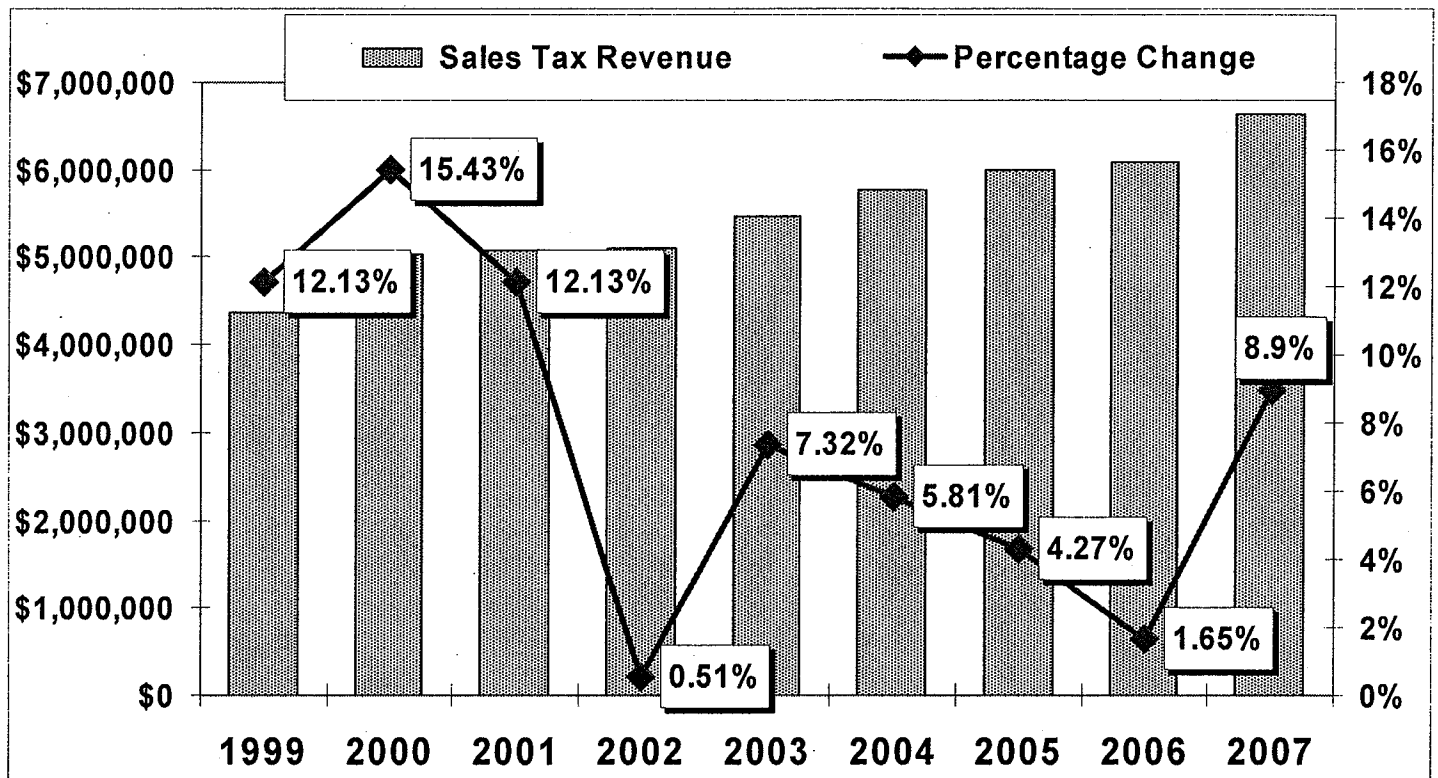
Property tax collections of \$7,118,240 were above projections by \$51,730 or 0.73%. This is an increase of \$75,086 or 1.07% over 2006 collections. The graph below highlights the annual percentage change in actual property tax revenue since 2000. The reason behind the property tax variance from year to year is based on the level of payments from delinquent accounts and the fluctuation of property tax from new construction. Historically property tax revenue was budgeted assuming a 2.0% rate of delinquent accounts; in 2007 a 1% rate was used.



## Sales Tax Revenue



Sales tax revenue came in at \$6,635,051, which is \$385,051 or 6.1% increase over 2007 projections of \$6,250,000. 2007 revenue is \$543,511 or 8.9% above 2006 collections. The chart immediately below shows sales tax revenue changes from 1999 through 2007. As the graph illustrates 2007 resulted in an 8.92% increase from 2006 and it also represented the highest rate of increase since 2001.

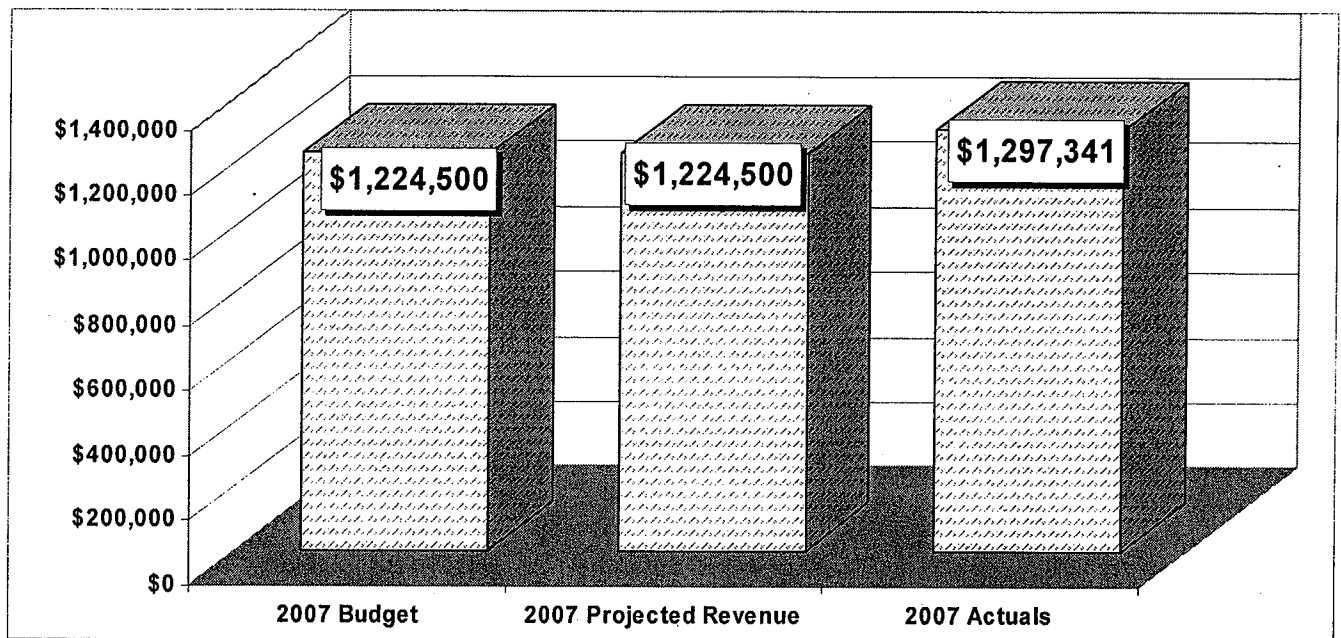


It is important to analyze sales tax growth by primary business sector to determine if the sales tax growth is a result of increased retail sales, growth in construction, growth in services or a combination. Growth in a single sector, such as construction, could indicate revenue that should be considered one-time growth. On the other hand, growth in retail related sales could indicate a growing demand in on-going sales. In looking at the change in sales tax revenue from 2006 to 2007 by business industry it appears the primary source of growth was related to construction. This table shows a comparison of the various business sector retail sales tax collections for 2006 and 2007.

The growth in construction related sales tax revenue of \$339,862 or 29.8% is the primary reason for the City's 8.9% increase over 2006. Retail sales tax revenue grew at a very modest 2.1% which resulted in an \$85,065 increase, an increase that was below the 2007 rate of inflation. Given the one-time nature of construction revenue we are hesitant to incorporate this increase into the City's future revenue planning. As the economy cools we are very mindful of the City's modest retail sales growth and as a result will continue conservative sales tax revenue projections. It is worth noting that of the 22 business sectors only seven ended 2007 with a negative variance from 2006.

<b>Sales Tax Revenue by Business Sector 2006 - 2007 (December - November)</b>				
<b>Sector</b>	<b>2007</b>	<b>2006</b>	<b>\$\$ Variance</b>	<b>% Change</b>
Retail Trade	\$4,017,388	\$3,932,323	\$85,065	2.1%
Construction	\$1,138,950	\$799,088	\$339,862	29.8%
Accommodation and Food Services	\$389,660	\$358,188	\$31,472	8.1%
Real Estate, Car Rental, Leasing	\$161,023	\$162,025	-\$1,002	-0.6%
Other Services (auto repair, equipment repair and beauty salons)	\$175,556	\$160,638	\$14,918	8.5%
Telecommunications (communication equipment and service plans)	\$152,616	\$145,972	\$6,644	4.4%
Wholesale Trade	\$144,128	\$131,919	\$12,209	8.5%
Arts & Entertainment (fitness clubs, golf courses and casinos)	\$115,049	\$100,788	\$14,261	12.4%
Administration/Support (landscaping services, janitorial, carpet cleaning and travel agencies)	\$113,703	\$69,728	\$43,975	38.7%
Information	\$41,173	\$42,865	-\$1,692	-4.1%
Manufacturing	\$35,907	\$38,211	-\$2,304	-6.4%
Science - Tech Services	\$40,295	\$34,281	\$6,014	14.9%
Unknown (non-classifiable)	\$31,394	\$32,274	-\$880	-2.8%
Finance and Insurance	\$25,139	\$29,575	-\$4,436	-17.6%
Transportation	\$14,943	\$16,794	-\$1,851	-12.4%
Health Care/Social Services	\$13,209	\$13,103	\$106	0.8%
Public Administration	\$12,704	\$11,817	\$887	7.0%
Educational Services	\$9,955	\$9,441	\$514	5.2%
Agriculture	\$1,253	\$1,242	\$11	0.9%
Mining	\$73	\$926	-\$853	-1168.5%
Company Mgmt	\$235	\$213	\$22	9.4%
Utilities	\$698	\$129	\$569	81.5%
<b>Totals</b>	<b>\$6,635,051</b>	<b>\$6,091,540</b>	<b>\$543,511</b>	<b>8.9%</b>

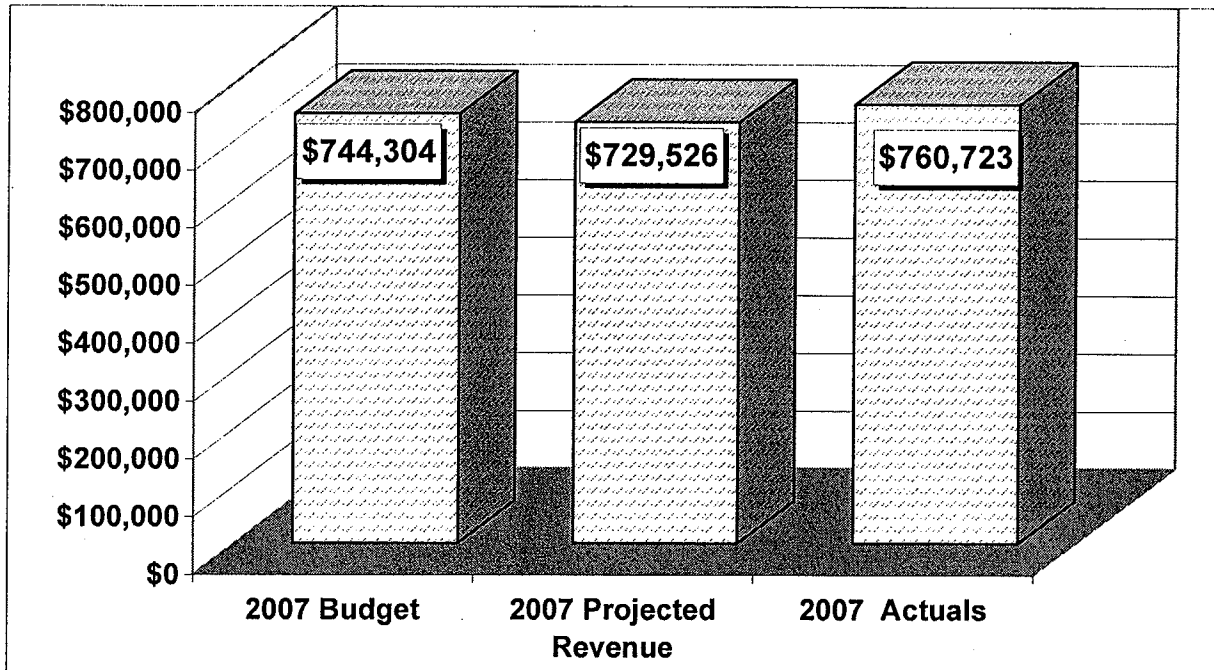
## Criminal Justice Sales Tax Revenue



Local criminal justice sales tax collections of \$1,297,341 are above projected revenue of \$1,224,500 by \$72,841 or 5.9%. This is an increase over 2006 of \$107,543 or 8.3%. This category differs from sales tax because it represents sales tax collected throughout King County and consequently does not necessarily reflect the sales tax experience within Shoreline. This tax is distributed based on city population.



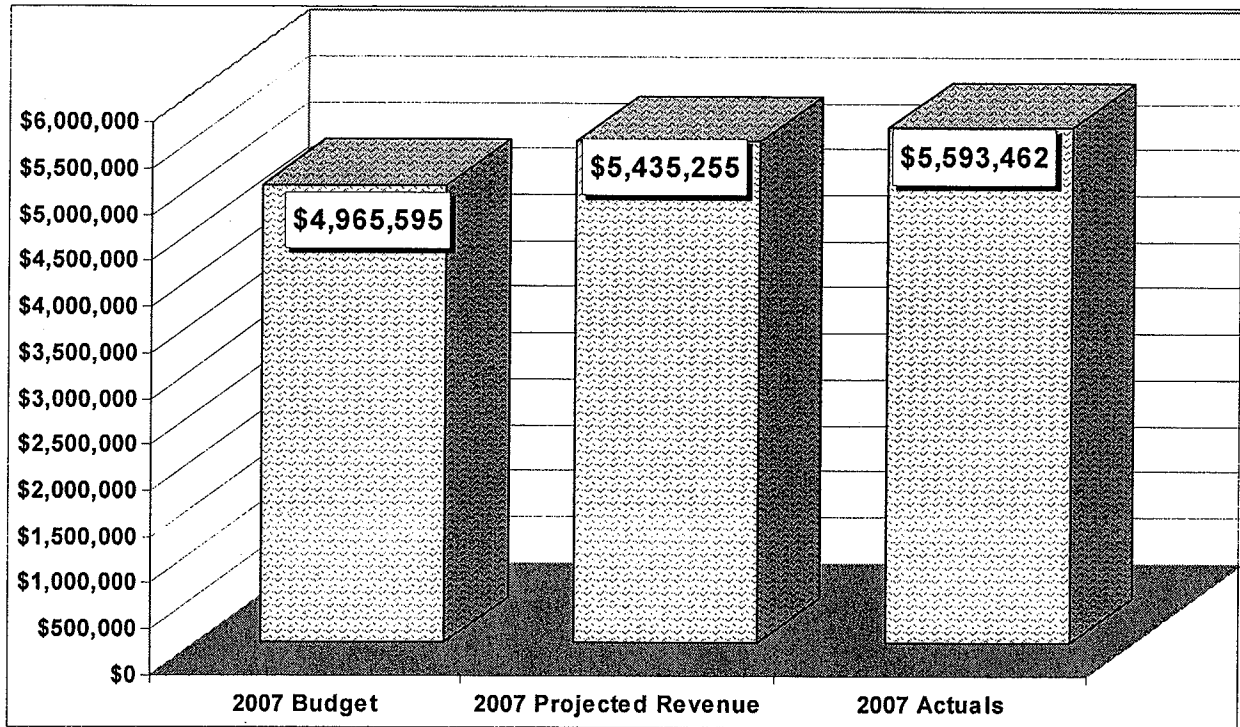
## State Shared Revenue



State Revenues of \$760,723 are just slightly above revised projected revenue of \$729,526 by \$31,197 or 4.28%. This is an increase from the amount of revenue received during 2006 by \$68,468 or 9.0%. The 2007 increase is a result of two things: an increase of \$24,581 in projected Liquor Board Profit revenue and a \$5,069 Criminal Justice contract service funding.

State shared revenue includes criminal justice funds, liquor board profits and liquor excise tax.

## Utility Tax and Franchise Fee Revenue



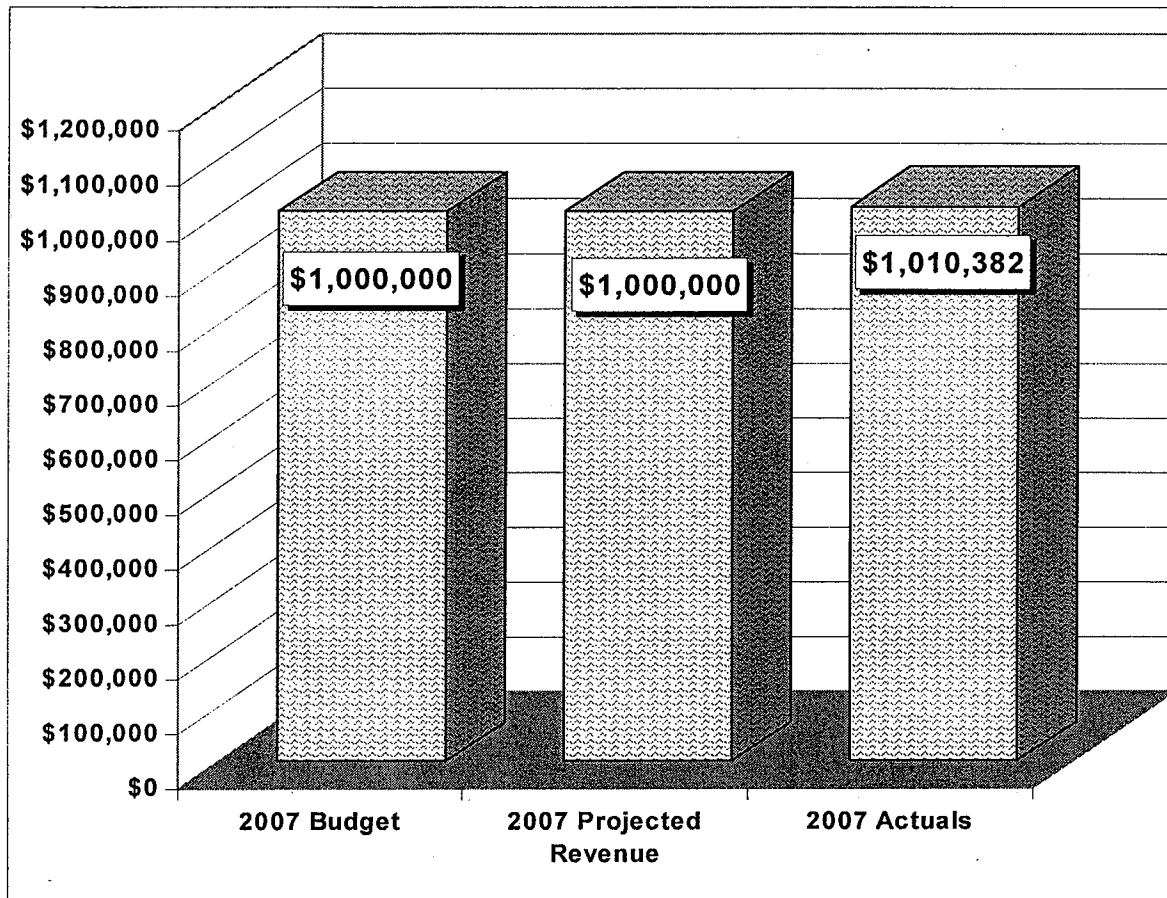
Utility tax and franchise fee revenue of \$5,593,462 exceeded revised projected revenue of \$5,435,255 by \$158,207 or 2.91%. This is an increase over 2006 of \$561,282 or 11.2% due primarily to these three revenue sources: cable TV utility tax of \$304,233 (the cable TV utility tax was increased from 1% to 6% effective July 1, 2007); telephone/cell phone utility tax of \$101,066 and natural gas utility tax of \$99,110. The increase in 2007 actual revenue collections as compared to projected revenue is due to the following:

- Cable TV utility tax revenue exceeded projections by \$55,116 or 15.84%.
- Water franchise revenue exceeded projections by \$41,442 or 7.33%
- Cable TV franchise revenue exceeded projections by \$28,075 or 4.84%
- Telephone/Cell utility tax revenue exceeded projections by \$27,981 or 1.62%

The table immediately below lists all of the City's utility revenue producers and revenue activity for 2007 and 2008 budget estimates.

Utility Tax and Franchise Fees	2007 Budget	2007 Projected Revenue	2007 Actuals	\$\$ Variance Actuals v. Projected	% Variance	2008 Budget
Natural Gas Utility Tax	\$1,045,000	\$1,045,000	\$1,053,645	\$8,645	0.83%	\$944,143
Sanitation Utility Tax	\$340,000	\$340,000	\$336,983	-\$3,017	-0.89%	\$400,000
Cable TV Utility Tax	\$98,000	\$348,000	\$403,116	\$55,116	15.84%	\$598,000
Telephone/Cell Utility Tax	\$1,555,000	\$1,724,660	\$1,752,641	\$27,981	1.62%	\$1,800,000
Water Franchise Fee	\$565,000	\$565,000	\$606,442	\$41,442	7.33%	\$565,000
Sewer Franchise Fee	\$655,595	\$655,595	\$659,000	\$3,405	0.52%	\$675,263
Storm Drainage Utility Tax	\$177,000	\$177,000	\$173,560	-\$3,440	-1.94%	\$182,310
Cable TV Franchise Fee	\$530,000	\$580,000	\$608,075	\$28,075	4.84%	\$597,400
<b>Total Utility Revenue</b>	<b>\$4,965,595</b>	<b>\$5,435,255</b>	<b>\$5,593,462</b>	<b>\$158,207</b>	<b>2.91%</b>	<b>\$5,762,116</b>

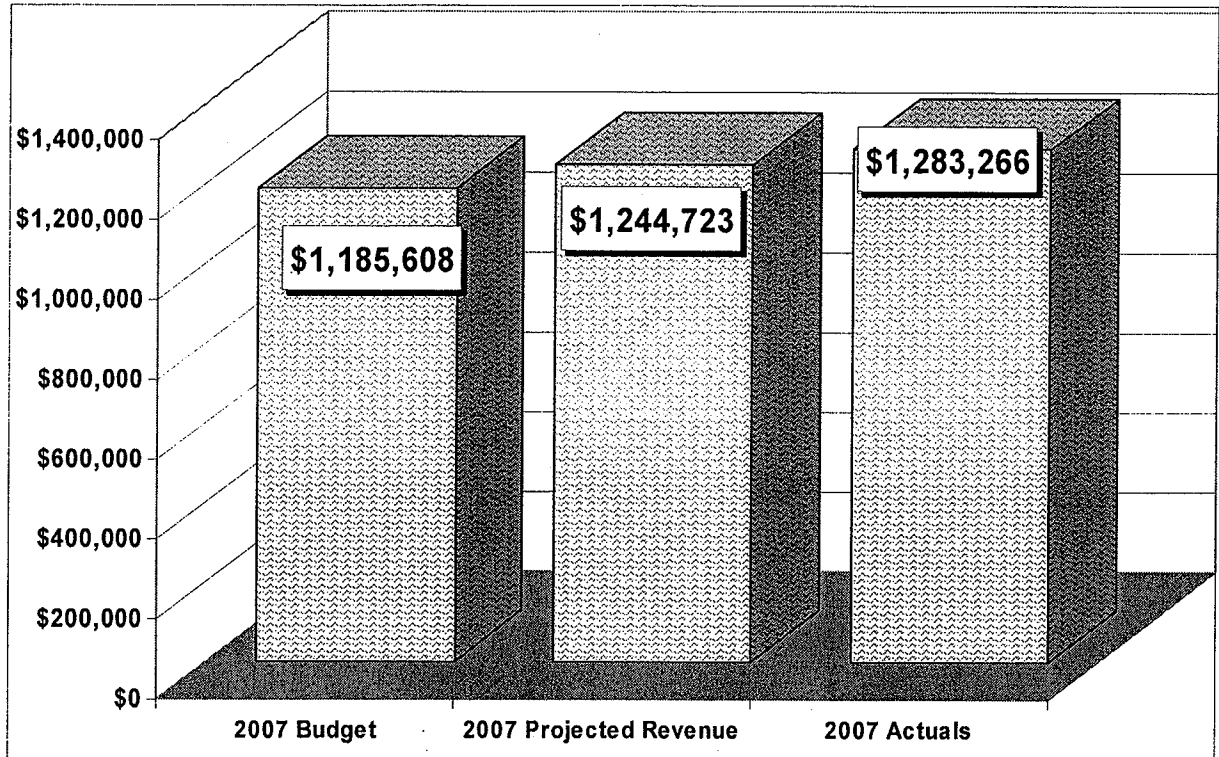
## Electricity Contract Payment



The City has an agreement with Seattle City Light that provides for the payment of 6% of the revenue earned from the power portion of electric revenues from Shoreline rate payers. Electric rates are composed of power costs and distribution costs. The power costs represent approximately 65% of the electric rate revenues.

Total collections in 2007 of \$1,010,382 exceeded projections of \$1,000,000 by only \$10,382 or 1.04%. Total collections in 2006 were \$22,054 or 2.1% more than in 2007. This variance is due to a 3% rate reduction implemented by Seattle City Light effective January 1, 2007.

## Parks and Recreation Fee Revenue

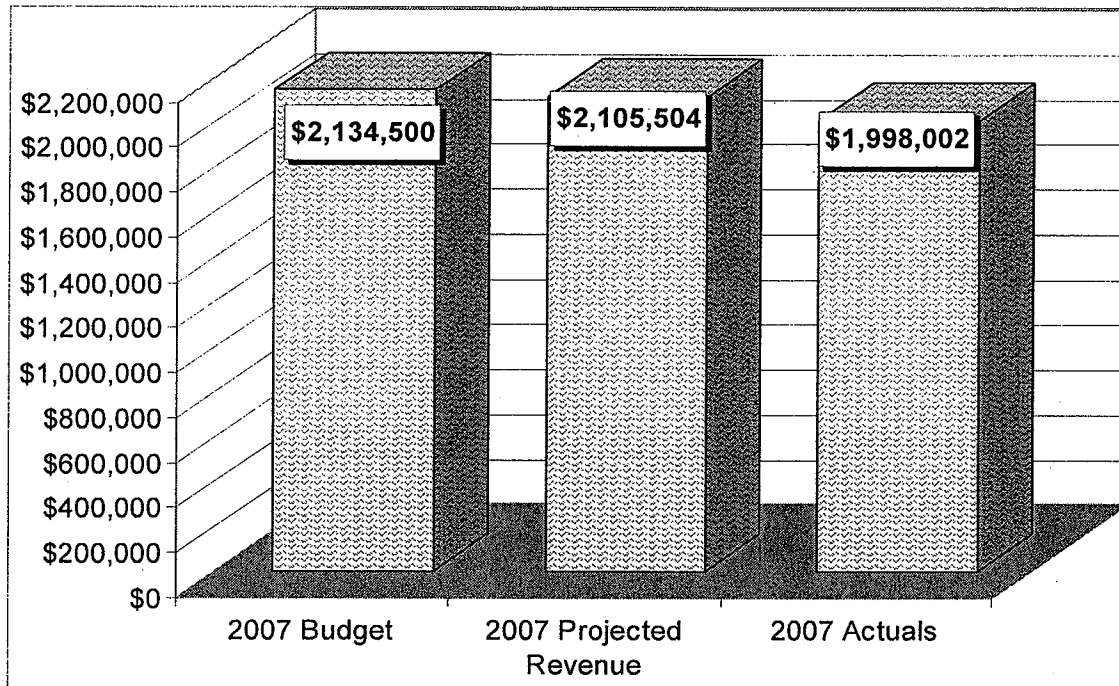


Parks' revenue collections of \$1,283,266 exceeded projected revenue of \$1,244,723 by \$38,543 or 3.10%. 2007 revenue exceeded 2006 revenue by \$185,239 or 16.87%.

The primary revenue producing programs for Parks are general recreation which includes all classes, leagues, youth and adult sports, senior programs, summer camps, special recreation, and the Spartan Recreation Center memberships and drop in fees; Shoreline Pool and facility rentals. These three programs make up 95% of all parks revenue. The table below highlights the actual revenue generated by general recreation, Shoreline Pool and facility rentals and compares it to projected revenue for 2007.

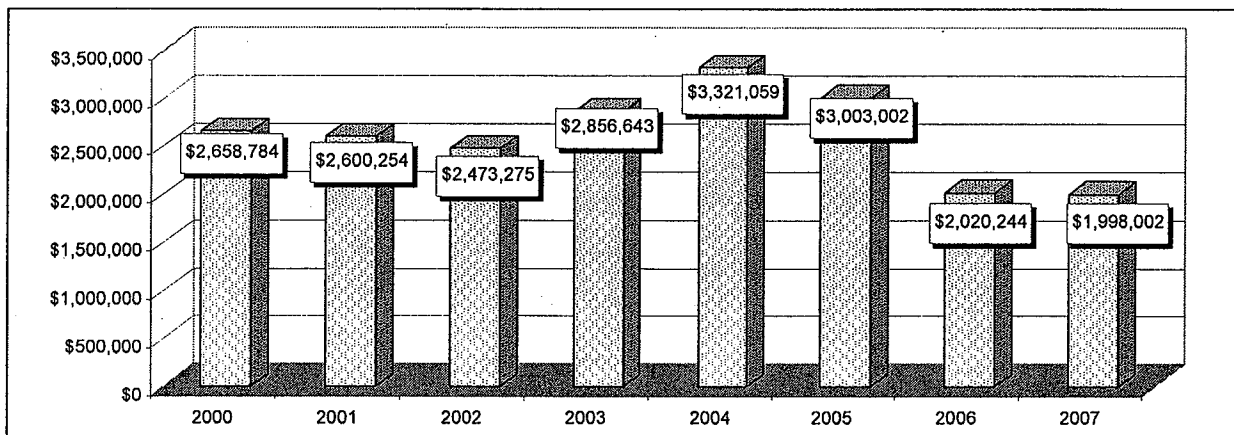
Parks Program Revenue	2007 Budget	2007 Projected Revenue	2007 Actuals	\$\$ Variance Actuals v. Projected	% Variance
General Recreation	\$513,182	\$493,156	\$543,568	\$50,412	10.2%
Shoreline Pool	\$354,050	\$346,675	\$361,540	\$14,865	4.3%
Facility Rentals	\$235,000	\$318,760	\$322,704	\$3,944	1.2%

## Gambling Tax Revenue

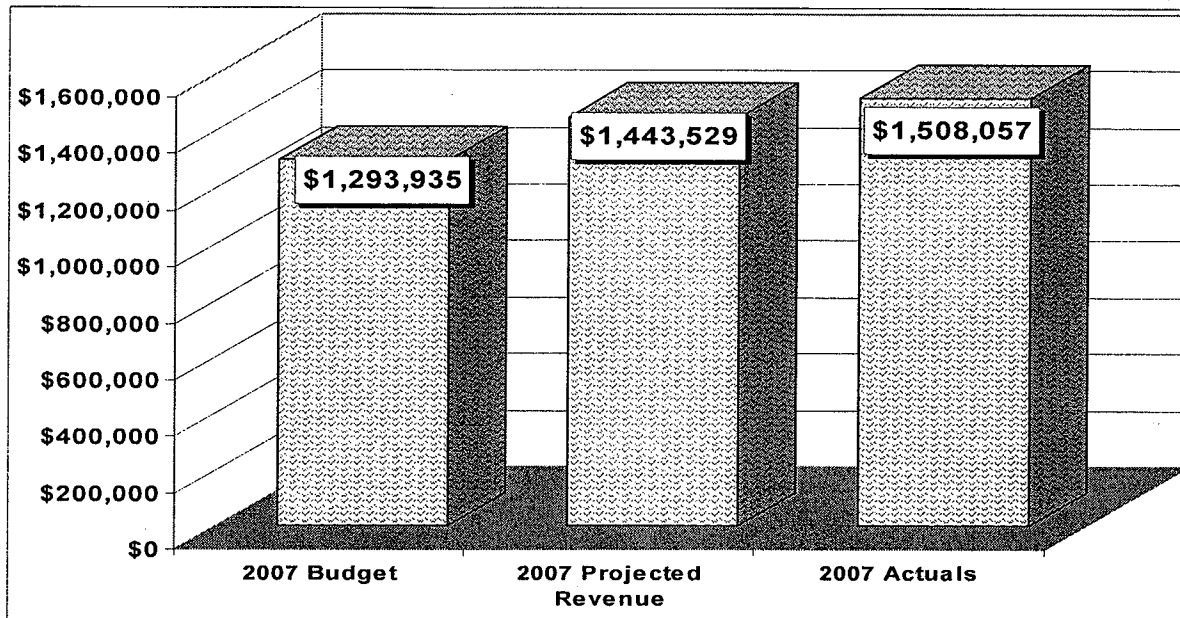


Gambling tax revenue of \$1,998,002 was \$107,203 or 5.11% below projected revenue. Revenue has been adversely affected by a 6.9% reduction in card game activity from 2006. The drop in activity levels can be attributed to the smoking ban and competition from tribal casinos. The tax rate for the first quarter of 2007 was 7%, but returned to 10% on April 1, 2007. The one quarter rate reduction resulted in a \$164,260 drop in revenue. Pull tab revenue has also decreased by 6.8% on an annual basis since 2006.

Gambling tax revenue is generated from three sources: card rooms, amusement games and pull tabs. Overall gambling tax revenue decreased by \$22,242 or 1.1% from 2006. The table immediately below highlights gambling revenue trends over the past eight years.

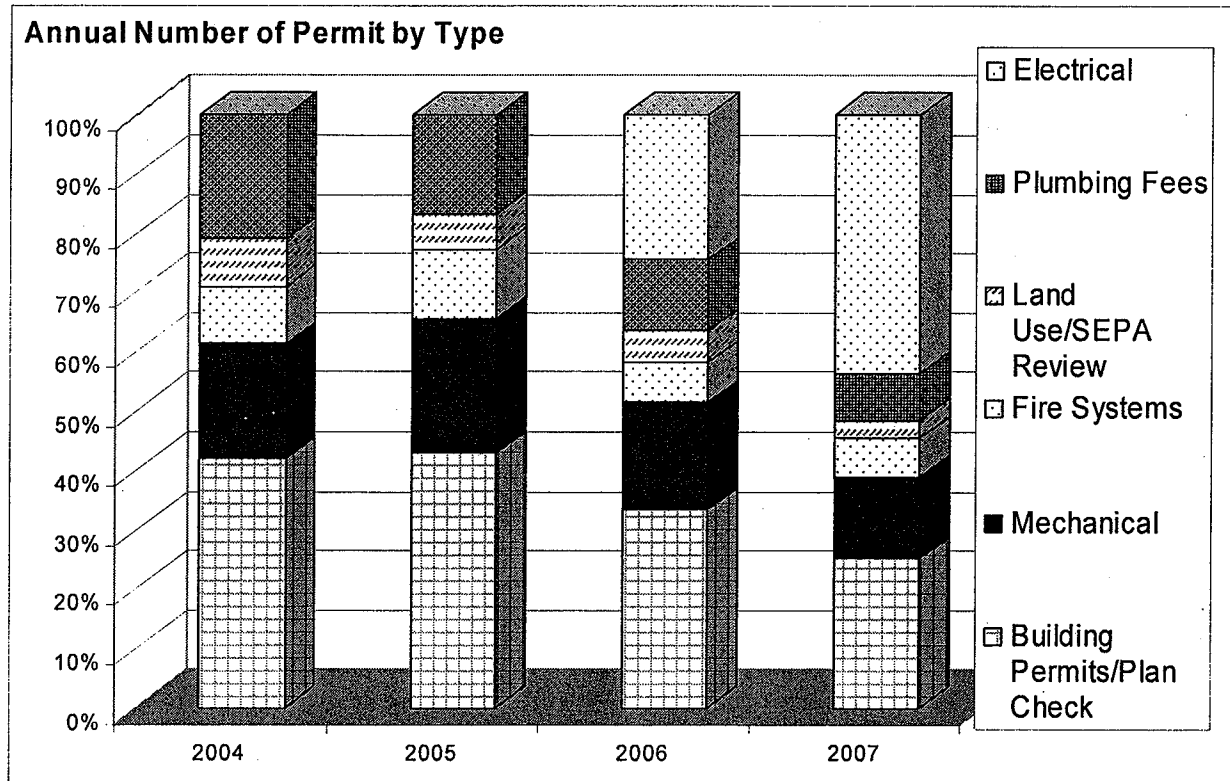


## Permit Revenue

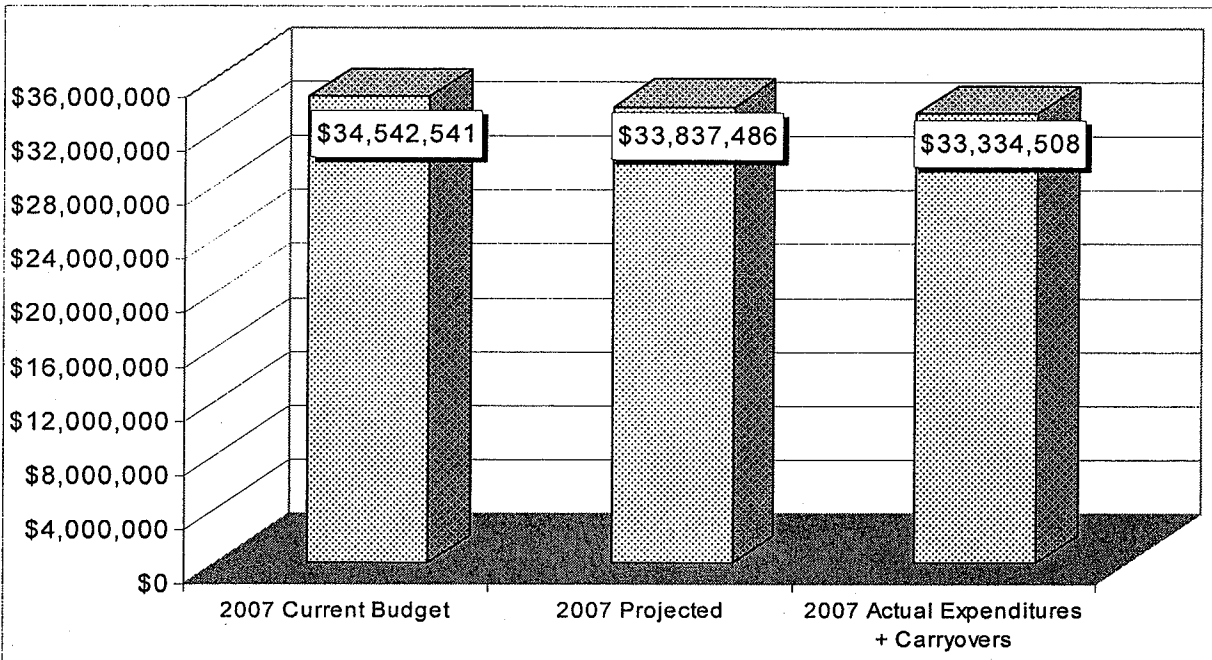


Permit revenue of \$1,508,057 was \$64,528 or 4.47% above projected revenue. 2007 revenue exceeded 2006 revenue by 163,384 or 12.15%.

The number of permits issued in 2007 was 2,208 which is a 693 or 45.7% increase over 2006. This increase is due to the number electrical permits issued in 2007 which grew from 371 in 2006 to 962 in 2007. Despite the large increase in the number of permits revenue grew by only 12.15%. This is because electrical permits generate only \$14 per permit. Essentially the City serves as a pass through agent for the State Department of Labor & Industries, which requires minimal City staff time to process.



## General Fund Expenditures



The 2007 actual expenditures were \$32,961,412 and the 2007 carryovers were \$373,096 for a total 2007 expenditure of \$33,334,508. This is \$502,978 or 1.49% below projected expenditures of \$33,837,486. The following table displays the 2007 expenditure results of each department within the General Fund including carryovers.

Department	2007 Current Budget	2007 Projected	2007 Actual Expenditures	2007 Carryover	2007 Actual Expenditures + Carryovers	\$\$ Variance	% Variance
City Council	\$172,914	\$169,406	\$166,952		\$166,952	-\$2,454	-1.4%
City Manager's Office <sup>1</sup>	\$1,412,053	\$1,386,793	\$1,267,737	\$70,500	\$1,338,237	-\$48,556	-3.5%
City Clerk	\$404,493	\$386,693	\$366,341		\$366,341	-\$20,352	-5.3%
City Attorney	\$734,943	\$671,909	\$654,750		\$654,750	-\$17,159	-2.6%
Community Services <sup>2</sup>	\$1,665,715	\$1,595,295	\$1,508,132	\$100,342	\$1,608,474	\$13,179	0.8%
Finance/IS	\$2,566,395	\$2,499,824	\$2,433,354	\$55,195	\$2,488,549	-\$11,275	-0.5%
Citywide	\$1,314,561	\$858,474	\$861,796		\$861,796	\$3,322	0.4%
Human Resources	\$393,964	\$366,880	\$357,459		\$357,459	-\$9,421	-2.6%
Police	\$8,548,031	\$8,629,204	\$8,617,900		\$8,617,900	-\$11,304	-0.1%
Criminal Justice	\$1,379,426	\$1,379,326	\$1,217,034		\$1,217,034	-\$162,292	-11.8%
Parks	\$4,054,944	\$4,037,215	\$3,871,897	\$22,930	\$3,894,827	-\$142,388	-3.5%
Planning and Development Services	\$2,794,454	\$2,602,404	\$2,465,491	\$88,152	\$2,553,643	-\$48,761	-1.9%
Public Works	\$1,451,311	\$1,438,226	\$1,284,601	\$35,977	\$1,320,578	-\$117,648	-8.2%
December Flood Event	\$0	\$0	\$116,115	\$0	\$116,115	\$116,115	0.0%
Department Totals	\$26,893,204	\$26,021,649	\$25,189,559	\$373,096	\$25,562,655	-\$458,994	-1.8%
General Transfers Out	\$7,649,337	\$7,815,837	\$7,771,853	\$0	\$7,771,853	-\$43,984	-0.6%
General Fund Total	\$34,542,541	\$33,837,486	\$32,961,412	\$373,096	\$33,334,508	-\$502,978	-1.49%

<sup>1</sup> City Manager includes Economic Development, Communications & Intergovernmental Relations

<sup>2</sup> Community Services includes Emergency Management Planning, Neighborhoods, Human Services and CRT

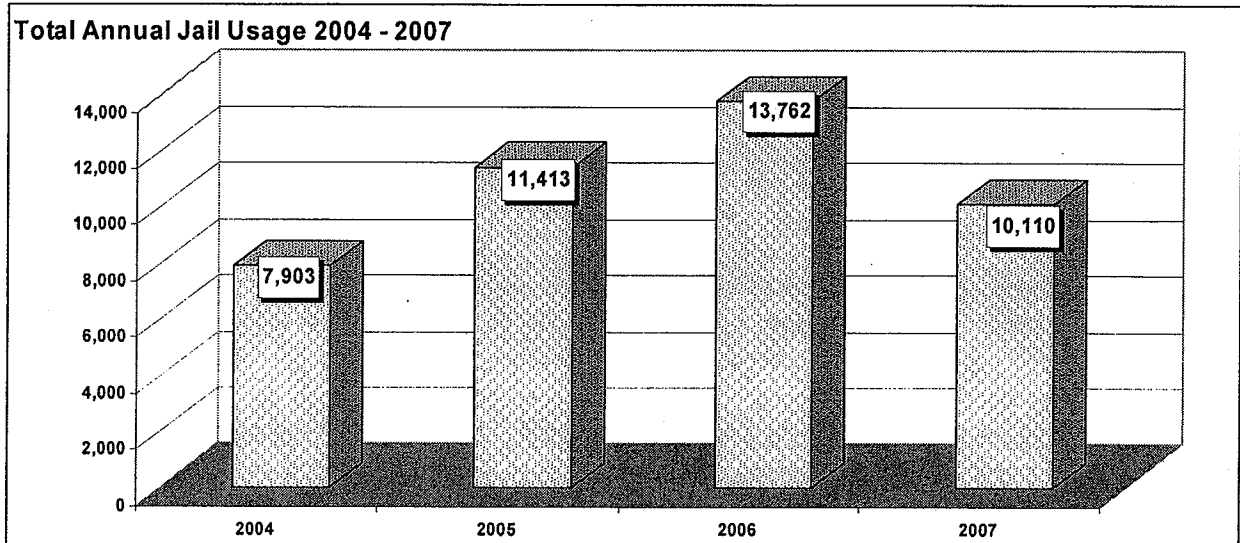
## 2007 Expenditure Highlights form the General Fund

City Manager's Office is under projections by \$48,556 or 3.5% due to savings in professional services.

City Clerks Office is under projections by \$20,352 or 5.3% primarily as a result of fewer hearing examiner services needed and of the three hearings held all but one were less than the \$2,080 budgeted. Six hearings were budgeted.

City Attorney is under projections by \$17,159 or 2.6% as a result of needing less outside legal counsel professional services than originally estimated.

Criminal Justice is under projections by \$162,292 or 11.8%. This under expenditure is due to a decrease in jail costs as a result of fewer jail days used by Shoreline inmates. In 2007 jail days used decreased by 3,652 or 26.5% compared to 2006. The City uses historical jail usage data to develop future jail cost scenarios. As the table immediately below illustrates, prior to 2007 jail day usage had increased substantially since 2004.



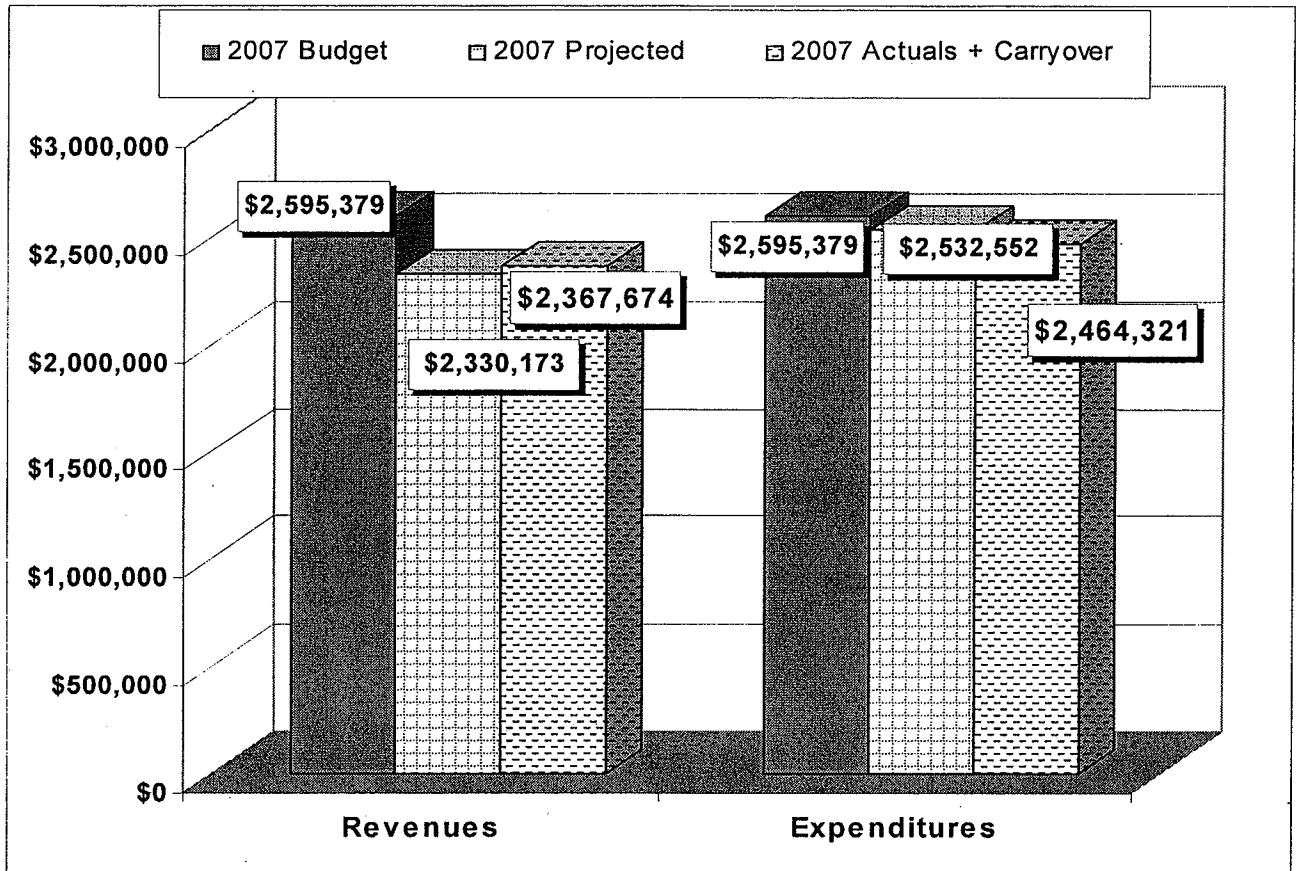
Parks, Recreation and Cultural Services is under projections by \$142,388 or 3.5% due to savings in salary and benefits, operating supplies and professional services.

Public Works is under projections by \$117,648 or 8.2%, due to savings in professional services, repairs and maintenance, and lease expenses.

The 2007 December flood created \$116,115 in unanticipated costs as a result of the flood damage to city buildings and infrastructure. The City is working with FEMA and the Washington Cities Insurance Pool to recapture as much of these costs as possible.



## Street Fund



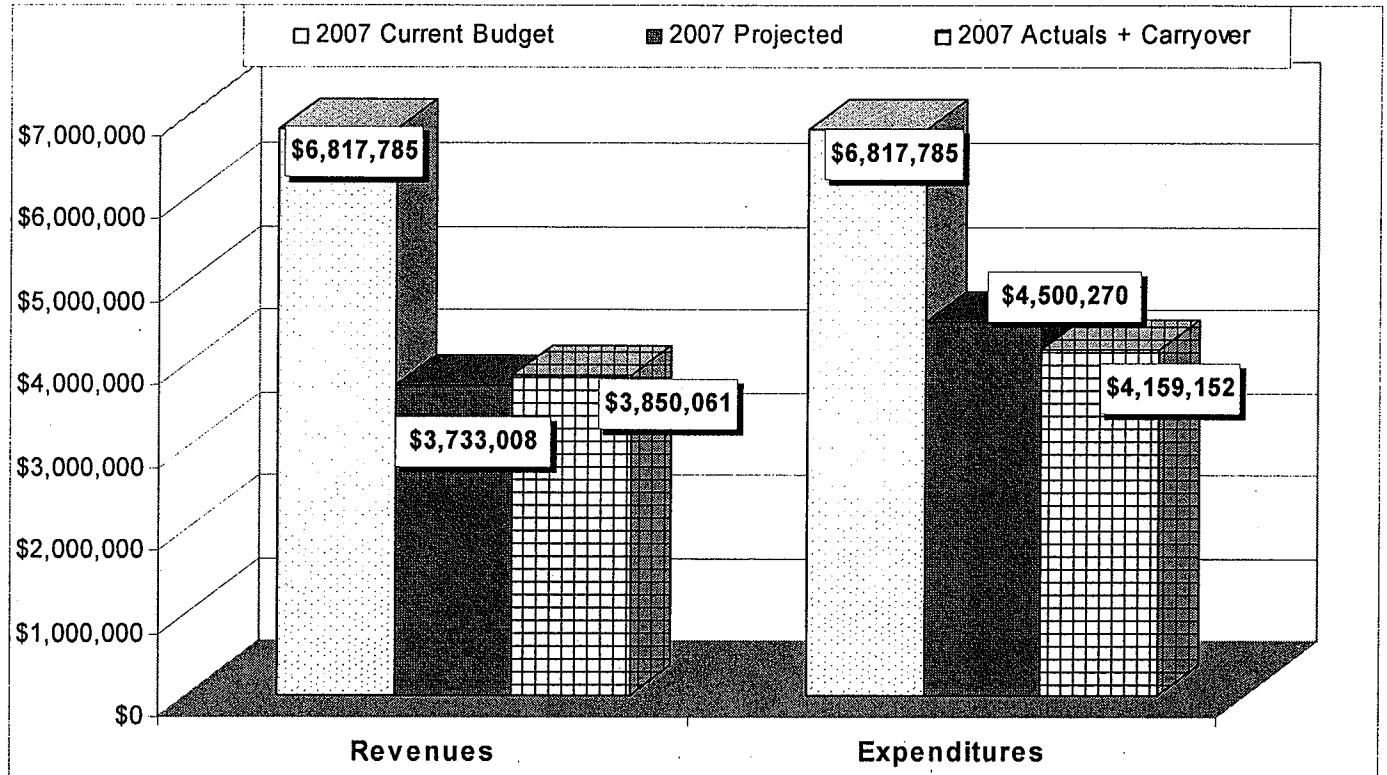
Street Fund	2007 Budget	2007 Projected	2007 Actuals	2007 Carryover	2007 Actuals + Carryover	\$\$ Variance	% Variance
Revenues	\$2,595,379	\$2,330,173	\$2,367,674	\$0	\$2,367,674	\$37,501	1.61%
Expenditures	\$2,595,379	\$2,532,552	\$2,240,063	\$224,258	\$2,464,321	-\$68,231	-2.69%

Actual revenues for 2007 were \$2,367,674, just \$37,501 or 1.61% above projected revenue. Right-of-way fee revenue was above projections by \$35,615 or 29.8% due to increased activity. Investment interest was above projections by \$21,332 or 57.4%. Fuel tax collections were below projections by \$17,674 or 2.4%.

The 2007 actual expenditures were \$2,240,063 and the 2007 carryovers were \$224,258 for a total 2007 expenditure of \$2,464,321. This is \$68,231 or 2.69% below projected expenditures of \$2,532,552.

The 2007 ending fund balance is \$984,322. This includes all revenue and expenditure activity and the requested carryovers.

## Surface Water Utility Fund



SWM Utility Fund	2007 Current Budget	2007 Projected	2007 Actuals	2007 Carryover	2007 Actuals + Carryover	\$ \$ Variance	% Variance
Revenues	\$6,817,785	\$3,733,008	\$3,775,061	\$75,000	\$3,850,061	\$117,053	3.14%
Expenditures	\$6,817,785	\$4,500,270	\$2,888,322	\$1,270,830	\$4,159,152	-\$341,118	-7.58%

The 2007 actual revenues were \$3,775,061 and the 2007 carryovers were \$75,000 for total 2007 revenue of \$3,850,061 this was \$117,053 or 3.14% more than projected revenue of \$3,733,008. Specific Surface Water Utility Revenue is as follows:

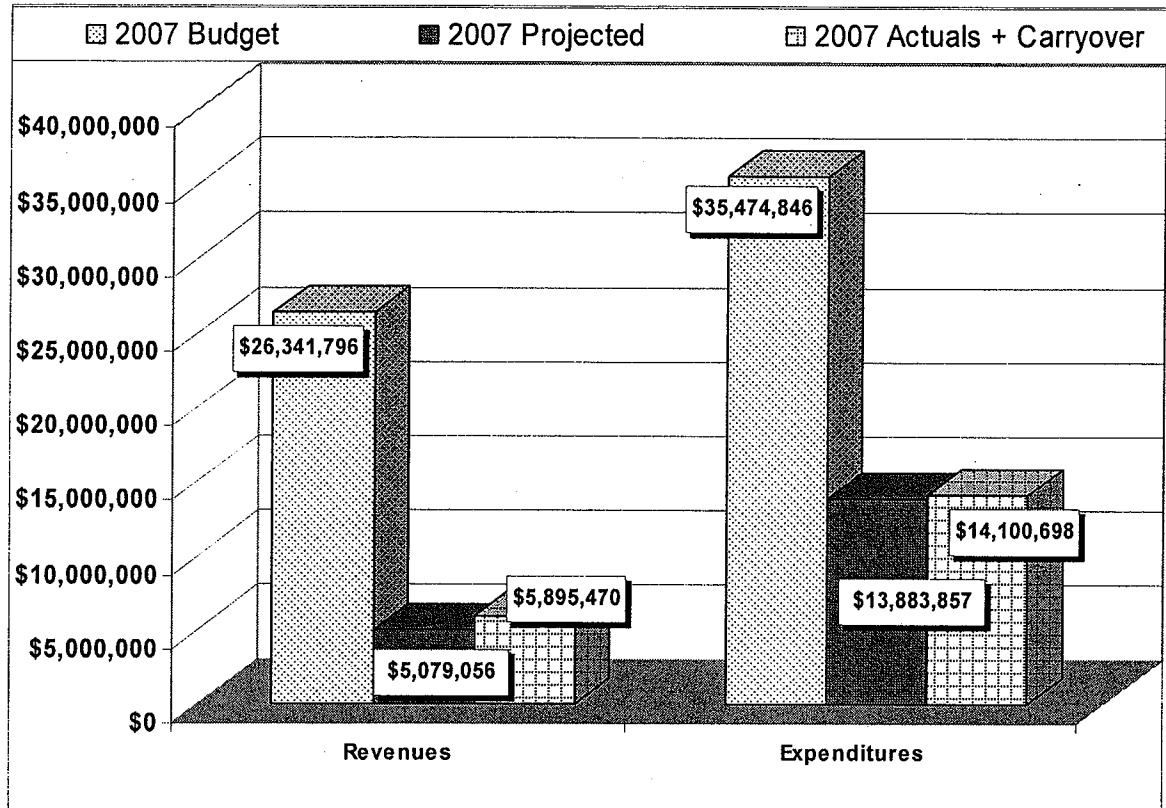
- Investment interest was \$251,107 or 67.4% above projected revenue of \$372,500.
- The City received \$117,876 from King County for Hidden Lake mitigation.
- Grant revenue of \$75,000 carried over into 2008.
- Storm drainage fees were \$36,295 or 1.24% less than projected.
- The primary difference between actual and projected revenues is that the amount of Public Works Trust Fund Loan (PWTFL) used was \$290,635 less than anticipated. This PWTFL is for the Ronald Bog Drainage Improvements.

The 2007 actual expenditures were \$2,888,322 and the 2007 carryovers were \$1,270,830 for a total 2007 expenditure of \$4,159,152. This is \$341,118 or 7.58% below projected expenditures of \$4,500,270. Broken out between operating and capital as follows:

- SWM operating expenditures were \$98,234 or 5.32% under projections of \$1,848,178 and capital expenditures were \$242,884 or 10.99% under projections of \$2,210,255.

The 2007 ending fund balance is \$6,308,410. This includes all revenue and expenditure activity and the requested carryovers.

## General Capital Fund



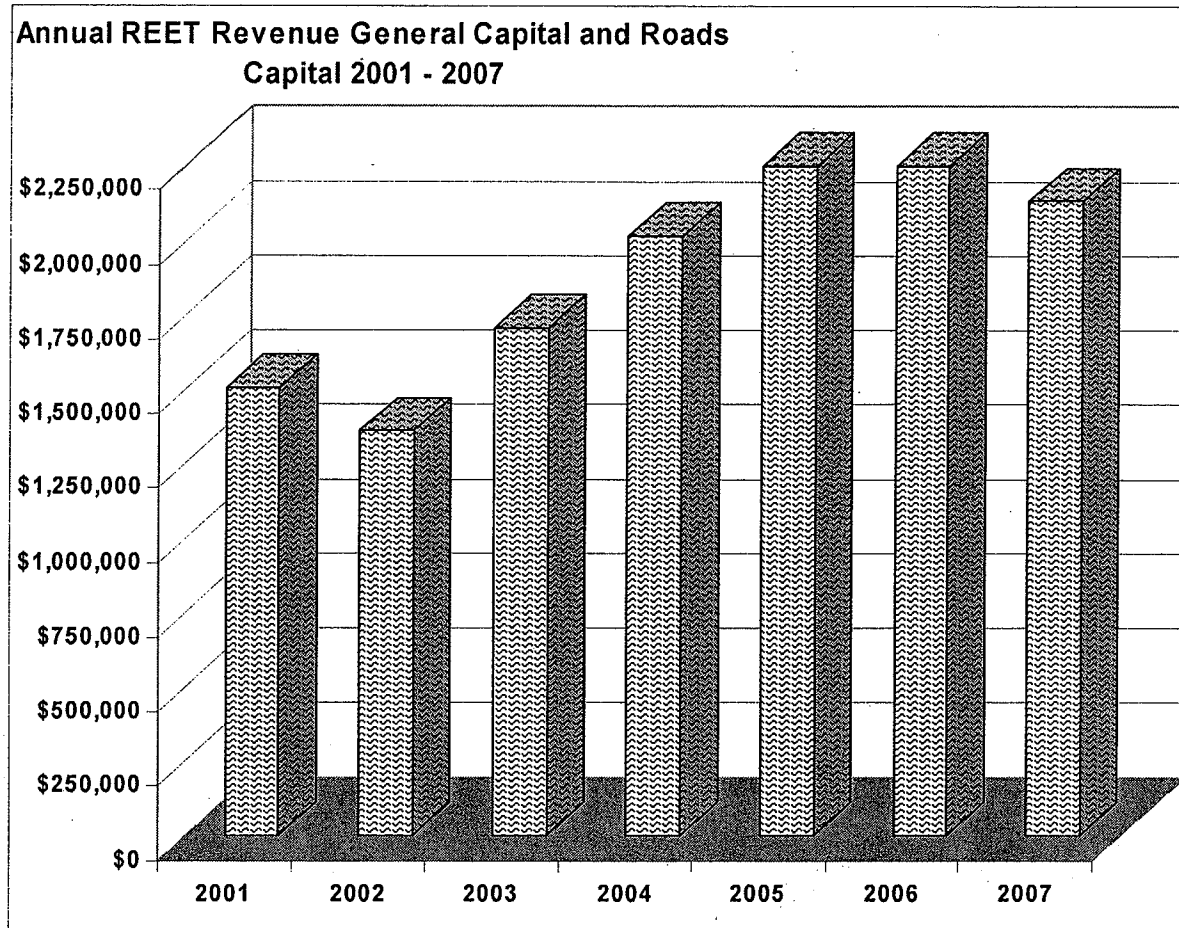
General Capital Fund	2007 Budget	2007 Projected	2007 Actuals	2007 Carryovers	2007 Actuals + Carryover	\$ Variance	% Variance
Revenues	\$26,341,796	\$5,079,056	\$5,588,458	\$307,012	\$5,895,470	\$816,414	16.07%
Expenditures	\$35,474,846	\$13,883,857	\$12,184,532	\$1,916,166	\$14,100,698	\$216,841	1.56%

Actual revenues for 2007 were \$5,588,458 and 2007 carryovers were \$307,012 for total revenue of \$5,895,470. This is \$816,414 or 16.07% above projected revenues of \$5,079,056. The primary reason for the better than expected revenue is \$719,498 in unanticipated revenue from investment interest. The primary reason for the better than expected revenue is \$719,498 in unanticipated revenue from investment interest. Investment interest was primarily higher than projected because of major land purchases from the 2006 bond proceeds occurring later than originally projected. Real Estate Excise Tax (REET) collections were \$148,708 or 17.05% above projections.

The 2007 actual expenditures were \$12,184,532 and the 2007 carryovers were \$1,916,166 for a total 2007 expenditure of \$14,100,698. This is only \$216,841 or 1.56% over projected expenditures of \$13,883,857.

The 2007 ending fund balance is \$15,611,586. This includes all revenue and expenditure activity and the requested carryovers.

## REET Revenue

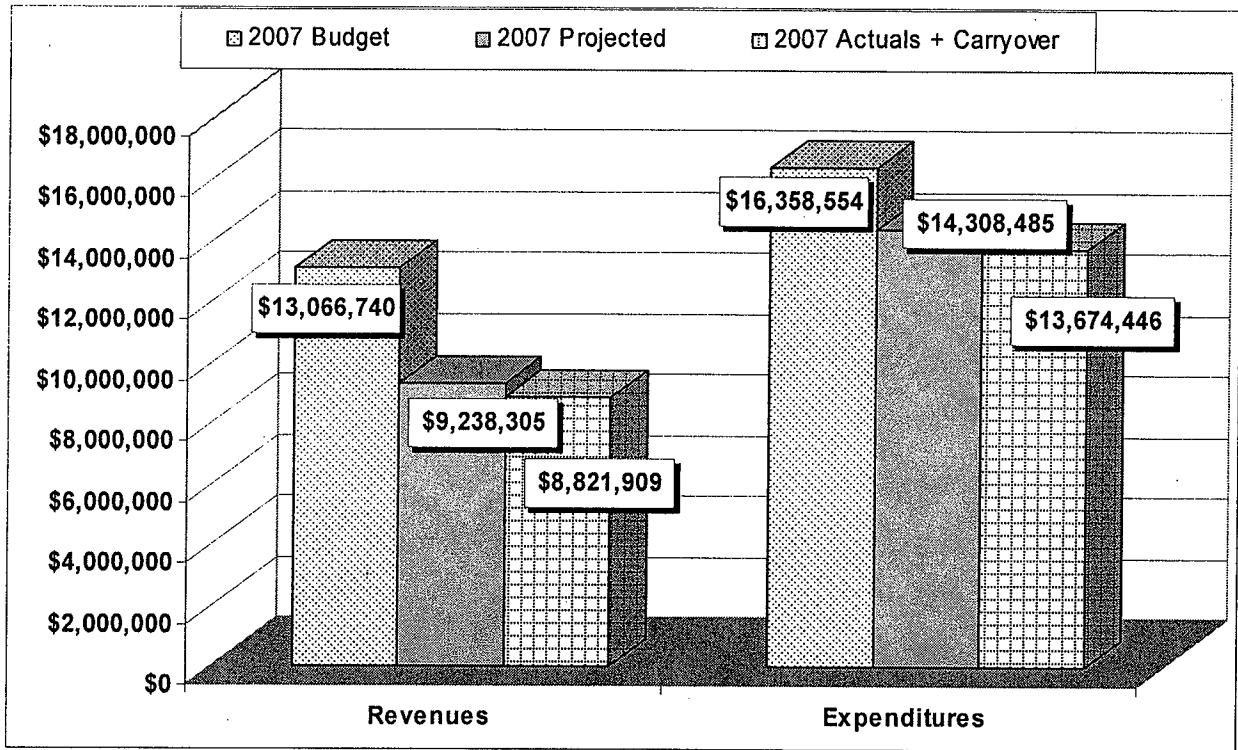


The City saw substantial growth in REET revenue between 2003 and 2006. During this time revenue grew by an astonishing 96.8% from \$1,359,470 to \$2,675,632. This is reflective of the “hot” real estate market and high number of home purchases that occurred during this time period. This trend has been experienced throughout most of the United States, and especially the Seattle area, until 2006, when sales nationally began to slow dramatically. In 2006 Shoreline saw its first decrease in REET revenue dropping by \$110,270 or 4.12% compared to 2005. This was Shoreline first negative comparative year since 2002. 2007 REET revenue declined even further dropping by \$433,946 or 16.92% from 2006.

In 2007 we saw the number of transactions decrease from 2006 by 359 or 18.6% to 1,555 sales transactions. For 2007 the total value of the real estate sales transactions decreased by \$70,337,409 or 13.9% to \$435,866,321.

REET revenue is distributed to both the Roads Capital Fund and General Capital Fund. In 2007 the distribution was \$1,065,708 to each of these funds.

## Roads Capital Fund



Roads Capital	2007 Budget	2007 Projected	2007 Actuals	2007 Carryover	2007 Actuals + Carryover	\$\$ Variance	% Variance
Revenue	\$13,066,740	\$9,238,305	\$8,365,226	\$456,683	\$8,821,909	-\$416,396	-4.51%
Expenditure	\$16,358,554	\$14,308,485	\$11,245,004	\$2,429,442	\$13,674,446	-\$634,039	-4.43%

Actual revenues for 2007 were \$8,365,226 and the 2007 carryover were \$456,683 for total revenue of \$8,821,909. This is \$416,396 or 4.51% below projected revenues of \$9,238,305. Revenues were less than expected due to project timing delays for grants, lower than expected investment interest (\$263,098 or 49.2%) and lower than expected fuel tax revenue (\$64,554). On the positive side REET revenue was \$148,708 or 16.2% better than projected.

The 2007 actual expenditures were \$11,245,004 and the 2007 carryovers were \$2,429,442 for a total 2007 expenditure of \$13,674,446. This is \$634,039 or 4.43% below projected expenditures of \$14,308,485.

The 2007 ending fund balance is \$5,844,344. This includes all revenue and expenditure activity and the requested carryovers.

**City of Shoreline**  
Investment Report  
December 31, 2007

The City's investment policy adheres to strict standards prescribed by federal law, state statutes, local ordinances, and allows the City to develop an investment model to maximize its investment returns within the primary objectives of safety and liquidity.

Our yield objectives are very important and, pursuant to policy, the basis used by the City to determine whether the market yields are being achieved is through the use of a comparable benchmark. Our benchmark has been identified as the annual average of the Washington State Local Government Investment Pool, which had been the City's primary mode of investment prior to adopting our Investment Policy. As of December 31, 2007, the City's investment portfolio, excluding the State Investment Pool, had a weighted average rate of return of 5.13%. This is slightly more than the 2007 average rate of return from the State Investment Pool of 5.09% by 4 basis points. Total investment interest earnings for 2007 were \$2,780,701, \$825,050 greater than budgeted.

During 2007 investment interest rates began to decline. In January 2007 the State Investment Pool rate of return was 5.21%. By December 2007 the State Investment Pool rate of return had fallen to 4.56%. We are continuing to see an on-going decline in overall interest rates, and therefore will need to monitor actual investment interest revenue generation throughout 2008 to see if budget projections should be modified.

As of December 31, 2007, the City's investment portfolio had a fair value of \$49,448,387. Approximately 36% of the investment portfolio was held in U.S. government instrumentality securities and 64% was held in the Washington State Investment Pool. The City's investment portfolio valued at cost as of December 31, 2007, was \$49,325,016. The difference between the cost and the market value of the portfolio represents either the loss or the gain of the portfolio if the City were to liquidate investments as of the day that the market value is stated. This would only be done if the City needed to generate cash. The City holds all of its investments until the scheduled maturity date, and therefore when the investments mature the principal market value should equal the cost of the investment. The City also holds sufficient investments within the State Pool to allow for immediate cash liquidation if needed. Investments within the State Pool can be liquidated on any given day with no penalty.

The City continued to implement a ladder philosophy in its investment portfolio throughout 2007 as maturities were matched with our future cash flow projections. A laddered portfolio approach helps assure that the City will, in the long run, receive a market average rate of return.

Much has been in the news lately regarding the distress in the mortgage and financial markets. The predominant issue in the mortgage market that is affecting the United States financial markets is the defaults related to sub-prime mortgages and the inability of some investment banks to sell mortgage backed investments. Sub-prime mortgages are those mortgage loans made to borrowers who do not qualify for the best market

interest rates because of their deficient credit history. Subprime lending is risky for both lenders and borrowers due to the combination of high interest rates, abusive loan terms used by some subprime lenders, poor credit history, and murky financial situations often associated with subprime applicants. As subprime borrowers began to default, because of interest rates on variable loans rising or just because they did not have the cash to make payments, subprime lenders started to fail and file for bankruptcy.

One of the major investment instruments used in the United States and throughout the rest of the world is "mortgage-backed securities". Mortgage-backed securities are a mortgages that have been sold by banks to investment banks or federally sponsored agencies such as Federal National Mortgage Association (FNMA – Fannie Mae) or Federal Home Loan Mortgage Corporation (FHLMC – Freddie Mac). Who then rebundle the mortgages and sell them to individual investors or investors in the stock market. Mortgage-backed securities can be a fairly safe investment, if there is little risk that the mortgage borrower will default on the loan, or they can be risky investments if there is a higher risk that the borrower will default, such as the case in sub-prime mortgages.

In order to sell the mortgage backed securities that included sub-prime mortgages the interest rates on those securities were raised to compensate the purchaser for the "risk" they were taking in buying the investment package. As borrowers of the sub-prime mortgages started to default investors were holding securities that had no source of repayment. Also as mortgage lenders and investment banks held mortgage backed securities they saw a dramatic decline in demand for these securities as investors did not want to take the risk that they would hold investments that would not be repaid. This led to the current financial crisis that resulted in the ability to produce capital for additional mortgage since major investment banks were holding securities that they couldn't sell, and many investors already holding existing mortgage investments were starting to see that they may not receive payment on their investments.

Some governments have purchased non-agency mortgage backed securities because their investment policies allow these types of securities in their portfolios. Often these types of investments will be found in long-term investment portfolios such as retirement funds. The investments usually provide a higher rate of return because of the risk that is taken. As stated earlier these non-agency mortgage backed securities may be considered low or high risk, depending on the underlying quality of the mortgage borrower. The City of Shoreline has not bought non-agency mortgage backed securities because of the focus of the City's investment policies on safety and liquidity before rate of return. At the same time, the City has purchased and currently has mortgage backed securities in its investment portfolio. These instruments have been purchased from FNMA, FHLMC, and the Federal Home Loan Bank (FHLB).

Although FNMA, FHLMC, and FHLB are considered federally sponsored agencies, their investment securities are not federally guaranteed. Even though this is the case, it is generally believed that if these agencies were to be in a position of default that the federal government would step in and back all of their investments. Also mortgage securities sold by these agencies are generally considered to be of high quality. Primarily because of the requirements that they have maintained in order to fund mortgages. This includes verifying borrowers incomes, requiring an equity down payment from the borrowers, and requiring borrowers to pay for mortgage insurance if



they don't make sizable down payments. Fannie Mae and Freddie Mac have also haven't gone as far as Wall Street did in accepting large amounts of loans that allow borrowers to make minimal payments in the early years, an arrangement that can result in a growing loan balance. It is primarily the "non-agency" mortgage securities that have been involved in the financial and housing crisis.

The City currently has 36% of its investment portfolio in these agency mortgage backed securities. We believe that these are quality investment instruments and that we will receive full payment of our investments at the time of maturity. Staff will continue to monitor the credit and housing market as future investment decisions are made.

The following page provides a summary of the City's investment portfolio as of December 31, 2007.

**LGIP Cash and Investment Balances**  
**December 31, 2007**

Instrument Type	Settlement Date	Maturity Date	Investment Cost	Yield To Maturity	Market Value	Unrealized
					12/31/07	Gain/(Loss) as of 12/31/07
FHLB (Fed Home Loan Bank)	02/16/07	08/25/08	1,199,641	5.1510%	1,216,950	17,309
FHLB (Fed Home Loan Bank)	12/26/06	12/26/08	1,000,000	5.1000%	1,000,313	313
FHLMC (Freddie Mac)	01/26/07	06/23/08	1,183,920	5.2464%	1,198,396	14,476
FHLMC (Freddie Mac)	10/01/07	10/01/10	3,000,690	4.9760%	3,019,710	19,020
FHLMC (Freddie Mac)	07/19/07	07/02/09	1,999,938	5.3750%	2,013,114	13,176
FNMA (Fannie Mae)	06/08/07	06/15/08	2,498,625	5.3050%	2,508,594	9,969
FNMA (Fannie Mae)	09/05/07	01/30/09	1,981,200	4.9690%	2,000,000	18,800
FNMA (Fannie Mae)	09/05/07	07/23/08	985,020	4.9601%	993,983	8,963
FNMA (Fannie Mae)	07/19/07	06/19/09	1,000,580	5.3400%	1,006,560	5,980
FNMA (Fannie Mae)	10/15/07	10/15/09	1,999,996	4.8750%	2,014,375	14,379
FNMA (Fannie Mae)	01/26/07	01/29/09	790,000	5.3300%	790,988	988
State Investment Pool			31,685,406	5.1232%	31,685,406	0
<b>Sub Total</b>			<b>49,325,016</b>		<b>49,448,387</b>	<b>123,371</b>

Average Maturity Excluding the State Investment Pool (days) 499

Weighted Average Yield to Maturity Excluding the State Pool 5.1283%

Average Yield to Maturity State Investment Pool 5.0897%

Basis Points in Excess (Below) Benchmark 4

Note: Yield to Maturity for the State Investment Pool is a 12 month average.

Portfolio Diversification

Instrument Type	Percentage	Amount at Market Value	Amount at Cost	Broker	Percentage	Amount at Cost
Certificate of Deposit	0%	0	0	Bank of America	18%	8,664,435
				Financial Northwest		
FHLB (Fed Home Loan Bank)	4%	2,217,263	2,199,641	Corp	2%	985,020
FHLMC (Freddie Mac)	13%	6,231,220	6,184,548	Multibank Security	2%	1,000,580
FNMA (Fannie Mae)	19%	9,314,499	9,255,421	Piper Jaffray	14%	6,989,575
State Investment Pool	64%	31,685,406	31,685,406	State Investment Pool	64%	31,685,406
<b>Total Investments</b>	<b>100%</b>	<b>49,448,387</b>	<b>49,325,016</b>	<b>Total Investments</b>	<b>100%</b>	<b>49,325,016</b>

Fund	Realized			Total Investments by Fund as of 12/31/2007	Investment Earnings Budget 2007	Investment Earnings Actual 2007	Over/(Under) Budget
	Investments at Adjusted Cost as 12/31/2007	Market Value Adjustment as of 12/31/2007	State Investment Pool as of 09/30/2007				
001 General	5,570,099	37,891	20,535.63	5,628,526	391,355	565,743	174,388
101 Street	578,772	4,300	663,442.00	1,246,514	35,000	62,923	27,923
104 Reserve							
107 Code Abatement	62,739	710	99,609.34	163,058	2,500	10,287	7,787
108 Asset Seizure	68	25	24,782.48	24,875	500	1,148	648
109 Public Arts	25,473	909	224,327.62	250,709	-	18,357	18,357
190 Revenue Stabilization	729,908	6,835	5,373,453.93	6,110,196	58,546	135,999	77,453
201 Unlimited GO Bond			133,625.05	133,625			
301 General Capital	3,093,460	20,018	13,197,496.50	16,310,974	685,555	981,411	295,856
312 City Fac-Mjr Maint	66,062	758	135,472.59	202,293	7,972	12,267	4,295
330 Roads Capital	3,925,098	16,178	3,195,132.19	7,136,408	350,191	271,746	(78,445)
401 Surface Water Utility Fund	2,846,182	29,527	7,500,137.59	10,375,847	372,500	611,842	239,342
501 Vehicle Oper/Maint	76,535	586	8,804.94	85,926	1,250	7,400	6,150
503 Equip Dep Replace	635,025	5,339	1,066,494.75	1,706,859	46,000	97,221	51,221
505 Unemployment	30,190	296	42,091.16	72,577	500	4,357	75
605 Agency Fund Admin			-	-			
<b>Total Investments</b>	<b>17,639,610</b>	<b>123,371</b>	<b>31,685,406</b>	<b>49,448,387</b>	<b>1,951,869</b>	<b>2,780,701</b>	<b>825,050</b>