

DRAFT

CITY OF SHORELINE

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

Monday, November 20, 2006
6:30 p.m.

Shoreline Conference Center
Mt. Rainier Room

PRESENT: Mayor Ransom, Deputy Mayor Fimia, and Councilmembers Hansen, Gustafson, McGlashan, Ryu, and Way

ABSENT: None

1. **CALL TO ORDER**

The meeting was called to order at 6:32 p.m. by Mayor Ransom, who presided.

2. **FLAG SALUTE/ROLL CALL**

Mayor Ransom led the flag salute. Upon roll call by the City Clerk, all Councilmembers were present, except for Councilmember Ryu.

Councilmember Ryu arrived at 7:20 p.m.

3. **CITY MANAGER'S REPORT**

Bob Olander, City Manager, reported that he and Mayor Ransom went on a Sister Cities Association trip to Boryeong, Korea. He said he would provide a more detailed description of the trip in January. He said it was a very interesting and productive trip. He added that there are several potential education and commercial exchange opportunities. He commented that the hosts were very gracious and generous. He highlighted that there are photos that they will share next week concerning their automotive college and the Boryeong Chamber of Commerce.

Mayor Ransom added that there were seven to nine formal events every day and a very busy itinerary.

Mr. Olander reported that Joe Tovar, Planning and Development Services Director, was awarded the President's Award for distinguished service from the American Planning Association. Mr. Olander congratulated Mr. Tovar on his accomplishment. Mr. Olander stated that there was a City-sponsored earthquake response workshop on November 8 and 9, with about sixty-five City staff members in attendance. He noted that the Spartan Recreation Center has new signage in the front of the building to welcome visitors to the facility. Also, there was some erosion repair at Richmond Beach Saltwater Park in

Shoreline to stabilize the slope. Finally, City Hall will be closed on November 23 and 24 in observance of the Thanksgiving holiday.

5. GENERAL PUBLIC COMMENT

(a) LaNita Wacker, Shoreline, stated that the Comprehensive Housing Strategy Citizen Advisory Committee is the single most important committee that has ever been convened in the City. She commented that Mr. Cohn and Mr. Beem have put together a collaborative team who will draw on their administrative skills. She said the committee is educationally, economically, geographically, ethically, and gender diverse and it includes “long-timers” and “short-timers.” She said it mirrors our community. She noted that there are forty-two people who didn’t make the committee, but the depth of skill of those people on the committee is phenomenal. She added that she didn’t make the cut and there are even two renters on the committee. She urged the Council to accept the recommendation of the staff.

(b) Chris Eggen, Shoreline, said his candidacy was misrepresented and accused of being a “shill” for the unions. He said that the unions didn’t endorse him. He said his profession has nothing to do with what he volunteers for as a resident of the City of Shoreline. He mentioned that only one-third of his political platform had anything to do with Fircrest, and his interest in the housing committee had nothing to do with Fircrest. He said Fircrest is a good institution and that Fircrest staff are well trained. He said there was criticism that there were no planners on the committee, but he clarified that it is a citizen’s advisory committee. He said the makeup of the committee is fair and balanced and encouraged the Council to approve the staff recommendation.

There was Council consensus to move item 7(a) to item 6(a).

6. ACTION ITEM

- (a) Comprehensive Housing Strategy Citizen Advisory Committee
Appointments

Councilmember Way moved to approve the Comprehensive Housing Strategy Citizen Advisory Committee Appointments as recommended by the City staff. Councilmember Hansen seconded the motion.

Councilmember Way appreciated the comments of Ms. Wacker and agreed that the committee is very balanced and diverse. She said the people are “regular folks.” She mentioned individual applicants and stated there are minorities, people with children, and renters. She expressed support for the list as recommended.

Councilmember Gustafson expressed concern regarding one of the individuals. He felt that Maria Walsh, of Mountlake Terrace, should not be considered for the committee because she is not a Shoreline resident.

Councilmember Gustafson moved to remove Maria Walsh's name from the list of Comprehensive Housing Strategy Citizen Advisory Committee Appointments. Councilmember Hansen seconded the motion.

Councilmember Gustafson inquired if Maria Walsh was currently a Shoreline resident. Mr. Olander responded that she is not. Councilmember Gustafson said this is a citizen advisory committee for the residents of Shoreline. He said while she has the appropriate level of expertise, she said that she lives in Briercrest, but this is misleading because she lives in Mountlake Terrace.

Mayor Ransom inquired if she worked at Fircrest.

Councilmember Way said Ms. Walsh is the legal guardian of a child that lives in Fircrest. She is an active Shoreline Chamber of Commerce member and is very active in our community. She has experience in working with people with disabilities and at Fircrest. She felt it would be good to have someone who works in Fircrest and has some experience with that area on the committee.

Deputy Mayor Fimia added that it is imperative for the City to have someone from the Fircrest campus on the committee. She felt Ms. Walsh would bring expertise to the table. She questioned why Fircrest was viewed as a liability when it should be considered as an asset to the City. She noted that the committee would solicit and draw information from many other people in the Shoreline community. This committee will be a model for other cities around the country, and being a resident wasn't a requirement when people applied for the committee. This group needs to work as a consensus model, not a voting model when it comes to making decisions, she added. She urged the Council to allow Ms. Walsh to serve.

Councilmember Hansen said he thought the purpose of the committee was to let the citizens decide what housing groups the Council should address in the City. He thought it was going to be a Shoreline citizens committee.

Councilmember McGlashan said he didn't know why Dot Brenchley was dropped and someone from Mountlake Terrace was added to the list of committee members.

Mr. Olander said this is not a Fircrest committee and housing is the citywide issue at hand. Secondly, he stated, City staff didn't put a residential requirement in the application process since housing is a regional issue.

Mayor Ransom called for public comment on this item.

(a) LaNita Wacker, Shoreline, said Ms. Walsh's son is a legal resident of Shoreline and she is very intelligent and capable. Dot Brenchley is the past president of the Friends of Fircrest, and she doesn't know why she resigned from the position. She felt that a Citizens Advisory Committee should be made up of the citizens of Shoreline, but Ms. Walsh should be allowed to participate as a legal guardian of her son in Fircrest.

Flannary Collins, Assistant City Attorney, responded that Ms. Walsh could be considered a legal resident since she is her son's legal guardian.

Councilmember Gustafson restated his position and expressed concern that Ms. Walsh doesn't live in the City of Shoreline.

Councilmember Ryu noted that the Parks Bond Committee had members on who weren't residents of Shoreline. She said she doesn't foresee that being an issue.

Mayor Ransom said usually there are citizens or people that work in Shoreline on committees. However, the legal guardian stipulation is appropriate in this case. He said he would accept Ms. Walsh as a committee member.

A vote was taken on the motion to remove Maria Walsh's name from Comprehensive Housing Strategy Citizen Advisory Committee Appointments, which failed 2-5, with Councilmember Gustafson and Councilmember Hansen voting in the affirmative.

A vote was taken on the motion to approve the Comprehensive Housing Strategy Citizen Advisory Committee Appointments as recommended by City staff, which carried 6-1, with Councilmember Gustafson dissenting.

7. UNFINISHED BUSINESS

(a) Continued Discussion of the Proposed 2007 Budget

Debbie Tarry, Finance Director, recapped those items which were previously discussed concerning the proposed 2007 budget. These items that were being deliberated by the Council were the following:

- Creating a Youth Master Plan
- Funding for the School Resource Officer (SRO) program
- Funding for an additional Street Crime Officer
- Funding for the Visitor Convention Bureau
- Establishing an environmental mini-grant program
- Possible reduction in travel, training and dues
- Economic development program
- Increasing 2007 non-resident recreation fees

She said City staff has provided responses and information to all of these in their packets. She said that the business license revenue was removed from the 2007 budget and to offset that reduction in revenue the \$63,000 in contingency was eliminated, the health premium was reduced, and the vacation buy-out program was also reduced. She added that potential impacts to the 2007 budget include the possible 0.6% increase in the employer contribution rate to the Washington State Retirement System and a rate

increase for Seattle City Light. Both of these increases could potentially add an additional \$151,000 burden on the 2007 budget.

Mayor Ransom noted that last night Seattle City Light announced a 9% decrease in their rates.

Ms. Tarry responded that this was a decrease for the City of Seattle and the rates for street lights and suburban cities would be increased.

Ms. Tarry continued and stated the City should start experiencing budget gaps beginning in 2008 based on current information. She said there will have to be some decisions made.

Mr. Olander added that those budget gaps need to be approached strategically in the future.

Mayor Ransom called for public comment on this item.

(a) Virginia Paulsen, Shoreline, said she received a copy of the 2007 proposed budget and commented that it was a well-organized document. She expressed concern that the City's reserves constitute 35% of the budget when only 10% is required by the State. She added that 27% of the City's resources are dependent on grants and loans which she felt is a high rate of dependence. She noted that grants and loans involve risks. She added that Senators Murray and Cantwell were appointed to top ranking appropriations committees in the Senate so there may be some funding headed to our State and the City of Shoreline. She is also concerned about travel expenses. She wanted to know the total cost of the visit to Korea, noting her thought that the trip was a bit extravagant. Additionally, she was concerned about the potential 6% cable and electrical increases because these are tax-based revenues.

Ms. Tarry responded that the 27% dependency on grants and loans is primarily in the capital funds area, which is for funding roads, not ongoing projects. She added that there has been discussion about the ability of the Council to raise the cable utility tax or the distribution portion of the electric rates, but none of those options are included in the 2007 budget.

Mr. Olander estimated that the City spent \$2,500 for airfare on the trip to Korea. He noted that food and hotel costs were paid for by the host City of Boryeong.

Ms. Tarry commented that the reserves policy does say 10%, but to manage cash flow they should not go below 25%. Standard and Poor's looks at this carefully and it is imperative for planning emergencies. There has been deliberate discussion and planning concerning the amount of reserves in the City, and if the Council needs to utilize them she would urge that they are used for one-time expenditures.

Mr. Olander added that cash flow is important because most of the City revenues don't come in until March and the first three or four months every year are funded with reserves.

Mayor Ransom said he would like to have more discussion on business licensing since the police and other groups have asked for it. He said Councilmember Gustafson had a concern about \$6,000 exemption for businesses. He questioned if there could be some reconsideration by the Council.

Councilmember Gustafson said he is going to support the City Manager proposal at this time. He stated he is willing to reconsider, in the future, the business license as a part of the strategic plan. However, he felt the budget needs to be adopted at this time.

Mr. McGlashan added that \$6,000 was an issue and he has other concerns also. He said all of this needs more discussion and a more strategic analysis.

Councilmember Way pointed out that this item is not on the agenda. She added that she had a number of reservations on this issue and this isn't the proper time to present it. She added that there are a number of variations to consider, but now is not the time.

Deputy Mayor Fimia commented that since the initial budget contained business licensing, the Council should consider it now. She felt that is what budget deliberations are all about. She wondered if the Council could come to some agreement on business licensing within the next week. She stated that she thought the funding from the business license program would go into running the program, not into another budget item.

Ms. Tarry responded that the business licensing revenues would fund the administration of the program only and not constitute a revenue-generating program.

Deputy Mayor Fimia said the money generated should also go into building and serving the business community.

Ms. Tarry also said in implementing a business licensing the program the focus was to minimize the impact on the budget and execute the program with existing staff and by utilizing the services of the State.

Mr. Olander noted that the revenue for the business licensing program is very "soft." The revenue generated could be \$60,000 to \$90,000, but that depends on how many businesses register for the program.

Councilmember McGlashan commented that it sounded like the revenues were to be allocated back into economic development.

Ms. Tarry responded that the Council directed the staff to implement a flat-fee business license.

Councilmember Ryu stated that the Chamber of Commerce requested that if any extra funds were generated by the business licensing program that those funds go to economic development in Shoreline.

Councilmember Hansen commented that the City staff has done a great job with the budget. He commented that even with the revenue shortfalls in the coming years they have done an excellent job of balancing the budget. He supported the City staff recommendation.

Councilmember Way inquired if there were any reductions that could be made in the "Other services and charges" Council line item.

Councilmember Ryu responded that there is room for the reduction of that line item. For instance, she felt the Council retreats could be held in the City of Shoreline.

Councilmember Way asked how much funding the City was receiving in fines for the general fund.

Ms. Tarry stated that there are two areas where the City receives fines. One is the code abatement fund, and there used to be funds collected from traffic offenses and tickets. Normally, the City doesn't receive reconciled funds through its law enforcement contract with King County.

Mr. Olander added that houses are abated and cleaned up at City expense if a homeowner cannot afford to do it themselves. The City will then take out a lien on the home and when it is sold the City retains the funds.

Councilmember Hansen said the fund was established a long time ago by the Council, and it's a revolving account.

Mayor Ransom noted that the travel budget for Councilmembers is \$32,500. He felt there should be more in that line item since some Councilmembers attend more meetings and seminars.

Councilmember Hansen commented he would like to accept the budget as-is. He said he would hate to see the Council travel budget cut because some of the Council travel is directly attributable to lobbying for grants for the City. He said \$30,000 is a small amount to pay to get these grants.

Councilmember Gustafson added that he thought the travel budget should have been cut when he first joined the Council. However, he has since realized that it is a very important for networking and lobbying. He also pointed out that certifications and education are very important and urged the Council to leave the travel budget it as-is.

Councilmember McGlashan agreed with Councilmember Gustafson. He said Council travel should be a part of the strategic plan.

Deputy Mayor Fimia thanked the City staff and said the budget is very readable with 99.9% of it being consistent with the Council goals. She agreed that the City needs to begin working on a strategic plan and a third option to focus on increasing the revenue from sales tax should be discussed. Additionally, she agreed that the City should not utilize its reserve funds. She explained that the Council is comprised of seven people who have hundreds of contacts, and "fine-tuning" the budget is what they do. She noted that she discussed the School Resource Officer (SRO) with a school board member, who said they would have adequate coverage if the program was cut. She asked if the SRO has been pulled from the school yet.

Mr. Olander said the SRO was pulled on September 1 from the elementary and middle schools.

Deputy Mayor Fimia said she is willing to discuss the SRO and recreation center issue at a later date. She commented that the economic development program budget is not ready to pass and she hasn't proposed any amendments. She highlighted that there is a 12% salary and a 21% benefit increase in that budget and asked for an explanation. She noted that her response was that these items were understated in the previous budget.

Ms. Tarry added that there was a step increase and the benefit rate adjustment as per the City's AWC Benefit Plan.

Deputy Mayor Fimia said she wanted to see a work plan for Clearpath. She said there needs to be a track record for all of the City's consultants, as every dollar counts.

Tom Boydell, Economic Development Manager, stated that the Wedgework contract is ongoing. He said the time period for the work is driven by the property owners. He noted that the Aurora Square work has not started because there are no resources available. However, he said he has requested some funds in the 2007 budget to do some exploratory work for some real estate experts. He stated that his strategy is to "ramp that up," but there are some complex issues at Aurora Square.

Councilmember Ryu discussed Mr. Boydell's comment of having resources at Aurora Square. She asked if he had any expertise in real estate.

Mr. Boydell said he has a wealth of expertise in real estate but he doesn't have any money in the budget for Aurora Square. He added that he didn't know what direction Aurora Square is going to take, but he might return to the Council later with a proposal for a much larger amount than what is currently proposed.

Mr. Olander said there needs to be some outside appraisal work done. He stated that negotiating outside expertise is good and there needs to be some flexibility in this.

Deputy Mayor Fimia inquired how long the City is going to invest in the Wedgewood contract. Given the progress to date, she asked whether it was appropriate to consider another consultant.

Councilmember Ryu referred to a memorandum dated November 17 from the City Manager pertaining to sales tax revenue. She said the average sales tax rate increase from 2004 – 2005 from twelve local cities is 7.31% overall. She asked why the City rate only reflects a 4.73% change.

Ms. Tarry responded that the 4.73% applied to overall sales tax revenue changes for 2005. 2006 may be different; however, the final numbers haven't been calculated yet.

Councilmember Ryu commented that it seems that our sales tax revenues are lagging behind other municipalities.

Ms. Tarry agreed, however, there are several reasons for this. Sales tax is based on staple goods, and there is no tax revenue on clothing or furniture. Additionally, these numbers are hard to compare because other cities have made up ground where they lost ground during the recession.

Councilmember Ryu stated that Shoreline seems a bit more stable and it seems that the retail sales tax per capita seems to be declining. The City's sales tax is based upon so many different factors but the tangibles need to be addressed. She asked if the results were received from the Buxton Company. She stated that the Council is being asked to set aside \$257,000 for business attraction and retention. With that, what tangible benefits are businesses and taxpayers getting? She also highlighted that the commercial assessed value in Shoreline is declining, which will mean more of a tax burden on residents.

Mr. Olander agreed that the City of Shoreline has serious commercial disadvantages, to include limited retail space. There were some major sales tax increases ten years ago when Aurora Village was redeveloped, which helped off-set some of the sales tax equalization. Currently, the City has very small business parcels which are difficult to consolidate into large retail stores. There are long-range problems and major challenges which aren't going to be fixed in the next 1-4 years. The City needs a long-range plan for this. The Town Center Plan has residents conflicted because they want to retain residential space. The City can facilitate this process, but most of the City is driven by the private sector, he said. Infrastructure, he noted, is important and that is what cities do best. He emphasized that economic development is a long-range issue.

Mr. Boydell pointed out that when he first began working for the City a year and a half ago, there was no economic development plan. He said he has been putting the pieces into place and forming a network to get an extensive reach. Shoreline is now known as business-friendly to developers. He noted that there is a business residing in Seattle that wants to cross the border and move into Shoreline. He said the City has developed an extensive network of small business resources for a small amount of money that solves individual problems for small business owners. He pointed out that there are business

owners who have professed that they are proud to have their small business located in Shoreline. He said the expenditure that Shoreline has put into economic development is minimal compared to the funds that other cities have allocated, and their programs have tremendously lesser results.

Councilmember Ryu felt that this is a combined effort and the finishing of Aurora Avenue will enhance the friendliness of the businesses. She wanted a more aggressive targeting of businesses, to include possible branding or marketing of our City so businesses can take on more of the tax burden.

Councilmember Gustafson commented that the City needs to improve its infrastructure. North City has "turned around" thanks to the work done, he said. He applauded the efforts of City staff and felt the City is heading in the right direction. He agreed with Mr. Olander that this is a long-range project.

Councilmember Hansen noted that based on the Nesbitt Study, the City was earning approximately \$1 million in sales tax. However, at that time State studies said the City should be making about \$5 million. Thus, in the early years there was a \$4 million subsidy from sales tax equalization. He noted that the sales tax revenues have gone up six times in the ten years since incorporation, which is substantial growth. He commented on several new projects in the City, including Shoreline Bank, Watermark Credit Union, a new Walgreen's, and a Discount Tire Store. He said this represents considerable economic development, and the City is heading in the right direction.

Mr. Olander said that one thing he learned from the Korea trip was how useful and productive the City would be if the high schools, Shoreline Community College, the Chamber of Commerce and the City worked together on these issues.

Mayor Ransom said there have been economic development people working with the City for eight years, with little gains. She said some good construction projects were completed, but nothing was really done in terms of economic development. He said he is not very impressed with the Economic Development Manager's comments, although he has impeccable credentials. He said he is not seeing what he expected to see or impressed with what the business community is telling him. He said he is concerned.

Councilmember Way said the City has been making progress, but she acknowledges there are challenges ahead. She noted that those businesses on Aurora Avenue are going to struggle. The businesses in Ridgecrest and Briarcrest are also struggling, she pointed out. "Economic gardening" seems to have value as a framework, and she recommended that the City look into it. There is great potential in the City and suggested Mr. Boydell elaborate on the Ridgecrest idea.

Mr. Boydell said he is implementing a three-phase strategy. The first component is to respond to the issues that have been raised by the community, business leaders, and the Chamber of Commerce to establish an aggressive, broad range of small business programs. The second component is major projects. Unfortunately, there aren't any

successes to report on that at this time, but there are negotiators discussing the possibilities with potential investors. The third aspect is to build something for the local neighborhoods. This would involve the development of a sustainable neighborhood initiative. The test program would start in Ridgecrest and would enrich and increase economic activity there. He has initiated a conversation with the property owner of the former Cascade Bingo site to utilize the property as a cooperative effort with green development. He has also corresponded with the University of Washington regarding a potential workshop in which students and professors could present ideas and interact with the community to make their land use ideas more tangible. He said discussions should start in January, and a special emphasis will be placed on community participation.

Mr. Olander said this is a strategy of the economic development goal which was adopted in May 2006. He added that any good, long-range strategy requires perseverance and patience.

Councilmember Way concurred with Councilmember Ryu on her “branding and marketing” comments. She highlighted that the City’s identity as a community is important but the City needs to market itself as a City that appreciates and respects education and innovation. Additionally, it should be conveyed that the City focuses on innovative ideas towards sustainability, green building practices, and renewable energy. The City should encourage and promote “economic gardening,” perhaps even through small loan programs. Fircrest is an option and it has an enormous potential for innovation, she concluded. She said that some of the retail which has been lost is due to ongoing projects.

Mr. Boydell stated that he advocated for branding since he began employment with Shoreline. He said it needs to involve the City leadership and the community. He summarized that the City needs to explain to the community what economic development is doing in the City. He cautioned that proprietary information must be kept confidential while communicating with the community.

Deputy Mayor Fimia proposed a Council discussion to evaluate the program at a later date. She said she is not comfortable with the direction and the reporting mechanism. She said she is not hearing positive things regarding the Environmental Coalition of South Seattle (ECOSS) or Community Capital Development (CCD). She added that the Council needs to clarify what it expects, and the answer may be to implement more focused goals and deliverables. She commented that Aurora Square is a key, but she isn’t excited about getting the same people or hiring more people to start the project.

Mayor Ransom urged the Council to move on and discuss other budget items.

Deputy Mayor Fimia discussed the budget reserves. She said if the City kept the reserves at 27% there would be \$1.4 million for one-time expenditures. She wondered if it this \$1.4 million could be placed in the Capital Improvement Program (CIP) for sidewalks. She said it is unlikely that the City will have any funds in 2009 for those types of improvements.

Ms. Tarry said it could be done with Council direction if that is a Council priority.

Mr. Olander stated that it has been done in the past and excess funding has been moved to the CIP depending on the CIP priorities. He added that if the Council and the financial advisors are comfortable with reducing the reserve level, then it can be done. He added that not only are reserves a cash flow issue but every ten years there seems to be a recession, and cities that have healthy reserve levels survive them.

Deputy Mayor Fimia commented that the City is attempting to balance immediate needs while keeping potential needs in mind. If there is a way to benefit people right now, the City should act, she said.

Mayor Ransom said he didn't recall the City establishing a policy for Local Improvement Districts (LIDs).

Mr. Olander said the six-year CIP assumption was that in the outlying years, LIDs would partially fund the sidewalks, but there is no firm policy established. He agreed that most residents won't want LIDs in the future, as they are expensive. He felt the City should fill in some of those years with some excess surplus funds if they are available.

Councilmember Ryu asked if the City collects funds from property owners who cannot put in sidewalks themselves. She asked if these same property owners would be asked to contribute to an LID, and whether this would constitute the same property owners paying twice.

Mr. Olander responded that normally the homeowner puts the LID payment up and they wouldn't be charged twice.

Ms. Tarry added that the homeowner would assess the improvement value to their property.

Deputy Mayor Fimia suggested that maybe the City should start utilizing a trust fund so when the strategic plan is complete, there will be some funding to partner with other organizations. She noted that the Community Development Block Grant (CDBG) funds can be used for this on an annual basis, but they are always committed elsewhere. She felt it wouldn't hurt to start a small housing trust fund and to fund projects like the light on NE 170th Street and 15th Avenue NE. She added that the 2007 – 2012 CIP could be amended.

Mayor Ransom said there was some funding for the light on 170th and 15th Avenue. He asked if the City lost the grant funding for this project.

Mr. Olander said the City still anticipates the grant funding, but no City money is available for the light. He said if the Council wants to put CIP money into the light, it can. He recommended that when the Council looks at the 2008 CIP they should amend the 2007 CIP. He pointed out that it is all about the priorities of the Council.

Deputy Mayor Fimia said she is not convinced that it would be effective for a consultant to execute the Natural Resource Plan at a cost of \$75,000. She said maybe the plan could be created and the City could get some of the projects implemented at the same time. She felt that this expenditure should remain more flexible.

Mr. Olander said he can reevaluate and look at staff resources more carefully.

Councilmember Way discussed the environmental mini-grant idea and wondered about the possibility of working with the County in obtaining a block grant. She mentioned that the County has extensive experience on this and they have transformed minimal funds into tremendous results. She was not sure the mini-grant program would have to be cut from the Natural Resource Plan budget. She favored ways to strategically include this plan, perhaps through the Parks and Recreation Department or the Ness program. This is an intriguing idea, but she doesn't want it to detract from the overall Natural Resource Plan.

Deputy Mayor Fimia said she needed more specifics on the Natural Resource Plan, noting that she is looking for a "road map." She mentioned that another potential use of the reserve funds is the Council goal to create a Fircrest Master Plan in coordination with the State. This plan will take resources and expertise to bring the community together to do a preliminary proposal to entice the State to look at this differently. She reiterated that utilizing a one-time expenditure of some reserve funds may be a good idea for this process.

Mr. Olander said he was not encouraged when staff previously discussed Fircrest with the State. He said they were discussing narrow issues and felt that they were unwilling to move until they got stronger political leadership from the Governor's office. He said he doesn't think it is advisable to do anything in isolation without a strong partnership in place.

Deputy Mayor Fimia agreed, but commented that the City needs some funding in place to start the momentum. She asked for an analysis of what an additional street crimes officer would cost the City, and what resources it would provide. She pointed out that the travel, food, lodging, registration, and membership dues budget for the City is \$458,000, and a 10% reduction in this would be feasible. She noted that all Councilmembers don't have to attend every seminar and conference. She noted that the Center for Human Services (CHS) is running out of their mental health counseling funding by June and a 10% reduction would help these types of programs.

Councilmember Hansen noted that if there is a concern about travel costs, some of the funding can be donated to the organizations as Councilmember Gustafson has done in the past. He said he has made several National League of Cities (NLC) trips and he hasn't billed the City for them. He added that other Councilmembers should not be precluded from attending any meeting or seminar because there is no budget for it.

Deputy Mayor Fimia added that no families that call CHS should be turned away.

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Councilmember McGlashan said the City shouldn't be spending money on property that it doesn't own, and advised against using reserve funds. He said cutting the Council travel budget is not a good idea considering the effectiveness of the visit to Senator Murray's office when the full Council was in attendance. He commented that the decision to replace City Manager Burkett cost the City \$140,000 in severance and an additional \$120,000 in a lawsuit. This represents \$260,000 that could have gone elsewhere. He said City staff has done a great job in "tightening the belt where they can." He agreed that the Council should not be discussing LIDs yet. He commented that the gambling tax was also reduced, which reduced revenues. He urged the Council to trust the City staff.

Councilmember Gustafson thought the ideas of Deputy Mayor Fimia were good but that a strategic plan needs to be implemented. He expressed support for a discussion on the SRO and the housing trust fund. However, there are a host of options that need to be prioritized by the Council. He supported the recommendation of the City Manager and the staff.

Mr. Olander expressed his opinion that the citywide travel and training dues used for the National League of Cities, the Association of Washington Cities, and the Puget Sound Regional Council need to be maintained. These represent set fees and can't be reduced by 10% or 20%. He added that the Council travel budget is relatively small. He mentioned that the bulk of the budget is for staff training which is kept up to par to include professional certifications. This City's most valuable resource is its staff members and they are very productive. Thus, a reasonable amount of training investment in our staff is important.

ADJOURNMENT

Councilmember Gustafson moved to adjourn the meeting. Councilmember Hansen seconded the motion, which carried 4-3, with Deputy Mayor Fimia, Councilmember Way and Councilmember Ryu dissenting.

At 9:32 p.m., the meeting was adjourned.

Scott Passey, CMC
City Clerk