

CITY OF SHORELINE
SHORELINE CITY COUNCIL
SUMMARY MINUTES OF SPECIAL MEETING

Monday, March 3, 2008
6:30 p.m.
Shoreline Conference Center
Mt. Rainier Room

1. CALL TO ORDER

At 6:35 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.

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

ABSENT: None.

(a) Proclamation of "Shoreline Schools Band Week"

Mayor Ryu proclaimed the week of March 3, 2008 "Shoreline Schools Band Week" throughout the City of Shoreline and presented the proclamation to Charlie Sanford, Gene Oswald, Davis Hill, Brayden King from the Shoreline School District.

Mr. Sanford thanked the Mayor and the Council for the proclamation. Mr. King thanked the City and the musicians for their work.

3. CITY MANAGER'S REPORT AND FUTURE AGENDAS

Bob Olander, City Manager, highlighted that today is the first day Cleanscapes provided collection services to the City and reported on the following past and future City meetings, projects, and events.

- Richmond Beach Saltwater Park Restoration Work Party, Saturday, March 15 from 10:00 a.m. to 2:00 p.m.
- There is a "Champion Tree Contest" to determine the largest tree in each of the native species in Shoreline. The contest will run until August 31, 2008 and participants can attend a free training session on Saturday, March 15 or March 22 at 12:30 - 2:00 p.m. at Shoreline Community College. For more information or contest rules call Barbara at (206) 542-3242.

- The next Planning Commission meeting will be held on Thursday, March 6 at 7:00 p.m. in the Mt. Rainier Room at the Shoreline Center, 18560 1st Avenue NE.
- The Planning Commission is holding a special study session to discuss the code amendments to replace the moratorium in CB, RB, & I zones on Thursday, March 13 at 7:00 p.m. in the Mt. Rainier Room at the Shoreline Center, 18560 1st Avenue NE.
- The City Council meeting for next week is cancelled due to Council attendance at the National League of Cities Conference in Washington, D.C. The next meeting will be on March 17 at 6:30 p.m. in the Mt. Rainier Room at the Shoreline Center, 18560 1st Avenue NE.

4. COUNCIL REPORTS

Mayor Ryu reported that she attended the North End Mayors meeting and King County Councilmember Bob Ferguson and his wife have had their twins. She highlighted that the jail contract is almost settled. She reported that voting by mail in King County will not begin until 2009. She announced that United Way of King County is offering free tax filing for qualifying low income people at Hopelink, 15809 Westminister Way North on Wednesdays from 5:00 – 9:00 p.m. and Saturdays from 10:00 a.m. – 2:00 p.m. She commented that she attended a WRIA-8 training session with Councilmember Eggen entitled “Changing Environmental Behavior: Creating Effective Programs.”

5. GENERAL PUBLIC COMMENT

a) Les Nelson, Shoreline, urged residents to attend the Planning Commission meetings, especially on March 13 and 20. He felt the issue concerning transition between single family homes is important because there are a large number of developments being considered. He read a list of developments of what he concluded represented 5,000 – 6,000 units which could be built in the City.

Councilmember McGlashan inquired whether Mr. Nelson’s information was correct.

Mr. Olander stated there are some projects that are in the speculative or thought stage. Additionally, he said there are only one or two applications that have been received by the Planning Department.

6. APPROVAL OF THE AGENDA

Councilmember McGlashan moved to approve the agenda, seconded by Deputy Mayor Scott.

Councilmember McConnell requested pulling item 7(b), which was moved to item 8(e).

Councilmember Hansen requested pulling item 7(c), which was moved to item 8(a).

A vote was taken on the motion on the table to approve the revised agenda, which carried 7-0.

7. CONSENT CALENDAR

Councilmember Hansen moved approval of the Consent Calendar. Councilmember McGlashan seconded the motion, which carried unanimously, and the following items were approved:

- (a) **Minutes of Study Session of February 4, 2008**
Minutes of Workshop Dinner Meeting of February 11, 2008
Minutes of Business Meeting of February 11, 2008

8. STUDY ITEMS

- (a) Resolution No. 272 Expressing Concern Regarding Sound Transit's Revised Phase II Preliminary Corridor Service Concepts Proposal

Mr. Olander noted that there were editorial changes highlighted in red.

Mayor Ryu called for public comment.

- 1) Ken Cottingham, Shoreline, questioned why the City of Shoreline was providing funds for light rail and bus rapid transit systems when nothing is being planned. He expressed his disappointment in the transportation system and urged the Council to do something about it.

Councilmember Hansen moved to adopt Resolution No. 272 Expressing Concern Regarding Sound Transit's Revised Phase II Preliminary Corridor Service Concepts Proposal, seconded by Councilmember Way.

Councilmember Hansen explained that he wanted to pull this item because he hadn't seen the letter from Joni Earl. He noted that he has taken a couple minutes to read it and concurred with the revisions made by the City staff.

Mayor Ryu commented that it will be difficult for residents to access the light rail system at Northgate because of capacity, transportation, and parking issues.

Councilmember Way suggested adding the terms "difficulty and frustration" to the resolution, seconded by Mayor Ryu.

A vote was taken on the amended Resolution No. 272 Expressing Concern Regarding Sound Transit's Revised Phase II Preliminary Corridor Service Concepts Proposal which carried 7-0.

RECESS

At 8:04 p.m., Mayor Ryu called for a ten minute recess. At 8:16 p.m. the Council meeting reconvened.

(b) Ordinance No. 492 approving Planned Area 2 Legislative Rezone for the Ridgecrest Commercial Area

Mr. Olander introduced Joe Tovar, Planning Director and Planners Steve Cohn and Steve Szafran. He noted that this ordinance with its revised matrix represents the comments and direction the City staff received from the Council and that the City staff notified 133 people about this item being on the website. He stated that the list was derived from people who attended the three Council, six Planning Commission, and two City staff meetings on the Ridgecrest Vision process.

Mr. Cohn highlighted what items were and weren't discussed on the policy options matrix by the Council and suggested how to proceed. He stated that there are four items that were recommended by the City staff but not reviewed by the Council at their meeting.

Mayor Ryu called for public comment.

1) Tom Poitras, Shoreline, stated that the City staff has been an advocate for the developer and has done nothing to anticipate the issues. He explained that the City staff took the parking plan suggestions from the developer and communicated them to the Council. He expressed his opposition to the development and the ordinance.

2) Pam Meith, Shoreline, appreciated the Council attempt to mitigate the impact of the development on the residents in Ridgecrest. She hoped to see more of a setback on NE 163rd and would like to support the developer but isn't sure about moving the neighborhood police center into the new development. Additionally, she isn't convinced that having the owner pay for resident bus passes is a good idea. She would like to see a maximum number of units in the building.

3) Dennis Lee, Shoreline, stated that he doesn't live in the Ridgecrest neighborhood and admitted that he may not know what is best for the residents in the area. He noted that there were over 150 people at the visioning meetings and the documents from that meeting should be included in this discussion. He urged the Council to protect the other existing businesses in the area and felt there is going to be a major parking issue.

4) Les Nelson, Shoreline, also stated that he doesn't reside in Ridgecrest and felt what happens at this site will dictate how transitioning will be used throughout the City. He said maintaining the R-24 zoning around the perimeter was a good suggestion and that form-based code isn't in the City's Comprehensive Plan (CP). He explained that according to the CP, neighborhood plans shall be adopted as a part of the City's CP before they become valid under the Growth Management Act (GMA). He expressed concerns about consistency with the City subarea plans.

5) Richard Johnson, Shoreline, stated he also doesn't live in the Ridgecrest neighborhood. He stated there has been no discussion concerning the character of Ridgecrest. He felt a six-story building is going to be uncomfortable in that area and it shouldn't be any higher

than four. He suggested looking at what Kirkland is doing in their downtown area, because they have a lower retail level with three floors of housing on top.

6) Patty Hale, Shoreline, resides in Ridgecrest and said form-based code to include a rezoning of the area is vital. She said without it there is no guarantee of anything being done properly in the area. She commented that form-based code allows for green buildings, parking regulation, art, and other amenities in the area. She commented that she emails the group of people who attended the visioning meetings and if they don't have any issues with the development they don't attend the meetings. She highlighted that there are several people who have spoken out against the development who will not be directly affected by the development. She urged the Council to move forward and get this item adopted.

7) Steve Pepin, Shoreline, said he goes to the Crest Theater and has attended all of the meetings over the past year concerning this development. He pointed out that a year ago there were an abundance of different opinions on what should be built on the property. Now, he stated there is a certain amount of disregard for the work that has been done to get the project to this point. He supported the resolution and thinks the area will be fantastic. Additionally, he said most of the difference will take place with the aesthetics at the ground level so whether or not it is six stories or not is irrelevant.

8) Lyanne Scott, Shoreline, stated that she is a Ridgecrest resident who owns a business across the street from the Crest. She felt it is presumptuous to say that if the Ridgecrest residents aren't at the meetings then they aren't affected or interested, as they may be busy and not able to attend the Council meetings. She noted that the project needs to be done right regardless of how much work has been done.

9) Tom Tigen, Shoreline, said he lives adjacent to the property and is interested in it moving forward in a functional and fruitful way. He felt the project will be good for the neighborhood and have the mixed use that the community wants. He communicated that the four owners who share a border with the property are interested in working with the developer and current owner. However, he said that there are people who plan on moving and that is expected. He thanked the City staff, the Council, the potential builder, and the architect for speaking to the neighbors.

Deputy Mayor Scott moved to adopt Ordinance No. 492 approving Planned Area 2 Legislative Rezone for the Ridgecrest Commercial Area, seconded by Councilmember Hansen.

Deputy Mayor Scott said this is a difficult issue because he lives in the neighborhood and was elected to represent the City. He expressed concerns about the project being four, five, or six stories.

Deputy Mayor Scott moved to direct the City staff to conduct an independent analysis and review of the economic viability of Planned Area 2A (Bingo Site) which includes the community benefits that are contained in the latest draft proposal and to compare those at

four, five, and six stories to determine with level is more economically viable, seconded by Councilmember Way.

Mr. Olander reported the City staff would have the independent analysis done by a real estate advisor that the City has worked with in the past.

Mr. Tovar communicated that the timeline would depend on the scope of the analysis. He questioned if the Council wanted all of the amenities for each of the building proposals evaluated also.

Deputy Mayor Scott responded that he felt the “hybrid” proposal should be included in the analysis and pointed out that there is still a lot of uncertainty where the viability determination lies. He communicated that the building needs to have the greatest amount of benefit with the least amount of impact.

Mr. Olander noted that the motion referred to analyzing the draft that is currently proposed so it narrows the analysis to the 2:1 slope at six stories. He added that the intent should be to look at the key public benefit areas, such as the public plaza, underground parking versus surface parking, and the green ideas in the analysis also. He communicated he would more than likely have a clear view of the time schedule tomorrow after discussing this with some consultants.

Councilmember McGlashan agreed that an independent analysis would be great for this project. He stated that this is the first time he has seen meetings regarding any project in the City have over 100 people attend and participate. He agreed with Ms. Hale in that when there are issues that concern residents they come to the meetings and because they have stopped speaking in public against the project, the City has met their expectations for the project. He said he doesn't support the motion of an independent analysis because there needs to be a decision made after more than a year of analysis and discussion.

Councilmember Eggen disagreed and felt there is still some concern about the project. He stated that the Council continues to be told that only six stories is viable, however, there are other communities that are building smaller buildings that are economically viable. Additionally, he is concerned that a real estate agent will only be concerned in how much each unit can be rented for instead of how much the building will cost. However, he said it would be good to know if a five or six story building would be economically viable in Ridgecrest.

Mr. Olander responded that the consultant would have more of an economic background who has experience with these kinds of transactions. He added that this would be more of an economic analysis.

Councilmember Hansen is opposed to the motion and submitted that the process has been going on for a long time. He added that opinions by several consultants may all be the same but they will likely be different. This issue has been in the focus for a year now and he is ready to make a decision, he commented.

Councilmember McConnell agreed with Councilmember Hansen and said this has been reviewed extensively. She commented that the Council needs to make a decision and isn't in favor of the motion on the table.

Mayor Ryu supported the motion and said she is prepared to make a decision.

Mr. Olander highlighted that Deputy Mayor Scott's motion needs to be dealt with before discussing anything else pertaining to this item.

Councilmember Way felt the proposal has many elements that are positive to the community and the Council is looking for an independent confirmation of the draft proposal. She added that it is wise to reassure the public that this proposal is a good one though an independent analysis and review. She confirmed with Mr. Olander that the motion includes reviewing everything in the draft proposal and announced she was in favor of the motion on the table.

Mr. Olander commented that the review should take two to four weeks for a consultant to complete the review.

Councilmember McGlashan asked for an explanation concerning comments about the developer running into problems and possibly losing financing if decisions weren't made soon.

Mr. Olander responded that the Council needs to address what is appropriate and best for the City and not adhere to the expectations of one developer.

Mr. Tovar replied that the Planning Department informs prospective developers that these projects are based on regulations and time affects the number of options that are available for all projects. He said his responsibility to the Council is to let them know if they want an opportunity available for some alternative zoning to be in place, the time is approaching fast.

Mayor Ryu felt that an independent review will be critical to the Council making a good decision.

Councilmember Eggen stated that he does feel some sense of urgency, but the information from the analysis is critical for the Council to decide amongst all of the options that have been presented.

Deputy Mayor Scott highlighted that this rezone not only has implications for Ridgecrest, but it will have implications on all of the projects that are in the cue for the rest of the community. He stated that he respects those Councilmembers that are in dissent, but there is great concern and stress in the community about development. He communicated that the best way to remove doubt is to have an independent analysis done. Additionally, he added that the work that the City staff has been tremendous and in order to add strength to the arguments, either pro or con, this analysis needs to be done.

Councilmember McConnell pointed out that this is the fifth meeting regarding Ridgecrest and the Council has had two months to have these questions answered. She felt these issues should have been addressed back in January.

A vote was taken on the motion on the table to direct the City staff to conduct an independent analysis and review of Planned Area 2A (Bingo Site) which includes the community benefits that are contained in the latest draft proposal and to compare those at four, five, and six stories to determine with level is more economically viable. Motion carried 4-3. Councilmember Hansen, Councilmember McGlashan, and Councilmember McConnell dissenting.

Mr. Olander referred back to the main motion on the table to adopt Ordinance 492 and invited Council questions and comments.

Councilmember McGlashan questioned why the Council is hearing this item when an independent study is going to be done to research and analyze this.

Councilmember McGlashan moved to table the motion to adopt Ordinance No. 492 approving Planned Area 2 Legislative Rezone for the Ridgecrest Commercial Area until the independent study is completed and reviewed by the Council, seconded by Councilmember Hansen.

Councilmember Eggen commented that there may be a problem if there are modifications that pertain to costs they will not be on the table for the consultants to address.

Councilmember McGlashan suggested that the Council not discuss the items that were included in the legislation that was just adopted.

A vote was taken on the motion to table discussion on Ordinance No. 492 approving Planned Area 2 Legislative Rezone for the Ridgecrest Commercial Area until the independent study is completed and reviewed by the Council. Motion failed 3-4. Councilmember Hansen, Councilmember McGlashan, and Councilmember McConnell voting in the affirmative.

Councilmember Way expressed concerns with the “design departure” language in the proposal.

Mr. Tovar responded that the concept is a calling out of several specific design features for a future project. He added that design departure would allow for an applicant to modify or change them. The criteria, he said, would be determining what the intent of the regulation is that the applicant is asking to modify and if it is revised does it still meet its intended purpose.

Mayor Ryu moved to change the word “will” to “may” in Chapter 20.91.040, Section C of the Ridgecrest Commercial Planned Area 2 in the Development Code, seconded by Councilmember Way. Motion carried 4-3. Councilmember Hansen, Councilmember McGlashan, and Councilmember McConnell dissenting.

Mayor Ryu suggested revising the table in Chapter 20.91.030B, Dimensional Standards to change the setback for the building base from a 5 foot adjacency to 7.5 feet and revising the second footnote to add “and 2c” after the text 2a to signify that both Planned Areas 2a and 2c are included.

Councilmember Way confirmed with Mr. Cohn that the Planning Commission considered both sites as part of the Planned Area concept.

Mayor Ryu stated that she preferred having a street corner treatment in the right-of-way at NE 165th Street and 5th Avenue NE which will need to be developed by the City staff. She asked if proceeding with that is ok.

Mr. Tovar responded that there is an issue because the Planning Commission notices didn’t describe that PLA 2c was higher in height than PLA 2b.

Mr. Sievers commented that the proposal decisions on what to notice didn’t have this on them because they didn’t expect this to come up from the process.

Mayor Ryu summarized that this will be driven by the independent analysis because if the analysis says the higher building height is feasible then that segment needs to be revisited and sent back to the Planning Commission.

Mr. Olander concurred with Mayor Ryu.

Mayor Ryu suggested revisions to Chapter 20.91.050, Design Standards, Section B(1)(a)(iii) and to change the word “will” to “shall”.

Mr. Olander stated that this needs to refer back to what do the neighbors want. He said they want neighborhood retail on the first floor and neighborhood services such as a video store, a restaurant, a tea shop, maybe even a small department store. He added that there should be a minimum amount of retail available on the street frontage.

Mr. Tovar explained that the recommendation was based on linear street frontage on 5th Avenue. He continued and discussed the formula which determined the amount of street frontage.

Mr. Olander highlighted that the frontage is built to commercial standards and heights, however, if it is taking a long time to lease the property it could be converted to residential so it isn’t sitting there unused for years.

Councilmember McGlashan stated that it makes sense to wait for the results of the independent study to determine the ratios on how much should be commercial.

Councilmember Way supported Mayor Ryu in trying to encourage the direction to convert the area into a more viable and vibrant neighborhood. The objective, she added, is to have more reasons to be walking and going places.

Mr. Olander noted that the policy question is how much retail and commercial the City wants in Ridgecrest.

Councilmember Eggen inquired if the plan was to have high ceilings and everything needed for commercial space on 5th Avenue and 165th Street.

Mr. Cohn stated that was the case for 5th Avenue and more than likely that standard will be put in place for 165th Street.

Councilmember Eggen stated that he does see that Mayor Ryu wants to not limit commercial by allowing construction that will preclude anything but tiny retail spaces.

Mr. Tovar responded that there is about 5,400 square feet of floor area and it would have to be commercial or community use.

Councilmember Eggen verified that he understood that the Council decided to not require commercial frontage on 163rd Avenue.

Mr. Tovar responded that he was correct, but it was described as a permitted and possible feature on 165th but not mandated the way it is on 5th Avenue. He said neither the Planning Commission, nor the Council has stated that they wanted some of the frontage on 165th Avenue to be retail.

Councilmember Eggen continued and said only about 10,000 square feet will be built to commercial standards. He added that a typical small retail shop would require about 600 square feet to operate.

Mr. Olander commented that the space typically depends on the purpose of the lease and where the tenant improvements are put in. He said the space requirements could be larger or smaller depending on what type of business is there.

Mayor Ryu questioned if there is a requirement dictating that the unit has to be 30 feet deep because the property tax exemption has language referring to having a 20 foot minimum.

Mr. Cohn responded that there was no description on the depth so the depth should be between 20 – 30 feet deep depending on how it is built.

Mayor Ryu felt that the language should be revised to 30 feet deep.

Councilmember McGlashan wondered if there is a building standard concerning the width.

Mr. Tovar responded that there should be a viable place for community use. If it is determined that 30 feet is not correct then the design departure would be an opportunity for the applicant to communicate what it should be depending on the building specifications and the use of the space. He said he is comfortable having a number and the understanding that it is one of those things that might be adjusted or modified.

Mr. Olander communicated that if Council consensus is reached it can be put into the ordinance and included in the design standards if need be.

Mayor Ryu wanted to avoid having an abundance of retail and very dense housing with no restrictions. She felt there is a public benefit of having larger retail spaces.

Mr. Olander replied that the percentage on 5th Avenue would need to be increased and be extended to 165th Street and if direction can be received by the Council concerning that, the City staff can work through the details on what the standards might be for the design.

Councilmember Way suggested utilizing the word “substantial” in the language to add a sense of increased commercial vibrancy.

Mr. Olander warned that he is unsure if the market will support an increase in the amount of commercial spaces on 5th Avenue or adding some on 165th Street.

Deputy Mayor Scott said he thinks that the Council is trying to create language so the retail space is protected and encouraging flexibility but not creating small shops. He asked for City staff assistance so flexible, yet larger businesses are represented in the area.

Mr. Cohn reviewed the matrix and stated that the Council left off on item #9, which concerned modifying the parking standards.

Councilmember Eggen stated that Diane Yates from the King County Solid Waste Division told him that multi-family dwelling recycling is a problem. He said there should be code discussing recycling in this and future developments. He pointed out that proper language can be obtained by Jeff Gaisford at King County Solid Waste.

Mayor Ryu asked if it would be appropriate to put that language on page 58.

Mr. Olander stated that the City staff will research and bring a proposal back to the Council.

Councilmember McGlashan expressed confusion about off-site parking. He noted that the recommendation is for the developer to provide off-site parking within 1,000 feet of the development and wanted to know where it will be.

Mr. Cohn responded that it can only be in a commercial area and the developer could make a long-term deal for parking with another business in the area.

Councilmember McGlashan questioned who would monitor parking and felt it is impossible to ensure tenants will have parking less than 1,000 feet from their residence. He is concerned the tenants will just park on the street and asked why parking isn't on-site. However, he admitted that it is cost-prohibitive to build a multi-level underground parking structure. He is concerned there won't be any parking for customers to go to the Crest or to shop in the area if all the on-street parking is used by tenants.

Councilmember Eggen doesn't agree with the proposed parking recommendations and felt the parking would be monitored by someone who has an interest not to see any parking problems. This, he explained, would lead to the City monitoring parking or it wouldn't be monitored and grow into something serious.

Councilmember Way highlighted that parking enforcement is going on there and received a parking ticket for parking in front of the empty Bingo site.

Mr. Tovar said the proposal does say that the developer needs to provide 2/3 parking on-site and the recommendation can be increased at a later date.

Mr. Olander highlighted that the property owner or manager does have an incentive not to ignore the issue.

Councilmember Hansen submitted that the City doesn't require on-site parking and it has been a problem for years. Commercial developments, he added, can succeed or fail based on the amount of parking available. He didn't think it was fair to require developers to require 100% of their tenants to have on-site parking and not be able to park on the street.

Deputy Mayor Scott felt it isn't fair for a new development to be responsible for or be blamed for this neighborhood parking issue. He felt the City should be stringent on the parking requirement because it is a quality of life issue.

Mr. Olander polled the Council to see if they all felt that 100% of the required parking be on-site residential. He determined that the majority favored this option.

RECESS

At 9:39 p.m., Mayor Ryu called for a six minute recess. At 9:47 p.m. the Council meeting reconvened.

(c) Continued Public Hearing on Ordinance No. 479, amending the Property Tax Exemption Program for the North City Target Area and Expansion into the Ridgecrest Neighborhood

Mayor Ryu opened the public hearing.

Council consensus was to hear new and additional information concerning this item.

1) J.J. McCament, Tacoma, from McCament and Rogers representing John Stephans, the owner of the Arabella One and Two which he plans on building. She supported Ordinance No. 479 and noted that Ordinance No. 310 has passed, but can't be used because it is out of date. She added that they can't even submit an application to begin the process. She added that it seems that Ordinance No. 479 is dead because of the North City Business District and the Ridgecrest rezone appear to be tied together in the ordinance. She urged the Council to remove Ridgecrest from the ordinance and adopt it.

Councilmember Eggen inquired what revisions are necessary to the current ordinance in order to make it agree with the legislation and what makes it cumbersome.

Ms. McCament reviewed the revisions and stated developers don't want to do this type of housing development without the tax exemption. The ordinance forces the developer to spend money up front before they know if they will qualify for the tax exemption, she explained.

2) John Behrens, Shoreline, said he has distributed newspaper articles to the Council and said people can't afford to live in this City. He said there are tax breaks for people making \$60,000 or more a year. He noted that the City of Seattle places tax break thresholds for developers at 70% of the median income. He urged the Council to make a good decision concerning the tax breaks.

At 10:00 p.m., Councilmember McGlashan moved to extend the meeting until 10:30 p.m., seconded by Councilmember Way. Motion carried 6-1. Councilmember Hansen abstaining.

3) LaNita Wacker, Shoreline, communicated that the state recommended that cities utilize a tax exemption to encourage affordable housing. She said it is a marketing tool to encourage economic development in the City and the City should simplify the paperwork and regulations for the developer.

Councilmember Way moved to close the public hearing, but leave open for written public comment. Motion died for a lack of a second.

Mr. Olander stated that the public hearing can be closed and written information can always be accepted with noting it in the motion.

Mr. Sievers clarified that the City staff couldn't withhold a written letter that came into the City after this hearing because this isn't a quasi-judicial hearing. He commented that they would have the document available for consideration as long as it is received before a vote on the matter.

Mayor Ryu urged the public to submit written comments.

Councilmember Eggen moved to close the public hearing, seconded by Councilmember Hansen. Motion carried 6-1. Councilmember Way dissenting.

Councilmember McGlashan moved to adopt Ordinance No. 479 amending the Property Tax Exemption Program for the North City Target Area and Expansion into the Ridgcrest Neighborhood, seconded by Councilmember Hansen.

Councilmember Way inquired about the City requiring a completed building application prior to applying for a tax exemption.

Tom Boydell, Economic Development Coordinator admitted that there was a cumbersome process for the Arabella One project. Since then, he said, the City has obtained advice from other

cities, the Association of Washington Cities (AWC), and the state. Through that, the City now requires a conceptual site plan which would give an idea of what is going to be built and at that time the developer could apply for a conditional certificate to secure financing from a bank and continue the process. He noted that the project would not be vested in terms of the permit process, only for tax exemptions.

Mr. Olander asked if the final application would have to be approved by the Council.

Mr. Boydell responded that it would go through the Planning Director, the City Manager, then to the City Council.

Mr. Olander asked the City Attorney if this is considered to be a discretionary permit.

Mr. Sievers responded that if the criteria is met then the developer is entitled to it. He said the project wouldn't vest until the complete building application is approved.

Mayor Ryu stated that there are 250 units available for this tax exemption. She said Arabella One used 88 of them so there are 162 left and they are proposing 97 more in Arabella Two which will leave 65.

Mr. Boydell felt the 250 cap will be used and said the next step is to bring the ordinance into compliance with state law to have the Council decide if they want to redesign or expand the program.

Councilmember Hansen suggested an amendment which would not allow this ordinance to affect the Ridgecrest commercial areas until the rezone is adopted.

Mr. Sievers suggested removing all language concerning Ridgecrest from the ordinance.

Mr. Boydell agreed with both suggestions.

Councilmember Hansen moved to remove all Ridgecrest references within Ordinance No. 479, seconded by Deputy Mayor Scott.

Councilmember Eggen asked Councilmember Hansen if he intended to remove reference to the additional 250 units from the Ridgecrest area.

Mr. Boydell explained that the additional 250 units for the Ridgecrest area would go away if the references to Ridgecrest were removed in the ordinance.

Mr. Olander inquired with Mr. Sievers if the removal of Ridgecrest references could be done or should the staff come back to the Council with a revised ordinance.

Mr. Sievers responded that the amendment is fairly simple and the ordinance would be revised before the Mayor signed it.

Councilmember Eggen wanted to know what a conceptual site plan was.

Mr. Boydell responded that a conceptual site plan includes a brief written description of the project to include the grounds for the tax exemption, the floor plan, and the number of and sizes of each unit. He explained that it is a general drawing that provides the basic outline of the project closely reviewed by the Planning Director.

A vote was taken on the motion on the table to remove all Ridgecrest references within Ordinance No. 479. Motion carried 6-0. Councilmember Way abstaining.

Mayor Ryu stated she would like to include retail/commercial space along 175th Avenue NE and add the location to Ordinance No. 479.

Mr. Olander communicated that this may lead to complications and having to modify the North City Business Plan.

Mr. Boydell said he believes a portion of 175th is already included in the North City Business Plan. He added that he remembers the North City Business Association and the Planning Commission recommended the language as it is now.

Mayor Ryu pointed out that Arabella One doesn't have any retail or commercial on its main floor.

Mr. Boydell responded that the next development, Main Street 2, which is the proposed site for Arabella Two will have retail and commercial spaces.

Mayor Ryu said public spaces and retail space are discouraged in the current code.

At 10:30 p.m., Councilmember Way moved to extend the meeting until 11:00 p.m., seconded by Councilmember Eggen. Motion carried 5-2. Councilmember Hansen and Councilmember McGlashan dissenting.

Mayor Ryu asked if there was any interest in revising the percentage to state that 70% of the housing be moderately priced in the development.

Councilmember Eggen commented that there was a report that stated a studio apartment costs about \$900 per month as a standard. He asked if the City would be getting anything out of having an affordability standard.

Mr. Boydell responded that there isn't an affordability incentive in North City now. He said it would be good to have an affordability incentive in the City when the market and the population increases to ensure units get rented and remain affordable over time.

Mayor Ryu asked if the property owners can choose not to utilize the tax incentive program.

Mr. Boydell replied that if they choose not to use it they would lose 50% of their tax exemption

during the entire twelve-year tax exemption period.

Councilmember Hansen called for the question, seconded by Councilmember McGlashan.

A vote was taken on the motion on the table to to adopt Ordinance No. 479 amending the Property Tax Exemption Program for the North City Target Area, as amended. Motion carried 5-2. Mayor Ryu and Councilmember Way dissenting.

Councilmember McGlashan moved to table the rest of the agenda and adjourn, seconded by Councilmember McConnell. Motion failed 3-3-1. Mayor Ryu, Deputy Mayor Scott, and Councilmember Way dissenting. Councilmember Eggen abstaining.

(d) Ordinance No. 495 amending the Economic Development Advisory Committee Membership by Adding Five Additional At-Large Members; and amending SMC 2.65.020

Councilmember Way moved to adopt Ordinance No. 495 amending the Economic Development Advisory Committee Membership by Adding Five Additional At-Large Members; and amending SMC 2.65.020, seconded by Mayor Ryu.

Councilmember Way moved to amend Ordinance No. 495 and add Wade Carter to the Committee, seconded by Mayor Ryu.

Councilmember Way felt Mr. Carter should be on the committee because he has been a longstanding business member in Shoreline.

Councilmember Eggen added that Mr. Carter wasn't approved because he is on the financial forecasting committee, but he is more interested in economic development.

Councilmember Hansen said he has no opinion about Mr. Carter being on or off this committee, however, he felt the Council is micromanaging because they should be adopting policy not picking who goes on what committee.

Councilmember McGlashan agreed with Councilmember Hansen and thinks this politicizes the process. He added that choosing these people should be a part of the City staff responsibilities. He urged the Council to look at the Council rules and have these handled by the City staff.

Deputy Mayor Scott called the question, seconded by Councilmember Hansen.

A vote was taken on the motion on the table to amend Ordinance No. 495 and add Wade Carter to the Committee. Motion carried 4-2-1. Councilmember Hansen abstaining.

Councilmember Way moved to revise the total number of members on the Economic Development Advisory Committee to 22 members with 11 at-large members, seconded by Councilmember Eggen. Motion carried 6-1. Councilmember McGlashan dissented.

A vote was taken on the motion on the table to adopt Ordinance No. 495 amending the Economic Development Advisory Committee Membership by Adding Six Additional At-Large Members; and amending SMC 2.65.020. Motion carried 4-3. Councilmember McGlashan, Councilmember McConnell, and Councilmember Hansen dissenting.

(e) Motion to Approve Appointments to the Community Priorities/Long-Range Financial Planning Advisory Committee

Councilmember Way moved to approve appointments to the Community Priorities/Long-Range Financial Planning Advisory Committee, seconded by Mayor Ryu.

Councilmember Eggen moved to amend the appointments by removing Wade Carter, seconded by Councilmember McConnell. Motion carried 6-1. Councilmember Hansen dissenting.

Councilmember McConnell moved to amend the appointments by adding Robert Ransom, seconded by Councilmember Hansen.

Councilmember McGlashan supported the original list provided by the City staff. He doesn't support the amendments to the appointments.

A vote was taken on the motion to amend the appointments by adding Robert Ransom to the Community Priorities/Long-Range Financial Planning Advisory Committee. Motion failed 1-3-3. Mayor Ryu, Councilmember Way, and Councilmember McGlashan dissenting. Deputy Mayor Scott, Councilmember Hansen, and Councilmember Eggen abstaining.

A vote was taken on the motion to approve appointments to the Community Priorities/Long-Range Financial Planning Advisory Committee, as modified. Motion carried 6-1. Councilmember McGlashan dissenting.

Mayor Ryu appointed Councilmember Way, Councilmember Eggen, and Deputy Mayor Scott to the Community Priorities/Long-Term Financial Planning Advisory Committee.

7. ADJOURNMENT

At 10:54 p.m., Mayor Ryu declared the meeting adjourned.

Scott Passey, City Clerk

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