

CITY OF SHORELINE
SHORELINE CITY COUNCIL
SUMMARY MINUTES OF BUSINESS MEETING

Monday, March 24, 2008 - 7:30 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 7:31 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 shortly thereafter.

3. CITY MANAGER'S REPORT

Bob Olander, City Manager, provided updates and reports on the following City meetings, projects, and events:

- Hamlin Park Public Meeting, March 27 at 6:00 p.m., Ronald Room, Shoreline Center
- Kruckeberg Botanic Garden Work Party, every other Sunday from March 30 to October
- Joint Parks, Recreation and Cultural Service Board and Planning Commission, RE: Draft Sustainability Strategy, March 27 at 7:00 p.m., Cascade Room, Spartan Recreation Center

4. REPORTS OF BOARDS AND COMMISSIONS

Councilmember McGlashan stated that the Shoreline Water District (SWD) approved their comprehensive plan at their last meeting. He stated that he spent a day at the Bellevue Youth Link Youth Involvement Conference 2008.

Councilmember Way attended the WRIA-8 meeting and went on a tour of the University of Washington Northcreek Restoration Project at the Bothell campus. She added that she listened to a report concerning the monitoring of salmon returns.

Councilmember Eggen stated he also attended the WRIA-8 meeting and they announced a salmon safe certification that businesses, institutions, and educational campuses can achieve. He also stated that there was discussion about woody debris hazard for boaters and a decision to come up with guidelines for the future. He added that WRIA-8 adopted legislation for the earmarking one quarter of the King County Conservation funds for salmon monitoring. He added that he went to a meeting concerning a new City of Shoreline permit and regulations for the discharge of hazardous materials.

Councilmember Hansen reported on his attendance at the Jail Advisory Group (JAG) Committee meeting, where they discussed how to divide proceeds from the sale of property for a jail site. He added that they discussed hiring a consultant to determine the confirmation of a new jail facility and its location.

Mayor Ryu noted that SeaShore Transportation Forum met and the Sound Transit Board is scheduled to make a decision concerning whether the replacement for Proposition 1 will be on 2008 or 2010 ballot.

5. GENERAL PUBLIC COMMENT

a) Deborah Marchant, Shoreline, stated she lived in Ridgecrest and spoke about the old Bingo building. She asked the City to ensure the future building incorporates “fung-shui” elements and that it blends in to the neighborhood.

b) Bronston Kenney, Shoreline, said that Pro Shoreline is pro-developer. He discussed the Ridgecrest rezone. He said the editorial by LaNita Wacker is biased and in favor of realtors and developers. He added that Pro Shoreline should name those who provided the financial support for the lawsuit.

c) Tom Poitras, Shoreline, thanked Deputy Mayor Scott for the feasibility study. He felt the Ridgecrest project might not be viable at six stories and there are too many unknowns to go forward. He thanked the Council for the parking analysis and said the Planning Commission recommendation would be a disaster for Ridgecrest.

d) Lucile Flanagan, Seattle, stated that she owns the strip mall on 165th Street. She presented a newspaper article about Queen Anne residents being upset about the lack of parking and she is worried that it will happen in Ridgecrest. She added that the residents in the area are opposed to a six-story building.

e) Virginia Paulsen, Shoreline, stated she is opposed to the proposed Ridgecrest building because of the height, size, impacts on infrastructure, and parking costs. She commented that the cities of Edmonds and Kirkland have building height limits. She stated that it

will increase traffic, water usage, residents, and accidents. She added that she witnessed a near auto-pedestrian accident at 175th Street and Midvale Avenue.

f) Stan Terry, Shoreline, supported the Ridgecrest rezone as approved by the Planning Commission. He stated that the Commission and public processes get ignored in the Council. He noted that developments need adequate on-site parking and partial LEED standards. This City, he felt, needs more single-family development and housing options. He said housing prices are high due to lack of options and there need to be more rentals or condominiums. He felt cottage housing should be revisited, but only if adequate design standards are adopted with it.

g) Jacqueline Nilsson, Shoreline, thanked the police traffic department for no parking and speed limit signs on NE 180th Street between 12th and 14th Avenues NE. She stated that there are children who take the bus on NE 180th Street that are imperiled by the speeding cars every day and the signs should slow them down. She lives across the street from the proposed Arabella II, which will have only one parking stall per unit. She highlighted that people are leaving Arabella because parking is a serious problem. She said that there were huge trees removed from the corner of the Arabella property that were replaced with saplings. This is wrong, she pointed out, because trees control water and pollution.

h) Les Nelson, Shoreline, discussed public comment. He said it is important that the comments at the meetings are important for airing on Channel 21 since people don't get the information. He stated that the transitional development code changes will be heard at the Planning Commission meeting to replace the moratorium. He said transition codes will provide the transition elements between single family homes and developments. He urged the residents, especially those along Aurora Avenue, to read the information on the website and attend the meetings concerning the moratorium.

i) Art Maronek, Shoreline, presented a document to the City Clerk and the Council and discussed Highland Terrace neighborhood character. He displayed pictures showing every home from 150th Street to 155th Street on Greenwood Avenue which are predominantly single-level houses with heavily-treed lots having a distinctive character. He displayed a proposal showing the two lots where a developer is proposing to build 7 single-family condominiums, or "air condos." He added that there are 64 significant trees on these two lots with 13 requiring special protection under the code. He noted that there are also 13 landmark trees which are over 30 inches in diameter which take special permits to remove. He pointed out a discrepancy in the distance between the proposed structures and that the developer's plan retains only 17 of the 26 significant trees. He concluded that this project will have a negative impact on the neighborhood and its character.

j) Dale Simonson, Shoreline, stated he is a neighbor to the proposed "air condos." He thanked the Council for listening to their concerns. He said he is impressed with the Council interest in the issue. He noted that there are significant differences in the current development and the proposed property. The other development, he pointed out, is in an R-18 zone and this area is zoned for R-6. Additionally, he stated that the developer is taking more open space and taking more significant trees and that the community is not getting any benefit. He concluded

that there will be fewer trees, less open space, and more traffic congestion if this development occurs.

k) John Wolfe, Shoreline, commented that air condos must be banned in R-4 and R-6 zones. He said this loophole development strategy circumvents residential setbacks required in the same zoning. He felt that the unit-per-acre calculations should not be rounded up and the setbacks must be observed with condominium developments. He personally felt the maximum height should be reduced from 35 feet to 25 feet in the City.

l) Dwight Gibb, Shoreline, concurred with previous speakers regarding air condos and said he hopes their legal argument will make a moratorium possible. He stated that laws are always limited, and some become obsolete over time and need to be revised. He said there is a higher authority than the law, for some that is God or their individual conscience. In this case, he felt it is the will of community. He noted that Shoreline is moving toward greater environmental awareness. He urged the Council to institute a moratorium.

m) Bob Ransom, Shoreline, discussed the history of the Ridgecrest site. He said it was vacant in 1970 and Cascade Bingo came. He said in 1995 he was on the board of Cascade Bingo and later was the President and CEO of the Bingo parlor. He noted that 5% was the best profit margin they could achieve, but it was doing about 1% net earnings when it closed. He noted that there were concerns about food service and money was lost on it. He said there were only 5,000 cars per day that passed by. There were bookstores on 165th that failed along with several other businesses. Currently, he said developers say six stories is the minimum for a business to survive in Ridgecrest, and any project should include one parking stall per residential unit.

Mr. Olander responded to the public comment and the City Attorney has issued a legal opinion to the Council concerning a moratorium on air condos. He said it is the City Attorney's opinion that state law precludes the City from imposing a moratorium and the City can't discriminate between the various uses. Additionally, he said the memorandum points out that the City Attorney is working on the balance of the legal opinion. He added that no application has been processed by the City.

6. APPROVAL OF THE AGENDA

Deputy Mayor Scott moved approval of the agenda. Councilmember Way seconded the motion, which carried 7-0 and the agenda was approved.

7. CONSENT CALENDAR

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

- (a) Minutes of Workshop Dinner Meeting of January 28, 2008**
- Minutes of Study Session of February 19, 2008**
- Minutes of Business Meeting of February 25, 2008**

(b) Approval of expenses and payroll as of March 11, 2008 in the amount of \$1,722,664.70 as specified in the following detail:

***Payroll and Benefits:**

Payroll Period	Payment Date	EFT Numbers (EF)	Payroll Checks (PR)	Benefit Checks (AP)	Amount Paid
1/27/08-2/9/08	2/15/2008	22730-22925	7344-7380	35510-35518	\$386,689.77
2/10/08-2/23/08	2/29/2008	22926-23118	7381-7415	35596-35603	\$474,866.92
					<u>\$861,556.69</u>

***Accounts Payable Claims:**

Expense Register Dated	Check Number (Begin)	Check Number (End)	Amount Paid
2/14/2008	35448	35462	\$54,458.83
2/19/2008	35463	35496	\$27,948.69
2/20/2008	35497		\$840.41
2/20/2008	35498	35508	\$93,046.53
2/20/2008	35509		\$6,716.08
2/27/2008	35519		\$1,240.00
2/27/2008	35520	35525	\$2,255.08
2/27/2008	35526	35534	\$76,999.83
2/28/2008	35535	35556	\$69,960.83
2/29/2008	35557	35567	\$34,073.70
3/4/2008	35568	35569	\$4,630.19
3/5/2008	35570	35592	\$9,473.12
3/5/2008	35593	35595	\$26,684.51
3/6/2008	35604	35634	\$113,808.16
3/6/2008	35635	35639	\$7,271.28
3/6/2008	35640	35646	\$90,887.39
3/6/2008	35647	35669	\$101,073.83
3/6/2008	35670	35671	\$139,263.84
3/11/2008	35672		\$475.71
			<u>\$861,108.01</u>

(c) Motion to Amend the Interlocal Cooperation Agreement with King County for Acquisition of Open Space through the Conservation Futures Tax Levy Grant Program

(d) Motion to Authorize the City Manager to Execute a Construction Contract Change Order with Precision Earthworks, Inc. and a Contract Amendment with W&H Pacific for Construction Management Services for the 2007 Sidewalk Priority Routes

(e) Motion to Authorize the City Manager to Enter into Agreements with King County and Public Safety Support Services to Provide Planner Services for Emergency Management Zone 1

(f) Motion to Approve a Memorandum of Understanding Establishing a Pooled Human Services Fund

(g) Motion to Authorize the City Manager to Enter into the 2060 Low-Income Housing Fund Interlocal Cooperation Agreement for Regional Affordable Housing

(h) Motion to Adopt the Council Subcommittee's Recommendation for the Planning Commission Appointments for Four-Year Terms running from April 1, 2008 through March 31, 2012

(i) Motion to Adopt the Council Subcommittee's Recommendation for the Library Board Appointments

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

8. ACTION ITEM: PUBLIC HEARING

(a) Public Hearing to receive Citizens' Comments on the Citizen Advisory Committee Comprehensive Housing Strategy; and Motion to Adopt the Comprehensive Housing Strategy

Steve Cohn, Senior Planner, stated that the committee worked for a year on the report. He commented that the committee focused on three main issues: 1) housing choice; 2) neighborhood character; and 3) housing affordability.

Mayor Ryu opened the pubic hearing.

a) Randy Bannecker, representing Seattle-King County Association of Realtors, commended the City for the strategy and that it focused on all the right issues. He commented that now the City can focus on how to grow and respond to changing demographics. He noted that this is about engaging the public, educating, expanding the options, and creating "third places." He said realtors would like work with Shoreline and help make it a model for the region. Councilmember Way asked for his opinion on neighborhood character. Mr. Bannecker replied that neighborhood character includes some trade-offs, but you can have both green and higher intensity uses in the same neighborhood.

b) Gary Batch, Shoreline, commented that there has never been affordable housing. He stated that before World War II there weren't any mortgage companies. He said he has sacrificed to buy a house, but a house only becomes affordable when you've lived in it for twenty years. He felt that if every piece of property is developed with high-density buildings, they will become ghettos in twenty years. He added that older apartments are not desirable and not maintained. He felt these developers are building cheaply with low rents.

c) Martin Kral, Shoreline, highlighted that the plan is commendable and it is crucial for the City to listen to the citizens. He noted that the four-unit development on Stone Avenue shocked its neighbors because it was upzoned from R-8 to R-12. He felt that development is not distributed equally throughout Shoreline and that the strategy has some contradictory elements.

Mr. Olander commented that the City staff recommendation is to accept the Housing Strategy so the discussion on the next steps can begin.

Councilmember Hansen moved to close the public hearing, seconded by Councilmember McGlashan. Motion carried 7-0.

Councilmember McGlashan moved to adopt the Citizen Advisory Committee Comprehensive Housing Strategy. Councilmember Hansen seconded the motion.

Deputy Mayor Scott supported the Citizen Advisory Committee Comprehensive Housing Strategy and recommended adoption.

Councilmember Hansen stated he is mildly uncomfortable with passing this without time to consider the comments received during the public hearing. Councilmember Way agreed and thinks the Council should take its time. She asked the City staff to discuss the next steps or implementation process.

Rob Beem, Community Services Division Manager, commented that the general strategy involves continuing some ongoing activities, then selecting from among a variety of options. He noted that this involves looking at opportunities for the acquisition of affordable housing currently on the market through federal resources. He added that the property tax exemption issue would stimulate the development of certain types of housing, as well as the suggestions in Appendix I of the staff report. These include investigating specific tools for developments and developing specific design standards.

Mr. Olander added that there are a range of options to consider, including accessory dwelling units, surplus lands, housing trust funds, and partnering with regional housing agencies. He explained that adopting this item doesn't lock the Council into any particular course of action, but it indicates a policy statement that the Council is interested in.

Councilmember Way discussed the acquisition of properties and asked if Mr. Beem was referring to multi-family housing developments. Mr. Beem responded affirmatively. He added that the City cannot legally own and operate the acquired properties.

Councilmember Way noted that older housing may serve a purpose now and lend to the preservation of existing housing stock.

Councilmember Eggen asked what the purpose would be in acquiring multi-family developments.

Mr. Beem stated that the purpose is to extend that use at a low end of the market rate. He explained that a partner can acquire it and stabilize the rents due to the way they acquire it, through subsidies from the Department of Housing and Urban Development (HUD). He also clarified that he wasn't envisioning a large, low-income housing block like Rainier Valley.

Councilmember McGlashan said he is comfortable withdrawing his motion to give the Council a chance to consider adopting this strategy.

Mayor Ryu commented that she really likes the strategy and will vote to approve it. She added that it is a great tool, but people are still concerned about the community vision. She said the Council needs to reaffirm the community vision that is spelled out in the Comprehensive Plan land use maps in order to obtain better outcomes. She said it will also reduce the amount of time the City spends looking at each project. There needs to be design standards and some low-impact development (LID) standards in place, she noted.

A vote was taken on the motion to adopt the Citizen Advisory Committee Comprehensive Housing Strategy, which carried 6-0, with Councilmember Hansen abstaining.

RECESS

At 9:05 p.m., Mayor Ryu called for a six minute recess. At 9:11 p.m. the Council meeting reconvened.

9. ACTION ITEMS: OTHER ORDINANCES, RESOLUTIONS, AND MOTIONS

(a) Ordinance No. 493, Rezoning the Properties located at 14549, 14551, 14709, 14721, 14723, and 14727 32nd Avenue NE and 3124 NE 146th from R-12 and R-18 to R-18 and R-24

Steve Szafran, Planner, gave a brief presentation which outlined the subject parcels and displayed existing site pictures. He noted that the rezone meets zoning criteria and locates higher density housing, consistent with the surrounding zoning, in the appropriate areas. He pointed out, however, that the community has concerns which came out during the public hearing period and the Planning Commission meeting. He noted them and addressed each of them. He concluded and said the Planning Commission recommended approval of an R-24 zone for all seven parcels.

Councilmember Hansen moved to adopt Ordinance No. 493, Rezoning the Properties located at 14549, 14551, 14709, 14721, 14723, and 14727 32nd Avenue NE and 3124 NE 146th from R-12 and R-18 to R-18 and R-24. Councilmember Way seconded the motion.

Councilmember Way clarified that there are twelve comment letters with one against the rezone and ten in favor. She asked if there was any information in the record concerning the water table other than the testimony of the geotechnical engineer. Mr. Szafran responded that the geotechnical engineer explained the process and the results of his study at the Planning Commission meeting.

Councilmember Way added that there was previous rezone request for one of these properties and at that time the Planning Commission denied it based on concerns about the water table and the drainage. She commented that there is no information about that included with the staff report. Mr. Szafran replied that there was information about that in the previous staff report and there wasn't a drainage study for that rezone.

Councilmember Way felt she needed to understand where the original Commission concern came from.

Mayor Ryu pointed out that the concerns are noted on page 187 of the Council packet and the geotechnical engineer stated that there are dense native sands, but there could be no water problem on that site. However, there was testimony by a neighbor who lived about two blocks away and that there is a water problem in his neighborhood, she explained.

Mr. Olander added that neighbors a few blocks away have had a problem and expressed their concerns, but the record from the geotechnical engineer said there wasn't a groundwater issue or problem on these subject properties.

Councilmember Way said she is surprised the Commission would have voted in favor of this. She wanted assurance that there is no other information that hasn't been communicated concerning this rezone. Mr. Szafran commented that the drainage report was for this specific rezone and there was no water study done with the previous rezone.

Councilmember Way stated that it is in the record that LID techniques were suggested. Additionally, she said there were some concerns about crime and asked if there were any crime statistics discussed.

Councilmember McGlashan referred to the chart on page 159 and asked what the difference was between building coverage and impervious surface. Mr. Szafran replied that the impervious surfaces will stay the same and this regulates the size of the building.

Councilmember Way brought up page 184 and discussed the traffic study and wanted Mr. Szafran to explain how this won't impact traffic. Mr. Szafran explained that the traffic study showed a decrease in traffic based on the improvements on Bothell Way. Councilmember Way continued and said that NE 145th is a busy street and asked if there are any concerns about pedestrian safety. Mr. Szafran said there were a couple of comments regarding pedestrian safety, adding that new sidewalks are a part of the development. Councilmember Way discussed page 183 and asked how this will provide environmentally efficient housing. Mr. Szafran said this structure is more energy efficient than older structures, based on the types of windows, insulation, and so forth.

Mayor Ryu supported the proposal. She stated that all of the neighbors on 32nd Avenue support it. She commented that some of the concerns were directed to a lack of City codes for neighbors to work with the developers, which was also expressed by the Commission. She said the City needs to update the interim development code and hoped the Council could address it sooner than later.

Deputy Mayor Scott highlighted page 185 and had a question about the percolation test which didn't identify where the water goes. He asked if there was any additional testing that could be done to determine where the runoff water goes. Mr. Szafran stated that it would have to be determined prior to a permit being issued at the site.

Councilmember Way mentioned that the Southeast Subarea Plan is now getting started and she hoped there is a way to include this area in it. She encouraged the City staff to reach out to the neighborhood because there seems to be support for this rezone.

A vote was taken on the motion to adopt Ordinance No. 493, Rezoning the Properties located at 14549, 14551, 14709, 14721, 14723, and 14727 32nd Avenue NE and 3124 NE 146th from R-12 and R-18 to R-18 and R-24, which carried 7-0.

10. UNFINISHED BUSINESS

(a) Ordinance No. 492, Planned Area 2 Legislative Rezone for the Ridgcrest Commercial Area - Review of Pro-forma Financial Analyses

Steve Cohn, Senior Planner, introduced Chris Medford and Robert Schwepp from Community Attributes. He said they would be presenting a report concerning the feasibility of four, five, or six-story buildings within the City of Shoreline.

Mr. Medford outlined the draft report, which focused on the feasibility based on different height limits along with some expectations of affordable housing requirements to include green building and a public plaza. In summary, he said the property tax exemptions are what really make this proposal feasible. He said that it is probably feasible at six-stories and possibly feasible at five stories with some compromises to the building. Additionally, there seems to be no feasibility if it is a four-story structure. He noted that green building and the public plaza don't play into feasibility as much as the property tax exemption does.

Councilmember Eggen clarified that if the building is constructed and it is only four stories high with no affordability the building will have a negative value. Mr. Medford concurred because there won't be any property tax exemption on the building. He stated that the property tax exemption makes the difference. Councilmember Eggen also clarified that AMI is the average median income.

Councilmember McConnell commented that the property tax exemption is necessary for the project, even at six stories. She said she is being told that this is an untested market and that it is still a risky venture for a developer, even with the property tax exemption. Mr. Medford concurred. Councilmember McConnell stated that the property tax exemption drives this project toward affordability. She said that there is a point where the City ventures into another level, which is seven stories or more, in order to make a building affordable. Mr. Medford agreed, but said that six stories is the maximum height for constructing a wood framed building.

Councilmember McConnell asked Mr. Medford to discuss parking because the parking issue is a big concern. She inquired about solutions to address parking and said it hasn't been tested as of yet.

Deputy Mayor Scott questioned if the parking had to be at-grade to make the six story building viable. Mr. Medford responded that the report incorporated structured parking one-story above ground, and if it is pushed underground it would make the development less viable.

Councilmember Eggen said he understood the proposal was for one story of at-grade or slightly below grade parking, then a concrete layer with then five stories above it. Mr. Medford replied that he is correct; six stories with one story of parking included.

Councilmember Way clarified that each category they evaluated was considered separately as if that was the only issue and not considered as a combination as to feasibility. Mr. Medford said the final outcome takes all of them into consideration. He said the report isolated the relative individual impacts of each the considerations. Councilmember Way questioned how all the items fit together. Mr. Medford explained that there were some spreadsheet errors in the previous version and that table 1.1 shows the information correctly. He noted that the first analysis failed to consider the full benefit of the property tax exemption.

Councilmember Ryu explained that the figures the Council studied over the weekend are still correct if the property tax exemption is not considered.

MEETING EXTENSION

At 10:00 p.m., Councilmember McGlashan moved to extend to the meeting until 10:30 p.m. Councilmember Eggen seconded the motion, which carried 7-0.

Mayor Ryu inquired if the building would work with fewer stories but still the same square footage (making the structure more of a box rather than a pyramid, or tiered approach). Mr. Medford commented that the analysis recognized the trade-offs concerning the overall bulk of the building versus height.

Mayor Ryu discussed trade-offs because there are different neighbors on different sides and the City can scale up on one side and make the building shorter on another. She said it really depends on neighborhood desires and affordability. She asked if the report conclusions would be different if the City assumed something different than the \$50 per square foot rate. Mr. Medford responded affirmatively, adding that the work he did was an academic exercise. He noted that CAP rates are a reflection of the investor's appetite for risk; he stressed that this is a very sensitive number. He added that she is correct that the bulk of the building can change.

Mr. Olander commented that the City staff heard that a rate of slightly less than \$50 per square foot is the market rate.

Responding to Deputy Mayor Scott, Mr. Cohn explained that the lot is theoretically capable of having more than 250 units, but the problem is parking. He added that the square footage of each unit may be bit high because the size should be closer to 700 or 750 square feet on average.

Mr. Medford clarified that the gross unit size is 875; however, the net is 700 to 750 square feet. He added that the 875 square feet includes elevator, stairwells, and common areas.

Deputy Mayor Scott confirmed with Mr. Cohn that the building would have 250 units and be six-stories.

Councilmember Hansen commented that the property slopes to the west and asked if the at-grade parking would be on the west side or east side. Mr. Medford replied that where the property slopes can make a difference but their report isn't site-plan specific. He added that the report is indifferent and property slopes aren't defined in it.

Councilmember Eggen said he recalled from the property tax exemption in North City that the definition of affordable was at something like 100% of the AMI, which is much higher than this value. Mr. Cohn pointed out that he asked Mr. Medford to look at the existing market rents, which are at about 75% of AMI, so they are below 100% of the median here. This means that there is a possibility that the City can condition the affordable units.

Mr. Olander added that on March 31 there is a separate ordinance coming back to the Council to extend the property tax exemption to Ridgcrest. He said that given the current market rates it would provide the Council with some flexibility to cap that amount at 85 - 90%.

Councilmember Eggen commented that it almost seems like the property tax exemption is a way to get projects done without considering affordability. Mr. Medford said his firm looked at Shoreline rather than the region and assumed that market rents in Shoreline would meet King County's affordability definition. However, some would be more affordable than others based on the incomes in Shoreline, not in the county.

Mayor Ryu said she would like to see tables with property tax exemptions at 65%, 70%, 90%, and 100%. She added that she would like to see the numbers at \$45 per square foot and options concerning the use of grading at the site compared to other building sites. She commented that at \$50 per square foot for a 7,200 building comes out to \$360,000 for a regular size building lot and at \$40 per square foot it comes out to \$288,000. She summarized that she felt that the development is going to be driven by the lack of parking.

Councilmember Way commented on tables 8 and 9 on page 211 concerning green construction costs. She said she is glad that the green component has some impact and value.

Deputy Mayor Scott added that green building, LEED, public space, and affordability were items that the Council wanted to add into this project. He clarified that the green building didn't add a lot of cost and public space didn't add a significant cost as well. Mr. Cohn noted that the public space took away from parking. Deputy Mayor Scott stated that the parking requirement can be hinged on any commercial development.

Mr. Olander suggested that if there is any new public comment on this report the Council may wish to accept it if it is focused on this specific new information.

Mayor Ryu called for public comment.

a) Gary Batch, Shoreline, asked what would happen if a high-quality unit was built and how many low-income people would need to be attracted to Shoreline.

b) Tom Poitras, Shoreline, stated he didn't understand the garage parking portion of the proposal.

Mr. Olander noted that the guidance was that Council wanted structured parking under the building or in an extended garage, and the project has been designed that way. He added that if the extended garage was removed the project would be cheaper to build, but you would have open lot parking. Mr. Cohn concurred.

c) Les Nelson, Shoreline, said developers are looking to build in Shoreline on at least a dozen sites. He said he would be curious to know what the value of the property is based on its current zoning of R-24. He questioned the value placed on this area because he felt some of these units would become view properties and worth more. Commenting on the parking issue, he felt this is self-defeating because if more units are built, the greater the parking demands.

Mr. Olander added that parking is also the limiting factor. Mr. Cohn stated that the property value was set for the building of town homes.

11. ADJOURNMENT

At 10:25 p.m., Mayor Ryu declared the meeting adjourned.

Scott Passey, City Clerk

This page intentionally left blank.