

DRAFT

CITY OF SHORELINE
SHORELINE CITY COUNCIL
SUMMARY MINUTES OF SPECIAL MEETING

Monday, June 4, 2007 - 6:30 PM
Shoreline Conference Center
Mt. Rainier Room

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

ABSENT: None

1. CALL TO ORDER

Mayor Ransom called the meeting to order at 6:37 p.m.

2. FLAG SALUTE/ROLL CALL

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

3. CITY MANAGER'S REPORT AND FUTURE AGENDAS

Bob Olander, City Manager, provided updates and announcements. He stated that the City participated in an Emergency Earthquake exercise and tested the City's rapid damage assessment system. The entire assessment took 40 minutes and he was pleased with the results. "Shoreline Live!" was a huge success, with over 200 people in attendance and an encore performance on June 5th. The Parks, Recreation and Cultural Services Board is accepting proposals for a new name for the Richmond Beach Pump Station Park; nominations should be submitted to the Parks Department by July 31. The City is also accepting nominations for the Celebrate Shoreline Grand Marshal. The next Aurora Business and Community Team (ABC) meeting is scheduled for June 6; the next Planning Commission meeting is scheduled for June 7; and the Aurora Corridor and Interurban Trail Bridge ribbon-cutting ceremony will be held on June 16. He concluded by introducing Planning and Development Services Director Joe Tovar concerning an update on the South Aurora Triangle development process.

Mr. Tovar stated that an article was in The Enterprise on Friday concerning the zoning amendments on the South Aurora Triangle (SAT). He said he has decided to slow down the process, which will include more public involvement. There have been public workshops added, and the first workshop will be next week. Information will be posted on the City website.

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4. REPORTS OF BOARDS AND COMMISSIONS

Deputy Mayor Fimia said she will be attending the North King County Economic Engine Survey and Summit Conference to work on survey questions. She noted that she has circulated the prior questions and proposed questions to the Council for their input.

Councilmember Gustafson said he attended the WRIA-8 Project Subcommittee and King Conservation District (KCD) field trip. The group visited ten sites to evaluate ten projects requesting grants for King Conservation projects. He commented that this is an interesting process and final recommendations will be made to the KCD on June 25.

Mayor Ransom announced that the Suburban Cities Association (SCA) is hosting a dinner on June 27th and invited the Council to attend. He highlighted that the City hosted the Boryeong delegation and there was a meeting on Wednesday at Shoreline Community College (SCC). He also said there was breakfast on Friday morning with them. He is pleased they were able to come to Shoreline. Mayor Ransom said the trip emphasized education, economic trade, and governmental relations between the two cities.

Mr. Olander recognized City Clerk Scott Passey, Executive Assistant Carolyn Wurdeman, Assistant City Manager Julie Modrzejewski, and former Councilmember John Chang. He commented on all of Mr. Chang's time and effort spent organizing the sister cities events.

Mayor Ransom announced that he was invited to the 70th Regional Readiness Command Change of Command Ceremony, which included the retirement of Major General Lawrence Johnson and the promotion of Brigadier General Chris Ingram. It was a nice program and the highest ranking General in the United States Army Reserves was in attendance. At the North End Mayors meeting, there was discussion about a North Urban Human Service Alliance Group regarding affiliation with the Eastside Forum; there is a campaign to have cities become members of the organization. There was also some discussion about some performance-based outcomes. This meeting, he pointed out, was attended by Assistant City Manager Julie Modrzejewski and there was also discussion about an economic summit. He also said Bothell's key issues are adult entertainment, annexation, and reviewing height limits. He commented that there are also three people up for election in Bothell. Woodinville's main topics were revising height limits, dinner train, and the possibility of exchanging Boeing Field with the Port of Seattle. He commented on sister cities activities in other Washington municipalities.

5. GENERAL PUBLIC COMMENT

(a) Dale Wright, Shoreline, commented on the cost of Aurora Phase I. He said there are three separate costs: overall cost of the project; cost to the City; and the cost to residents which he highlighted. The first phase was \$2.9 million, or \$129 per household. He commented that the funds for this have already been collected and taxpayers have not paid any additional taxes. He said the undergrounding cost was \$4.3 million, or \$191 per household, or \$81 per capita. The undergrounding costs will be paid by Seattle City Light (SCL) which they will recover from their rate payers. This, he noted, will not pay for undergrounding projects in Seattle. He concluded

that the overall cost to complete the first 1.2 miles of the Aurora Project is \$31.7 million and the overall estimated cost to complete the first mile is \$26.4 million.

(b) Mary Jo Heller, Shoreline, said she attended the May 8 Council of Neighborhoods meeting that featured Mr. Tovar presenting the South Aurora Triangle (SAT) rezoning concept with 150-foot buildings. She discussed the process and City Councilmembers. An additional meeting held on May 29 was attended by Westminster Triangle resident and current Deputy Mayor Fimia. She said Deputy Mayor Fimia ran an election campaign emphasizing process, but there was no process to discuss the SAT back in February when it was first introduced. She said Councilmember Ryu was also at that meeting because she is a property owner on Aurora Avenue, and she could profit greatly if these building are allowed. She added that Councilmember Way attended and said residents should hire a lawyer to fight the change if they oppose. She said elected Councilmembers should represent the residents and not suggest hiring lawyers, and the Council to get back to considering citizens instead of special interest groups and developers.

(c) Bill Davies, Shoreline, said the SAT proposal doesn't have enough planning foresight and there hasn't been enough preparation for this important decision. He pointed out that one of the neighbors in the area solicited the services of the King County Assessor's Office, which concluded that if a 15-story building was allowed in that area, it would have a negative impact on property values in the future. He said he was on SEPAC which was a volunteer committee that was established 8-10 years ago. He noted that the group came up with three alternative plans which were submitted to the City and none were granted. This, he explained, left the residents with the impression that their opinion doesn't really count. He discussed the triangular area at the corner of 150th & Dayton and said there was a park proposed. He said the neighborhood was excited but nothing was done about it. He concluded that the rezoning of the SAT needs to slow down because this will have the greatest impact on the Westminster Triangle area.

(d) Donna Moss, Shoreline, Westminster Triangle resident and King County Planner, thanked Mr. Tovar for meeting with the residents and postponing the meeting with the Planning Commission. She is concerned because, even though the City has to comply with the Growth Management Act, this seems to be rushed because the meeting is scheduled for next week. She added that people who were notified were the people who are on the record. She said nobody outside Westminster Triangle was notified. She said tall buildings in the City of Shoreline are out of character, not just in Westminster Triangle. She asked that the City let everyone know about the meetings and to consideration views, fire department issues, shadows, and noise. She urged the Council to look at this and consider the residents' concerns.

(e) Kim Hadfield, Lake Forest Park, invited everyone to attend Shoreline Live! She said "differently-abled" citizens want to be known not just for the Special Olympics events. She said the participants want to show the City what they can do. She commented that the program is vital. Her daughter has been in the program for a long time and all of the people who put this on would be very appreciative.

(f) Judy Allen, Shoreline read an anonymous letter from a Shoreline staff employee dated May 14th. It said that the Councilmembers question the ability of the City staff to do their jobs. The letter writer warned Councilmembers that many City staff are thinking of quitting, and that there are three to four Councilmembers who have terrible reputations and are embarrassing. The letter stated that morale is low and that someone needs to be truthful. It also warned that the City will lose a fine City staff with an excellent City Manager if something isn't done.

Mr. Olander appreciated the comments from the citizens in Westminster Triangle. He said the City staff wants to listen to their concerns. He announced that there will be at least one or more follow-up meetings that will help the City reach a better solution. Dayton Triangle was part of work plan for several years, he said. The first designs were very expensive, so now City staff is looking at alternative designs.

Councilmember Hansen added that the significant problem is related to the alignment of the road.

Mr. Olander said that is one of the reasons this went back to drawing board. He said that he knows that one anonymous letter is not representative of City staff. He said the vast majority of staff enjoys their jobs and well over 80 percent would recommend their friends for employment with the City.

Mayor Ransom noted that he asked for the City staff to follow-up on the 1.2 miles of Phase I of the Aurora Corridor. It was confirmed that it is 20 blocks, but there is a transition. He added that most of the additional work is going from Aurora Avenue over to Westminster Avenue as it turns into Greenwood Avenue.

Mr. Olander confirmed that it does add cost when transitions are made around a corner with an intersection due to sidewalks, paving, and traffic signals. When the surface area is added it comes to 1.2 miles.

Councilmember Ryu said she went to Westminster Triangle neighborhood meeting and Mr. Tovar really did an excellent job responding to the neighborhood residents. She said she doesn't want the issue to become a wedge, and would rather work affirmatively on this. She said slowing the process down would give the staff time to explore many issues, including community input on a preliminary draft which will help in the preparation of a final draft to the Planning Commission in September. She read the minutes from the January 22nd meeting regarding the perceived conflict of interest. She communicated that she thought Mr. Tovar and the City staff do have the best interests of the City in mind. She read an e-mail she sent to Mr. Tovar and Mr. Olander which apologized for her attendance at the May 29th workshop and noted she would abstain from the final vote on SAT, unless the SAT area is expanded.

Councilmember Way recommended everyone attend Shoreline Live! She added that she has a sincere appreciation for staff and has not met one staff member that she has had a problem with. She extended her sincere thanks to all staff and the City Manager. She also asked if there is any possibility of getting a copy of the SEPAC alternatives.

Mr. Olander noted that the City staff always goes back and looks at legislative history before determining the best course of action.

Councilmember McGlashan inquired about Mr. Davies' concerns about the King County Assessor's opinion that property values are being affected by height limits and the Interurban Trail.

Mr. Olander responded he would confer with the Assessor's Office and get back to the Council on this issue.

Deputy Mayor Fimia commented on the Westminster Triangle process. She said she takes responsibility for not making sure the process was on track. She said the City staff is doing outreach on several issues and now this is on track with the Comprehensive Plan (CP) and to move forward with a CP amendment. To remedy this problem, the City staff has gone back and changed the schedule because of the input from neighbors.

6. APPROVAL OF THE AGENDA

Councilmember Hansen moved to approve the agenda. Councilmember Gustafson seconded the motion.

Deputy Mayor Fimia said she has an amendment to Item 7(a), regarding Resolution No. 260, endorsing the principles of the Cascade Agenda. She suggested pulling it from the Consent Calendar. Mr. Olander noted that an executive session is no longer needed tonight. Deputy Mayor Fimia said she would still like to have an executive session if time permits.

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

7. CONSENT CALENDAR

Councilmember Gustafson moved approval of the Consent Calendar. Councilmember Hansen seconded the motion, which carried 7-0, and the following items were approved:

(b) Motion to Authorize the City Manager to Execute a Construction Contract for the 2007 Sidewalk Priority Route - 25th Avenue NE

(c) Ordinance No. 471 Extending the Seattle Public Utilities Water Franchise

8. ACTION ITEMS: OTHER ORDINANCES, RESOLUTIONS AND MOTIONS

(a) Adoption of Town Center Strategic Points

Joe Tovar, Planning and Development Services Director, introduced David Pyle, Planning Commissioner and Paul Cohen, Project Manager. He said this item is to continue the

discussion on the strategic points which will provide a conceptual framework for the Council in consideration of future City projects.

Mr. Pyle discussed the Planning Commission (PC) process. He highlighted that there was a joint meeting in April and after it the City staff put together a draft of ten strategic points. Following the creation of the points, the Commission published notice of a workshop for all residents to review them. The workshop was held on May 10 and approximately 25 citizens attended. They were divided into four groups, and there were four Councilmembers in attendance. They discussed each point and its intent, how detailed they should be, and the desired outcomes. He stated that at the second workshop the Commission evaluated the redrafts which included resident input. He concluded that the final strategic points are here before the Council to discuss and approve.

Mr. Cohen, Long Range Planner, read the thirteen (13) strategic points recommended by the Commission.

Mayor Ransom called for public comment.

(a) Vicki Stiles, Executive Director of the Shoreline Historical Museum, commented that since 1995 she has observed the work of the Council and its advisory committees. She said the present and past Councilmembers have created some wonderful legacies that future generations will talk about. She is greatly heartened that the Council continues to think about what will be left for the residents 50 - 100 years in the future. The Shoreline Historical Museum and the Board of Trustees thanks the Council for recognizing the community's heritage. She suggested that other history points be included, such as the red brick road at Ronald Place. She distributed a notebook containing information on Ronald Place.

Deputy Mayor Fimia asked Ms. Stiles for her suggestions on changing the strategic points.

Ms. Stiles said she would like to see language referring to "particularly the remaining sections of Ronald Place" added to strategic point #3.

Councilmember Way asked Ms. Stiles to explain the process that King County uses for recognizing historic items.

Ms. Stiles said the City of Shoreline has an interlocal agreement with King County for the landmarks process. This process involves the designating of a building, site, or ship to be historic and protected by ordinance through the interlocal agreement. This means that any historical site would be monitored by the landmarks commission in King County. The Boeing Mansion and the Crawford store are Shoreline's two historic landmarks.

Councilmember Way asked Ms. Stiles to explain difference or value of preserving something in its original location.

Ms. Stiles noted that one of the criteria for a site to be landmarked is that it be maintained in its original location with its historic integrity intact. Basically, it loses its historic value if it's moved.

Mr. Tovar said the Strategic Points are intended to make sure Council is aware of an issue before decisions are made. Even if the Council declaratively says what will happen, this is not binding. Historic resources are important, but the Council still has a lot of discretion in making decisions.

Mr. Olander added that there are many difficult decisions to be made. He noted that the City staff recommended leaving the language as-is, since it doesn't preclude potential options as far as historical interpretation of landmarking. He commented that the Council should weigh all the wants and needs of the community before limiting itself to one position. He said the document allows the City staff to come back with a wide variety of options in the future.

Councilmember Gustafson moved to adopt the Planning Commission's recommended Strategic Points for Town Center Projects. Deputy Mayor Fimia seconded the motion.

Councilmember Hansen agreed with the staff's comments that these are general principles; he doesn't care to specify remaining portions of Ronald Place. He supported the list as-is, with the exception of #5 because it is a concept that "takes something off of the table" instead of leaving the process open. He suggested that the Council strike item #5, but he is willing to accept the recommendation as-is.

Regarding item #8, Councilmember Gustafson noted that Shorewood High School is under design and review by the Shoreline School District (SSD) and the entire building may be changed. He said the City needs to be in constant contact with SSD and it needs to be a consideration of the Council.

Councilmember Ryu stated that item #2, incorporation of low impact development and highest feasible LEED principles and features is good, but it doesn't include operating costs and she would like to include the language "including operating cost and resource considerations" in the item.

Mr. Olander suggested that there are sustainable buildings that don't meet the LEED requirements so this item should be stated to include sustainability and the highest LEED standards.

Councilmember Ryu said she didn't want the LEED focused on where other criterion isn't considered. Regarding item #5, she commented that this is the only opportunity to examine the four blocks from the corner of Midvale Avenue N and 175th Avenue N to the corner of 175th Avenue N and Ashworth Avenue.

Mr. Tovar said the Planning Commission seemed to capture that sentiment with the final sentence in item #8.

Councilmember Ryu pointed out that item #5 focuses on the road and vehicle aspects and item #8 is about the building aspects. She added that she is open to suggestions concerning this.

Mayor Ransom proposed that vehicle sight lines in that area be addressed in item #10, and that

drivers can't turn onto Ashworth to go south if traveling west on 175th Avenue N.

Councilmember Ryu also wondered if the intent of item #10 is to consider overlapping parking uses.

Mr. Pyle responded affirmatively, adding that it is a chance for the City to ensure it is considering overlapping with other cities.

Councilmember Ryu said she is fine with this item as long as the idea doesn't get lost.

Councilmember McGlashan said it was amazing to see the Planning Commission process at their meeting. He agreed with Councilmember Hansen on item #5, and opening Stone Avenue would be too severe. He added that the whole matter needs to be considered in light of item #13 and the issue of getting pedestrians across Midvale Avenue and onto the Interurban Trail.

Mr. Tovar said #5 is far too specific and felt it was important to convey to that neighborhood. He said it may be better to compose a point that talks about the street grid and access to the street. He felt that the Ashworth block is as far as the City should go.

Mr. Olander suggested dropping item #5 and adding "and long-range traffic" language to item #12.

Councilmember Way discussed item #7 and #8. She felt that the usage of the term "heritage park" is premature and said it copies the City of Lynnwood.

Councilmember Hansen agreed that it shouldn't be named and felt better if item #8 went back to the lower case "heritage."

Councilmember Way said Aurora Avenue was developed as a place of commerce over past 100 years and the City needs to honor those things. This is valuable and important to history and the City needs to preserve them.

Councilmember Way moved to replace item #3 with "Identify and make every effort to incorporate appropriate historical features and interpretation opportunities including the remaining sections of Ronald Place in context with other parts of the Town Center design." Deputy Mayor Fimia seconded the motion. Councilmember Way said the Council should find a way to preserve all of the red bricks, and this area won't be the same if the bricks are removed.

Mayor Ransom was concerned about the discussion regarding heritage park. He said there was discussion at one time about putting an original train car there and it was supposed to be a museum park and some of that is getting missed here. He added that some of the bricks have already been removed. This is supposed to be a gathering point for the town, he stated.

Mr. Olander read each of the strategic points and any proposed amendments by the Council.

Councilmember Ryu moved to replace item #2 with "Identify and incorporate low impact development and sustainability principles, including the highest feasible LEED principles." Councilmember Gustafson seconded the motion, which carried 7-0.

City Clerk Scott Passey read the replaced item #3, "Identify and make every effort to incorporate appropriate historical features and interpretation opportunities, including the remaining sections of Ronald Place within context with other parts of the Town Center design."

Mayor Ransom inquired if this item should include what is remaining in Ronald Place.

Mr. Olander responded that the Council has an expectation that there is a balanced number of seriously competing needs. He said listening to all the stakeholders, negotiating, and compiling all of their recommendations is not an easy task and he asked for the flexibility to bring a full recommendation back to Council. He said the City staff doesn't want to tear up Ronald Place and throw away Shoreline's heritage. He said the intent is to build strong long-term business interests and felt an amendment to item #3 would be unduly restrictive.

Mr. Olander suggested removing the word "every" from the amended language.

Councilmember Way moved to strike the word "every" from the amended language of item #3. Deputy Mayor Fimia seconded the motion.

Deputy Mayor Fimia supported the revised amendment and felt it still gives staff flexibility. She added that the Council recognizes the importance of the red brick road.

Councilmember Way suggested preserving the road. She said it gives the community an opportunity to do a heritage, piece which may include a trolley car. This project is something the public can rally around, and placing a trolley would give it so much more meaning, she explained.

Mayor Ransom felt this would be limiting the Planning Department and business community as far as determining access points and what the area will look like.

Councilmember Way responded that it is important and if Ronald Place is included in the language, it will be recognized as a goal.

Mr. Olander suggested amended language.

Councilmember Way moved to replace amended language for item #3 with "Identify and incorporate appropriate historical features and interpretation opportunities such as, but not limited to, the remaining sections of the red brick road at Ronald Place, in context with other parts of the Town Center design." Councilmember McGlashan seconded the motion, which carried 7-0.

Councilmember Gustafson moved to add the terms "and lighting" after the word "materials" to item #4. Councilmember Hansen seconded the motion, which carried 7-0.

Councilmember Hansen moved to strike item #5. Councilmember Gustafson seconded the motion.

Councilmember McGlashan moved to strike item #5 and add "minimize construction and traffic impacts on the adjacent neighborhoods and businesses" to item #12.

Councilmember Way asked Mr. Tovar if there has been any input from the neighborhoods about Stone Avenue.

Mr. Tovar said he researched the issue and has determined that this seemed to be a very important issue. He added that the proposed amended language is just as powerful as what he originally wrote.

Deputy Mayor Fimia thought item #5 should not be stricken, because the Council needs to send a strong message to the community. She supported the amended language in item #12.

A vote was taken on the motion to strike item #5 and add "minimize construction and traffic impacts on the adjacent neighborhoods and businesses" to item #12, which carried 4-3, with Deputy Mayor Fimia and Councilmembers Ryu and Way dissenting.

Mr. Olander added that the Council has not made any decision that Stone Avenue would be opened to traffic.

Councilmember Hansen commented that he is opposed to the opening of Stone Avenue and that Stone Avenue is a specific item. This, he pointed out, is an overlying principle.

Mayor Ransom stated that item #6 is accepted by Council consensus.

Deputy Mayor Fimia moved to delete the language "work with City Light to develop a heritage park" and replace it with "explore with the citizens of Shoreline, the Shoreline Historic Museum, and Seattle City Light the concept of a heritage park or other community focal point" in item #7. Councilmember Gustafson seconded the motion. She explained that when people think about a park they see children, slides, swings, but that isn't what it will be. She added that this brings more stakeholders to the table to make those decisions. Councilmember Hansen felt that changing the language doesn't change anything. Councilmember Ryu supported the new language and thought opened this item up more. **A vote was taken on the motion, which carried 7-0.**

Councilmember Hansen moved to accept item #8. Councilmember Gustafson seconded the motion.

Councilmember Ryu moved to amend item #8 to read "Consider design treatments to tie together, visually and functionally, the public spaces of the City Hall with a "heritage park" or other community focal point, Shoreline Historical Museum, Shorewood High

School, and east-west connections into the surrounding community." Councilmember Hansen seconded the motion, which carried 7-0.

Councilmember Hansen moved to accept item #9. Councilmember Gustafson seconded the motion, which carried 7-0.

Councilmember Hansen moved to approve item #10. Councilmember Gustafson seconded the motion.

Deputy Mayor Fimia moved to insert the word "coordinated" before "parking" and insert the word "traffic" before "plan." Councilmember Ryu seconded the motion.

Councilmember Way supported the amendment and said it dovetails with item #12.

Mr. Tovar said he didn't think the amendment takes away from the original Planning Commission thinking. He said adding "traffic" simply expands the items the City staff would address anyway.

Deputy Mayor Fimia said residents often think the City doesn't coordinate parking with traffic plans.

A vote was taken on the motion, which carried 7-0.

A vote was taken on the original motion to accept item #10, which carried 7-0.

Councilmember Gustafson moved to approve item #11. Councilmember Hansen seconded the motion, which carried 7-0.

Councilmember McGlashan moved to approve item #12. Councilmember Hansen seconded the motion.

Councilmember Gustafson moved to amend item #12 to add the words "and traffic" after the word "construction." Councilmember Hansen seconded the motion, which carried 7-0.

Councilmember Gustafson moved to approve item #13. Councilmember Hansen seconded the motion.

Councilmember Ryu suggested inserting "N." before the word "175th" and to renumber all of the strategic points so there are twelve of them.

A vote was taken on the motion to approve item #13 which carried 7-0.

Councilmember Way thanked the Planning Commission and the City staff for all their hard work.

RECESS

At 8:46 p.m., Mayor Ransom recessed the meeting for a five-minute break. Mayor Ransom reconvened the meeting at 9:00 p.m.

9. STUDY ITEMS

(b) YMCA Request for Funding

Debbie Tarry, Finance Director, said the YMCA has requested that the City partner with them to acquire funding for their new facility. The YMCA has requested a waiver of permitting fees and for the City to enter into a 20-year service agreement with them at a cost of \$50,000 per year. By law, she said the City can only enter into an agreement with the YMCA if it is an exchange for services. She highlighted that the City already partners with them and spends about \$32,000 per year. She explains the various services and gave examples of other cities that partner with them. She said the Council has to consider the budget and the long-term financial strategy. She pointed out that there will be budget gaps in 2010 and beyond and based on that the City staff can't recommend a long-term agreement with YMCA. However, the City staff has provided an option for a one-time service agreement as part of 2008 budget process.

Mr. Olander announced that the City is facing serious financial challenges and had to cut the budget last year and raise taxes to maintain basic service levels. This, he commented, bought some time, but in 2010 - 2011 the Council will once again face the difficult task of further budget cuts and/or proposed tax increases. He recommended against entering into any long-term financial obligations unless there is corresponding revenue or savings. He commented that in the past the City has been able to find one-time funding through one-time savings. The Capital Improvement Plan (CIP) will be brought to the Council on June 11 and the City staff is recommending a modest one-time expenditure of \$50,000 - \$60,000 to the YMCA. Next week, the CIP presentation will reveal that the City is struggling to maintain the basic level of services concerning items such as the paving levels for City streets. He also added that in the next six years the City will also have to work through some operational funding issues as well. On the other hand, he said the YMCA provides valuable human services and it is exciting that they are undertaking a new project in Shoreline, but the reality is that the City is facing serious financial challenges.

Councilmember McGlashan inquired what the Council could do at this meeting concerning the item. Mr. Olander said the Council can provide staff direction and if the Council approves the service agreement there will be a timing issue concerning the receipt of services according to the City Attorney.

Councilmember McGlashan questioned whether this was a study session or a special meeting item. Mr. Olander clarified that the staff would need direction concerning this item as opposed to final adoption.

Mayor Ransom called for public comment.

(a) Jim Shoal, Shoreline, board member of YMCA, stated that Shoreline is a “grand” place to be. He said he has been a quadriplegic for six years now and is shut out of most public buildings. He felt the new YMCA pool will make it possible for him to utilize a pool with the assistance of a sling. He said there are a number of quadriplegics in the community and there are also diabetics who need slow, gentle resistance exercise. The YMCA pool is a new alternative for him and he encouraged the Council to consider working with the YMCA.

(b) Matthew Fairfax, Edmonds, Shoreline business owner and Chair of the YMCA Board, thanked the Council for their service. He said this is a great opportunity for the City to provide expanded services through expanded partnerships. These partnerships have been modeled in Auburn, SeaTac and Monroe. He said the City of Auburn agreed to provide \$2.6 million over 20 years to the YMCA. The City of SeaTac agreed to provide over \$1 million and the City of Monroe has agreed to provide over \$2 million. This facility in Shoreline will cost over \$19.5 million. These are great examples of how cities and the YMCA have come together. Shoreline, he said, has its challenges and has a tight budget. If the City is struggling financially certain services will get cut and the YMCA has to step in a pick up the slack. He asked the City to figure out how to come up with \$1 million over 20 years and would like to see a creative solution realized.

(c) Cindy Neff, Shoreline, member of the YMCA Board, said the team effort has been phenomenal on the board. She encouraged the Council and residents to visit other YMCAs and notice the differences. She hoped that there is some common ground and that the Council can support the project and provide a sense of goodwill towards the residents.

(d) Steve Dunn, Shoreline, capital campaign chair for the YMCA, said they really need Council support. He said this \$50,000 - \$60,000 is less than half of what other communities have given. He asked the Council to think about 10,000 kids that will be served by the new YMCA. He mentioned that the YMCA has been in the State of Washington for 130 years. He said there are programs that are important to single parents. He urged the Council to look beyond the funding issues and take this “once in a lifetime opportunity” to reach out and help people.

(e) Pearl Noreen, Shoreline, asked the Council if it were possible to direct some Brightwater mitigation funds to the YMCA. There will be a brand new YMCA at Echo Lake and it will have more of an impact than any event up to this point in Shoreline. She said they have received a verbal intent from Lake Forest Park for \$50,000. YMCA is desperately trying to raise the last \$2 million for this project and said she was always sure they could count on support from the City of Shoreline. She highlighted that the YMCA would employ over 250 employees who would serve over 5,000 families. She noted that other cities have each pledged over \$1 million to their YMCA facilities. She submitted signed letters from community members concerning support from the Council for the new YMCA.

(f) Shannon Grady, Shoreline, discussed her experience with the YMCA. She said she received support from the YMCA and it aided her during a difficult transition and they changed her life. Her relationship quickly progressed from a member, to a volunteer, to a donor, to her present position as a full-time staff member with three boys. She is thrilled to learn there will be

a facility in Shoreline. She said there is no other single institution that will bring the community together. She said marketing studies indicate that every 1 in 5 families will join this YMCA. The City has a unique opportunity for families to prosper. She appreciated the past support and urged the Council to use this opportunity to partner with the YMCA to build strong kids, families, and Shoreline community.

(g) Jim Abbott, Shoreline, formed a relationship with the YMCA more than 50 years ago. He displayed his flying fish card he got in 1959. He said the YMCA's greatest strength is building partnerships, and this is a "win-win" situation for the youth. He felt this opportunity will provide social benefits, provide jobs and revenue, and be a substantial construction project. He estimated there being over 100 - 150 people working on the project with an estimated 200 employed at the facility. This will increase sales tax revenue in the City. He asked the City to become a partner and commented that this is a great opportunity for the City to leverage funding for services.

Mr. Olander agreed that the YMCA provides a significant added benefit to the community. He noted that the Brightwater mitigation funds are specifically allocated, and the allocation of any funds coming from the Brightwater mitigation has to be Brightwater or neighborhood impact-related expenditures. He noted that each city has its own separate tax and financial structure which may be significantly different from Shoreline. He said he hated recommending no, but he has serious concerns about long-term commitments. He also reminded the Council that the School Resource Officer (SRO) program had to be cut this year because of budget constraints.

Councilmember Gustafson said he served on YMCA board and supports the YMCA. He commented that he has seen what the organization can do for a community. He said the YMCA is much more proactive than reactive. He said he is very excited to have a \$19 million facility in Shoreline and realized the City's budget crisis. However, this is a valuable asset, he said. He recommended the City staff look at three or four alternatives and bring this item back to the Council. He said the YMCA provides some services that the City cannot, such as the services they provide to families, specifically young families. He stated he would like to view all of the possibilities and have staff consider: 1) a long-term contract for \$50k for 20 years to include having the City staff look at what contractual things we can do; 2) a long-term contract at \$50K for 10 years; and 3) an evaluation of permit fees, plus advantages and disadvantages for each.

Councilmember Ryu appreciated the presentation and supported the YMCA. She believed in the YMCA and said the Council's job is to look at all of the City's programs concerning the budget. She commented that Mr. Fairfax mentioned that the City of Auburn doesn't have a municipal pool and many of the other cities listed do not have the recreational facilities and programs that Shoreline does. She said the City has to fund its own recreation facilities, including the pool and programs out of the operations budget. She added that it wasn't that long ago that the City increased taxes. She questioned if the service levels would change if the City committed to this service agreement. She mentioned that she heard someone discuss cutting the City's recreation programs. She questioned what services the City would still perform if this agreement was executed. She expressed concern about having to give up the City pool in the future and wanted to know how the loss of permit fee funds would be made up. Additionally, she

stated that there are several roads that are in bad shape and need to be repaired. She said she is concerned about a "gifting of public funds" occurring. The Council must get something back from the YMCA before executing the agreement.

Councilmember McGlashan agreed with Councilmember Gustafson to find a way to support the YMCA. He commented that the City isn't helping them get here. He said that the City put \$130,000 towards a police officer and the surveys and police reports say crime is down and people feel safer. He suggested putting that money towards helping people and families instead of putting more people in jail. He commented that the City doesn't have an ADA accessible pool and the City doesn't have the staff to help the physically disabled. He wanted more than three alternatives considered. He noted that he has been a long-time supporter of the YMCA and it is amazing what they do.

Councilmember Gustafson said the City is trying to look at ways to balance budget, which is not easy. The City staff says the City needs a street crimes officer. He said he is willing to look at a 5% reduction in travel account or maybe use \$27,500 in savings from transporting prisoners to Issaquah. The YMCA will have 250 employees with 8,000 -10,000 people using the facility. This will be an economic benefit and a community asset, he said. He said he realized that the City does support the YMCA, but he would like to have staff come back to the Council with three to four options. He noted that his daughter takes her kids to the YMCA in Mountlake Terrace because they have a "graduated" pool and there are usually over 100 parents and children in that pool. He said there are some things the YMCA provides that the City can't. He also stated that the YMCA has reduced membership fees for low-income families. He urged the City Council and staff to look "outside the box" to find a solution.

Mr. Olander said the alternatives aren't hard. The City can look at the services that the YMCA provides and those that the City doesn't provide, but that's not the issue. The issue, he said, boils down to paying for these services on a long-term basis. If the City didn't have a street crimes officer, there would not be any savings and he couldn't force police to book in Issaquah. The police would have to book the cases in King County if there were no street crimes officer, which would be more expensive. The \$47,000 to \$49,000 in savings will not be realized until next year, but given the fluctuations the City will require those funds as a buffer. He said the street crimes officer budget will not provide a savings and that there were other areas that can be adjusted to realize more savings.

Ms. Tarry noted that the City pool does have a pool sling to assist people with disabilities.

Councilmember Hansen said he would like to figure out where the City can come up with \$50,000. He said he looks at the City of Shoreline as a quality place to live. This YMCA, he pointed out, started in Snohomish County and if we lose the facility it would be a tragedy. He added that he doesn't have the answers, but the City will receive \$100,000 in sales tax from this project being built. There are many services that the YMCA provides that this City needs, he said. He questioned if the funds could be taken from the Human Services budget. He said he would like to see more proposals and to find a way to work this out. He noted that utilities and gasoline has gone up, but he is an optimist. The City of Shoreline will be higher quality place to live if the YMCA is built. He is very concerned that the City will lose the YMCA for

good. Newcastle, Auburn, and Monroe consider the YMCA a valuable community asset. Federal Way is putting in a huge community center and they are spending millions of dollars. In this City we have a YMCA that will bear most of the costs themselves, and he would like to see the alternatives in coming up with the funding to get this facility built.

Councilmember Way said she doesn't want the City to abandon the street crimes officer position, and she felt the YMCA people wouldn't want us to either. The YMCA doesn't want the City to deduct funds from human services either. She felt that looking for one-time funds is worth considering, but she wants to know how the proposal for \$50,000 per year will "make or break" this YMCA project. She noted that they have raised \$17 million, and services are already being provided. She clarified that she isn't against helping them. She is interested in the proposal for permitting fees and how much is involved with that. She wondered if a demonstration project could be done for one or two years, then maybe the City can see where the budget is at that point.

MEETING EXTENSION

At 10:00 p.m., Councilmember Hansen moved to extend the meeting until 11:00 p.m. Councilmember Gustafson seconded the motion. Deputy Mayor Fimia amended the motion to 10:15 p.m. Councilmember Ryu seconded the motion, which failed 3-4, with Mayor Ransom and Councilmembers Hansen, Gustafson, and McGlashan dissenting. A vote was taken on the motion to extend the meeting until 11:00 p.m., which carried 4-3, with Deputy Mayor Fimia and Councilmembers Ryu and Way dissenting.

Councilmember Way wanted to know why \$50,000 will "make or break" this YMCA project.

Mayor Ransom responded that they are attempting to put together a package to "sell" to their investors and need funds for the developer of the project.

Councilmember Ryu said if the City looks at where the savings are, the Senior Center needs help. The Senior Center is in dire straights.

Deputy Mayor Fimia noted that the Council can't keep spending money on the most expensive biggest projects. There are Councilmembers that have been asking for reductions in travel, etc. and the City should have been budgeting for this. She felt that a reprioritization of the budget may be necessary and commented that there was a public suggestion that the City stops plans on building a new City Hall. She said the City contributes \$32,000 annually to the YMCA and asked if the total was \$18,000 that they needed. She opposed signing an agreement for a 20-year contract at \$50,000 per year. However, she was willing to look at a shorter-term contract, possibly a one-time contribution when the City looks at its capital funds. There was a statement about the gaming industry bringing a surplus into the City budget, she noted. She responded that those funds are for the City's recreation programs. She pointed out that Fircrest has a pool too. She highlighted that they have lots of expertise and equipment. However, the Fircrest Master Plan was met with resistance by other Councilmembers. She said she would like to see more cooperation with all of these organizations, but it may not be the amount they seek. She urged the Council to consider cutting back the budgets for travel, food, lodging, membership, and dues. She reiterated that she isn't in favor of cutting the street crimes officer to put the City in a

better economic situation. However, she would possibly agree to a five-year contract and one-time capital funds.

Mayor Ransom said he wanted the City staff to bring back some alternatives before deciding on this item. He stated that the YMCA accountant estimated that the City receives \$100,000 in sales tax and this certainly can be utilized under a one-time service contract to offset permitting. He added that an additional \$50,000 on top of current \$32,000 obligation would be very difficult for the City to fund for 20 years.

Mr. Olander highlighted that the City hasn't entered into any long-term service contracts of any kind. He noted that annually the City provides financial support to the museum, arts council, human services, and the senior center and the funding amounts are examined every year.

Councilmember Hansen noted that any contract is only as good as the next Council vote. He pointed out that the City is building a City Hall to save money and it will allow the City more flexibility. The new City Hall has nothing to do with the YMCA. However, he stated if we lose the YMCA the City's human service requirements will go up. He urged the City Council and staff to look at every possible avenue to help the YMCA.

Mayor Ransom commented that most cities have to put their tax credits on the line to attract a business with 200 or more employees into their city.

Deputy Mayor Fimia highlighted that it wasn't her suggestion, but the suggestion of one of the public speakers to cease with the building of a new City Hall.

Councilmember McGlashan asked about the stipulations for one-time capital projects.

Ms. Tarry said she understands it has to be exchange for services.

Mr. Sievers explained that unless it's a property interest, equivalent values need to be exchanged between the parties involved.

Councilmember McGlashan said it is up to our community to raise \$6 million, and almost \$1 million came from the Board itself.

Councilmember Hansen added that \$4 million came from the sale of the Edmonds YMCA facility.

Councilmember McGlashan noted that when the gambling tax was at 11% the gaming industry brought in over \$180,000 per year to the City's budget.

Deputy Mayor Fimia said it is common for King County to allocate funds to non-profit organizations.

Mr. Sievers said that they are bound by same provisions that the City is. Contracts can be negotiated with non-profits, but there has to be an agreement to receive something and

a municipal purpose, such as acquiring a lease or property interest.

Deputy Mayor Fimia said there were one-time funds channeled at the County level where the County didn't have any ownership in the end. She said there was a public benefit for the capital improvement and not an ongoing exchange.

Mr. Olander stated he has heard many different suggestions and the City staff can explore these options. He summarized that the staff can explore what elements the one-time service agreement would consist of. He suggested that the Council wrestle with the CIP next week and if it is determined that a 2-4 year contract is needed it can be done within the context of the CIP. If the Council wants a longer-term agreement then the staff would have to bring back options and recommend cuts or revenue enhancements. He concluded that there are three areas: 1) programs; 2) one-time funds; and 3) which budget areas to consider increases or reductions to provide additional funding.

Mayor Ransom felt there was general Council feeling toward a one-time funding and at least explore the options. He suggested starting at \$11,000 as a bottom line and determine what it would take to come up with \$50,000 in additional funds.

Mr. Olander agreed that the staff would do that, however, he said the staff recommendation will not be for the City to enter into a long-term contract.

Deputy Mayor Fimia said the City is obligated to provide essential services first. The City needs mental health counselors and options for providing those essential services. She suggested the Council consider the CIP and the Aurora Corridor Project. She questioned if the goals of the Aurora Project could be achieved without the amenities if the YMCA is a higher need.

Councilmember McGlashan commented that a large amount of the money that the YMCA has raised is from the small business community. He felt this would be a good opportunity for them to contribute. He urged small businesses to support the YMCA.

(a) 2006 Police Service Efforts and Accomplishments (SEA) Report

Tony Burt, Shoreline Police Chief, discussed the Shoreline Police Department service efforts and accomplishments for the year 2006. He reviewed the 2006 initiatives of the department. One of the initiatives, he said, was to bring down the Part 1 crime rate, mainly auto theft and burglary. Another goal was to increase traffic enforcement, which has occurred and is evidenced through increases in citations and arrests. He added that his office wanted to reduce the response times to emergencies in the City and currently the response times in the City averaged 3.91 minutes, compared to the national average of 5 minutes. He discussed crime prevention and the twenty-two block watch teams in the City. He commented on the twenty police volunteers who work over 400 hours per month and thanked them for all their hard work.

RECESS

At 10:45 p.m., Mayor Ransom called for a five minute break to allow the audio-video crew time to change the recording media. At 10:50 p.m. Mayor Ransom reconvened the meeting.

Chief Burtt discussed the community involvement and the various events the police department took place. He highlighted that the City has the lowest cost per capita compared to cities of comparable population and size. He announced the King County Sheriff's Officer of the Year, Mitch Wright; Employee of the Year, Doreen Carlson; and Volunteer of the Year, Angus McDonald.

Responding to Mayor Ransom, Chief Burtt confirmed that auto theft and burglary rates have decreased.

Mr. Olander stated that the police department is very efficient and has made some major impacts on crime and done some great work in the City.

7. ADJOURNMENT

At 11:00 p.m., the Council meeting was adjourned.

Scott Passey, City Clerk

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