

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Bond Advisory Committee Report
DEPARTMENT:	City Manager's Office
PRESENTED BY:	Robert Olander, Deputy City Manager Dick Deal, Director of Parks, Recreation and Cultural Services Debbie Tarry, Finance Director Bill Clements, Bond Advisory Committee

BACKGROUND

In early 2003, the City Council appointed a broad based citizen Bond Advisory Committee to review the feasibility, cost, and content of a potential voted capital bond. In October 2003, the Committee concluded its work with a recommendation (attachment F) not to proceed at that time, primarily due to the sluggish economy. The Committee, however, recommended that the group reconvene, either as a full or subcommittee, later to re-examine the issues. A subcommittee was convened in June 2005 and submitted its recommendations to the full Committee on September 15 (attachment A). The subcommittee recommendations were reviewed and discussed by the full Committee, which unanimously adopted the recommendations contained in the attached materials.

DISCUSSION:

In summary, the Committee recommends that the City Council submit a \$15 million parks capital bond proposal to the voters of Shoreline in May 2006 (attachment B).

FINANCIAL IMPACT:

If approved by voters, the bond package would add approximately 24¢ per \$1,000 of assessed value to the City of Shoreline property tax. For an average home in Shoreline (\$289,000), that would amount to approximately \$69.36 per year. Construction of the proposed projects would increase park maintenance costs by approximately \$150,000 annually. However, these costs would be phased in over the four to five years it would take to bring all the projects on-line. Some projects, such as new turf field at Twin Ponds, would reduce current maintenance costs; while the Kruckeberg Garden project anticipates that maintenance would be provided on an on-going partnership basis by the Kruckeberg Foundation. The cost of the election in May is estimated by King County at \$89,000, plus an additional \$10,000 if we want to include a voters pamphlet. This has been included as a contingency in the draft 2006 budget. With bond attorney and issuance costs added, the total bond requested would be \$15.1 million.

RECOMMENDATION

It is recommended that the City Council consider the Committee's presentation and recommendation and accept public testimony on October 10. No action is required at this meeting. We have scheduled November 7 for continuation of the public hearing and formal consideration of an ordinance authorizing a bond election.

Approved By: City Manager  City Attorney ____

ATTACHMENTS:

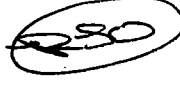
- A. Report from subcommittee to Bond Advisory Committee – August 9, 2005
- B. Recommended project list
- C. Subcommittee and full Committee meeting notes
- D. Economic forecast information provided to Committee
- E. Bond survey
- F. Bond Advisory Committee report to Council – November 5, 2003
- G. Property tax information and senior/low income exemptions
- H. 2005-2006 election dates



Memorandum

DATE: August 9, 2005

TO: Bond Advisory Committee

FROM: Robert L. Olander, Deputy City Manager 

RE: Bond Advisory Committee

CC: Bond Advisory Subcommittee
 Mayor and Council
 Steven C. Burkett, City Manager
 Julie Modrzejewski, Assistant City Manager
 Debbie Tarry, Finance Director
 Dick Deal, Park, Recreation and Cultural Services Director

As you know a subcommittee of the full Bond Advisory Committee has been meeting for the last two months to continue the work where the full committee left off in November, 2003. At that time, the Committee submitted its report to the City Council (copy attached) which concluded that it was not an opportune time to consider a bond levy. Your recommendation #8 suggested that the work of the Advisory Committee be continued in either a subcommittee or full committee format in the near future. The report and recommendations were accepted by the City Council and under the authorization contained in recommendation #8 Council liaison members Rich Gustafson and Bob Ransom convened a subcommittee which started in late June. Subcommittee members are Larry Blake, Michael Broili, Bill Clements, Don Dalziel, Darlene Feikema, Patty Hale, Rich Matthews and Sheri Winstead. Don Dalziel was a new member filling the slot of the Shoreline School District representative. The subcommittee met three times and examined the following issues:

1. Economic Climate

In 2003 one of the primary concerns of the Bond Committee was that the Puget Sound area was still in a recession and that the economic climate was not favorable to propose a voted bond to the public. The subcommittee examined national, state, and regional economic data and forecasts (enclosed) and concluded that the economic climate was now much more favorable. Economic data and forecasts indicate that the Puget Sound region is on a continuing upward trend and that consumer confidence is rebounding. The subcommittee unanimously concluded that the economic climate was now favorable for a potential bond submittal to the public.

2. Bond amount and bond structure

As you may recall, one of the conclusions from the public bond survey was that the \$23 million dollar bond amount being contemplated at that time was too high and would not pass. The survey results, however, indicated a bond amount of between \$3.00 a month and \$5.00 a month for the average home would stand a reasonable chance of succeeding. Given this information and the improving economic climate, the subcommittee concluded that a bond amount between \$8 million and \$15 million would be an appropriate range. A total of \$15 million would cost the average home a little over \$60.00 per year. The subcommittee also reviewed the potential impact of a proposed school capital levy that is being contemplated for 2006. Although the School District has not come to conclusion, they are considering a bond levy that would add a total of approximately 50¢ to \$1.00/\$1000 assessed value to the tax roles. By contrast, the City's levy at \$15 million would be approximately 25¢ per \$1000 assessed value. Give the relatively small amount of the City's proposed levy, the subcommittee felt it would be reasonable to still proceed toward an election in early 2006.

Staff also provided the subcommittee with information on the senior/low income exemptions from excess voted bond levy (copy attached). Under certain income and age requirements seniors can qualify for an exemption to excess voted bond taxes. The Finance Director recommended and the subcommittee concurred that the City bond be on a 15 year redemption schedule as opposed to a 20 or 25 year schedule. This provides for quicker pay off and lower total interest costs.

3. Projects

After reviewing the economic climate information, setting a maximum total for a proposed bond, and reviewing the property tax implications, the subcommittee then proceeded to review a range of possible projects. One advantage of waiting until now to proceed with the committee work is that the results of the Surface Water Master Plan, Transportation Master Plan, and Parks and Recreation Open Space Master Plan are now available. These plans have itemized all of the City's capital project needs for the next 20 years and set priorities. The subcommittee had the advantage of looking at the full range of projects in selecting a final mix for recommendation. In the recently adopted six-year Capital Improvement Plan the Council approved \$5 million for priority sidewalk and school walkways within Shoreline. This will be financed from existing City capital revenues, and was therefore not as high a priority as it was previously for a voted bond. In addition, the Council elected to fund field turf for shoreline fields A and B at the Shoreline Center.

After reviewing all the potential projects the subcommittee developed the attached consensus list of project recommendations. The subcommittee weighed project priorities but also wanted to assure that a balance of projects would be submitted to the voters. The consensus was that the attached list provided a strong balance between east and west geographically, adult, youth and senior needs, active and passive recreation, and property acquisition to preserve open space.

4. Timing of election

After reviewing possible election dates in 2006 the subcommittee recommends that May 16, 2006 be the target date. This allows adequate time for a final review by the full committee, consideration by the City Council, and if passed, time for a citizen committee to provide information and advocacy to the community.

The subcommittee would like to present these recommendations to the full committee the evening of September 15 at the Shoreline Center. At that meeting we anticipate the full committee will review the recommendations, ask questions, and perhaps be prepared to forward a recommendation to forward to the City Council. If there are still outstanding questions we can certainly set another meeting of the full committee if necessary. Our goal is to have a final recommendation to the City Council in early October for their review and disposition. Thank you for your continuing interest in this exciting project and making Shoreline an even better place in which to live and work. I look forward to seeing you on September 15.

Enclosures

Bond Advisory Subcommittee Draft List of Projects

Objective: To create a reasonably balanced and mixed list of projects (e.g., active, passive, east, west, open space, youth, adult, seniors, community and group support)

# of "dots"	Project	Draft List (7/13/05)	Staff Recommend- ation	Committee Recommend- ation
12	Trails, walk/pathways, with connections (20th NW, Richmond Beach Rd. to Saltwater Park; 15th NW, Kruckeberg Gardens to Richmond Beach Rd.) Please note: Park Site TBD-Trails \$1.5 million was added to this one + 4 dots	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000
7	Hamlin Park (SPU acquisition-8.3 acres)	\$ 3,400,000	\$ 3,400,000	\$ 3,300,000
6	South Woods Property Acquisition (15.6 acres)	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
6	Kruckeberg Gardens (acquisition, parking improvements)	\$ 950,000	\$ 950,000	\$ 950,000
5	Field Turf at Twin Ponds Park	\$ 900,000	\$ 900,000	\$ 900,000
4	Hamlin Park Improvements (backstops, concession stand, restrooms, picnic shelter and tables, trails)	\$ 400,000		\$ 250,000
3	South Echo Lake + Weiman House	\$ 1,000,000		
3	Richmond Beach Saltwater Park Improvements	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000
3	Park Site TBD (Off Leash Dog Park)	\$ 100,000	\$ 150,000	\$ 150,000
2	Cromwell Park Improvements	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
2	Hamlin Park (field lighting on lower fields)	\$ 400,000	\$ 500,000	\$ 500,000
1	Baseball/Softball Field Improvements	\$ 100,000		\$ 250,000
0	Lights on Tennis Courts at Shoreline Center	\$ 40,000	\$ 60,000	\$ 60,000
0	Westside Park Site TBD (Skate Park)	\$ 250,000	\$ 250,000	\$ 250,000
0	Darnell Park	\$ 50,000		
0	Tennis Courts (resurfacing at Meridian Park and Keough Park)	\$ 20,000		
0	Field Turf at Shoreview Park	\$ 900,000		
	TOTAL	\$ 16,810,000	\$ 14,510,000	\$ 14,910,000

Final Draft List Adopted by Subcommittee on 8/4/2005

**Bond Advisory Subcommittee
Meetings Notes of June 29, 2005**

City Council Liaisons Present: Rich Gustafson, Bob Ransom

Subcommittee Members Present: Darlene Feikema, Shari Winstead, Patty Hale, Michael Broili, and Bill Clements

Staff Members Present: Bob Olander, Deputy City Manager, Julie Modrzejewski, Assistant City Manager, Dick Deal, Director of Parks, Recreation and Cultural Services, Debbie Tarry, Director of Finance, Bernard Seeger, Management Analyst-City Manager's Office

Subcommittee Members Absent: Larry Blake, Don Dalziel, Paul Mack, Rich Matthews

Bob Olander reviewed the purpose and role of the subcommittee. There are plans for the subcommittee to meet three to four times over the summer returning to the full committee with a recommendation by early fall.

Debbie Tarry reviewed the current and projected economic climate including the State of Washington and Puget Sound's economic indicators; employment changes; annual sales tax growth; REET revenue; property tax overview; and voted/non-voted property tax levies.

Dick Deal provided an overview of the City's 20 year funded and unfunded projects and the recently proposed six-year CIP. Dick noted that the Council moved the South Woods property (\$2 million) and Shoreline A & B Soccer Fields (\$1.6 million) from the "unfunded" list to Priority Level 1A. In addition, the Council moved Krukeburg Gardens from a Priority Level 3 to Priority Level 1-B within the unfunded project list.

Councilmember Ransom said that he learned of a new product/material for sidewalks that would cost less to construct; he learned about it at the last AWC conference. He suggested that staff look into it.

Bob Olander reviewed the bond survey that was conducted in 2003 highlighting what types of projects and the bond amounts that voters would likely support. Bob stated that since this would be the first bond for the city, to ensure its success, it may be wise to start with a smaller amount; according to the bond survey \$23 million was too high. In addition the bond would need to be specific and would need to clearly identify what it would buy. Debbie followed with a summary of annual costs for a resident with a home value of \$274,000 for either an \$8 million or a \$13 million bond (over 15 year).

Dick reviewed a "draft" of possible projects that could be listed on a \$13 million bond. Dick stressed the importance of including a variety of projects that will appeal to a broad base of the community.

Councilmember Gustafson expressed his desire to begin discussions with the School Board and City Council regarding the South Woods property. The City was recently awarded \$350,000 in Conservation Futures Trust Funds for the property as well as \$450,000 for the SPU property adjacent to Hamlin Park. Dick noted that staff is currently starting the master planning process for the Richmond Beach Saltwater Park, which would help to identify improvements and enhancements to that park.

Councilmember Gustafson stated that he believes there is the possibility of partnering with the School District on the bond.

The subcommittee would like more information on the following:

- Discuss the differences between a levy and councilmatic bonds - What would be the annual millage for a 6-year levy lift that would raise \$13 million over that period of time?
- Under Priority Level 1A, Pedestrian Program is listed – identify the improvements/facilities that would be included (provide the staff report on sidewalks)
- Identify the role and responsibility of the School District in providing safe walking access to schools
- For the Shoreline School District bond, answer the following questions:
 - Bond only?
 - Maintenance and operating levy?
 - Total amount being asked for (best guess)
 - Approximate new cost to taxpayers?
 - Will either of these replace expiring bond or levy?
- For a potential City Bond, answer the following questions:
 - 60% based on last general election...when will that have been?
 - And what might appear on the ballot for that election?

The next subcommittee meeting will be on Wednesday, July 13, 7:00-9:00 pm at the Shoreline Center, Sheridan Room.

Email addresses for subcommittee members:

Darlene Feikema	dfeikema@u.washington.edu
Shari Winstead	shariwinstead@dwt.com
Patty Hale	Patricia_Hale_1@msn.com
Michael Broili	Mike@harvestrain.net
Bill Clements	rosewood@halcyon.com

**Bond Advisory Subcommittee
Meeting Notes of July 13, 2005**

City Council Liaisons Present: Rich Gustafson, Bob Ransom

Subcommittee Members Present: Darlene Feikema, Shari Winstead, Patty Hale, Michael Broili, Bill Clements, Larry Blake, Don Dalziel

Staff Members Present: Steve Burkett, City Manager, Bob Olander, Deputy City Manager, Julie Modrzejewski, Assistant City Manager, Dick Deal, Director of Parks, Recreation and Cultural Services, Debbie Tarry, Director of Finance

Subcommittee Members Absent: Paul Mack, Rich Matthews

Steve Burkett thanked everyone for their participation on the subcommittee and recognized the group's importance in Shoreline's history.

Q&A: Debbie Tarry provided an updated adopted CIP summary. In addition, she provided an overview of a six-year levy. She explained that there is a \$1.60 property tax rate limit; the City is currently at \$1.24. A nine-year period would bring us at an additional 33 cents, making the rate \$1.57. With a six-year levy, the increase would be 46 cents, making the rate \$1.70, which would result in going over the maximum.

Bob Olander provided everyone with maps detailing the City's existing inventory of sidewalks, priority pedestrian projects from the Transportation Master Plan, and a possible scenario of \$2 million (now with the adopted 2006-2011 CIP, later this map will change to reflect was adopted in the CIP-\$5.4 million). Patty Hale explained that the School District has to designate safe walking routes for each school.

Dick Deal, along with Don Dalziel, provided a quick summary of the School Districts bond review process. An article from the *Shoreline Enterprise* about their bond, in addition to the District's bond survey, was distributed to everyone. The District is looking at 50 cent to \$1 increase to their current bond levy rate. Julie Modrzejewski provided information about the number of registered voters and voters in the last election.

Everyone had unanimously agreed that the economy had recovered sufficiently to propose a bond election in 2006. There was consensus that the bond amount should fall in the range of \$8 to \$15 million.

Dick reviewed the list of proposed projects and then everyone had the opportunity to add new projects to the list. Those who added new projects provided an explanation of the project. Then the group was given "dots" and asked to prioritize the entire list of projects (see attachment).

For the next subcommittee meeting, the group will review and finalize the list of projects (including estimated project costs). In addition, they will spend time strategizing the

timing and their recommendation to the full bond advisory committee. A meeting with the full committee will be scheduled for sometime in early September. The full committee's recommendation will then go to the Council for their consideration sometime in October.

The next subcommittee meeting will be on Wednesday, August 4, 7:00-9:00 pm at the Shoreline Center, room TBD.

Email addresses for Councilmember Liaisons:

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Bill Clements	rosewood@halcyon.com
Larry Blake	larry.blake@gte.net
Don Dalziel	don.dalziel@shorelineschools.org

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Debbie Tarry	dtarry@ci.shoreline.wa.us
Julie Modrzejewski	jmodrzej@ci.shoreline.wa.us

Bond Advisory Subcommittee
Meeting Notes of August 4, 2005

City Council Liaisons Present: Rich Gustafson, Bob Ransom

Subcommittee Members Present: Shari Winstead, Patty Hale, Bill Clements, Larry Blake, Rich Matthews

Staff Members Present: Steve Burkett, City Manager, Bob Olander, Deputy City Manager, Julie Modrzejewski, Assistant City Manager, Dick Deal, Director of Parks, Recreation and Cultural Services

Subcommittee Members Absent: Don Dalziel, Darlene Feikema, Michael Broili

Q&A: Bob Olander reviewed the cost to run a bond election. The cost is approximately \$2-2.60 per registered voter. February has the chance of being the least expensive election because the most jurisdictions usually participate (this helps to spread the costs) – about \$2/registered voter. We have 34,184 registered voters as of the November 2004 general election. This would put the cost around \$68,500. The other three election dates (March, April, & May) generally are more expensive and would cost approximately \$2.60/registered voter making the cost around \$89,000.

Other possible costs associated with the election could include a voters pamphlet – it is optional for spring elections and we would have to request it. If we do one, we have to provide the opportunity for pro and con statements. If we don't produce one, then we are relying on the campaign to get the message out. The estimated cost would be in the neighborhood of \$.20 to \$.30 per registered voter (\$7,000 to \$11,000).

Dick Deal reviewed the subcommittee and staff's draft list of recommended bond projects. The trail/pathways project would include connections and signage. The Hamlin Park acquisition would include 8.3 acres; it is currently appraised at \$3.85 million. Kruckeberg Gardens includes purchase of 4 acres and parking improvements. Rich Matthews asked for additional information about operational costs of the Gardens.

For the South Woods Property, the City has already received \$350,000 in grants. In addition, the City has made an offer to purchase three acres of the 15.6 acres. The City would like to partner with the School District and Water District to preserve the property.

For the Echo Lake property, Bob Olander stated that the owner does not have plans to sell a portion of the property for a park. Initial cost estimates for a one acre park on Echo Lake were at \$1-1.5 million. According to the conditions of the site plan, 115 feet of open space buffer is required around the lake.

Dick reported that the Park Board is working with a citizen group to identify possible sites for a dog park. The Hamlin Park field lighting improvements would include four fields. Dick stated that the Darnell Park item is going to be considered in the Storm

Water Master Plan as a detention facility. Dick also stated that the field turf at Shoreview Park could possibly be done through a partnership with the Community College. For the Skate Park on the west side of the city, many of the subcommittee members suggested Hillwood Park as a site.

After the review of the projects, the subcommittee determined which projects and their amounts to recommend to the full committee (see attached).

Bob reviewed the possible election dates and the subcommittee agreed to recommend the May 16 election.

To take this proposal to the full committee, everyone wanted Bill Clements to make the presentation. Staff will work with Bill to create a presentation. In addition, everyone picked one or two committee members to call to brief them on the subcommittee's recommendation (see attached). Julie will call the remaining committee members to see if they have any questions prior to the meeting. The date to bring the full committee together is **September 15, 7:00-9:00 pm, in the Northridge Room at the Shoreline Center.**

The subcommittee would like more information on the following:

What are the current annual maintenance costs for the Kruckeberg Gardens? Dick will contact the Foundation to get this information. Anyone interested in viewing the Kruckeberg Gardens can take a tour with staff on August 17 at 2:00p.m.; please let Dick know if you're interested in attending. In addition, a reception at the Gardens is scheduled for September 21.

Email addresses for Councilmember Liaisons:

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Email addresses for subcommittee members:

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Debbie Tarry	dtarry@ci.shoreline.wa.us
Julie Modrzejewski	jmodrzej@ci.shoreline.wa.us

Bond Advisory Committee
Meeting Notes of September 15, 2005

City Council Liaisons Present: Bob Ransom

Committee Members Present: Larry Blake, Don Dalziel, Bill Clements, Brenda Crist, Stan Diddams, Jim Doherty, Darlene Feikema, Sally Granger, Patty Hale, Rich Matthews, Cindy Ryu

Staff Members Present: Bob Olander, Deputy City Manager, Julie Modrzejewski, Assistant City Manager, Dick Deal, Director of Parks, Recreation and Cultural Services, Debbie Tarry, Director of Finance

Committee Members Absent: Councilmember Rich Gustafson, Michael Broili, Kennie Endelman, Starla Hohbach, Jeff Lewis, Bonnie Mackey, Sis Polin, Jeff Pozarski, Jim Shea, Shari Winstead

Please Note: Twelve (12) Committee members were present out of a total of 22.

Bob Olander reviewed the purpose and the work of the Bond Advisory Subcommittee when they met over the summer.

Bill Clements presented the Subcommittee's recommended list of projects and staff helped to answer questions. Here are the various questions heard and answered:

- What is the impact of doing a project "half way" or in "bits and pieces" such as Richmond Beach Saltwater Park or Cromwell Park? Each project on the list will be able to stand on its own—nothing will be half done.
- What is the City's bonding capacity? We have more than enough – more than what voters would be willing to pay for – the real question is "What is the voters' capacity?"
- How does the City's bond impact the School District's levy? There was a great deal of discussion about this – the City has heard that the School District is considering a construction/technology levy for the ballot in February. Overall, everyone agreed that it would be difficult to find a time when there wouldn't be opposing bond/levy measures.
- Is City Hall planned for any of these sites? Cromwell Park was considered. The City Council will make a decision in the next two months. If Cromwell Park is the site for City Hall, it will be removed from the list.
- What would this bond be called? Parks or building bond? There was agreement to title the bond a Parks Bond.
- Can we separate each [South Woods from the other projects]? Most agreed that this would be too confusing; it's better to keep the bond simple.

Bob explained that if the City had a 15 year bond, if passed, we would aim to complete the projects in four to five years and could potentially return to the voters in year six or seven.

Lanita Wacker on behalf of the South Woods Preservation Group Board made a request to the Committee to bring the funding for South Woods to \$6 million. She distributed a letter from the South Woods Preservation Board (attachment A). She explained that there is a network of citizens ready to fight and help the bond. She stated that the South Woods Preservation Group started on March 21, 2005 and has already collected 1,000 signatures from all ages. This request would increase the amount on the list of projects by \$3.7 million. In addition, a letter and brief statement was made by Cheryl Klinker, Vice President of the Thornton Creek Alliance (attachment B). She added that the Woods is beneficial to the Thornton Creek watershed.

There was discussion about the South Woods property. Someone suggested that an alternative would be to remove the SPU property from the list in order to pay for South Woods. Several speculated that the likelihood of the South Woods property being sold soon was unlikely. Bob Olander confirmed that the Water District told the City that it would hold the property for up to one year. The property has none gone through the platting process to divide the interests between the Water District and School District.

After much discussion, the Bond Advisory Committee unanimously agreed to the following:

1. **The Bond Advisory Committee makes a recommendation to the City Council at this time.**
2. **The Bond Advisory Committee adopts the Subcommittee's recommended list of projects and staff is to provide additional detailed information for the projects.**
3. **The Bond Advisory Committee adopts the Subcommittee's recommendation to put the bond on the May 2006 ballot.**

Bill Clements will be providing the Committee's recommendation to the full Council at their October 10, 2005 meeting. All Committee members are encouraged to attend. The meeting is on October 10, 7:30 pm, Shoreline Center, Rainier Room.

September 14, 2005

Attention: Shoreline Bond Advisory Committee

South Woods Preservation Group strongly urges that you include 6 million dollars less the \$350,000 Conservation Futures Trust Grant for the purchase of the entire South Woods, urban forest, located at 150th and 25th Ave. NE. This amount is to fulfill the intent of the council in their vote on July 11 in the Capitol Improvements Plan for 2006-2011. The vote was 5 to 2 in favor of preserving the entire forest. The down payment to show intent uses the CFT grant money and was voted unanimously.

It has been in public hands for over 60 years. Generations of Shorecrest students have used this setting for environmental studies for at least 30 years. The forest was originally logged around 1920 and this is a maturing second growth forest. Go to our web site www.adultfamilyNW/southwoods.htm for a more complete inventory of the plants represented.

The overwhelmingly majority of citizens want this urban forest to be saved. In just four months SWPG has collected more than 1000 signatures from all age groups on petitions to preserve the forest. The intent of the Shoreline City Council and the ability of the staff to implement that intent must be supported by the means to accomplish the task. The means to complete the purchase is represented by a bond vote by the citizens.

This property not only has been used by Shorecrest students but by the Briarcrest Neighborhood. A bond measure must attain a 60% supermajority and this property is valued by many groups.

The State of Washington has recognized the importance of Urban Forests and in the 90's created the Washington Forestry Council. You can access the state at www.access.wa.gov and type in urban forest which will lead you to links regarding the forestry council and the division of Department of Natural Resources dedicated to Urban and Community Forests. Among other things it recognizes the psychological benefits of the trees to the community.

Shoreline citizens have placed open space as one of their top priorities in previous surveys. Since this property is in imminent danger of development with the growth of our city it is essential to preserve the entire forest as part of the wildlife corridor which will enhance the quality of life for the next one hundred years.

There are many opportunities for outdoor learning to study native plants and the relationship of the forest to the cleansing of water for the watershed as well as the sandy soils for the retention and cleansing of the water. Additionally, a forest provides fresh oxygen. Native plants abound in the understory of the forest. Boy scouts, Girl Scouts and general community have expressed interest in preserving this natural resource and its educational richness.

We pledge our support, subject to our review, to a bond issue which includes the preservation of South Woods.

Sincerely,

South Woods Preservation Group Board

Mamie Bolender, Brian Bodenbach, Bettelinn Brown, Charlie Brown, Terry Clayton, Gordie Swartzman, Richard Tinsley, Janet Way, La Nita Wacker, Vicki Westberg

Cc: Dick Deal, Shoreline Parks Director and Bond Committee Staff liason

Attachment B

Thornton Creek Alliance
P.O. Box 25690
Seattle, WA 98165

September 13, 2005

Dick Deal
Bonds Advisory Committee
17544 Midvale Ave North
Shoreline, WA 98133

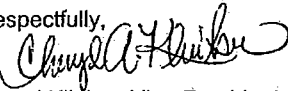
Dear Mr. Deal,

It has come to the attention of Thornton Creek Alliance that your committee is considering adding the South Woods to the list of projects to be funded through a new bond program you may put before voters in March. We strongly encourage you to include \$6 million in this bond program to make it possible to purchase the entire 15.7 acres from Shoreline School District and Shoreline Water District. Shoreline Council showed by their vote of 5 to 2 that this is an important natural area worthy of protection for the benefit of Shoreline residents and schools.

Thornton Creek Alliance has actively worked to protect and restore Thornton Creek and its watershed since 1994 including the daylighting of Thornton Creek at Northgate. This watershed extends into Shoreline, and South Woods is of significant benefit to Thornton Creek because of its connection to Hamlin Park, the headwaters of Hamlin Creek which is a tributary to Thornton. As such, and because of its sandy soils, South Woods provides the rare opportunity to provide absorption of storm runoff in a more benign and functional approach than using detention ponds, and with likely twice the effectiveness. This provides more even flows to the creek and higher quality water for salmonids downstream. In addition, we believe the South Woods provides an amenity and an outdoor learning opportunity, and is an essential element of infrastructure for a quality life in Shoreline.

Please take our recommendation seriously. We are prepared to actively support the bond to ensure its passage if it includes the purchase of the entire South Woods.

Respectfully,



Cheryl Klinker, Vice-President

cc: *Shoreline City Council*
Shoreline School District
Shoreline Water District
Shoreline Parks Dept.

THE PUGET SOUND

ECONOMIC FORECASTER

FORECAST AND COMMENTARY BY DICK CONWAY AND DOUG PEDERSEN

Volume 13

Number 1

March

2005

Following the Script

Even armed with high-powered models, economic forecasters sometimes get it wrong. The Blue Chip panel of economists failed to predict the national recession in 2001. In fact, they did not even recognize it until it was almost over. We fared no better in forecasting the collapse of the Puget Sound economy.

We could make excuses for the lack of foresight in our case: preliminary economic data did not reveal the early stages of the dot-com demise; and 9/11 and its devastating impact on Boeing came as a total surprise.

But these excuses ring hollow, since there was one clear warning of the impending tumble. Nine months prior to the regional recession, the Puget Sound leading index began a steep and steady descent. Had we given it more serious consideration, we would have predicted an employment downturn starting in the first half of 2001.

The forecasting record for the recovery has been much better. With no surprises from the U.S. economy or Boeing, our regional economic predictions have not fundamentally changed in the past two years. And the Puget Sound leading index was again on the money in predicting the turning point in regional employment.

Our current projections, though slightly lower than last time, indicate that the regional economy is still following the script. After recording a healthy 1.5 percent growth rate in 2004, employment will increase 2.4 percent in 2005 and 2.2 percent in 2006, ultimately reducing the unemployment rate to a boom-like 5.0 percent. Still hampered by declining stock option income, current-dollar personal income will increase 5.7 percent in both 2005 and 2006. On a per capita basis, personal income will increase \$3,675 over the two-year period, raising it to \$43,378 in 2006.

Summary Forecast

Annual Percent Change 2003 2004 2005 2006

Puget Sound Region

Employment 1.4 3.1 2.4 2.2

Personal income (cur. \$) 2.6 4.4 5.7 5.7

Consumer price index 2.2 2.2 2.2 2.2

Housing permits 1.2 1.2 1.2 1.2

Population 0.3 0.3 0.3 0.3

United States

GDP (\$00) 2.2 2.2 2.2 2.2

Employment 1.5 1.5 1.5 1.5

Personal income (cur. \$) 2.2 2.2 2.2 2.2

Consumer price index 2.2 2.2 2.2 2.2

Housing starts 1.2 1.2 1.2 1.2

(Source: Blue Chip Economic Indicators)

Regional Outlook

A digression.

Rarely does the U.S. Bureau of Economic Analysis (BEA), the agency responsible for the national income and product accounts, qualify its estimates because of one company. But there are not many companies like Microsoft. In January, BEA reported that the software maker's \$32-billion dividend payout boosted the annualized growth rate of U.S. personal income in the fourth quarter of 2004 from 6.2 percent to 10.4 percent.

Since a good bit of the dividend income flowed to persons in the greater Seattle area—Bill Gates got a cool \$3.4 billion, which he passed on to his foundation—Puget Sound personal income most certainly jumped through the roof last quarter.

Nevertheless, our present estimates of regional income do not reflect the dividend. There are two reasons for this: we do not have a good fix on the local payout, since BEA has yet to tally it up for the region or the state; and, despite its mind-boggling size, the dividend is unlikely to have a big impact on

the regional economy, as most of it will be reinvested.

On track.

So far there is no evidence that the

Regional Outlook

Microsoft dividend has had any appreciable effect on local economic conditions. Over the four quarters of 2004, employment increased 2.0 percent, while personal income (excluding the Microsoft dividend payment) rose 5.7 percent, according to the latest statistics. These growth rates are virtually the same as those forecast in December 2003 (2.1 percent and 5.4 percent, respectively), eight months before the public knew anything about the dividend.

In general, the Puget Sound economy has stuck to the script during the current recovery. One reason for this has been the lack of any surprise from the national economy or Boeing. As predicted by the Blue Chip panel of economists, U.S. growth, led by an exuberant household sector, has been good but not spectacular since the national downturn in 2001. Meanwhile, in accordance with Boeing management projections, aerospace employment finally turned its nose up last summer after a three-year dive.

As a consequence, our regional economic projections have been relatively stable for the better part of two years. And there is little change in this quarter's outlook. A data revision here and a tad less

optimism there have reduced the forecast of job growth in 2005 from 2.6 percent to 2.4 percent. Nevertheless, the predicted employment growth rate for this year is about the same as that forecast back in September 2003 (2.1 percent).

Of course, no forecast is ever a slam dunk. At the present time, there are two interrelated things to keep an eye on. The first is the over-extended consumer, who could become a real drag on the national and local economies if interest rates and import prices start to rise in earnest. The second is the weak dollar, which in the past has been a substantial impetus to growth for trade dependent economies like the Puget Sound region.

With little new to report on the regional front, we thought that it would be a good time for a county rundown.

Getting together again.

The central Puget Sound region consists of King, Pierce, Snohomish, and Kitsap counties. In 2004, it had 3,411,800 residents and 1,675,500 wage and salary jobs, about the same as Oregon.

Though composed of four counties, the region is a single inte-

grated economy, as we have noted before. Many businesses have regionwide markets, while many workers commute across county lines.

With regard to commuting, an analysis of labor income flows reveals that a significant share of personal income in Pierce, Snohomish, and Kitsap counties is attributable to people living in those counties but working in King County. For example, including the multiplier effect, roughly two-fifths of Snohomish County personal income stems from county residents who commute to King County. This is a reflection of King County's traditional role as the job center of the region. In 2004, with 52 percent of the population, it had 67 percent of the jobs.

Based on the high degree of economic interdependence, one would expect that the counties would tend to grow at similar rates. This was certainly case in the 1990s, as measured by the ten-year employment growth rates: King County 2.4 percent; Pierce County 2.3 percent; Snohomish County 2.4 percent; and Kitsap County 1.3 percent.

But, as with most generalities, there are exceptions. Despite the strong ties that bound them together, the last recession sent the counties down quite different paths. Recall that the regional recession, which was among the worst in the nation, had four major causes: a pre-recession downturn at Boeing that cost the region 25,000 aerospace jobs and slowed employment growth from 5.1 percent in 1997 to 2.1 percent in 2000; the short-lived national recession in 2001; the disappearance of 20,000-30,000

County Characteristics	King	Pierce	Snohomish	Kitsap	Puget
County	County	County	County	County	County
Population (2004)					
Population (2000)					
Population Change (2000-2004)					
Population Density (2004)					
Population Density (2000)					
Population Density Change (2000-2004)					
Population Density (2004)					
Population Density (2000)					
Population Density Change (2000-2004)					

ECONOMIC FORECASTER

high-tech jobs during the 2001-02 dot-com bust; and the 9/11 tragedy, which led to the loss of another 25,000 jobs at Boeing and its aerospace suppliers.

Since King County had three-fifths of the aerospace employment in the region and virtually all of the high-tech jobs, it bore the brunt of the recession. Between the fourth quarter of 2000 and the second quarter of 2003, the county lost 85,300 jobs or 7.1 percent of total county employment. In other words, one out of every 14 people working in King County lost his or her job.

In contrast, the other three counties collectively added 2,500 jobs during this episode, representing a small but still impressive 0.5 percent gain. Pierce County gained 2,200 jobs, one-half of which were in the building industry due in part to redevelopment work in Tacoma. Snohomish County shed 4,100 jobs during the downturn because of

sion to the Nisqually earthquake. King County was epicenter, but shock waves were transmitted throughout the region. Although Pierce, Snohomish, and Kitsap counties were put under terrific strain, they somehow managed to hold together, evidence of the fundamental resilience of the Puget Sound economy.

The Puget Sound region is now four years down the road from its last employment peak. Although the regional economy is still about 25,000 jobs short of a complete recovery, it has clearly

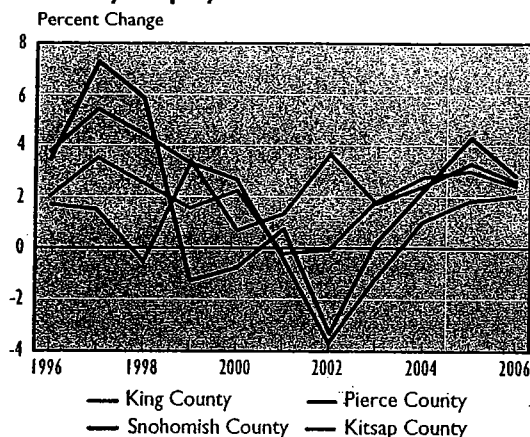
turned the corner,

Moreover, it appears that the county growth rates are converging again, at least according to our employment forecasts for 2005: King County 1.9 percent; Pierce County 3.0 percent; Snohomish County 4.2 percent; and Kitsap County 3.1 percent.

King County is trailing the pack because of the diffi-

culty of pulling out of its deep downturn. Nevertheless, it will account for about one-half of the approximately 41,000 jobs created in the region this year. One noteworthy feature of King County employment over the past year has been the mixed performance of the

County Employment Growth



the hit to Boeing. Excluding the aerospace loss, however, the county added 2,300 jobs. Due to post-9/11 defense activity, Kitsap County fared best during the recession, boosting employment by 4,400 jobs.

One could compare the reces-

Forecast County Growth Rates

Percent Change	2004	2005	2006
King County			
Employment			
Personal Income (per \$)			
Population			
Pierce County			
Employment			
Personal Income (per \$)			
Population			
Snohomish County			
Employment			
Personal Income (per \$)			
Population			
Kitsap County			
Employment			
Personal Income (per \$)			
Population			

high-tech sector: software +1,400 jobs, computer systems +700, computer and electronic products -200, and telecommunications -1,400.

Snohomish County, currently the region's pacesetter, is benefiting from a broad-based expansion, led by manufacturing (principally, aerospace), telecommunications, and professional and business services. If our 2005 prediction is on the mark, the county will experience its biggest employment gain, amounting to nearly 9,000 jobs, in seven years.

Employment in Pierce and Kitsap counties will expand at about a 3 percent rate this year, nearly twice the U.S. pace. Most of the new jobs will arise because of healthy population growth. Thus, the biggest job winners will be construction, retail trade, health services, food services and drinking places, and government (primarily education).

Retail Sales

Continued recovery.

City and county budgets were hit hard during the recession when Puget Sound taxable retail sales, their major revenue source, declined 3.2 percent between 2000 and 2002. The losses, however, were concentrated in King County. Seattle and Bellevue, which accounted for about 30 percent of regional taxable sales, suffered fall-offs of 7.0 percent and 13.8 percent, respectively, over the two-year period. In contrast, taxable sales in Kitsap, Pierce, and Snohomish counties managed to scratch out modest gains.

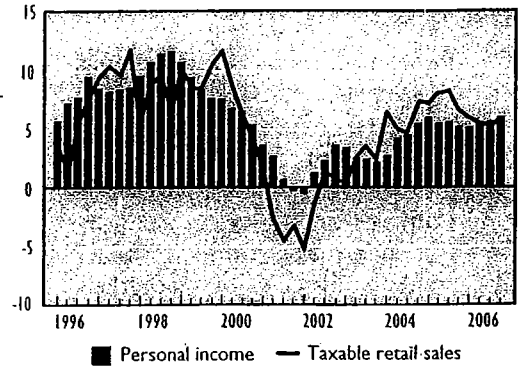
In addition to the traditional retail trade sectors, the retail sales tax is levied on certain non-retail activities, such as contracting and wholesaling. These are far from inconsequential, accounting for nearly one-half of total sales tax collections in the region. Moreover, they can be quite

lumpy. If Boeing decides to remodel an assembly plant in Renton, the taxes paid on contracting services will likely give a sizeable but short-lived boost to City of Renton sales tax collections.

In general, taxable retail trade sales behave quite differently than other taxable sales over the business cycle. According to taxable retail trade figures, Puget Sound consumers began to trim spending in the second quarter of 2000, three quarters ahead of the beginning of the recession. The six-quarter decline reduced taxable retail trade sales by 3.6 percent. The slump in other taxable sales, on the other hand, coincided more closely with the recession and resulted in a 12.4 percent loss. Since the trough, taxable retail trade sales have climbed 15.6 percent while other taxable sales have risen only 8.9 percent, leaving them below their previous peak.

Puget Sound Personal Income and Taxable Retail Sales

Year-Over-Year Percent Change



Will taxable sales keep rising for city and county governments? Yes, according to the latest forecast. Total taxable sales are predicted to increase 7.5 percent in 2005 and 5.7 percent in 2006. This year's growth rate reflects the currently rapid improvement in the economic drivers: a 1.3 percentage point pickup from 2004 in the growth rate for personal income, a 0.6 percentage point drop in the unemployment rate, and an increase in housing permits.

PUGET SOUND RETAIL SALES

	2004			2005			Years			
	3	4	1	2	3		2003	2004	2005	2006
Retail sales (bill. \$)										
Riding materials										
Motor vehicles and parts										
Furniture and electronics										
General merchandise										
Food and beverages										
Gasoline stations										
Clothing and accessories										
Food service and drinking										
Other retail sales										
Taxable retail sales (bill. \$)										
Total taxable sales										
Annual growth % change										
Total taxable sales										
Other taxable sales										

Construction and Real Estate

Risk of overbuilding.

The start of this decade and the 1990s had one thing in common: little to brag about. Admittedly, the regional employment growth rate between 1990 and 1994 (1.1 percent per year) compares favorably with the rate between 2000 and 2004 (-0.7 percent), but the earlier episode still ranks as one slowest periods of growth on record.

The two time spans were also alike in terms of how much they added to the region's housing stock. But this raises a question, since the present decade, unlike the 1990s, commenced with a deep recession: is the current housing market overbuilt?

Ostensibly, the answer is no, at least for the single-family market. Record home sales, sparked by persistently low mortgage rates, have led to a sharp decline in active home listings.

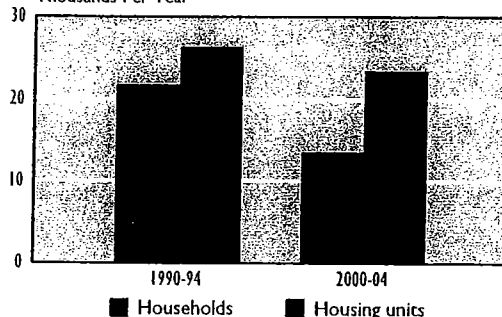
But other data suggest that there

might be a problem. First, relative to population growth, which slowed dramatically during the downturn, the number of building permits issued has been running at a high level. Between 2000 and 2004, population increased at a rate of 31,800 people per year, while annual housing permits averaged 22,800 (15,400 single-family and 7,400 multi-family). This meant that, on average, builders took out 0.72 permits for each new person. A decade earlier, with similar homebuilding activity (20,300 permits per year) but much greater population growth (54,500 persons per year), the rate was only 0.37.

Strong residential construction in the face of slowing population growth has resulted in an expansion in housing units that has substantially surpassed the increase in households. Between 2000 and 2004, the region added 92,600 housing units (57,100 single-family

Puget Sound Change in Households and Housing Units

Thousands Per Year



and 35,500 multi-family). However, our calculations indicate that the number of households increased by only 53,400 (33,600 single-family and 19,800 multi-family). In the early 1990s, there was a much better balance between the net addition to housing units (104,800) and the increase in households (87,100).

This implies that housing vacancy rates have jumped significantly of late. Our estimates suggest that the single-family vacancy rate increased from 3.9 percent in 2000 to 6.1 percent in 2004. Just something to think about.

PUGET SOUND CONSTRUCTION AND REAL ESTATE

	2004		2005			Years			
	3	4	1	2	3	2003	2004	2005	2006
Housing permits (thous.)									
Single family									
Multi-family									
Housing permits (mil. \$)									
Single family									
Multi-family									
Average home price (thous. \$)									
Active home listings (thous.)									
Home sales (thous.)									
Home sales (mil. \$)									
Annual new starts (thous.)									
Average apartment rent (\$)									
Annual population % change									
Housing units (mil. \$)									
Median home price									
Average apartment rent									

Quarterly data are seasonally adjusted and expressed on an annual basis.

THE PROPERTY REPORT

Building Value / By Ryan Chittum

Retailers Join Gamblers in Booming Las Vegas

WHEN THE WORLD'S RETAILERS and shopping-center owners converge on Las Vegas for the International Council of Shopping Centers conference next week, they will find one of the hottest retail development markets in the world. And it isn't just the same old shops by the slots or strip malls off the Strip.

"Las Vegas is becoming more of an urbanized city," says Terri Sturm, chief executive of Territory Inc., a Las Vegas-based retail developer. "It's getting a lot more dense. The great majority of new projects being announced are mixed-use high-rise, which is new to this market."

That is partly because Las Vegas can sprawl only so far; it is ringed by moun-

tains. The well-documented condo boom on the Strip and in other parts of the city is helping fuel the retail boom, as developers realize that the 40 million tourists who come to the city with lots of cash on hand aren't there solely for gambling.

On Monday, two developers will announce another major project, a \$350-million, 1.4-million-square-foot suburban development—700,000 square feet of retail, restaurants and office space and 340 condominiums. The Village at Queensridge "will portray a feeling of European elegance and old-world charm," according to Peccole Nevada Corp. and Executive Home Builders, the developers. It will have a cinema, cafes, shops and lounges—but no casino.

Las Vegas ranks fifth in a new study ranking retail real-estate markets by their investment potential. Seattle was No. 1, followed by Orange County and Phoenix, according to the study by Marcus & Millichap Real Estate Investment

Brokerage Co., of Encino, Calif. No. 4 was Oakland, a city increasingly popping up on developers' short lists. The index uses factors like employment growth, income growth and retail real-estate inventories to get a three-year outlook on the markets with the most momentum.

Seattle soared to No. 1 in the outlook from No. 15 this year because it is expected to have employment growth of more than 120,000 jobs, or 8%, during the next three years, which will drive up personal incomes. The city also has one of the lowest amounts of retail space per capita in the U.S. Phoenix, Las Vegas and Atlanta are all hot markets because their populations, employment numbers and income are all expected to post strong growth over the next three years.

Organizers are expecting 40,000 people to attend the convention, one of the largest in the U.S., which runs from Sunday to Wednesday. About 900 companies—

mostly developers and retailers—will have booths in the massive Las Vegas Convention Center, where deal making will be on everybody's mind. Public-sector representatives, including Maryland Gov. Robert Ehrlich, are a fast-growing group of attendees this year. They "are looking to us to find good partners to come in and revitalize their cities," says Patrice Duker, an ICSC spokeswoman.

High-end "lifestyle centers" are sure to figure prominently at the conference. These open-air centers are smaller than malls but more upscale than strip malls, and they don't have department-store anchors. A typical lifestyle center has high-end retailers like Chico's, home-furnishings stores like Williams-Sonoma, restaurants like Cheesecake Factory and stores that double as entertainment, such as Borders. Retailers like lifestyle centers because they can generate a large amount of traffic without the high overhead costs of an enclosed common area.

Shoppers' Markets

Real-estate brokerage firm Marcus & Millichap's picks as the top retail real-estate markets based on a series of forward-looking supply and demand indicators over the next year and the next three years.

Top Retail Markets (One-year projection)

2. Orange County, Calif.
4. Ft. Lauderdale, Fla.
6. Riverside-San Bernardino, Calif.
8. New York City (Manhattan)
10. Oakland, Calif.

Source: Marcus & Millichap

Top Retail Markets (Three-year projection)

2. Orange County, Calif.
4. Oakland, Calif.
6. San Diego
8. Riverside-San Bernardino, Calif.
10. Ft. Lauderdale, Fla.

There are 132 lifestyle centers open in the U.S. with 42 more in the pipeline, according to a survey by Colliers International, a commercial real-estate services firm. By contrast, few if any enclosed malls are being built. The lifestyle centers in development will average 500,000

square feet, about a third bigger than the ones already built, according to Colliers.

The centers are concentrated in the South and West where weather is warmer, but Colliers reports that two-thirds of the ones in development are in the Northeast and Midwest.

See the most recent Building Value Q&A column online at RealEstateJournal.com. If you have a real-estate question, e-mail it to BuildingValue@wsj.com.

Capital Improvements Projects Citizen Survey

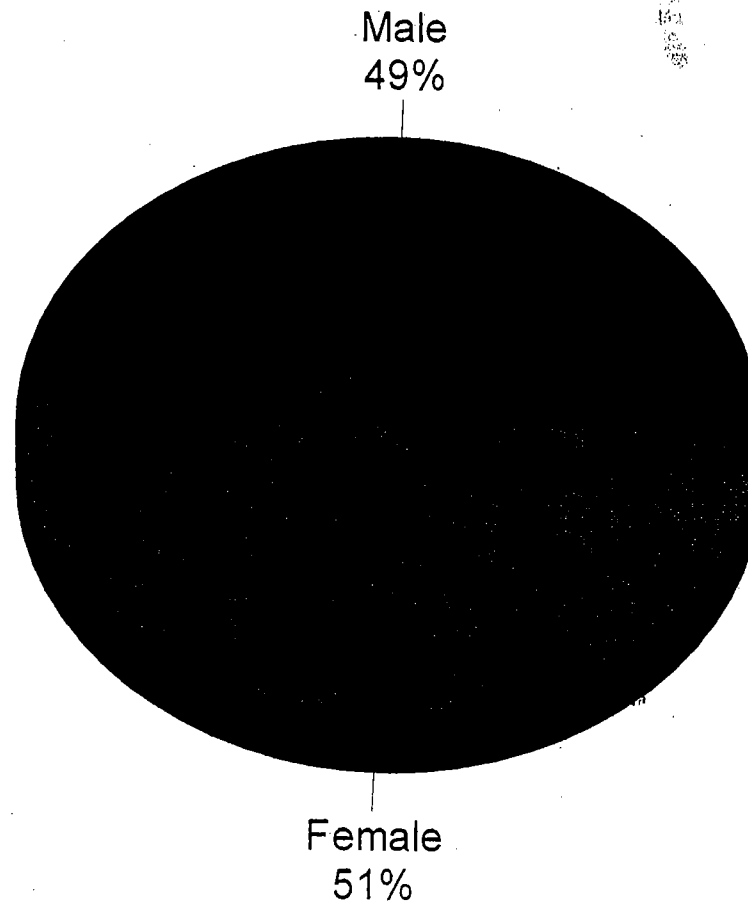
- **Presented to City of Shoreline
Bond Advisory Committee**
- ***By Ron Vine, Vice-President ETC Institute***
- ***October 16, 2003***

Capital Improvements Projects Citizen Survey

- *500 Completed Surveys, including representative sampling in each of 3 areas*
- *95% level of confidence with a margin of error of +/-4.8%*
- *Full range of importance, funding, and voting questions for 8 project areas*
- *Cross tabs by key factors including gender, age of respondent, location, voting benchmarks*

Q27. Demographics: Gender

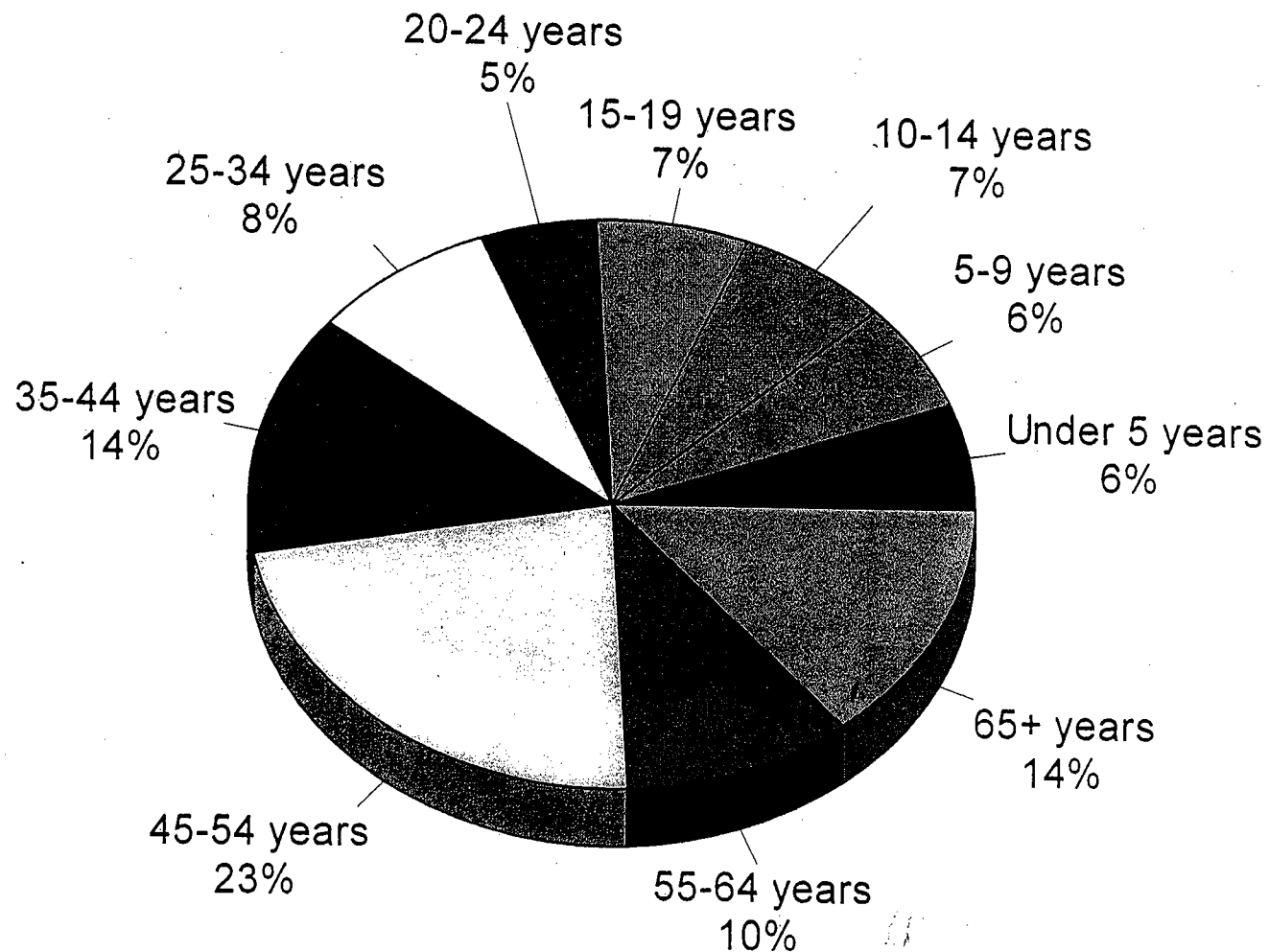
by percentage of respondents



Source: Leisure Vision/ETC Institute (October, 2003)

Q23. Demographics: Ages of People in Household

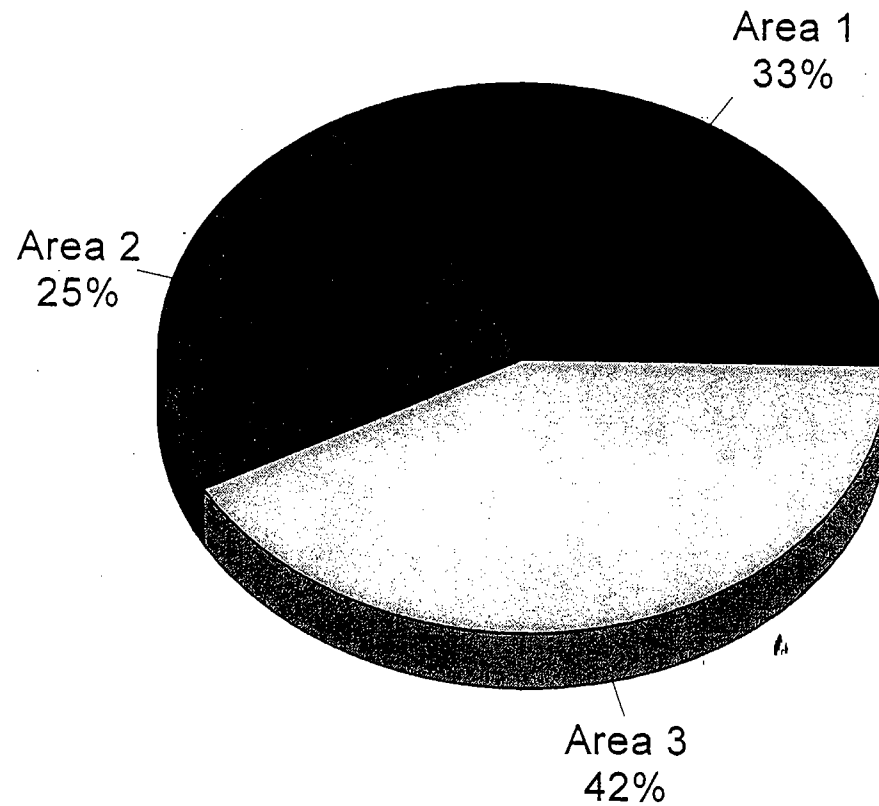
by percentage of respondents



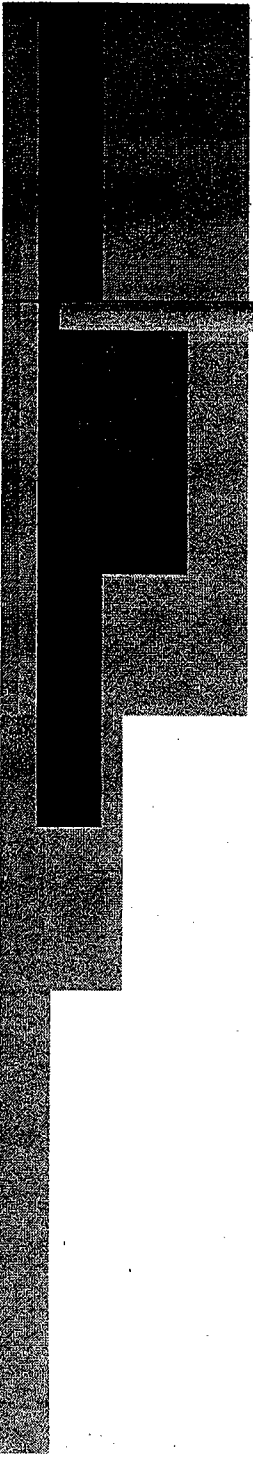
Source: Leisure Vision/ETC Institute (October, 2003)

Q32. Demographics: Description of Location of Residence

by percentage of respondents



Source: Leisure Vision/ETC Institute (October, 2003)

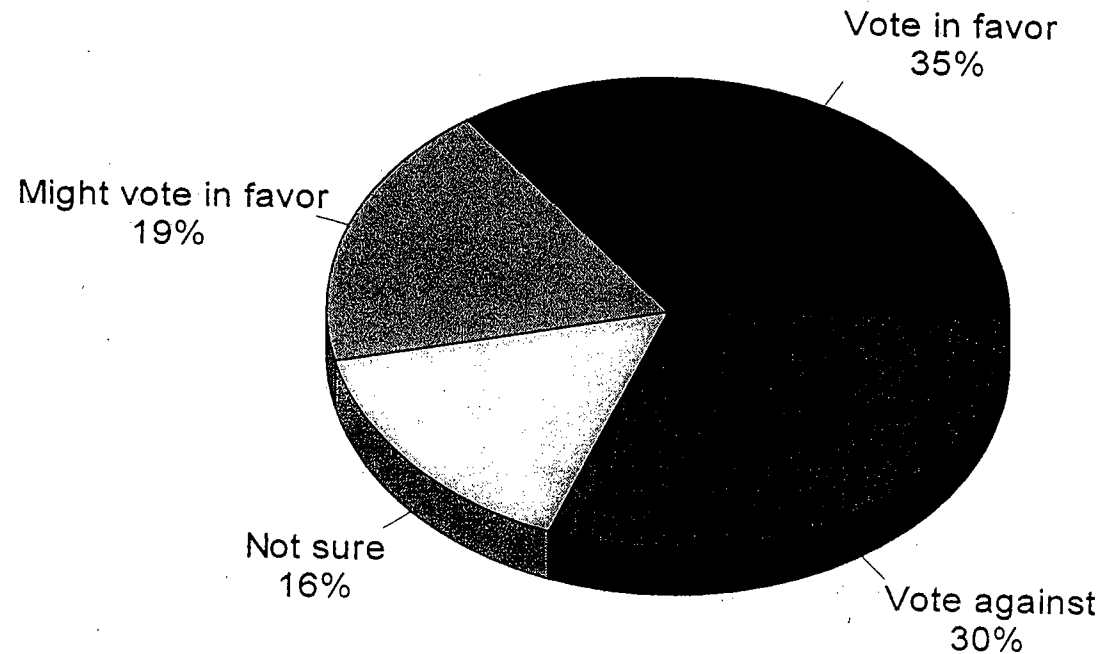


Survey Findings

Finding #1: A \$23 million Bond Package Would Not Pass At this Time

Q18. How Respondents Would Vote in a Bond Election to Fund the Full Range of Parks, Recreation and Sidewalk Improvements Being Considered

by percentage of respondents

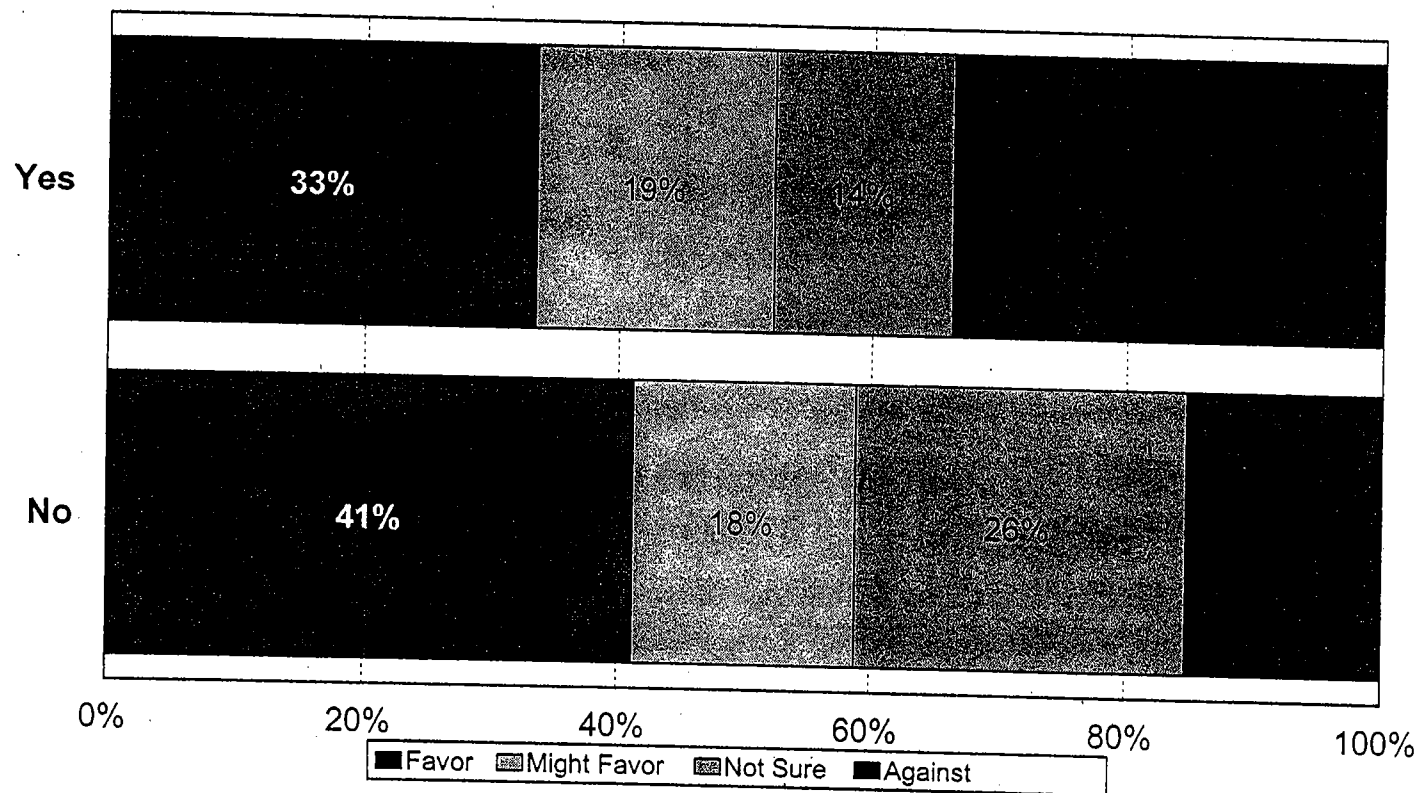


Source: Leisure Vision/ETC Institute (October, 2003)

Finding #1: A \$23 million Bond Package Would Not Pass At this Time

Did Respondent Vote in Last Election by Bond to Fund Full Range of Improvements

by percentage of respondents

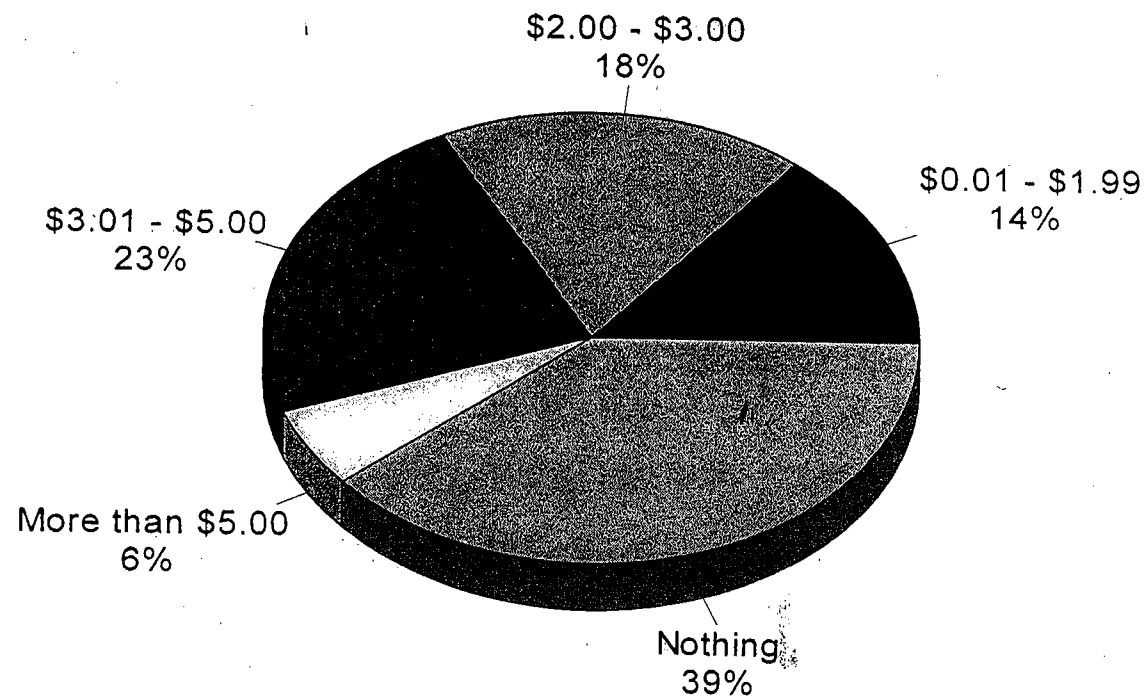


Source: Leisure Vision/ETC Institute (October, 2003)

Finding #2: A Smaller Package Might Pass If It Contained Projects of Most Importance

Q19. Maximum Increase in Property Tax Per Month Respondents Would Support for Improvements to Parks, Recreation, and Sidewalks

by percentage of respondents

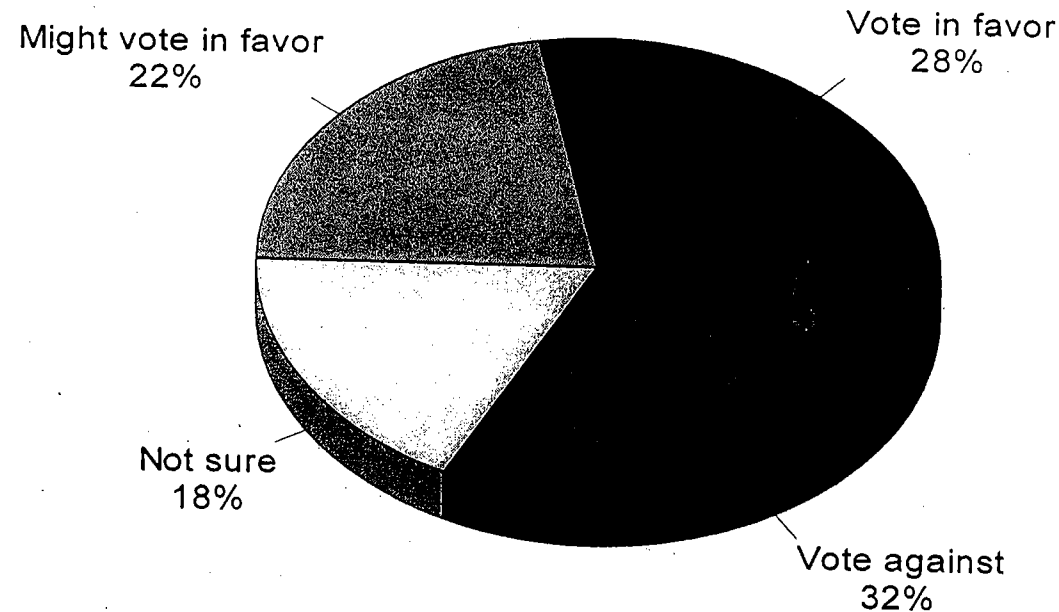


Source: Leisure Vision/ETC Institute (October, 2003)

Finding #2: A Smaller Package Might Pass If It Contained Projects of Most Importance

Q20. How Respondents Would Vote in a Bond Election to Fund the Parks, Recreation and Sidewalks Most Important to their Household Based on the Maximum Amount they Would Be Willing to Support in Property Taxes

by percentage of respondents

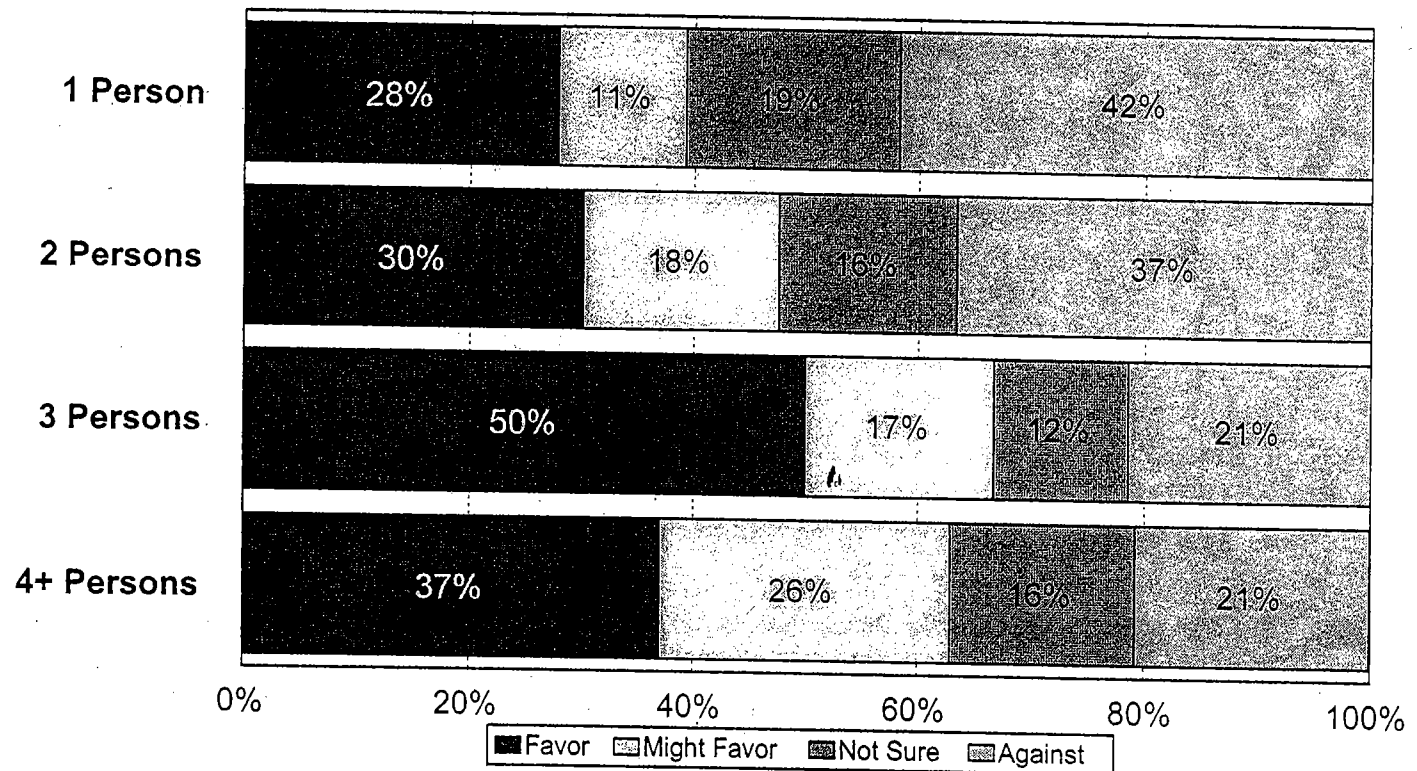


Source: Leisure Vision/ETC Institute (October, 2003)

Finding #3: Voter Support is Impacted By Key Demographic Factors

Number in Household by Bond Election to Fund Full Range of Improvements

by percentage of respondents

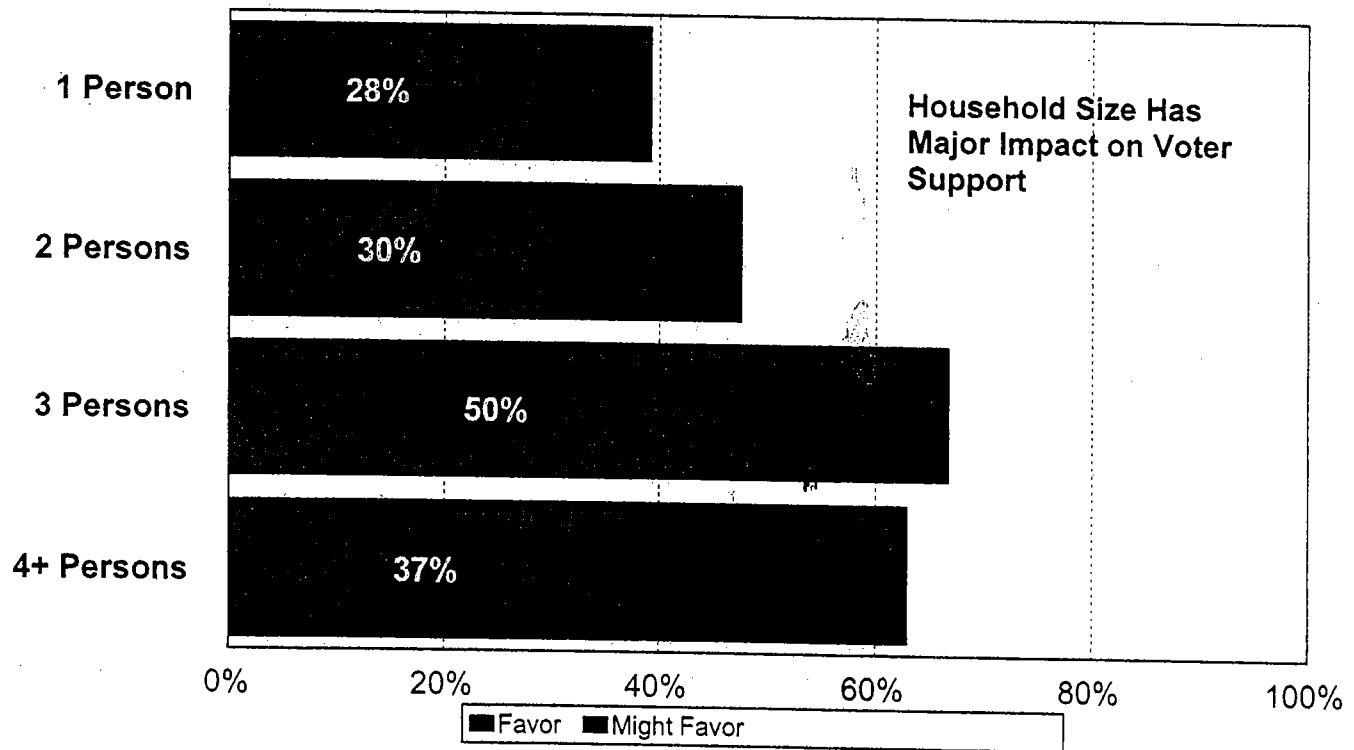


Source: Leisure Vision/ETC Institute (October, 2003)

Finding #3: Voter Support is Impacted By Key Demographic Factors

Number in Household by Bond Election to Fund Full Range of Improvements

by percentage of respondents

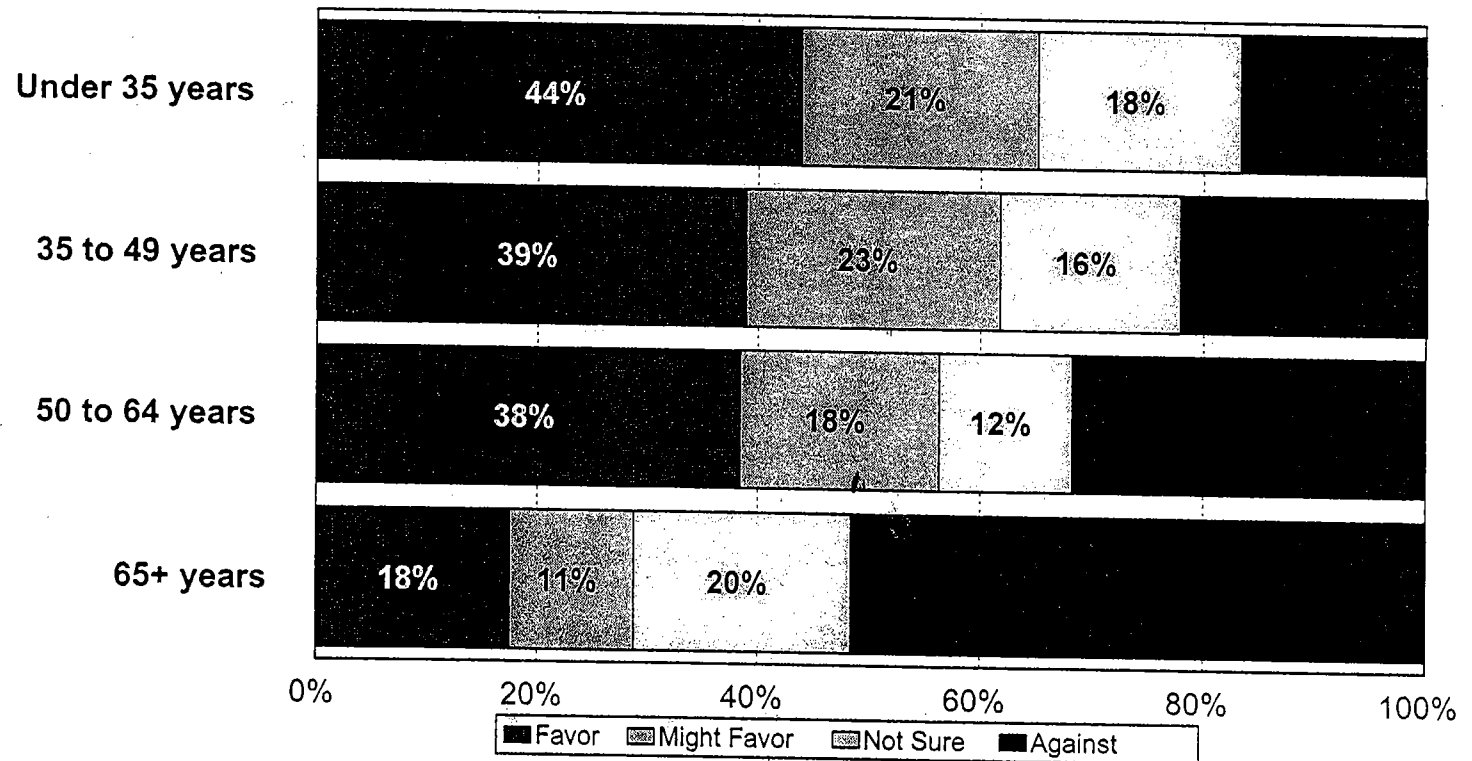


Source: Leisure Vision/ETC Institute (October, 2003)

Finding #3: Voter Support is Impacted By Key Demographic Factors

Age Group by Bond Election to Fund Full Range of Improvements

by percentage of respondents

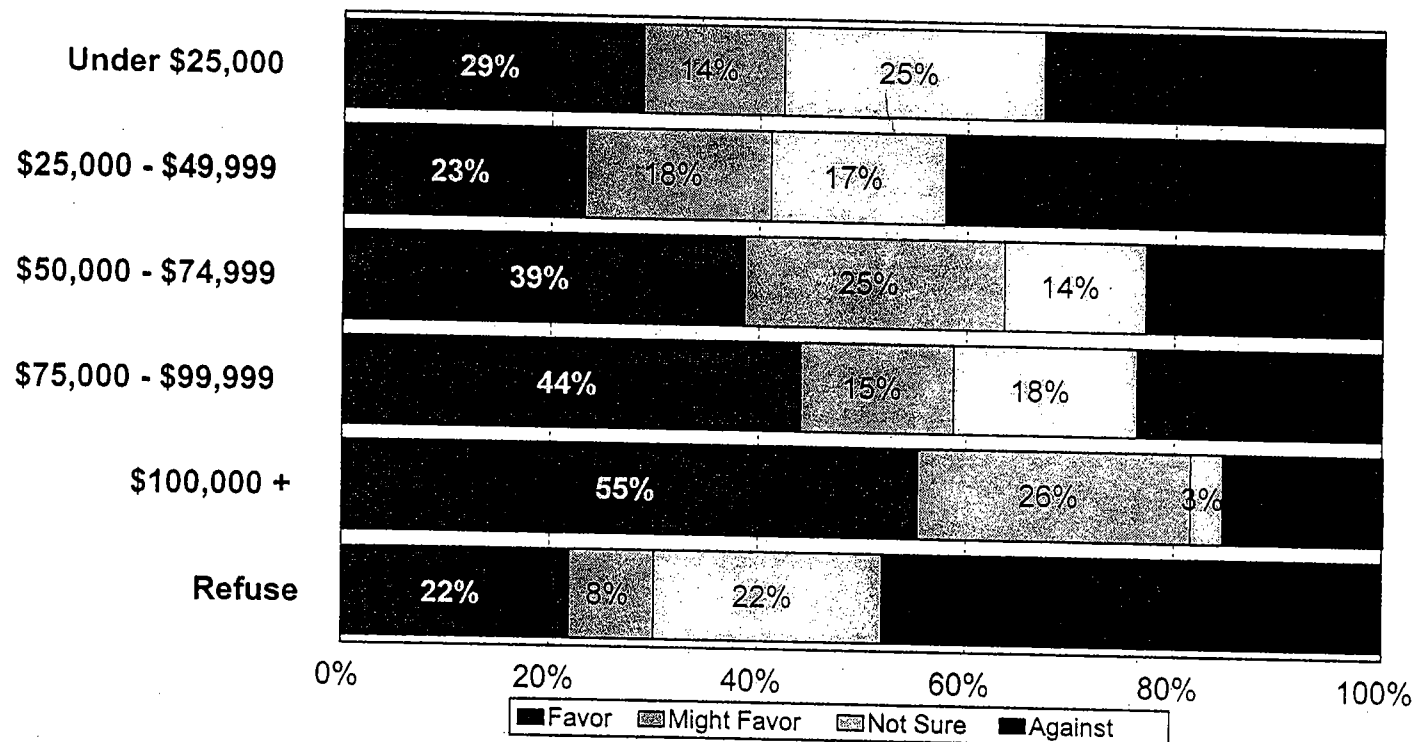


Source: Leisure Vision/ETC Institute (October, 2003)

Finding #3: Voter Support is Impacted By Key Demographic Factors

Total Annual Household Income by Bond Election to Fund Full Range of Improvements

by percentage of respondents

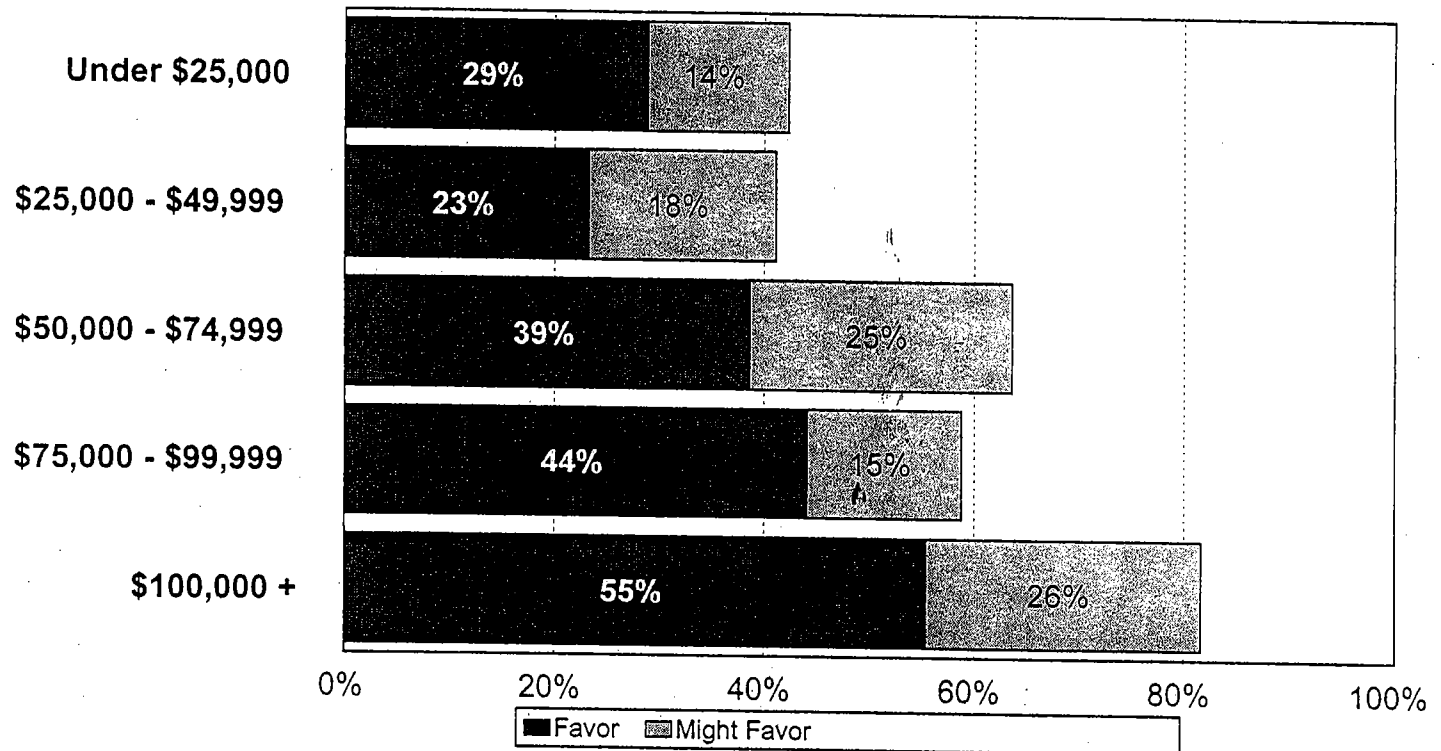


Source: Leisure Vision/ETC Institute (October, 2003)

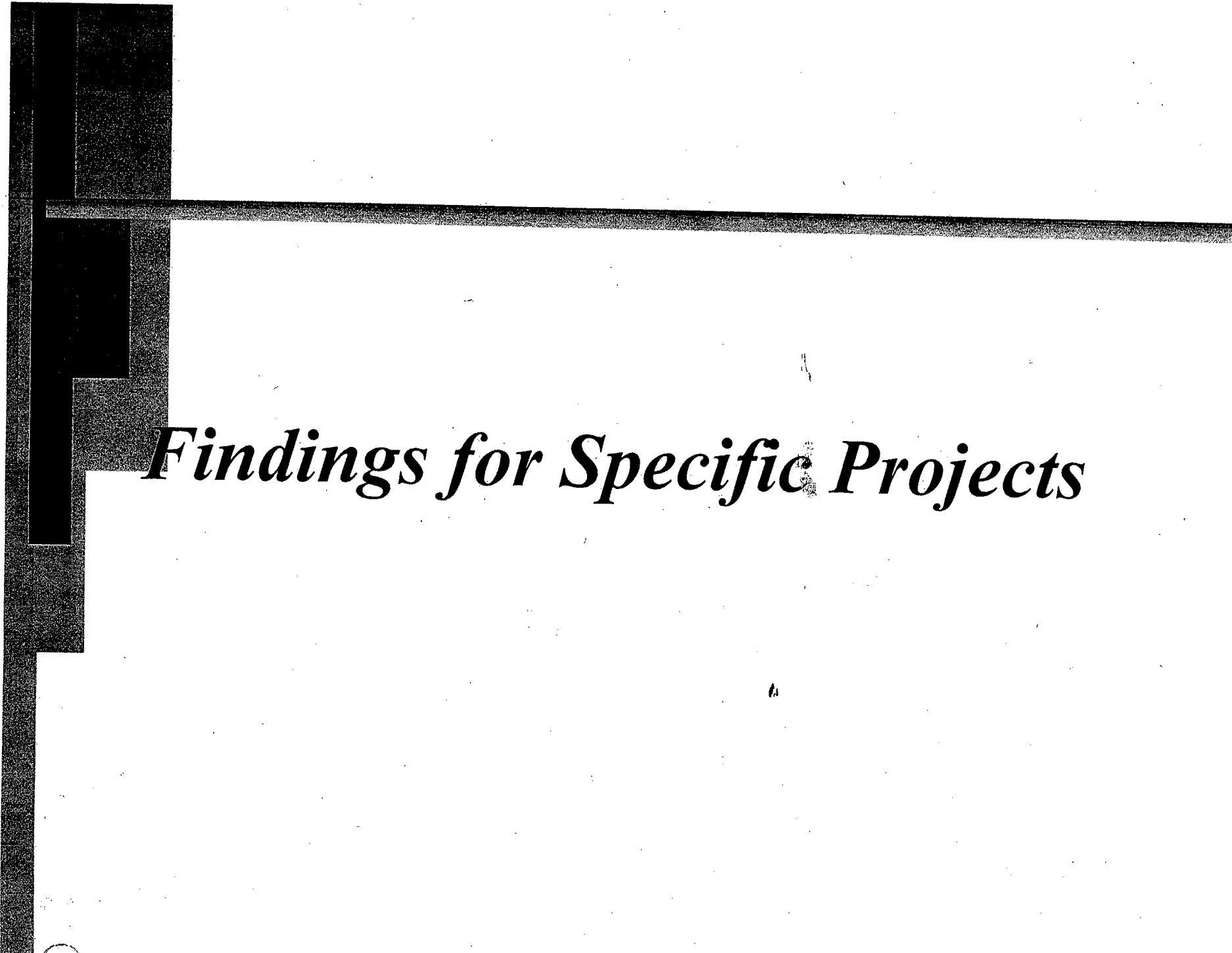
Finding #3: Voter Support is Impacted By Key Demographic Factors

Total Annual Household Income by Bond Election to Fund Full Range of Improvements

by percentage of respondents



Source: Leisure Vision/ETC Institute (October, 2003)



Findings for Specific Projects

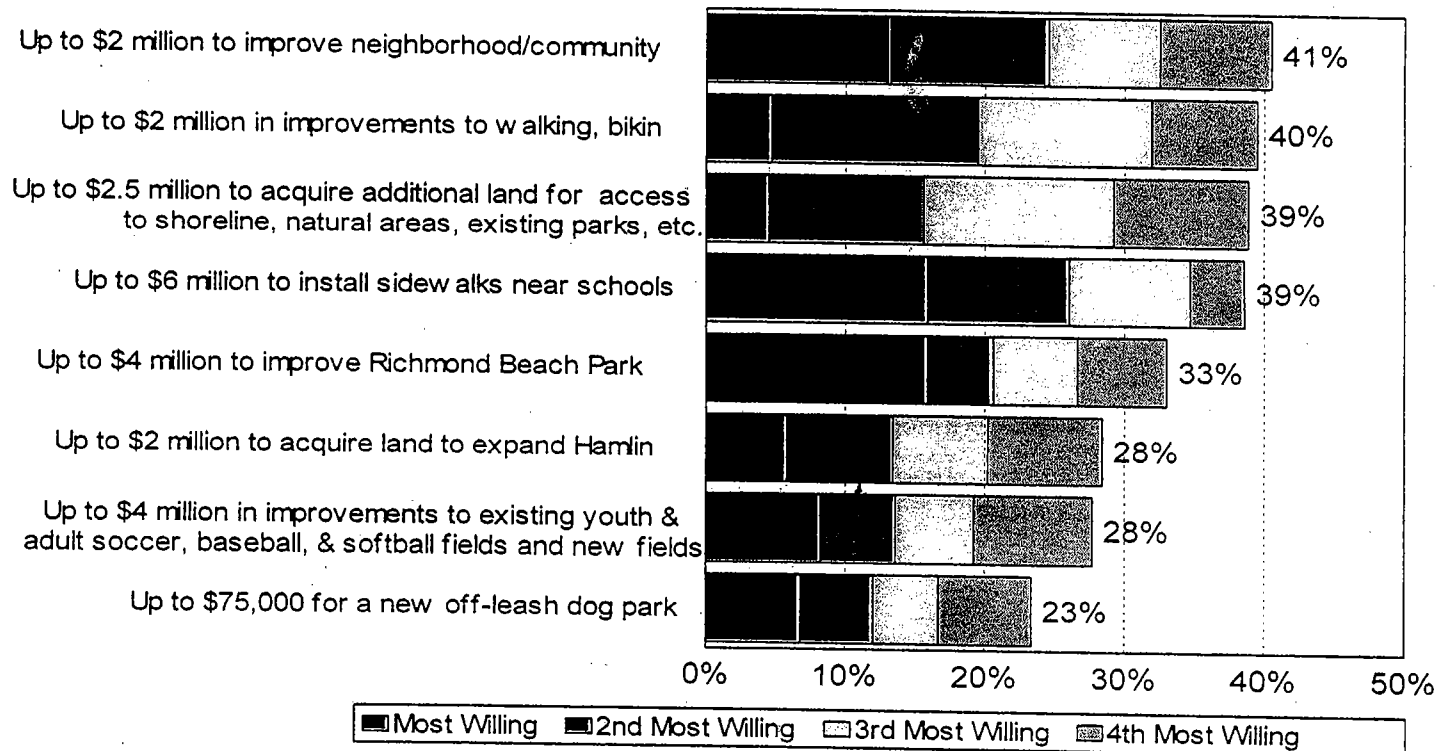
For Each Project

- *How they rated as most willing to support with tax dollars (Q16)*
- *How they rated as least willing to support with tax dollars (Q17)*
- *Most important improvements for project from entire sampling*
- *Most important improvements for project from those who would vote in favor or might vote in favor (Q18 & Q20)*

Finding #4: Richmond Beach Generated Strong Support and Opposition

Q16. Parks, Recreation and Sidewalk Projects Respondents Would be Most Willing to Support With Tax Dollars

by percentage of respondents (four choices could be made)

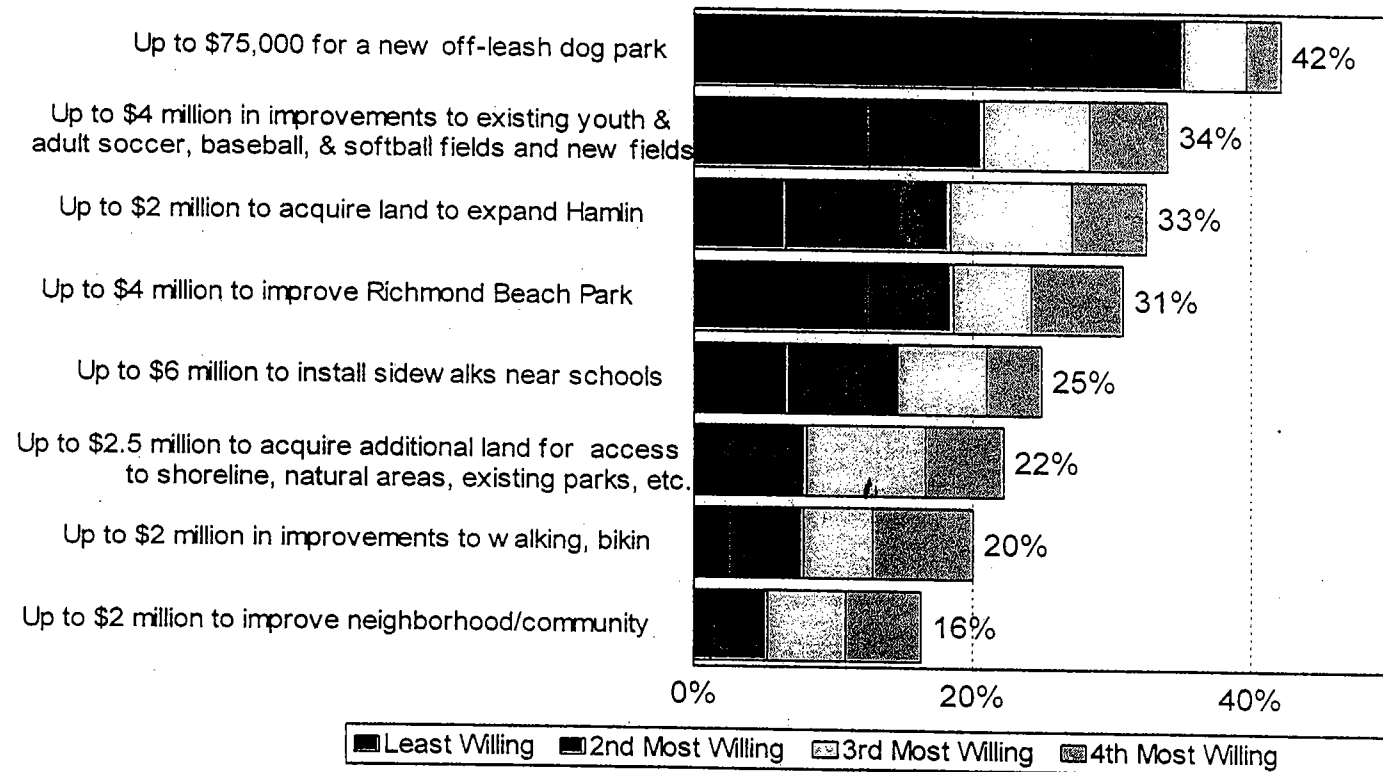


Source: Leisure Vision/ETC Institute (October, 2003)

Finding #4: Richmond Beach Generated Strong Support and Opposition

Q17. Parks, Recreation and Sidewalk Projects Respondents Would be Least Willing to Support With Tax Dollars

by percentage of respondents (four choices could be made)

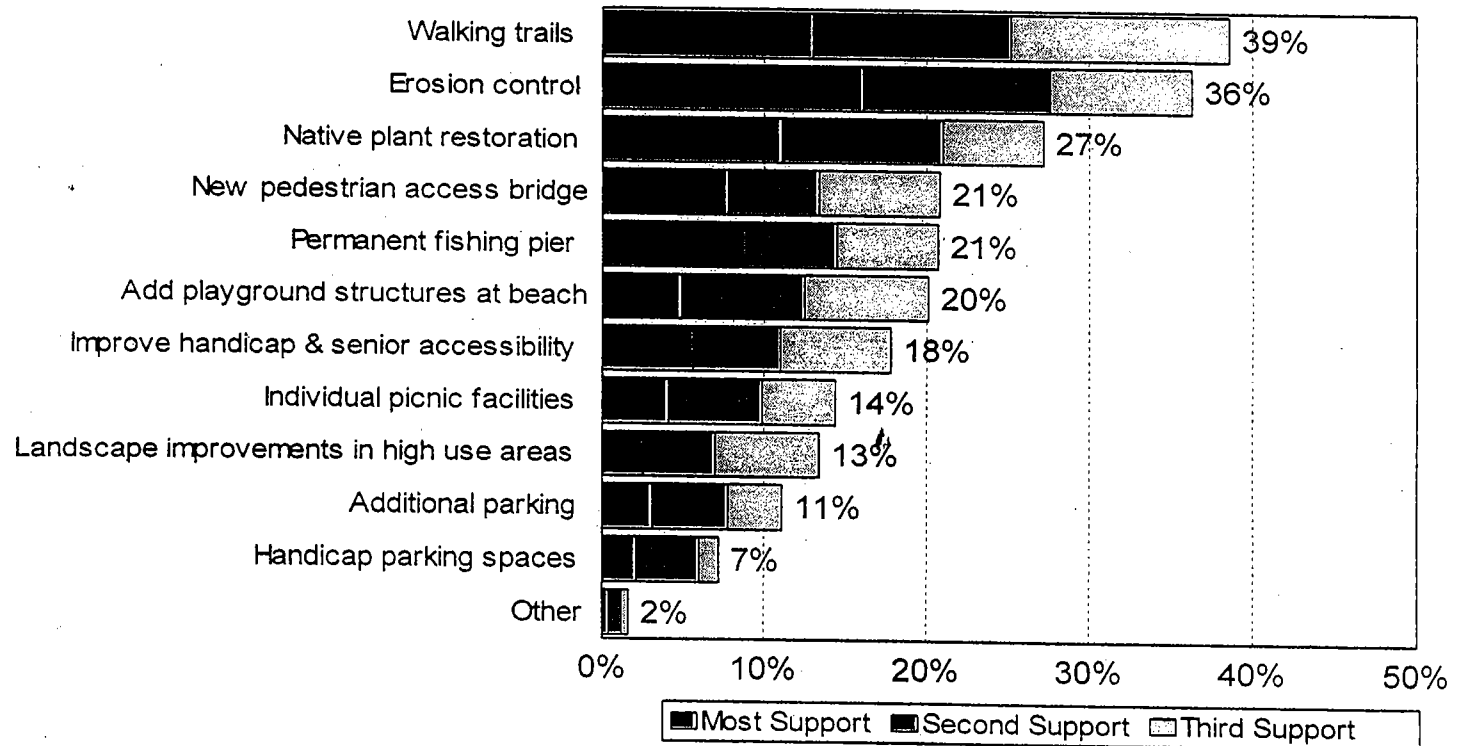


Source: Leisure Vision/ETC Institute (October, 2003)

Finding #4: Richmond Beach Generated Strong Support and Opposition

Q2. Improvements to Richmond Beach Saltwater Park that Respondent Households Would Most Support Being Funded With Tax Dollars

by percentage of respondents (three choices could be made)

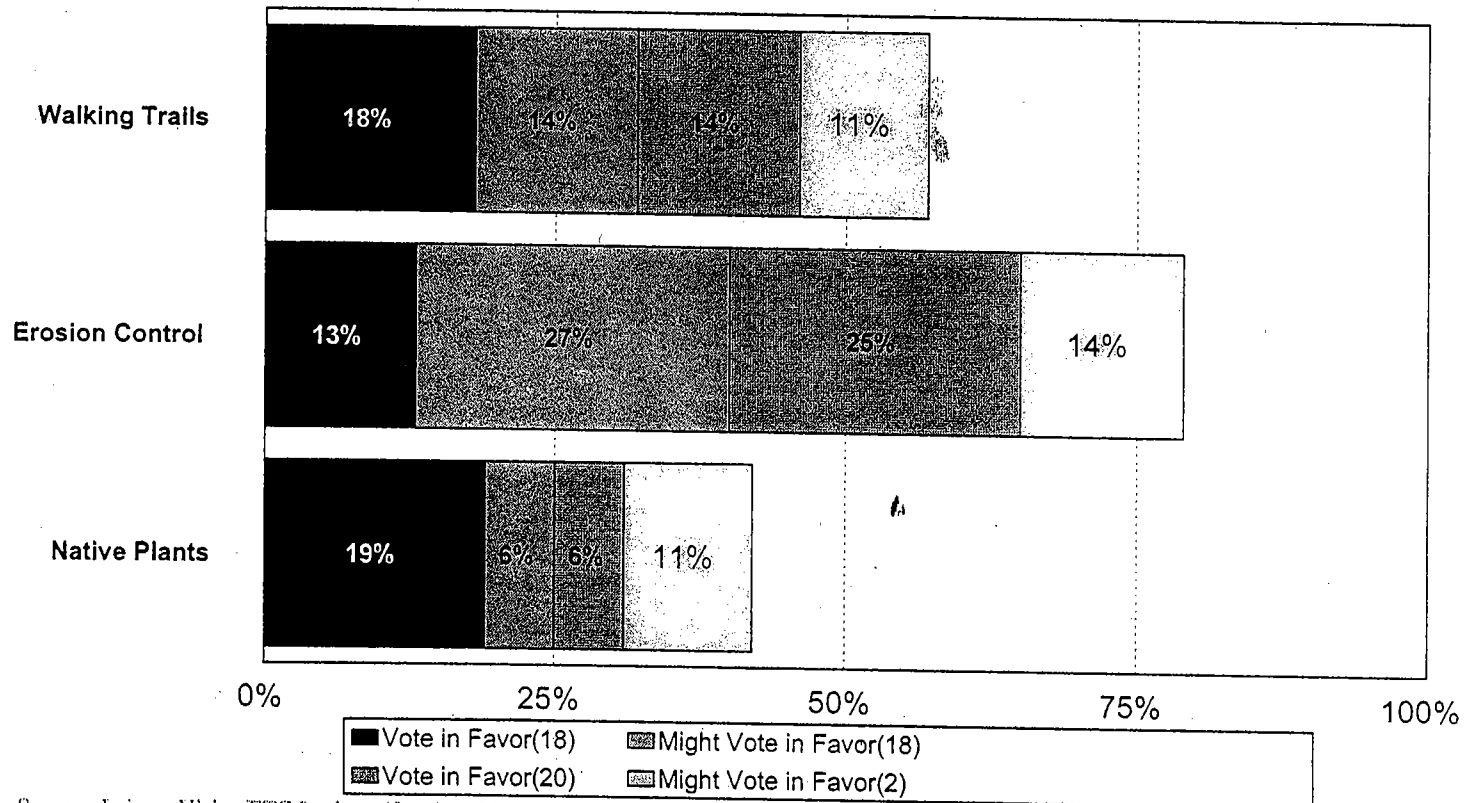


Source: Leisure Vision/ETC Institute (October, 2003)

Finding #4: Richmond Beach Generated Strong Support and Opposition

Q2. Walking Trails, Erosion Control, and Native Plant Restoration Most Important Improvements (1st Choice)

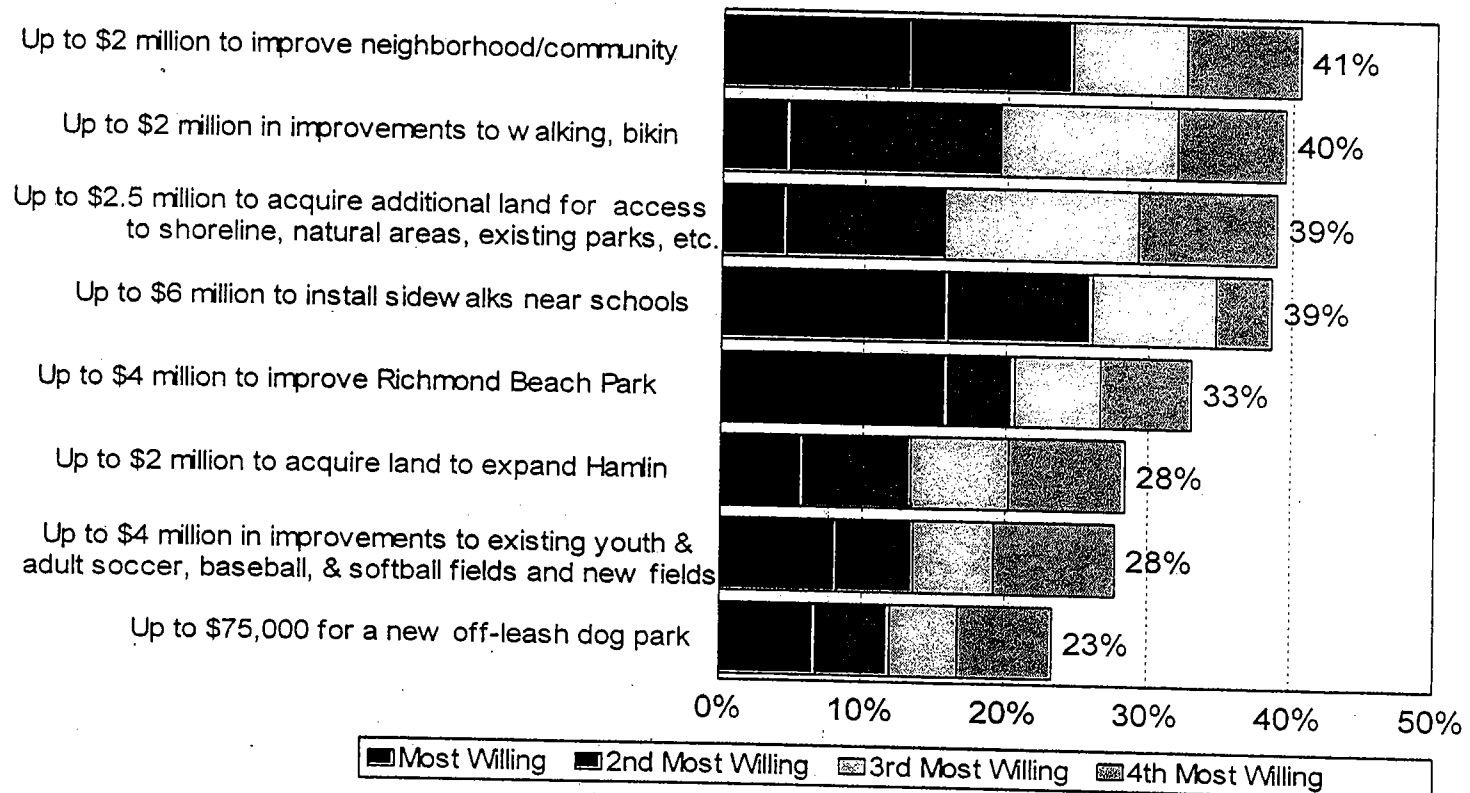
by percentage of respondents



Finding #5: Neighborhood and Community Parks Among the Highest Supported Improvements

Q16. Parks, Recreation and Sidewalk Projects Respondents Would be Most Willing to Support With Tax Dollars

by percentage of respondents (four choices could be made)

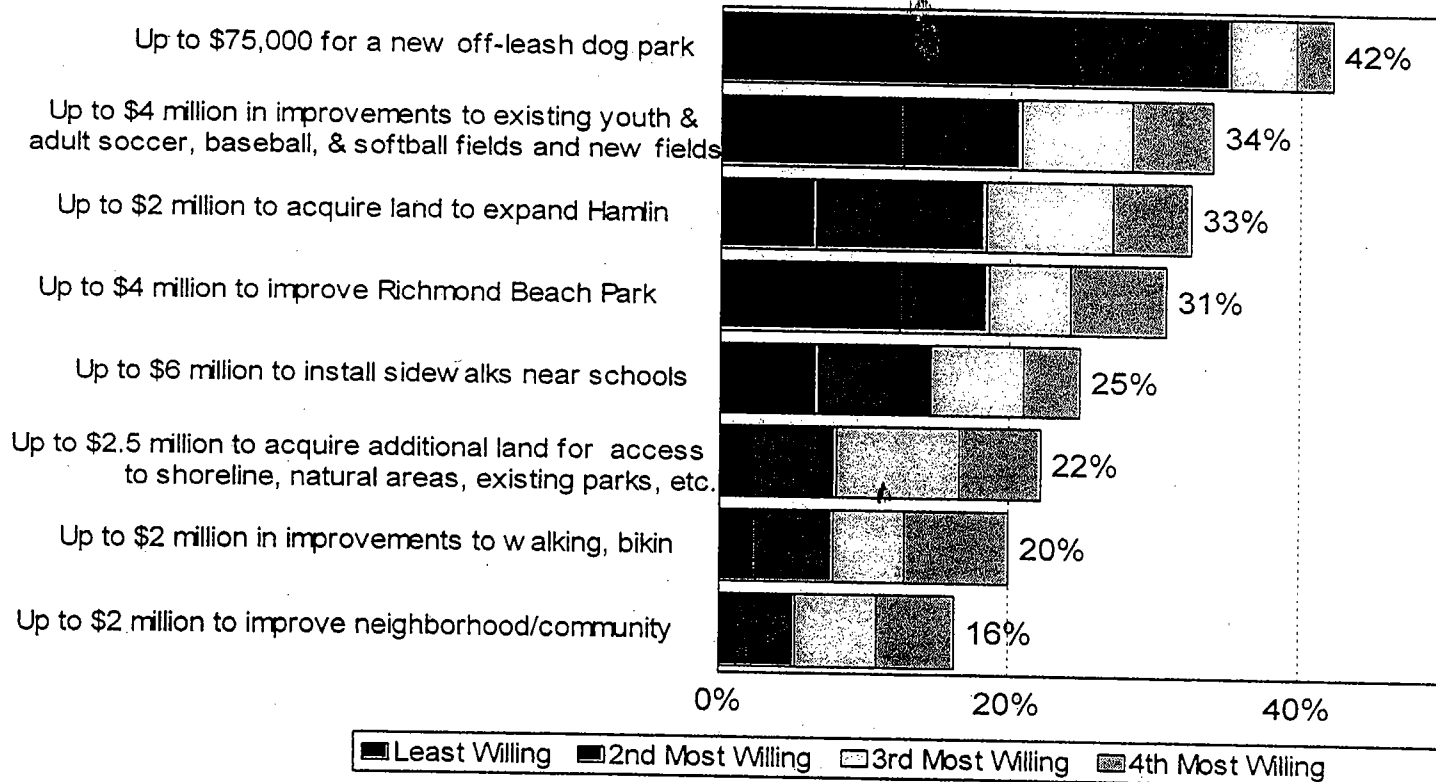


Source: Leisure Vision/ETC Institute (October, 2003)

Finding #5: Neighborhood and Community Parks Among the Highest Supported Improvements

Q17. Parks, Recreation and Sidewalk Projects Respondents Would be Least Willing to Support With Tax Dollars

by percentage of respondents (four choices could be made)

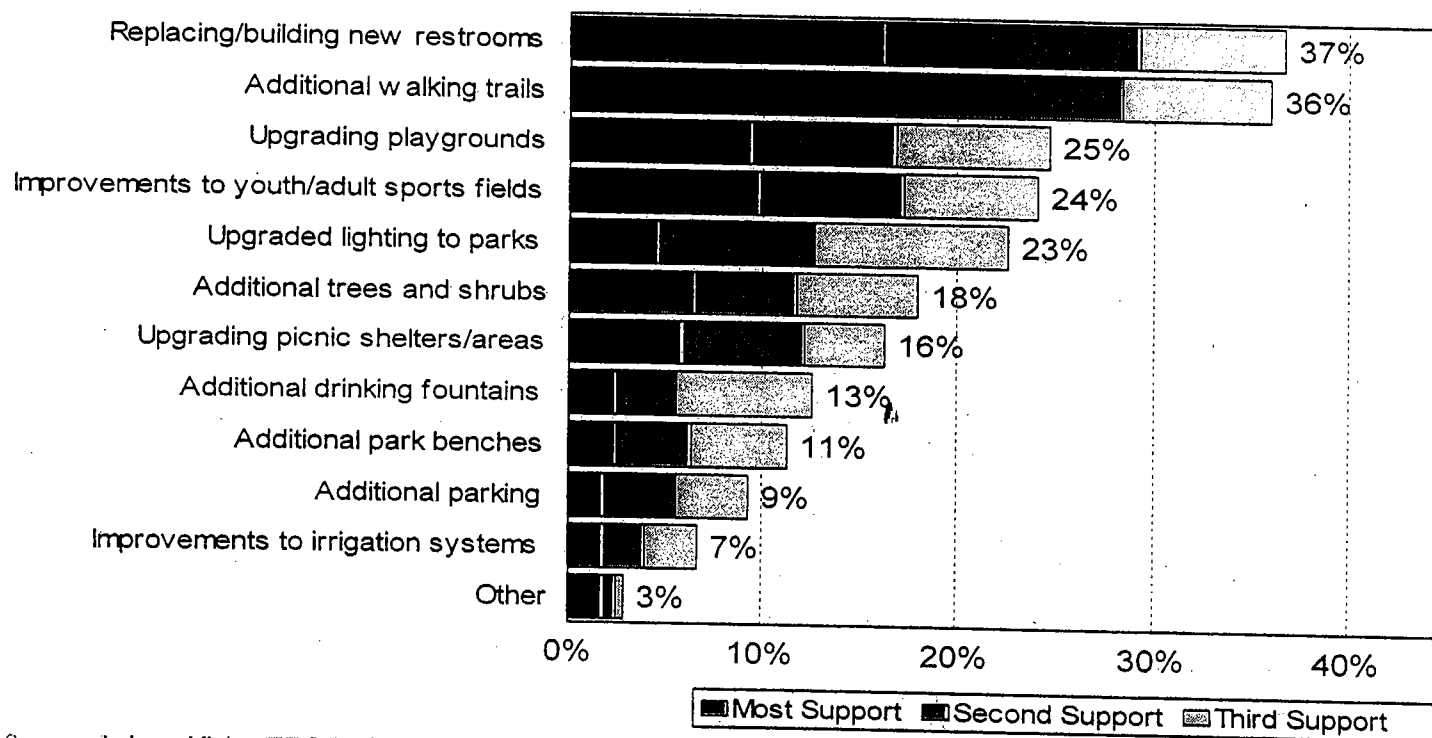


Source: Leisure Vision/ETC Institute (October, 2003)

Finding #5: Neighborhood and Community Parks Among the Highest Supported Improvements

Q4. Improvements to Neighborhood and Community Parks that Respondent Households Would Most Support Being Funded With Tax Dollars

by percentage of respondents (three choices could be made)

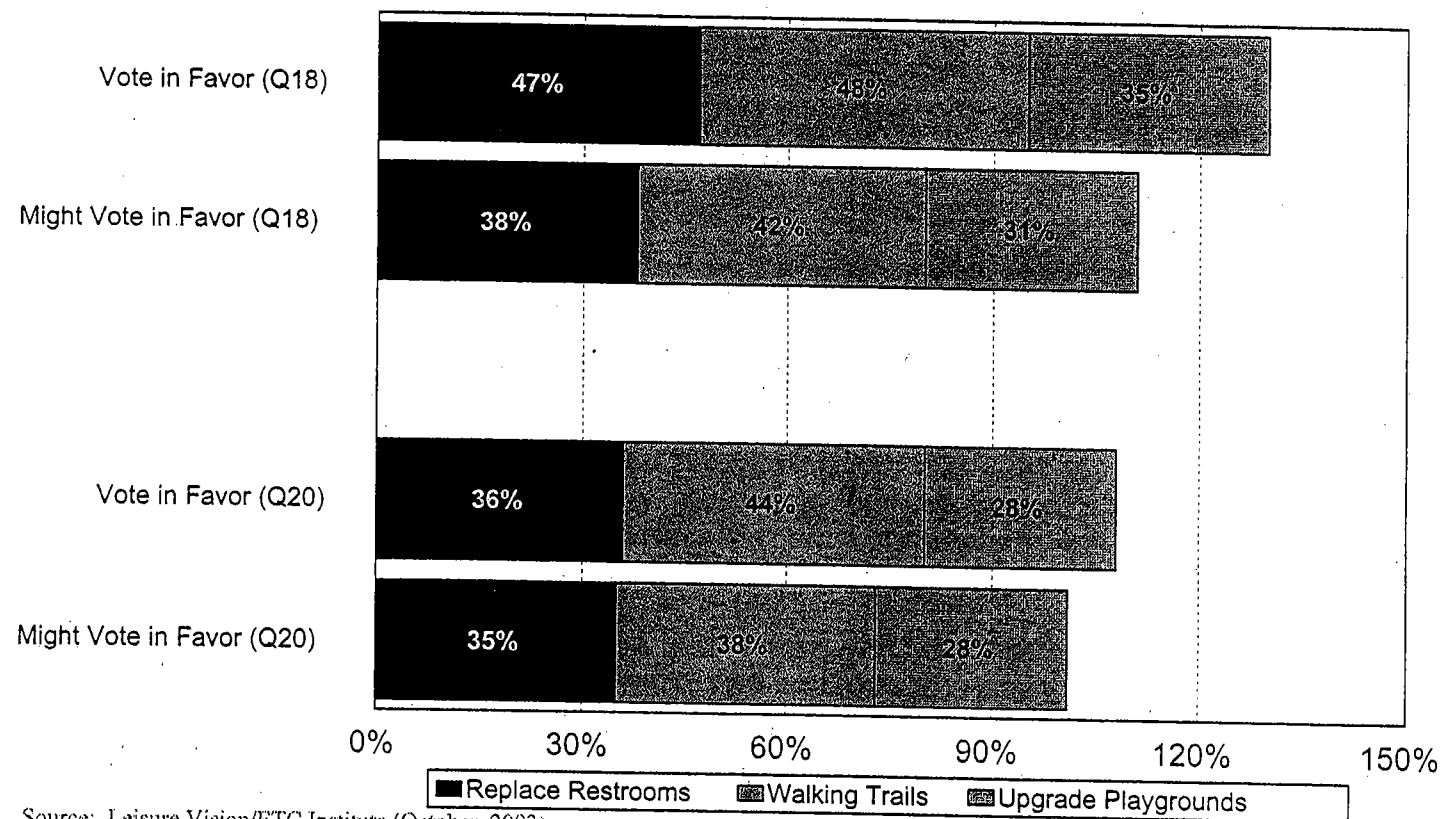


Source: Leisure Vision/ETC Institute (October, 2003)

Finding #5: Neighborhood and Community Parks Among the Highest Supported Improvements

Q4. Replace Restrooms, Walking Trails, and Upgrade Playgrounds Most Important Improvements (Sum of the Top 3 Choices)

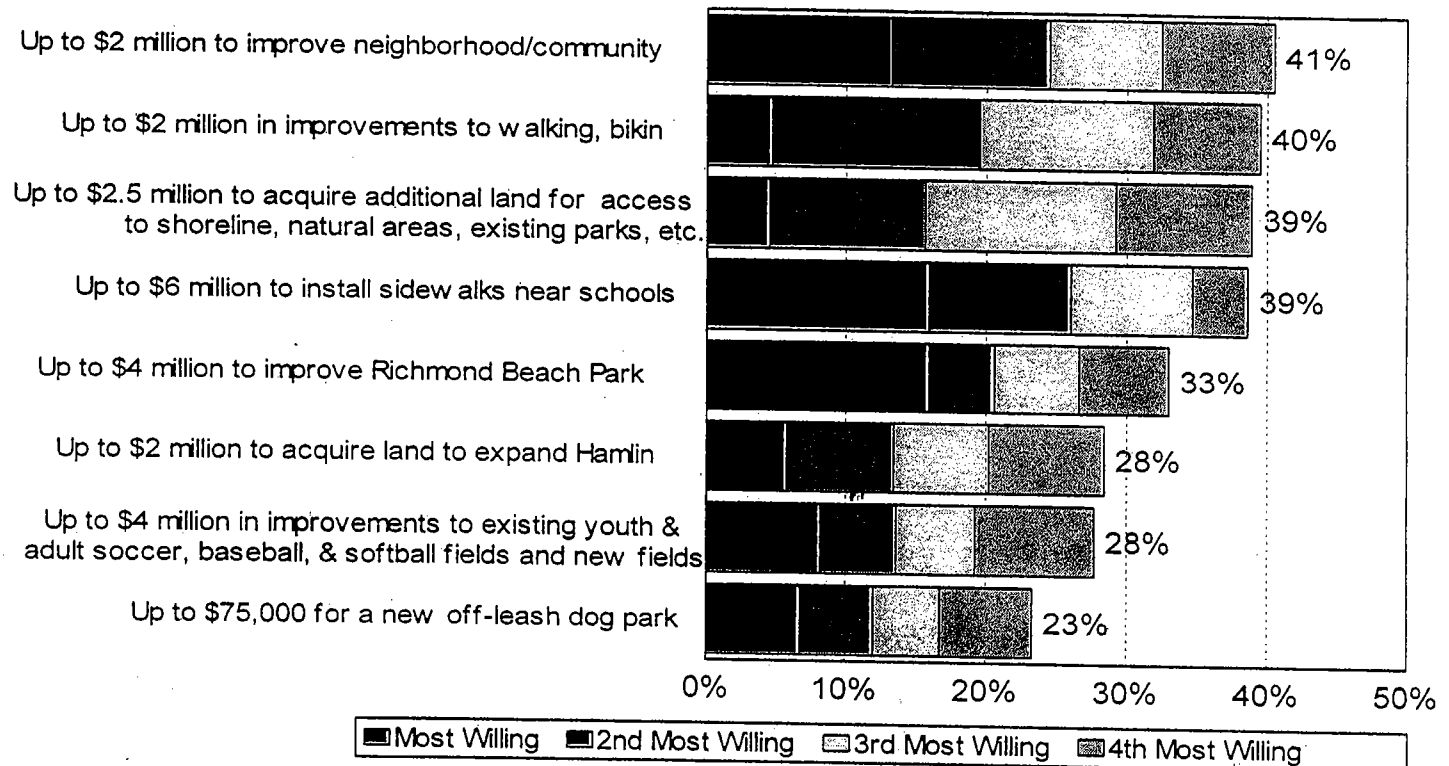
by percentage of respondents



Finding #6: New Dog Park Has Base of Support and High Negatives

Q16. Parks, Recreation and Sidewalk Projects Respondents Would be Most Willing to Support With Tax Dollars

by percentage of respondents (four choices could be made)

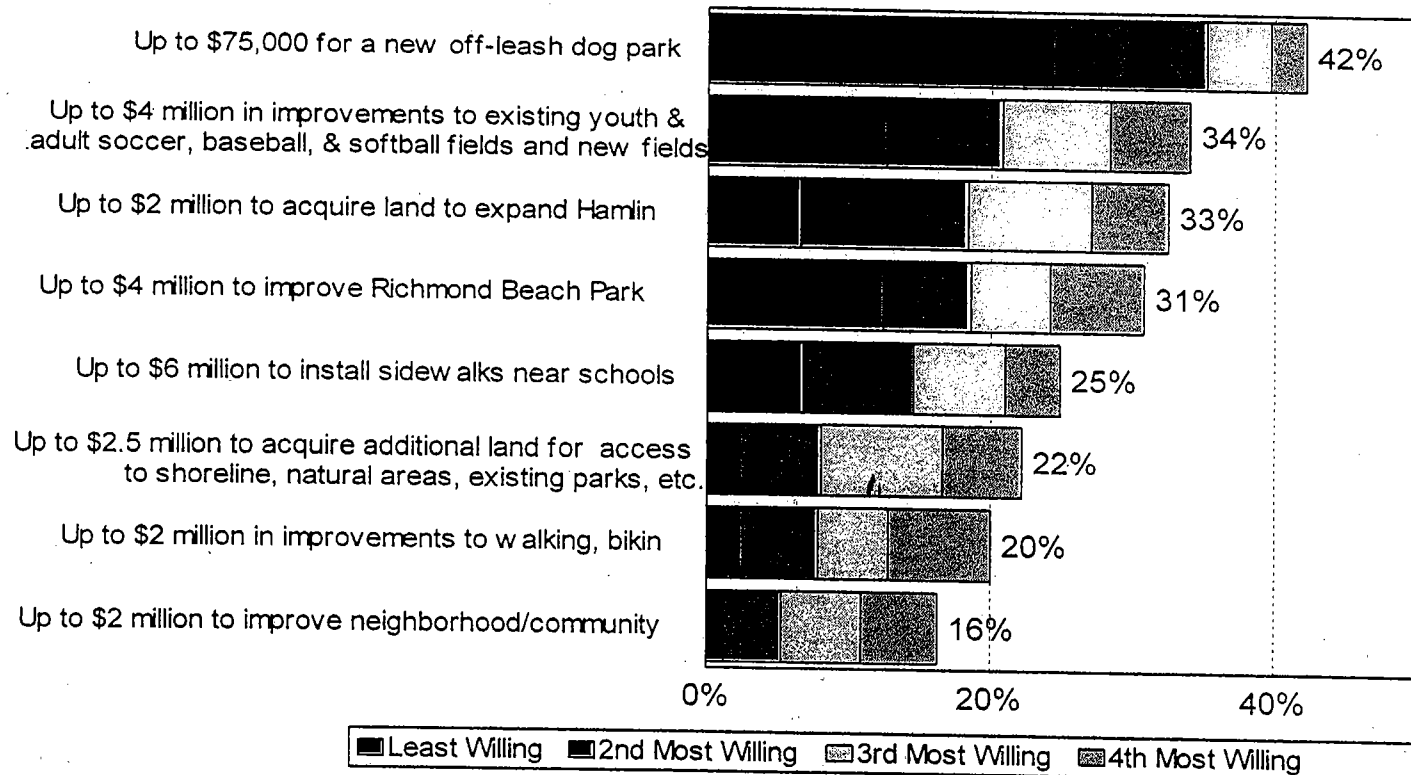


Source: Leisure Vision/ETC Institute (October, 2003)

Finding #6: New Dog Park Has Base of Support and High Negatives

Q17. Parks, Recreation and Sidewalk Projects Respondents Would be Least Willing to Support With Tax Dollars

by percentage of respondents (four choices could be made)

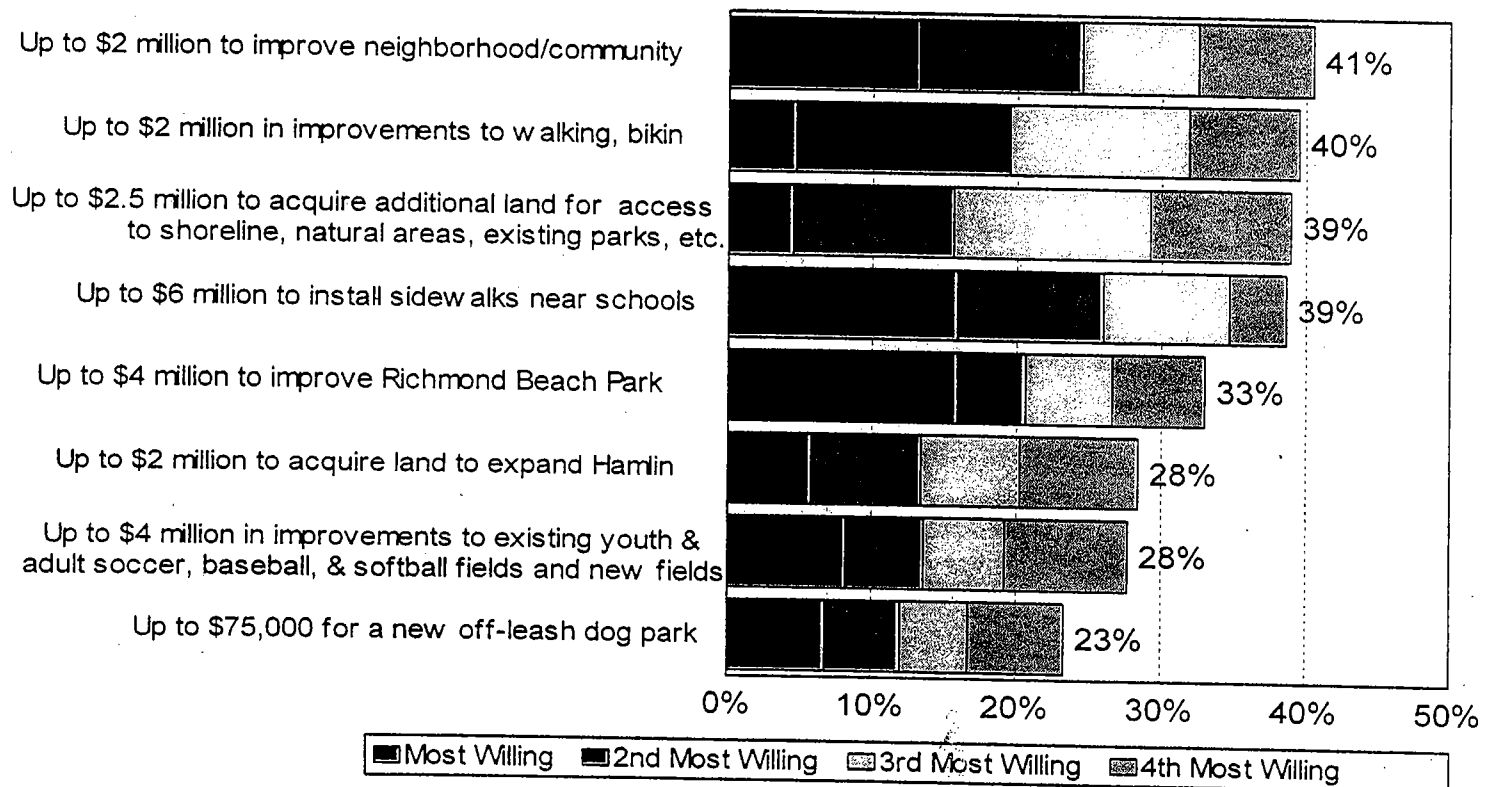


Source: Leisure Vision/ETC Institute (October, 2003)

Finding #7: Sidewalks By Schools Among the Highest Supported Improvements

Q16. Parks, Recreation and Sidewalk Projects Respondents Would be Most Willing to Support With Tax Dollars

by percentage of respondents (four choices could be made)

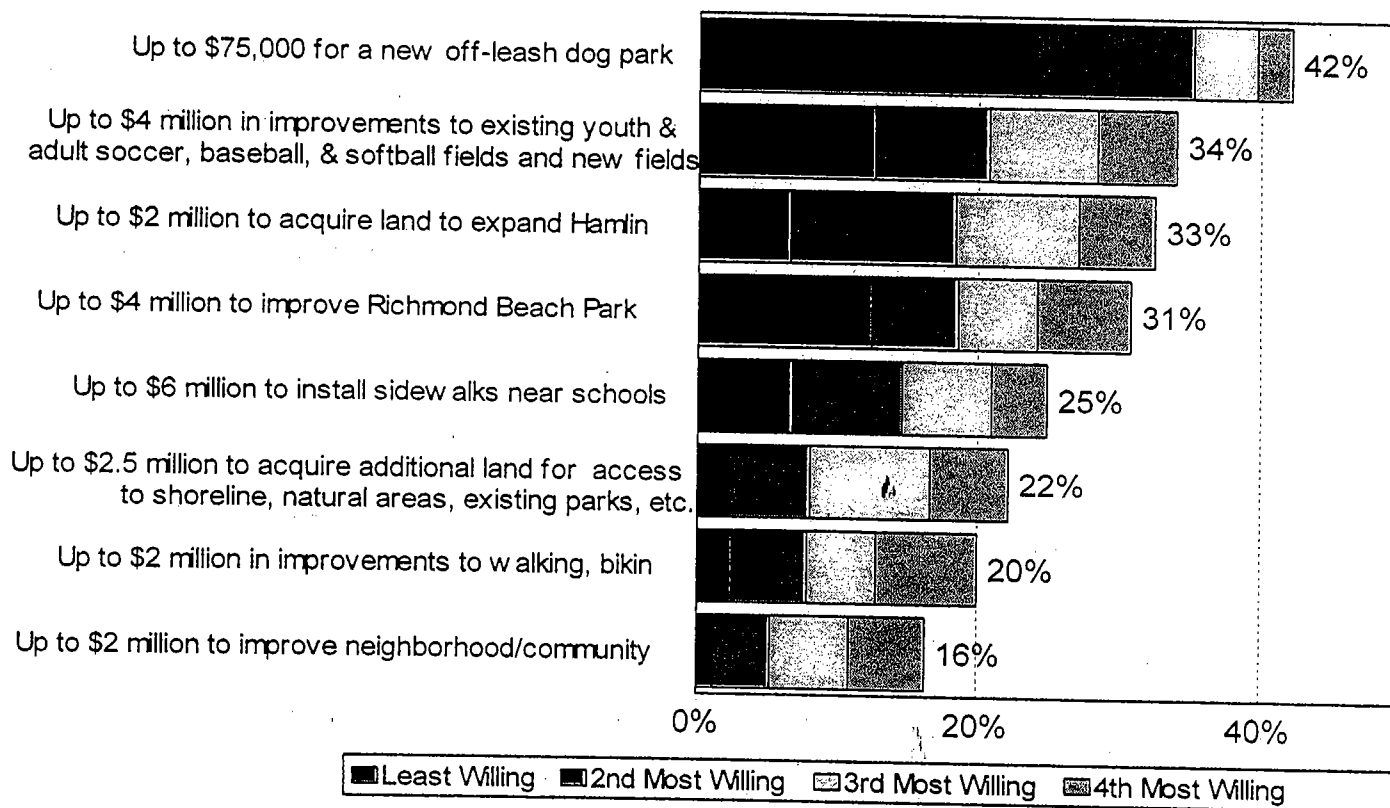


Source: Leisure Vision/ETC Institute (October, 2003)

Finding #7: Sidewalks By Schools Among the Highest Supported Improvements

Q17. Parks, Recreation and Sidewalk Projects Respondents Would be Least Willing to Support With Tax Dollars

by percentage of respondents (four choices could be made)

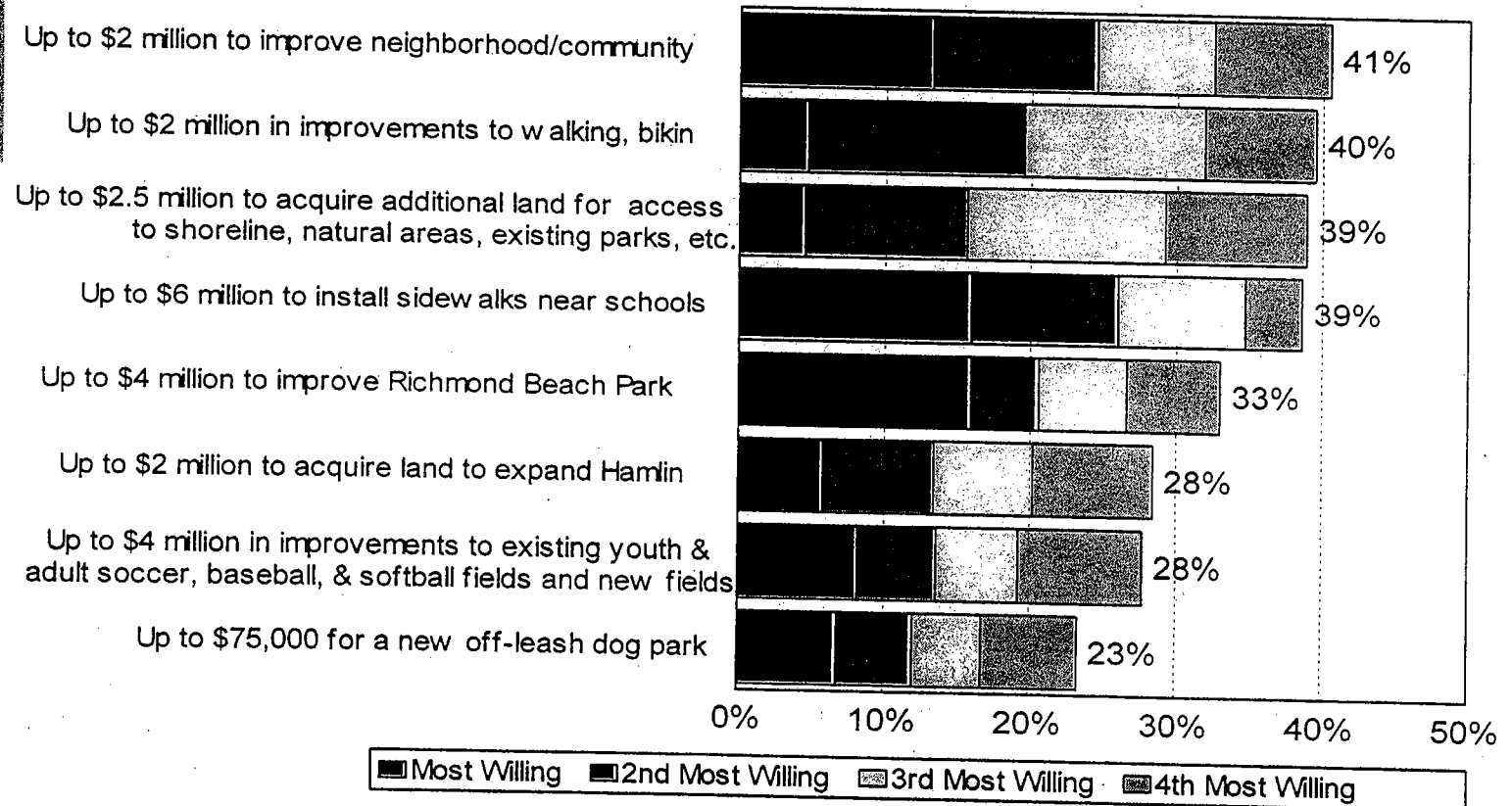


Source: Leisure Vision/ETC Institute (October, 2003)

Finding #8: Walking and Biking Trails Among the Highest Supported Improvements

Q16. Parks, Recreation and Sidewalk Projects Respondents Would be Most Willing to Support With Tax Dollars

by percentage of respondents (four choices could be made)

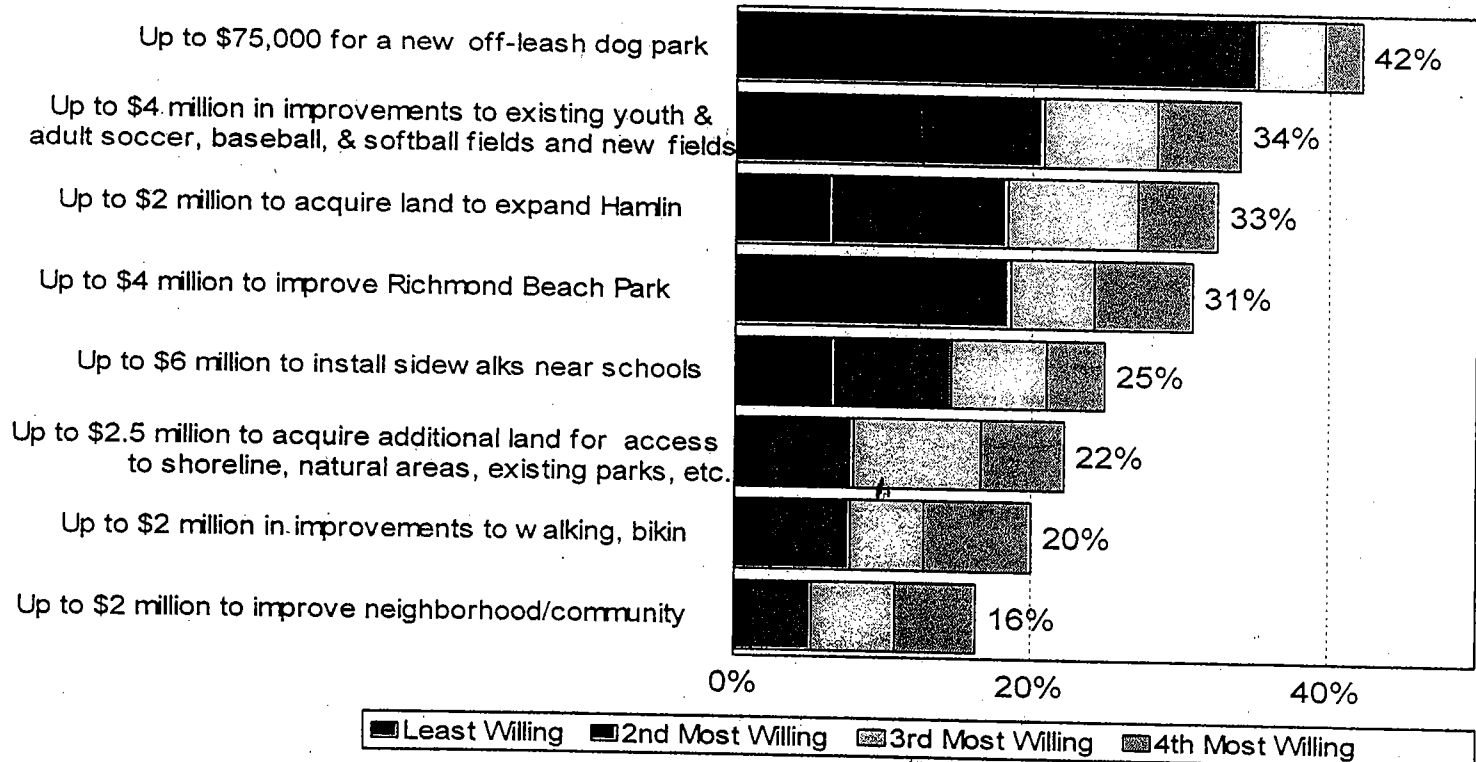


Source: Leisure Vision/ETC Institute (October, 2003).

Finding #8: Walking and Biking Trails Among the Highest Supported Improvements

Q17. Parks, Recreation and Sidewalk Projects Respondents Would be Least Willing to Support With Tax Dollars

by percentage of respondents (four choices could be made)

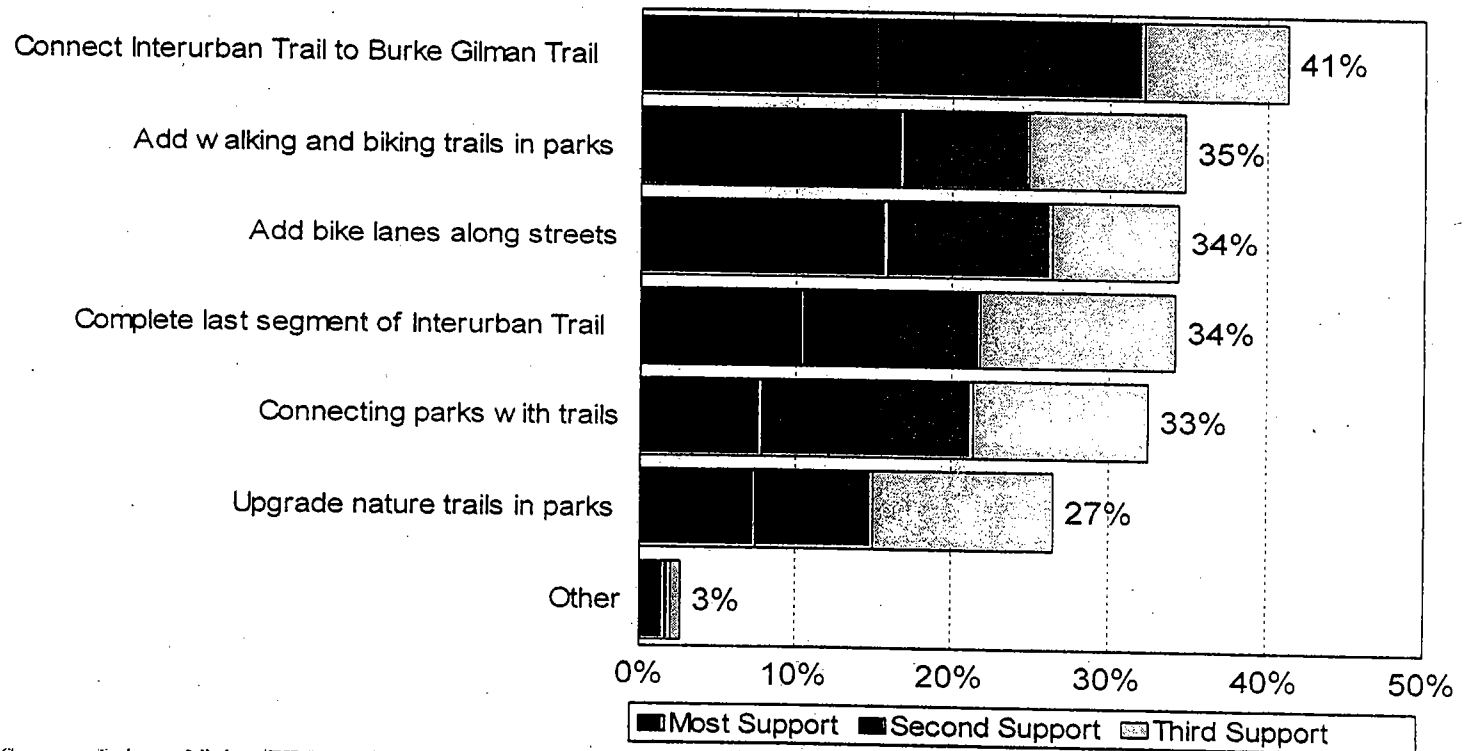


Source: Leisure Vision/ETC Institute (October, 2003)

Finding #8: Walking and Biking Trails Among the Highest Supported Improvements

Q8. Walking, Biking, and Nature Trail Improvements that Respondent Households Would Most Support Being Funded With Tax Dollars

by percentage of respondents (three choices could be made)



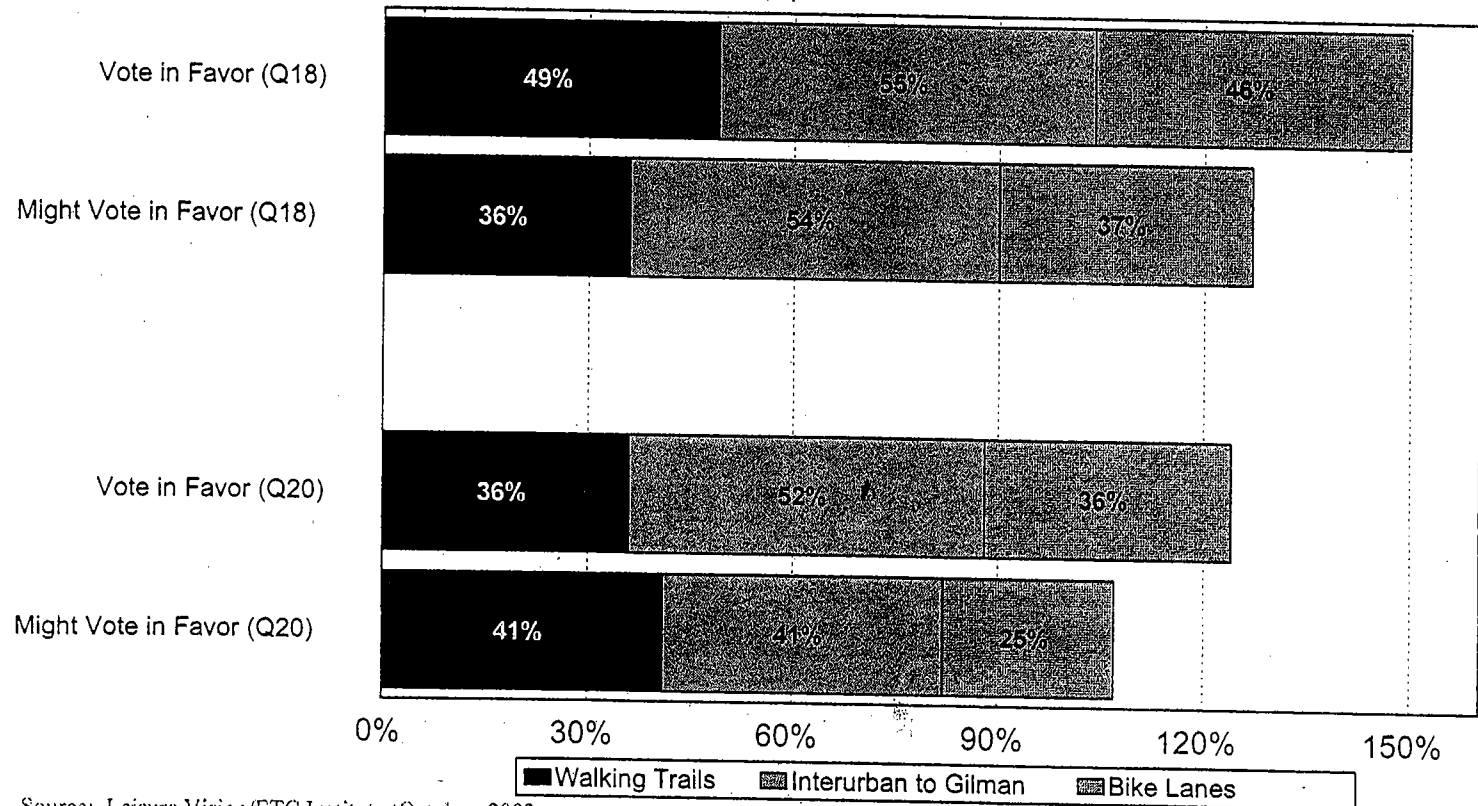
Source: Leisure Vision/ETC Institute (October, 2003)

Finding #8: Walking and Biking Trails Among the Highest Supported Improvements

Q8. Add Walking Trails in Parks, Connect Interurban and Gilman Trail, Bike Lanes Most Important Improvements

(Sum of the Top 3 Choices)
by percentage of respondents

(Sum of

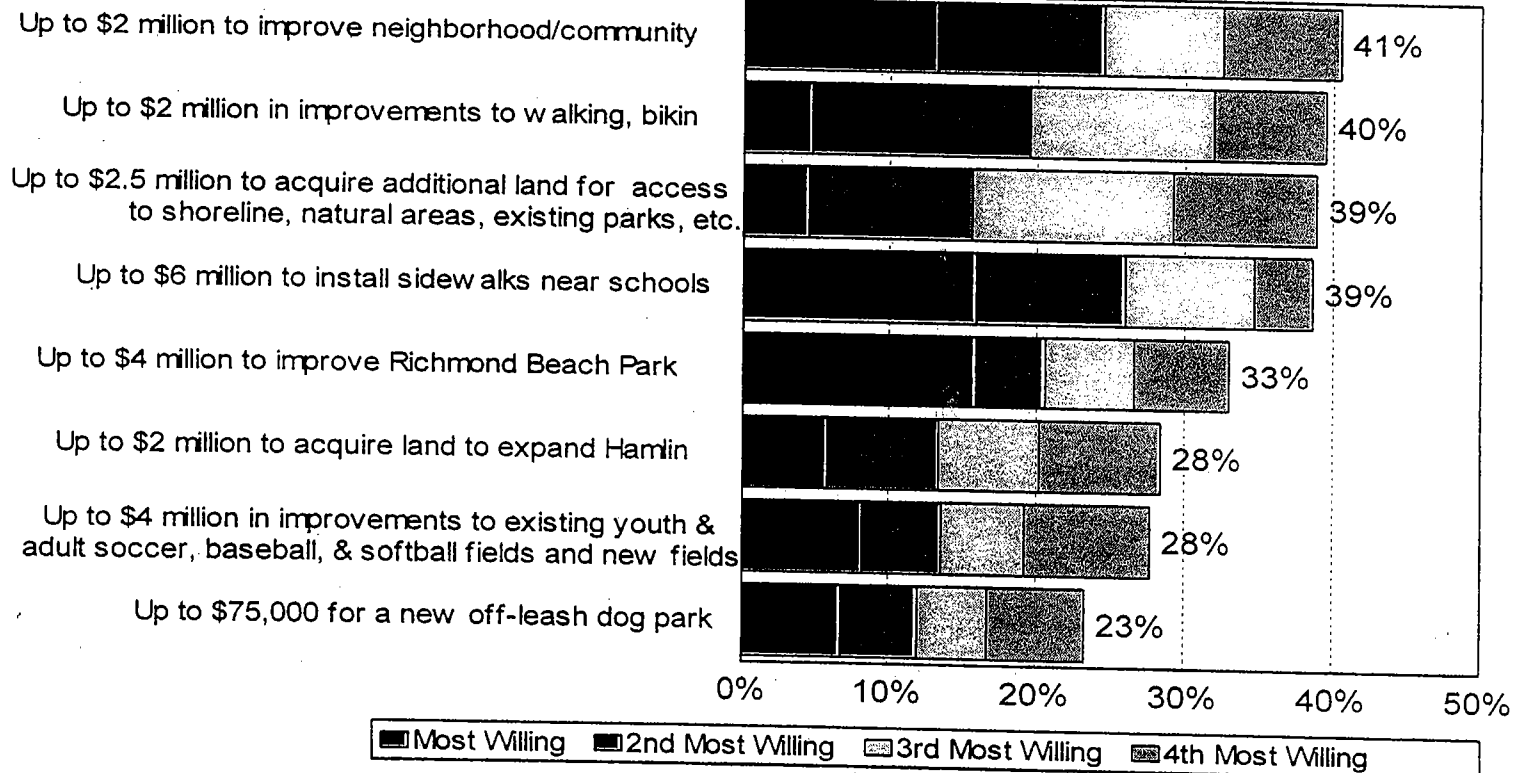


Source: Leisure Vision/ETC Institute (October, 2003)

Finding #9: Adding Open Space at Hamlin Park Has Support and Opposition

Q16. Parks, Recreation and Sidewalk Projects Respondents Would be Most Willing to Support With Tax Dollars

by percentage of respondents (four choices could be made)

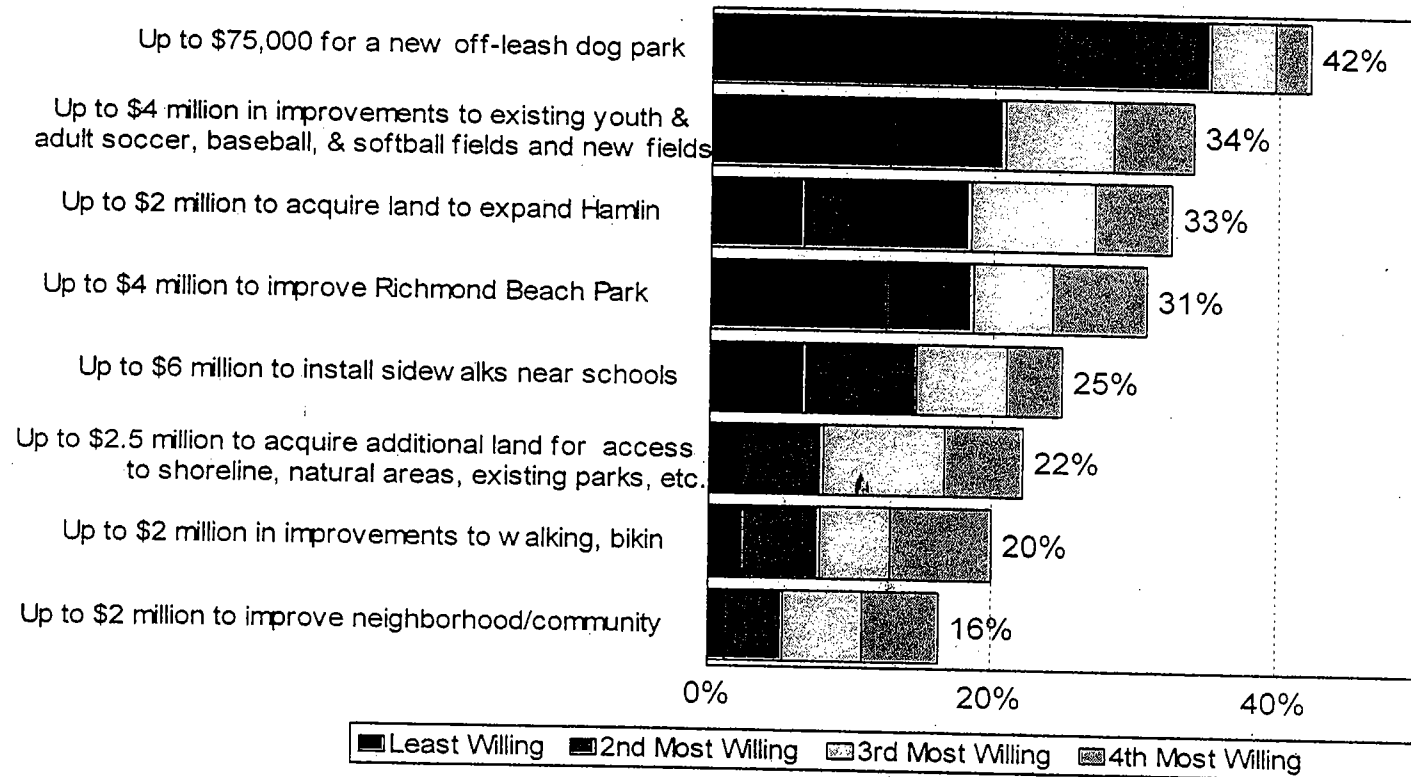


Source: Leisure Vision/ETC Institute (October, 2003)

Finding #9: Adding Open Space at Hamlin Park Has Support and Opposition

Q17. Parks, Recreation and Sidewalk Projects Respondents Would be Least Willing to Support With Tax Dollars

by percentage of respondents (four choices could be made)

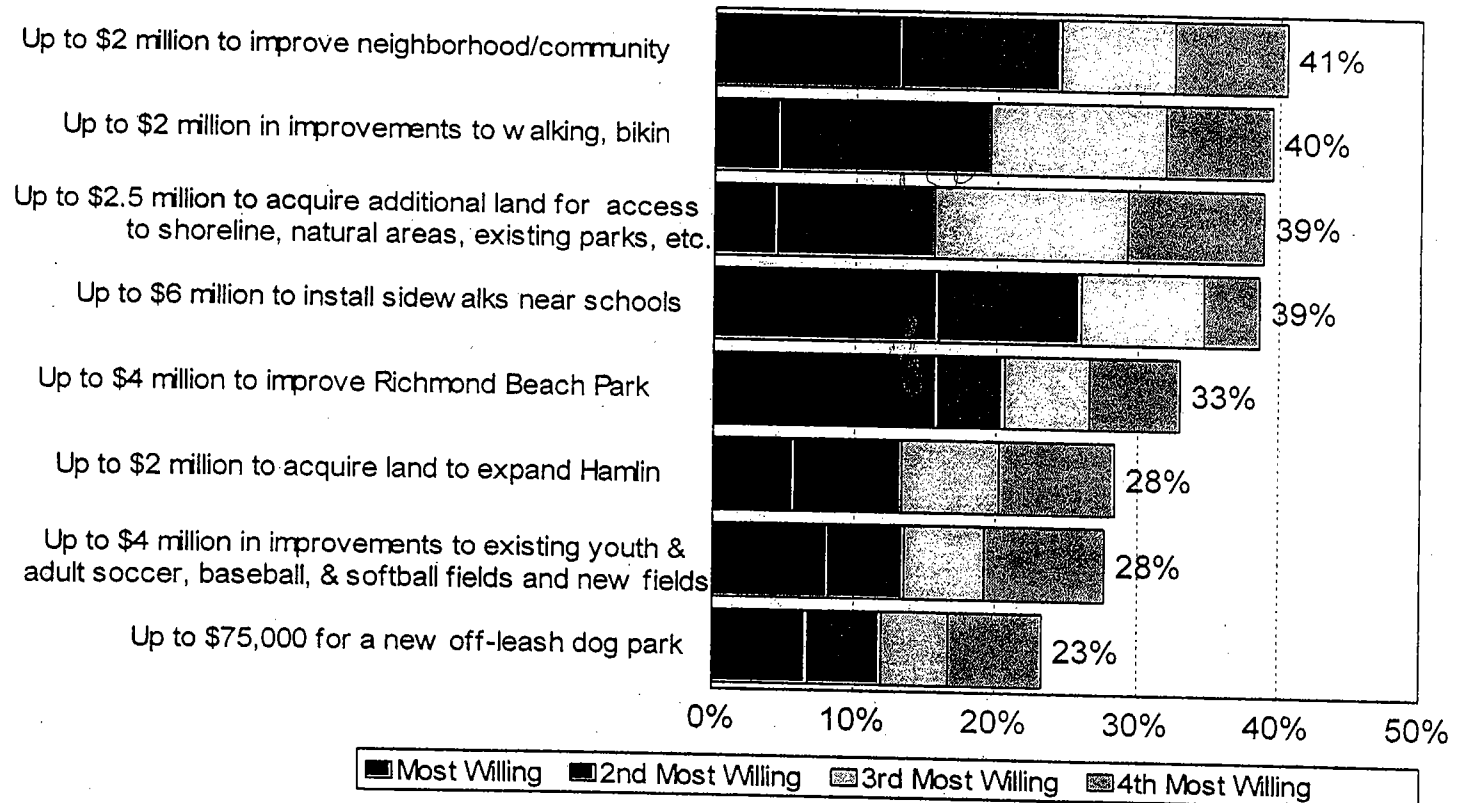


Source: Leisure Vision/ETC Institute (October, 2003)

Finding #10: Acquiring Open Space Throughout the Community Among the Highest Supported Improvements

Q16. Parks, Recreation and Sidewalk Projects Respondents Would be Most Willing to Support With Tax Dollars

by percentage of respondents (four choices could be made)

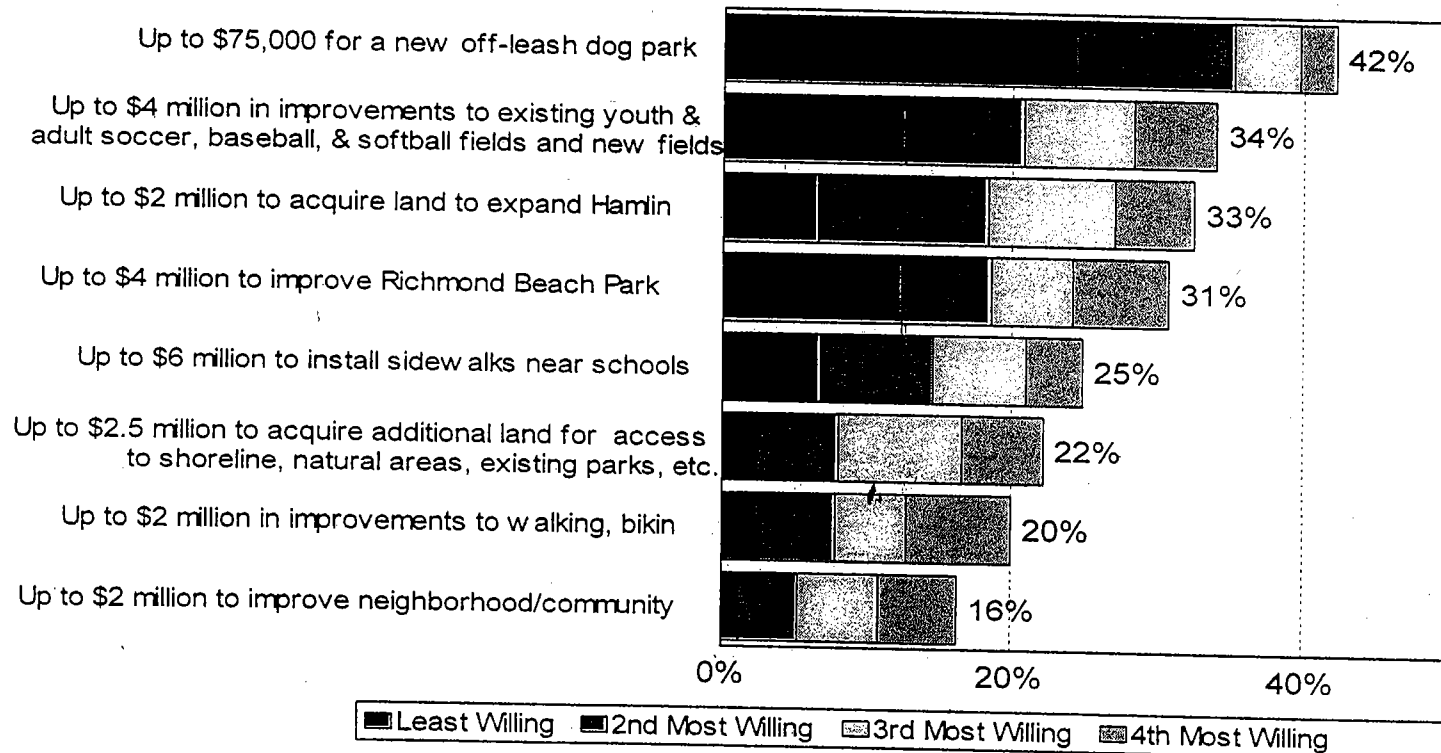


Source: Leisure Vision/ETC Institute (October, 2003)

Finding #10: Acquiring Open Space Throughout the Community Among the Highest Supported Improvements

Q17. Parks, Recreation and Sidewalk Projects Respondents Would be Least Willing to Support With Tax Dollars

by percentage of respondents (four choices could be made)

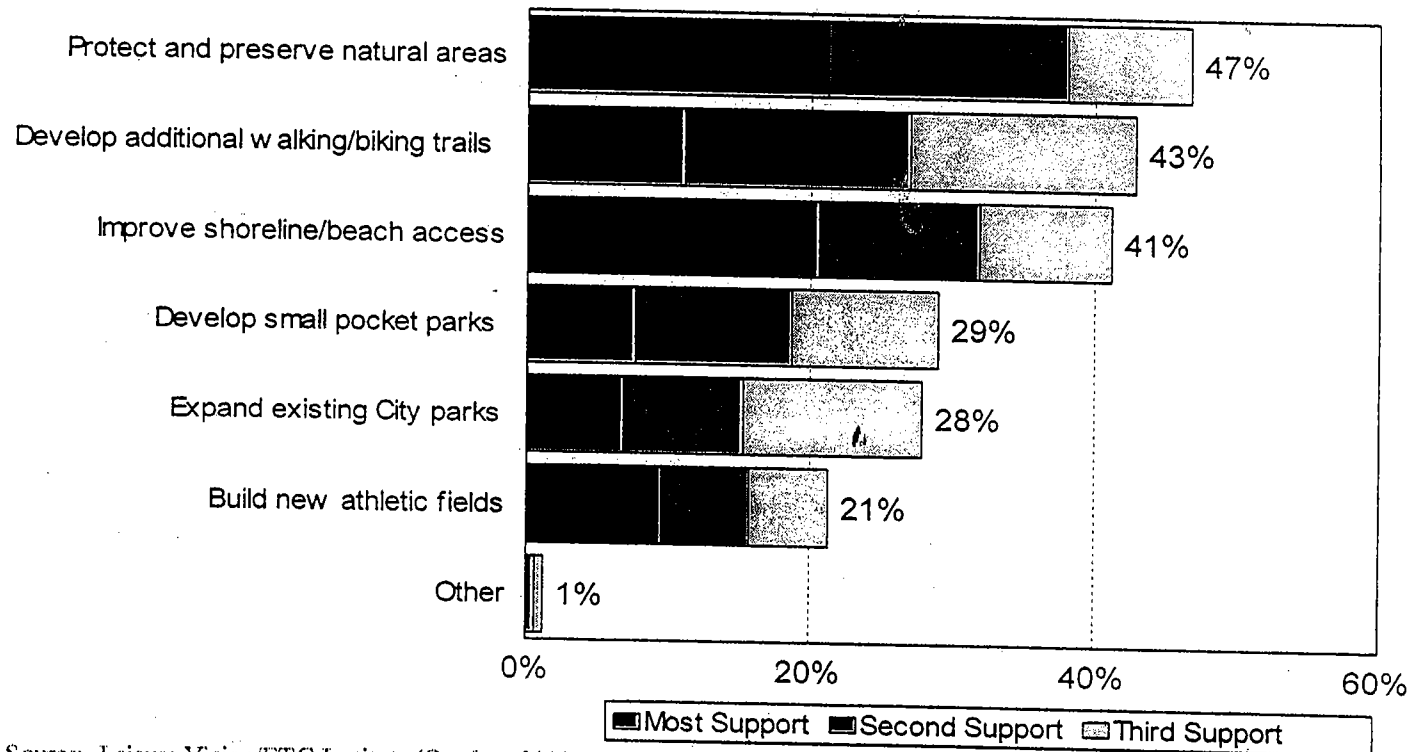


Source: Leisure Vision/ETC Institute (October, 2003)

Finding #10: Acquiring Open Space Throughout the Community Among the Highest Supported Improvements

Q11. Priorities for Acquiring Additional Parkland that Respondent Households Would Most Support Being Funded With Tax Dollars

by percentage of respondents (three choices could be made)

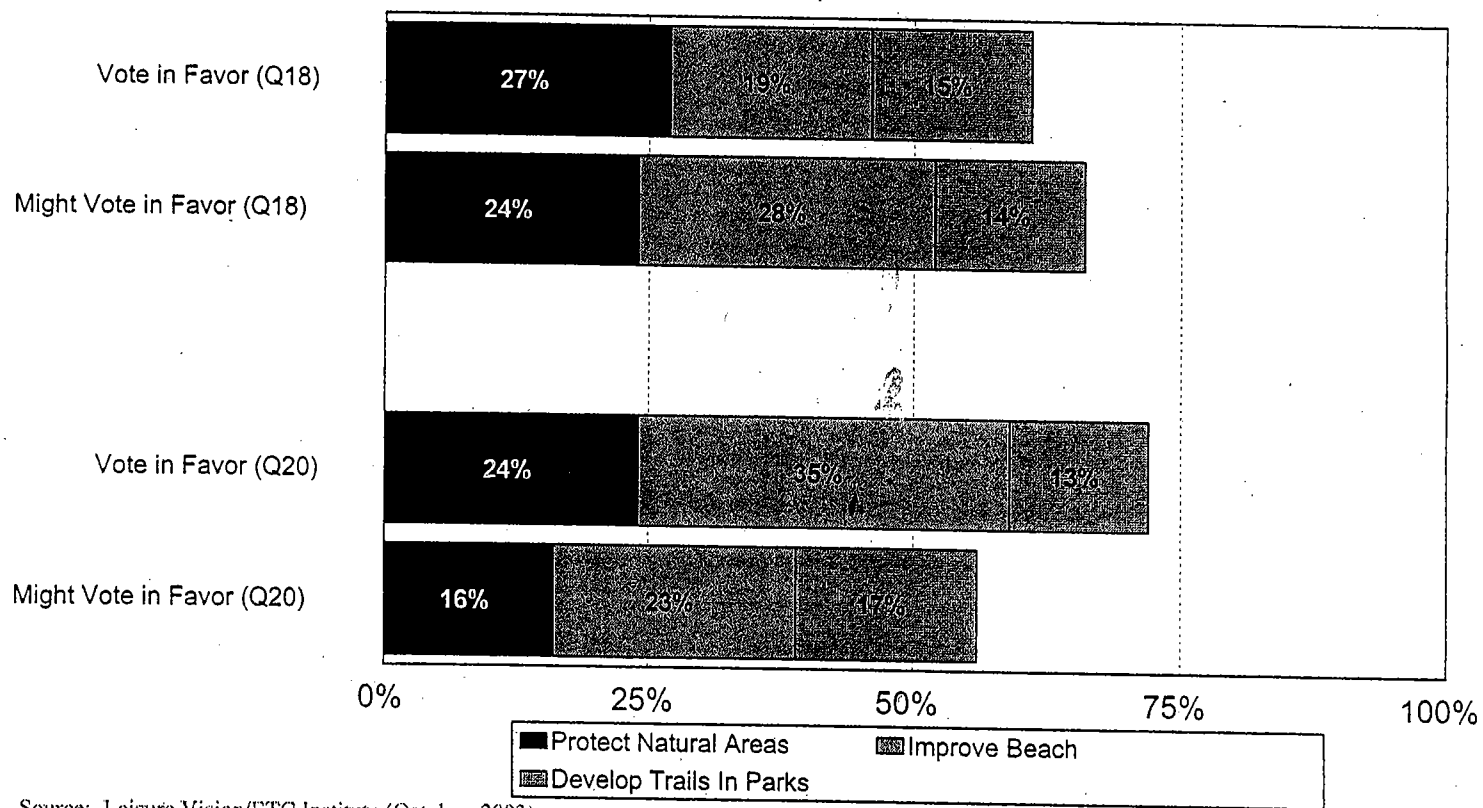


Source: Leisure Vision/ETC Institute (October, 2003)

Finding #10: Acquiring Open Space Throughout the Community Among the Highest Supported Improvements

Q11. Protect Natural Areas, Improve Beach, and Develop Trails Most Important Improvements (1st Choice)

by percentage of respondents

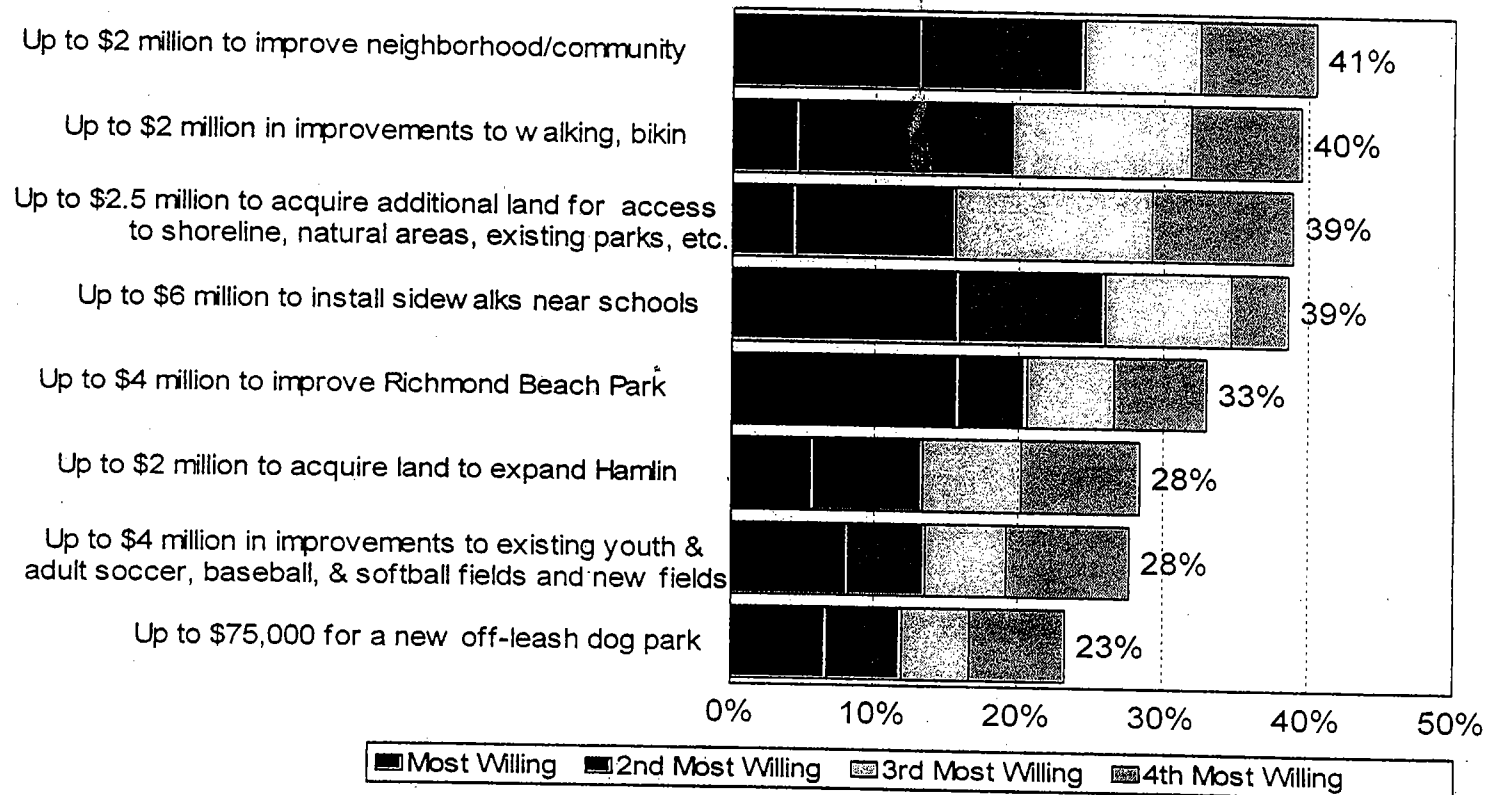


Source: Leisure Vision/ETC Institute (October, 2003)

Finding #11: Improving Sports Facilities Has Support and A Much Lower Funding Level

Q16. Parks, Recreation and Sidewalk Projects Respondents Would be Most Willing to Support With Tax Dollars

by percentage of respondents (four choices could be made)

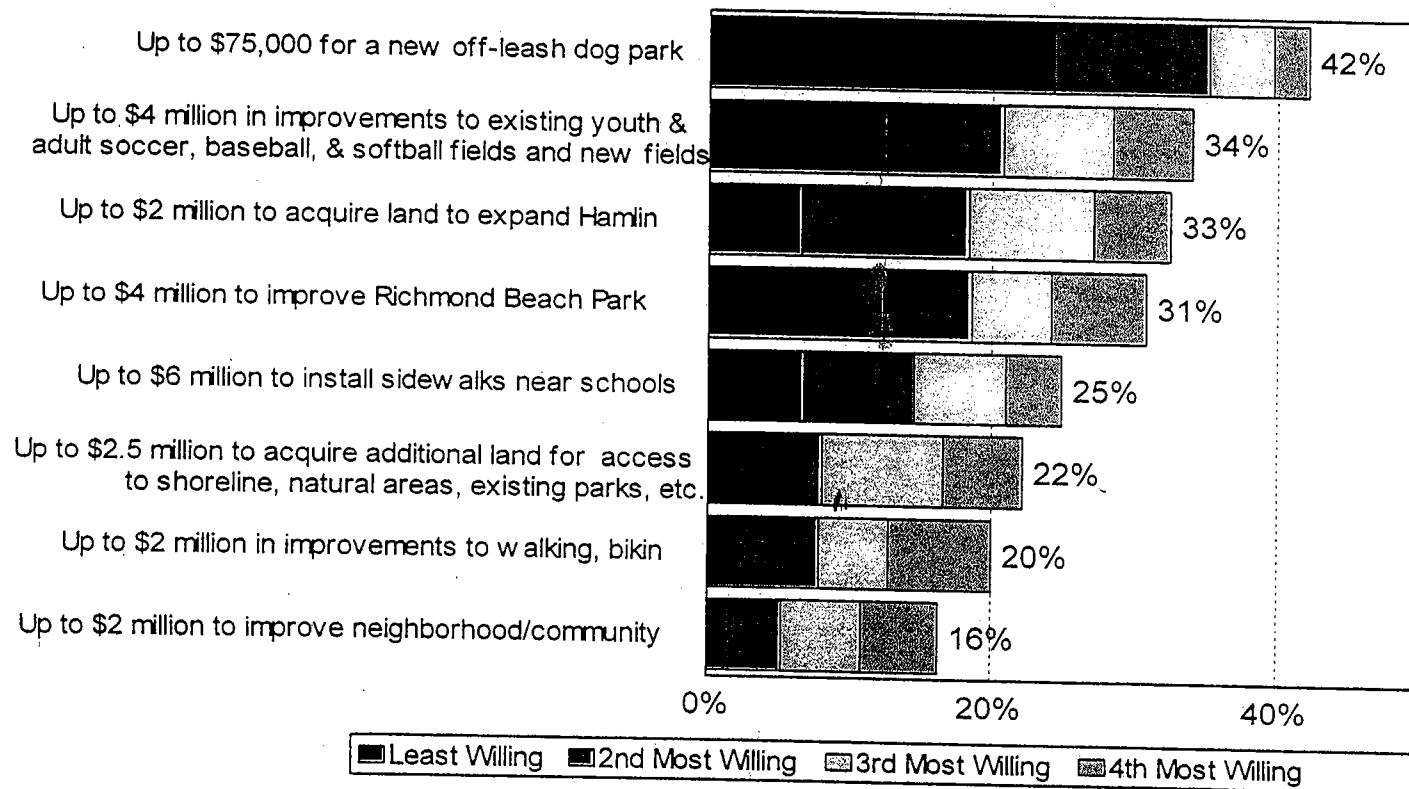


Source: Leisure Vision/ETC Institute (October, 2003)

Finding #11: Improving Sports Facilities Has Support and A Much Lower Funding Level

Q17. Parks, Recreation and Sidewalk Projects Respondents Would be Least Willing to Support With Tax Dollars

by percentage of respondents (four choices could be made)

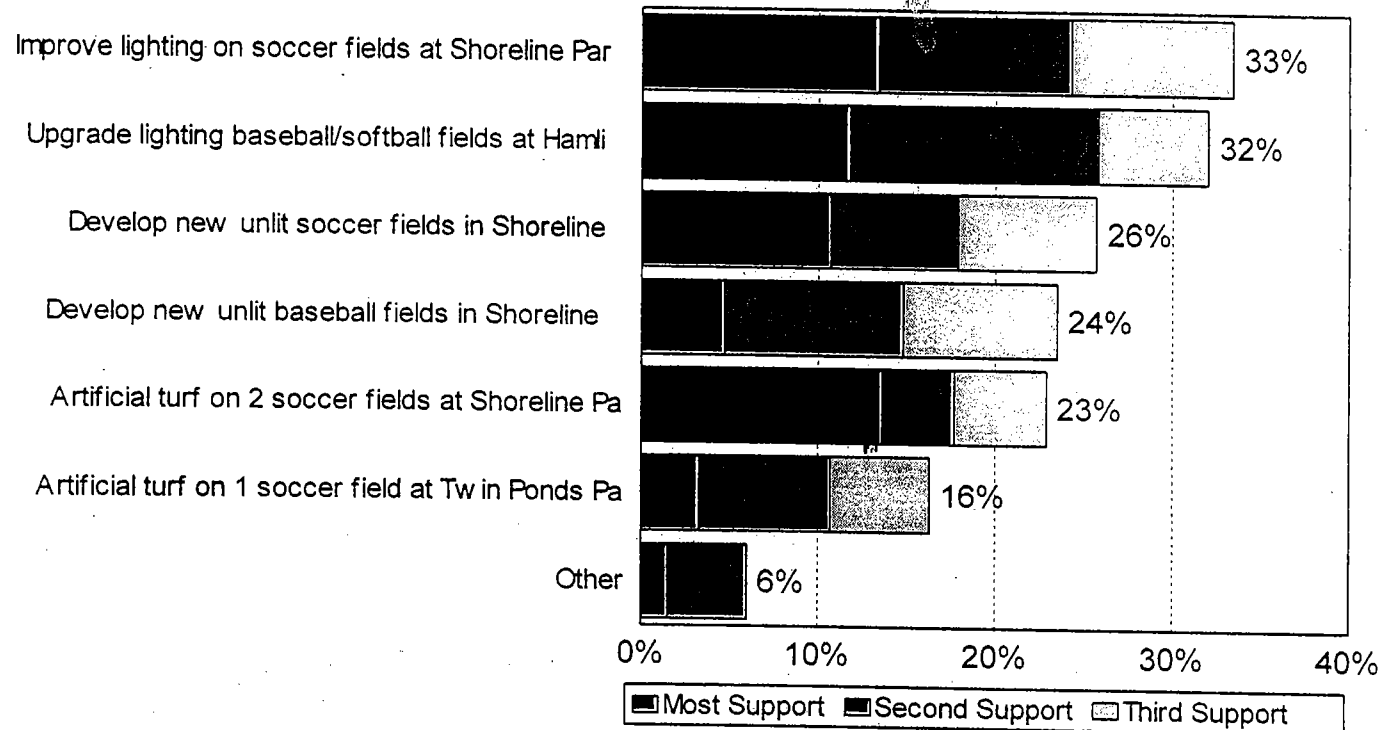


Source: Leisure Vision/ETC Institute (October, 2003)

Finding #11: Improving Sports Facilities Has Support At A Much Lower Funding Level

Q13. Improvements to Youth and Adult Sports Fields That Respondent Households Would Most Support Being Funded With Tax Dollars

by percentage of respondents (three choices could be made)

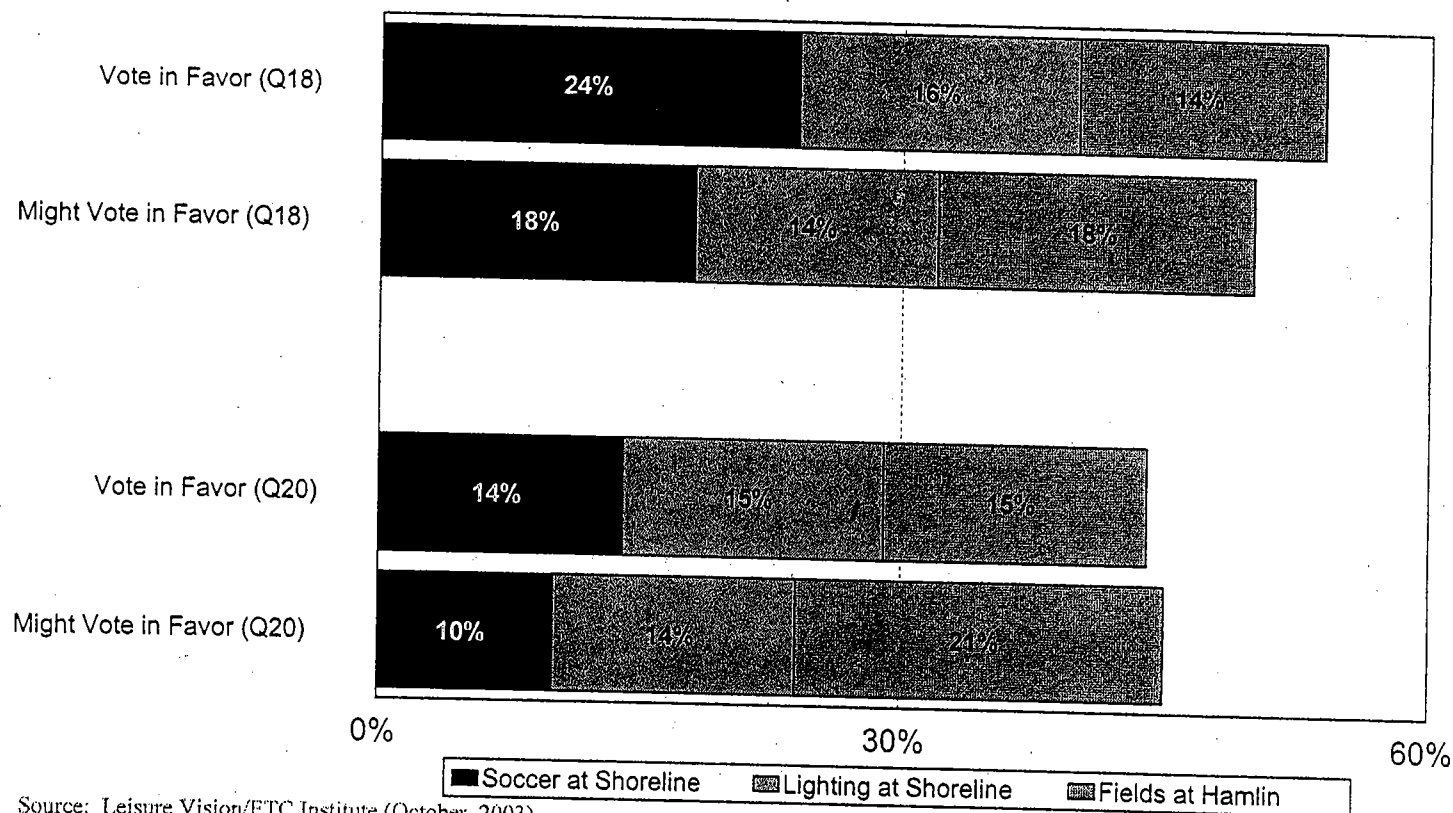


Source: Leisure Vision/ETC Institute (October, 2003)

Finding #11: Improving Sports Facilities Has Support At A Much Lower Funding Level

Q13. Soccer Fields at Shoreline, Lighting at Shoreline, and Fields at Hamlin Most Important Improvements (1st Choice)

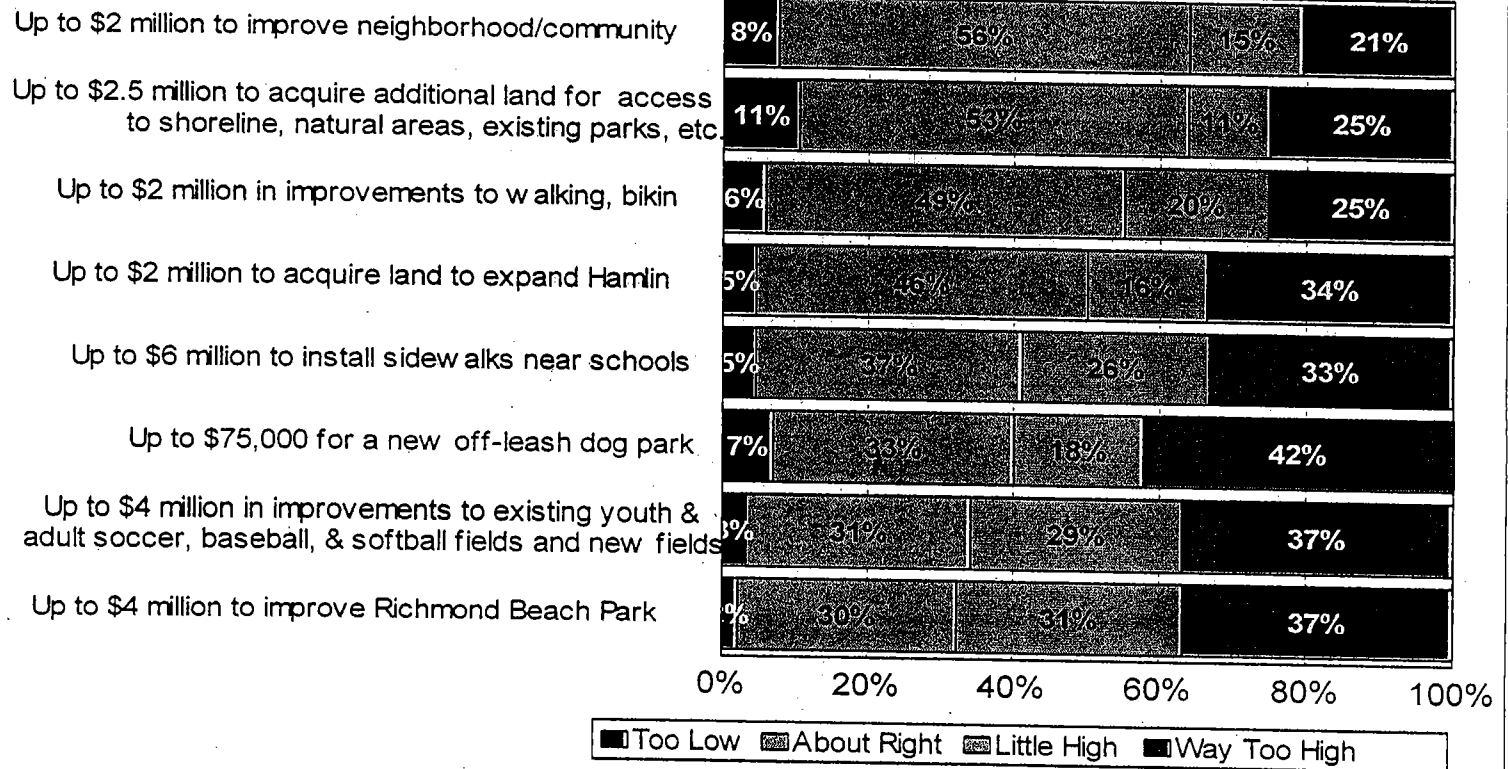
by percentage of respondents



Finding #12: For ALL Project Areas There is Some Support for Reductions in Funding

Q15. How Respondents Feel About the Amount of Funding Being Considered for Various Projects

by percentage of respondents (excluding "don't know" responses)



Source: Leisure Vision/ETC Institute (October, 2003)

Finding #13: The Highest Support is For A Split Ballet Issue With Some Don't Knows

Q21. Package of Projects Respondents Would Most Support Bringing Before Voters

by percentage of respondents

Parks and recreation
projects and sidewalk
improvements in separate
voter packages

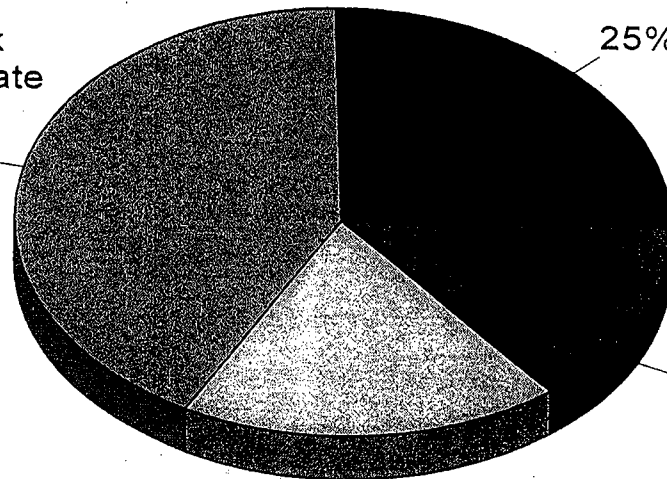
42%

A combination of parks, recreation,
and sidewalk improvements all
in one voter package

25%

Not sure
14%

Neither
19%

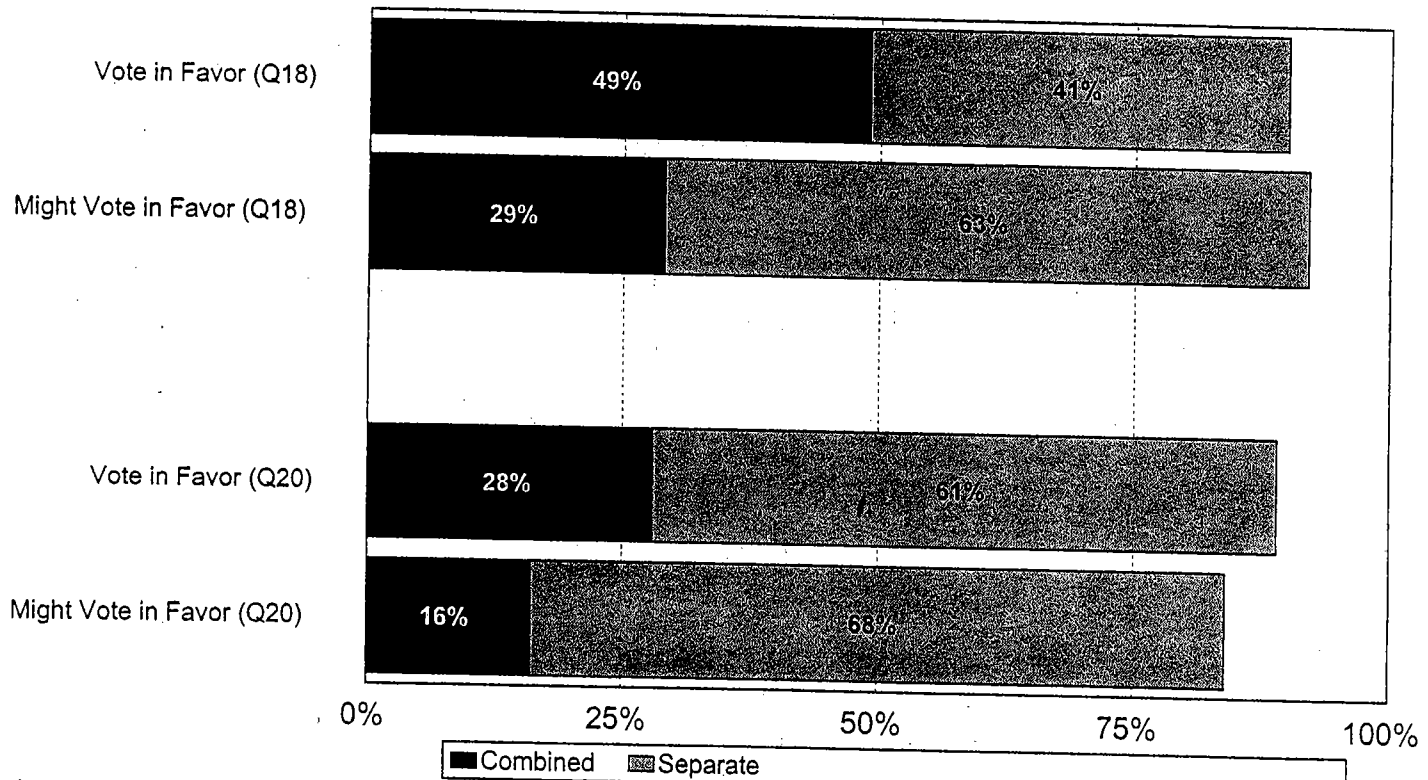


Source: Leisure Vision/ETC Institute (October, 2003)

Finding #13: The Highest Support is For A Split Ballet Issue With Some Don't Knows

Q21. Those Who Would Vote in Favor Are Most Supportive of Combined Package

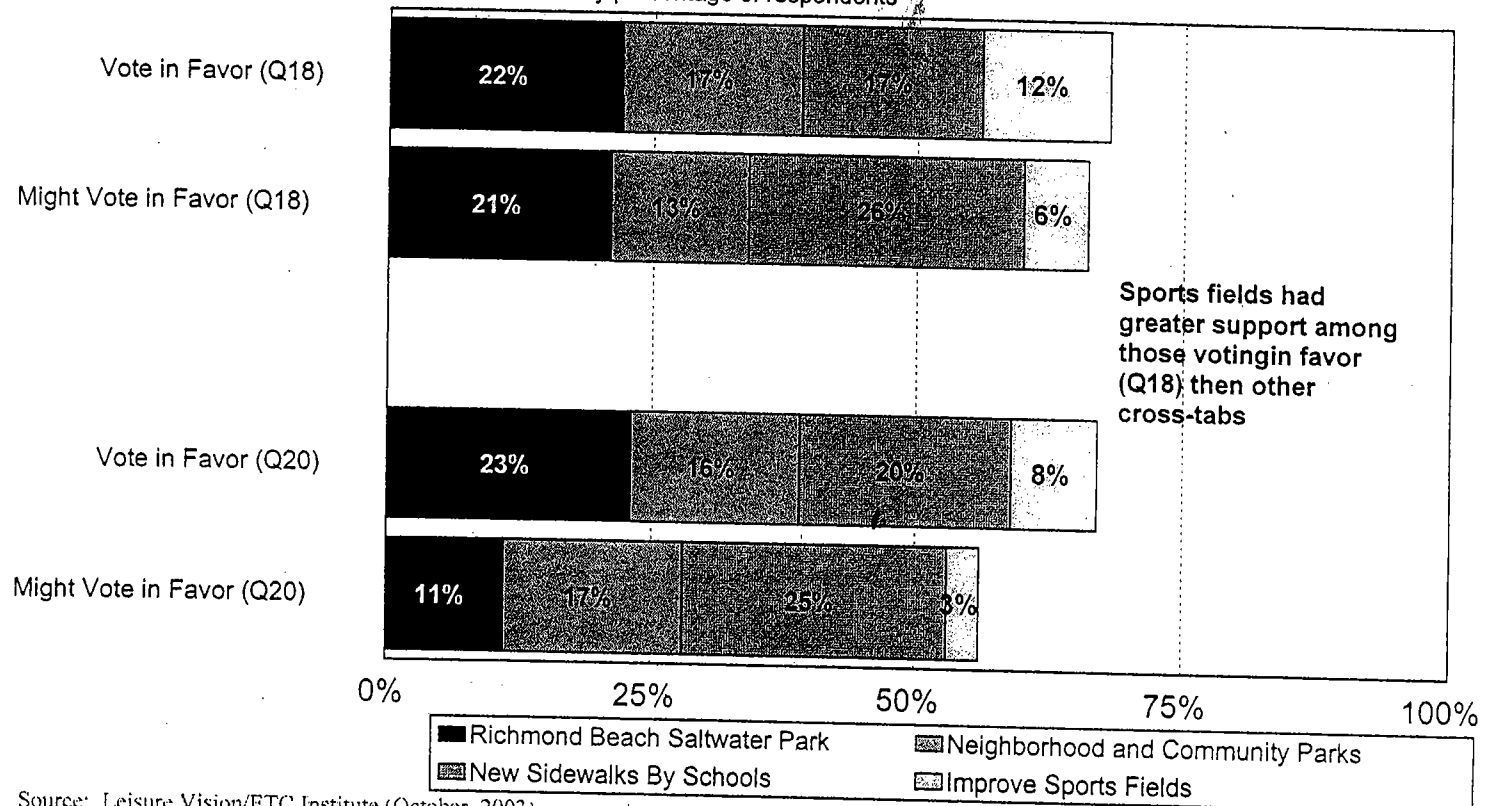
by percentage of respondents



Source: Leisure Vision/ETC Institute (October, 2003)

Finding #14: Those Who Would Vote in Favor and Might Vote in Favor are Consistent in Highest Priority Projects

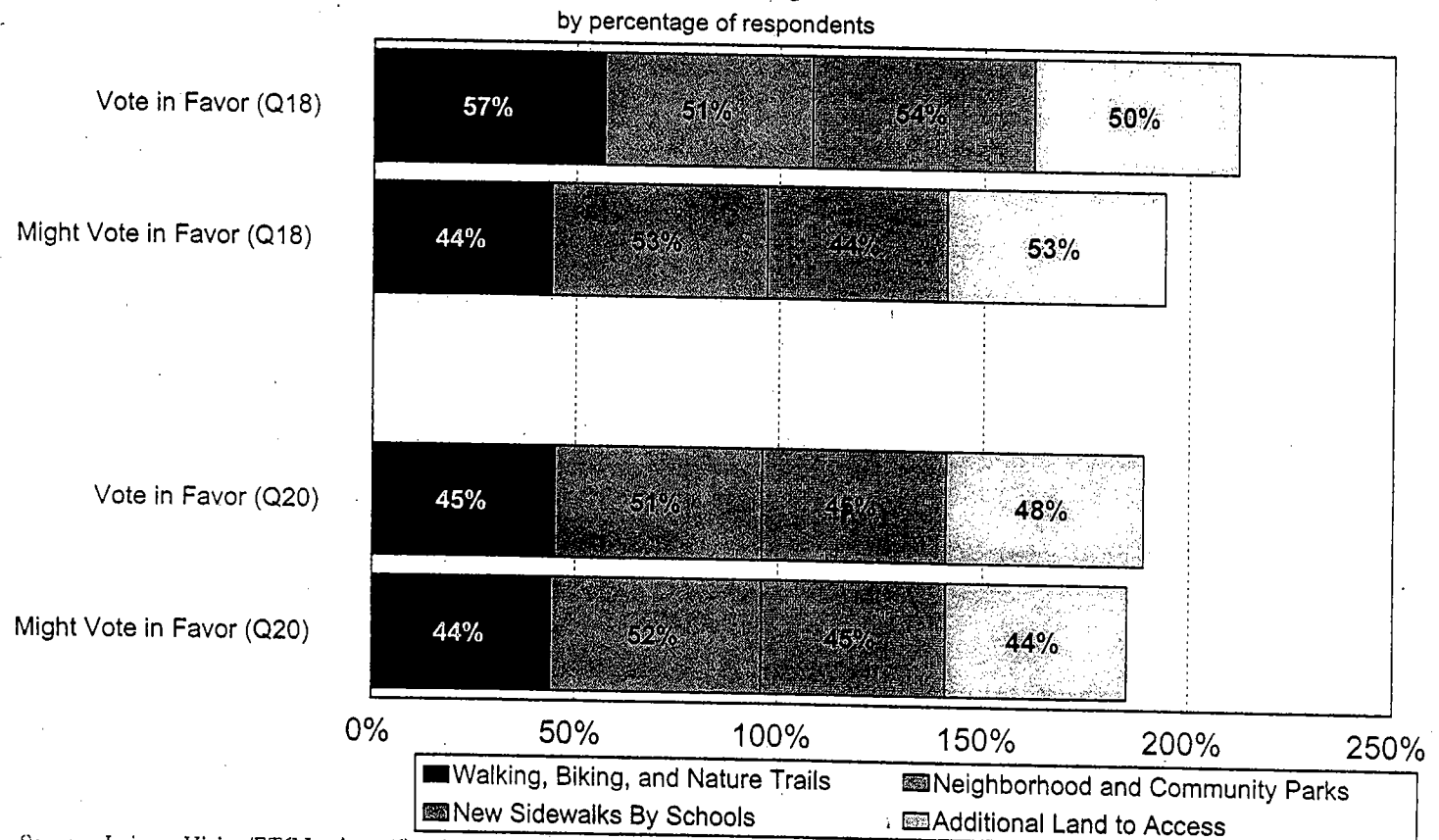
Q16. Richmond Beach Saltwater Park, Neighborhood and Community Parks, and New Sidewalks by Schools 1st Choice of Those Voting in Favor of Might Vote in Favor
by percentage of respondents



Source: Leisure Vision/ETC Institute (October, 2003)

Finding #14: Those Who Would Vote in Favor and Might Vote in Favor are Consistent in Highest Priority Projects

Q16. Walking and Biking Trails, New Sidewalks By Schools, Neighborhood and Community Parks, and Additional Land in Shoreline Have the Most Top 4 Choices of Those Voting in Favor of Might Vote in Favor



Source: Leisure Vision/ETC Institute (October, 2003)

Finding 15: Findings Are Consistent with First Survey

- *Highest Priority (neighborhood parks, walking and biking trails, natural areas, purchase open space, access to shoreline)*
- *Support for sidewalks by schools*

**Report and Recommendations to the Shoreline City Council
By the Shoreline Bond Advisory Committee
November 5, 2003**

A. INTRODUCTION

The City of Shoreline invited 22 citizens to serve on a Bond Advisory Committee (BAC) to help the City Council review and make recommendations regarding financing City capital improvements. The members of the BAC include:

Larry Blake
Michael Broili
Bill Clements
Brenda Crist
Stan Diddams
Jim Doherty
Kennie Endelman
Darlene Feikema
Sally Granger
Patty Hale

Starla Hohbach
Chris Kuehn ✓
Paul Lesh ✓
Jeff Lewis
Paul Mack
Bonnie Mackey
Rich Matthews
Sis Polin
Jeff Pozarski
Cindy Ryu

Jim Shea
Shari Winstead

Council Liaisons:
Councilmember Rich
Gustafson
Councilmember Bob
Ransom

Committee recommendations were to be advisory to the Council and include reviewing potential projects, timing, and financial issues. At the Committee's first meeting, City of Shoreline Mayor Jepsen explained that the group's emphasis would be capital investments generally, with specific emphasis on parks, sidewalks, and surface water management projects. The Bond Advisory Committee's recommendations were not a foregone conclusion. Direction to the Committee deliberately stated that the group could suggest a voter-approved bond issue (which might go to voters in early 2004), or find that the timing or scale of potential improvements do not warrant bringing a bond issue before the public.

If the Committee recommended putting a bond measure out for a public vote, the group was charged with recommending a package of projects with a good chance of success with voters, considering a potential maintenance and operation levy and exploring how to build community support. If the Committee determined that it was not appropriate to go to voters with a bond measure, the group's recommendations and identification of priorities and core community needs and desires would contribute to other planning efforts underway at the City of Shoreline.

B. SUMMARY OF RECOMMENDATIONS

Following a nine-month review of survey results identifying capital project needs and willingness to pay, learning about prospective projects that could be included in a bond issue, and the City's funding and capital planning picture, the Shoreline Bond Advisory Committee has found and recommends:

1. **2004 is not the time to seek a voter-approved tax levy for capital improvement projects.**
2. **The City should consider seeking future voter approval for some package of bond-funded projects when the regional and local economy shows signs of improvement and voters are more optimistic about the economy.**
3. **The Bond Election Survey results suggested that a bond issue of \$10 to \$12 million for improvements would be the maximum amount at this time that would have a chance for 60% voter approval (a range of \$3.00 to \$5.00 per month per household property tax increase). The total amount of the package tested in the survey, \$23 million, is a far higher level of investment than most residents would support in the current economic climate.**
4. **Additional work is needed to develop a proposed voter-approved bond package.** Any package of projects to go for voter approval must address community needs based on community demographics, be part of a well-conceived plan, with well-documented scope, schedule and budget, and must be much more specific than the packages of projects that the BAC considered in concept. In addition, identifying and matching funding sources to project needs will be very important to ensure that only those projects appropriate for bond funding are included in a future package. Education about the need for projects must be ongoing.
5. **Any proposed package for voter approval should be developed based on specific criteria, such as the need for the project, the balance of projects that will benefit all Shoreline residents City-wide and specific user groups or neighborhoods, and a package that has a likelihood of receiving voter support.**
6. **The City of Shoreline should find near-term funding and support through other funding mechanisms, outside of a bond package, for opportunistic projects and needs identified during the BAC process, including project ideas for Richmond Beach Saltwater Park, park acquisition projects such as property adjacent to Hamlin Park, pilot project ideas for sidewalks, and the need for storm drainage projects.** An additional example is the concept of a dog park that the first survey surfaced as a need not currently being met, but was not supported in the second survey as part of a bond issue. This kind of concept might be established with other City funds and maintained by a community volunteer group. Every example of these project concepts must be further developed.
7. **Neighborhood and community parks, sidewalks, walking and biking trails, and athletic fields are the kinds of priority projects that received support in the Bond Election Survey.** What these findings mean should be more explicitly studied and specific improvements should be identified that can receive focus and be incorporated into the development of the City's Parks, Recreation and Open Space Plan, and the City's comprehensive planning efforts.

8. **The work of the Shoreline Bond Advisory Committee should be continued** in one of two ways: 1) A subcommittee of the BAC could continue to work with the City; or 2) continued communications with the full Committee could occur, to maintain the momentum of ideas generated by the Committee so far. The nine meetings of the Bond Advisory Committee meeting set a strong foundation to begin scoping project needs, potential bond size and the community's willingness to pay for projects. This work is just the beginning. A specific plan and next steps should be developed for the future work of the Committee. It was suggested that this work should include a sub-committee to conduct a physical survey of the City's facilities, an inventory of sidewalks near public schools, and a "field trip" to physically see all of the parks in the community to create context for the survey priorities, and report back to the full Bond Advisory Committee.

C. RATIONALE

When polled at the final Bond Advisory Committee meeting, some BAC members believed that Shoreline should proceed with a reduced proposal to voters. The majority of Committee members, however, was not optimistic, or said this was not the right time, right set of projects, projects were not well-enough defined, or funding level tested was too high to pursue a voter-approved measure. The rationale for the Committee's recommendations is outlined below.

As the Committee developed recommendations, the following concerns about seeking a voter-approved bond issue were raised.

Timing. A better time to pursue a voter-approved levy is when the regional and global economic picture improves, and people's willingness to invest and optimism for the future improves.

Shoreline's Other Initiatives. The survey and project ideas that were generated in this process were a good start, but all ideas need to be considered in context of other City projects, investments, initiatives, needs and priorities. The City has other budget issues and projects underway, and should build on future successes on projects such as the InterUrban Trail, the Aurora Corridor and City Hall initiatives, and establish credibility with residents and voters before seeking voter approval for additional improvements.

Further Development of Project Concepts. The projects reviewed by the BAC need additional scoping as to cost and exactly what the improvements would be. Good ideas surfaced in this process should be refined and specifics should be addressed. The BAC process provides a good foundation, but more work needs to be done. There is still a need to develop more detailed project scopes and show specifically how they solve problems in the community. The need for certain projects should be clearly articulated and linked to both survey results and other needs assessments. The long-term prospective projects surfaced in this process should become part of the Parks Plan, the Stormwater Plan, and other master planning processes currently underway at the City, and should be articulated in the future work of the Committee.

Further Development of Funding Sources. The BAC considered prospective projects that might be better funded by other sources than a bond issue. Matching and leveraging funds for all City projects needs to be fully explored.

The "Right" Package Takes Time. The decision about which projects to include in a voter-approved package, and how those needs should be funded, must be considered in the context of the full capital improvement plan and other City planning efforts. These decisions deserve an investment of time and energy to build understanding and support in the community. The BAC learned from other jurisdictions (the cities of Lacey and Kirkland are examples) that building support and the right package of project takes time. It could take more than a year to develop a package of projects to go to the ballot.

Community Education. Before the City decides to seek voter approval for a levy, a community education effort should be implemented to highlight the needs and desires for capital projects, designed to gain voter confidence and maximize leveraged funding for improvements (especially for sidewalk projects). Other education efforts should show how funding sources are matched with projects and justify bond funding for the projects in the proposed package. Another point is the potential difficulty for citizens to conceive of dollar amounts such as \$23 million, and the tax impacts over a period of time that a bond issue would imply. The BAC discussed this issue and concluded that education is very important to be sure the project costs have been well-justified and the bond size and tax impact is understood by everyone.

Understand Community Needs and Wants in More Depth. Survey information provided some information about the kinds of projects that would be supported by various groups, but most BAC members believe that additional project details, including understanding needs, desires and support within specific age groups and interest groups is needed (such as youth, seniors, households of different sizes, or sports teams).

Sidewalks: More Planning Needed. Our discussion of prospective sidewalk projects and alternatives for their design indicated the need for the City of Shoreline to develop a more comprehensive sidewalks and trails plan, including design alternatives.

Strategy: Combined or Separate Issues for Parks and Sidewalks. Consensus did not exist among Committee members whether an issue should include sidewalks and parks as a combined issue or whether they should be separate. Some believed that linking the two would be confusing, while others believed this was a strategy to maximize support.

The Rationale for Choosing Projects. Other bond election processes, such as the King County Conservation & Recreation Initiative in 1996, used specific criteria to rate and rank projects to determine priorities for a bond measure. The criteria helped to balance project benefits, community support, funding, and impacts. Criteria were developed through the BAC process which could be built on and used in future planning.

A Sound Link Between Data and a Potential Package. More analysis is needed to link information about Shoreline's demographics, the economy, and the appropriate projects for a package. What the U.S. Census data told the Committee about poverty, economics, size of

household, families with children, and senior citizens in the community must be better integrated into planning any future package.

Election Costs. If a voted tax levy is offered in a statewide election, the cost to taxpayers is very low. If the City brings the issue in an election other than the general election costs could be \$20,000-\$35,000. Marketing and campaign costs for the ballot issue would be separate from that cost, and a group outside of the City would need to be assembled to support the campaign.

The factors in favor of pursuing a bond issue at this time were also discussed but were outweighed by the concerns above.

Community Priorities. The BAC was asked to advise the City Council about the type of projects that would reflect the needs and desires of city residents. The Needs Assessment Survey and Bond Election Survey demonstrated support for certain project types, including Richmond Beach Saltwater Park, neighborhood and community parks, sidewalks, walking and biking trails, acquisition of land for parks, and athletic fields.

Opportunities to Build Support Now. Some believed that Bond Election Survey results gave optimistic signals of support for some capital improvement project areas, and residents have articulated a need and want for some of these projects now. Although \$23 million was not supported as tested in the survey at this time, reducing the amount of the bond issue could lead to success with voters, or an economic upswing could change the level of acceptance with voters. There is a need for opportunistic improvements now; the 2003 survey indicated that sidewalks, flooding, and other issues were very important and need to be resolved. Voters deserve to choose whether to pursue these improvements, and testing the issue at the ballot may be a good idea at some point. The City should not allow momentum to be lost by doing nothing.

Test a Reduced Package. The recently completed Bond Election Survey indicates that a measure smaller than the \$23 million tested in the survey, such as \$10-\$12 million, might receive approval by voters. Some believed that testing such a package even if it's not successful, might be a good idea. In addition, if the City were to pursue an issue, a 15-year rather than a 20-year issue should be designed to be fiscally responsible and lower the impact to taxpayers.

Pilot Projects. Sidewalks appear to be desirable to citizens right now. A more comprehensive sidewalks and trails plan community education about the types and purposes of sidewalks, alternative designs, and pilot projects should be pursued.

D. THE BOND ADVISORY COMMITTEE'S WORK

The Committee met approximately once a month from March to October, and was supported by the directors of the City of Shoreline's Parks, Recreation & Cultural Services (PRCS), Public Works and Finance Departments. Facilitation support was provided by Berk & Associates, and the survey efforts were conducted by Green Play Consulting Group and ETC Institute's Leisure Vision. David Evans and Associates provided assistance with cost estimation of projects.

Committee members were asked to participate and contribute constructively to Committee work; gain an understanding of, and be able to articulate with members of the public and constituent groups, the City's inventory of parks and recreation facilities, sidewalks and potential improvements that could be made; serve as the Committee's "eyes and ears" on issues of concern relevant to the Committee's work; and actively participate in public outreach efforts following recommendations by the Committee. The Committee determined that it would make decisions by consensus, with the option of issuing a minority report if there were individuals who disagreed with the group's ultimate decisions.

The Committee's work included reading and summarizing background information, identifying and prioritizing individual projects based on community desires and needs, helping to design the Bond Election survey, understanding results of the Needs Assessment Survey and Bond Election Survey, and making a go/no go decision regarding a voter-approved bond issue.

The Committee's work began by understanding the context within which priorities and decisions would have to be made. Staff from the City's the Finance, Public Works and Parks, Recreation & Cultural Services gave briefings describing the City's existing infrastructure, identified needs, and current plans and ongoing work for making additional investments. Debbie Tarry, Finance Director, presented an overview of the City's three capital funds, including the General Capital Fund, Roads Capital Fund, and Surface Water Fund. Paul Haines, Public Works Director, described the City's public storm water infrastructure inventory, storm water projects in the 2003-08 Surface Water Capital Improvement Program and potential surface water future projects. Wendy Barry, PRCS Director, described the City and Parks Infrastructure inventory of 15 General Capital Fund Projects in the 2003-08 General Capital Fund Improvement Program and potential future parks and recreation projects.

The Committee was briefed on the City's ongoing efforts to update its Comprehensive Plan and finish the Transportation Plan, Surface Water Plan, and Parks Recreation and Open Space (PROS) Plan. Additional background information outlined the City's Capital Improvement Program and the realities of planning under the Growth Management Act (GMA). Later in the year, the Committee also reviewed a summary of the 2000 Census results for the City in order to gain a better understanding of the demographic makeup of the City's population and expected trends.

City Finance Director Debbie Tarry met with the Committee on two occasions to provide background related to the potential bond option. During her first presentation, she described various types of bond financing, the City's debt capacity and the effect a voted levy would have on property owners. Her second discussion with the Committee covered how the City could fund a bond for capital projects, showing revenue sources, expected expenditures, capital projects versus expenditures and projected General Obligation (GO) bond impacts. Committee members and City staff incorporated this background information in establishing a reasonable dollar amount for the size of a potential bond. Another important consideration in this effort was a measure of community appetite for such investments. Late in the process, the Committee received a profile of other Washington communities' recent experiences with voter-approved levies.

In order to understand the needs and desires of community members, as well as their level of support for a potential bond issue, the City commissioned a two-phase survey. The first phase was principally designed to support the development of the City's Parks Recreation and Open Space Plan by conducting a community needs assessment with a focus on parks and recreation facilities. The second phase of the survey focused on the community's willingness to support capital investments, with the principal goal of helping the BAC gauge community support for a possible bond issue. The Committee had several opportunities to meet with the designers and implementers of the survey, both informing the survey contents and receiving reports of the results.

During the first few meetings, Committee members brainstormed potential project ideas among identified project types, with the goal of surfacing possible projects outside of current City considerations. During the same exercise, Committee members were asked to identify questions to be answered or information needed in order to be able to make their recommendations. The resulting list of ideas and questions continued to be supplemented and discussed over the course of the Committee's work. City staff later issued written responses to Committee questions.

Taking the Committee's brainstormed project list, City staff developed a listing of potential projects with brief descriptions and illustrations of each. The Committee reviewed this list and selected roughly half for cost estimating, including estimates for both design and construction.

The BAC's task was to recommend whether the City should forward a bond issue. This required putting together strategic packages of projects that might gain voter support from the universe of possible projects. The Committee reached consensus that time was too limited to adequately develop project packages, but explored and debated different strategies for assembling such a package, from drawing on special interest group support, or focusing on particularly needy neighborhoods, or creating a package with broad appeal across different population groups and across the City's many neighborhoods.

After receiving cost estimates for priority projects (still with relatively vague scopes) selected by the group, the Committee focused on assembling and examining possible bond packages. At one meeting, the Committee was divided into two groups, each tasked with creating two potential bond packages using a pre-printed set of index cards listing potential projects. The groups were encouraged to incorporate survey results, criteria, cost, and their opinion about the "right" mix of projects. These packages were further examined and refined at subsequent meetings.

The group compared these potential bond packages, totaling between \$17.1 and \$18.0 million, with the Bond Election Survey results, showing the community's willingness to pay for the proposed capital improvements. The survey tested support for a \$23 million package of parks, trails, recreation, sports and sidewalk projects which would have cost the owner of a \$250,000 house approximately \$7.20 per month in increased taxes. The survey analysis reported by Leisure Vision stated that "less than 36% of households indicated they would vote for the total package and 31% indicated they would vote against, with the remaining indicating 'might vote in favor' or 'not sure'. This is a high percentage of voters against at such an early stage."

Given these results, the Committee recommended not going forward with a voter-approved bond issue at this time for a variety of reasons, including the need to develop a new work plan; establish a specific needs assessment; consider funding alternatives; wait until a more robust economic environment returns; waiting until the City has completed the Parks Comprehensive Plan, Transportation Plan, Surface Water Plan, and City design standards for sidewalks; and building education efforts and more community support for some smaller scale of investment.

2005 Property Taxes for a Typical Residence in Shoreline

	2004		2005		\$ Change in Tax	% Change in Tax
	Rate	Tax	Rate	Tax		
State Schools	2.75678	\$ 755.36	2.68951	\$ 777.27	\$ 21.91	2.9%
County-wide regular levy	1.08329	\$ 296.82	1.05947	\$ 306.19	\$ 9.37	3.2%
County lid lifts (voted)						
AFIS	0.05050	\$ 13.84	0.04933	\$ 14.26	\$ 0.42	3.0%
Parks/Open Space	0.04900	\$ 13.43	0.04785	\$ 13.83	\$ 0.40	3.0%
County bonds (voted)	0.18945	\$ 51.91	0.16773	\$ 48.47	\$ (3.44)	-6.6%
County Cons. Futures	0.05922	\$ 16.23	0.05791	\$ 16.74	\$ 0.51	3.1%
Port	0.25402	\$ 69.60	0.25321	\$ 73.18	\$ 3.58	5.1%
EMS (voted)	0.23717	\$ 64.98	0.23182	\$ 67.00	\$ 2.02	3.1%
School District 412 M & O (voted)	2.32414	\$ 636.81	2.27843	\$ 658.47	\$ 21.66	3.4%
School 412 Bond Levy	2.05917	\$ 564.21	1.72047	\$ 497.22	\$ (66.99)	-11.9%
City General Fund	1.27939	\$ 350.55	1.24456	\$ 359.68	\$ 9.13	2.6%
Fire District #4 General Fund	1.41877	\$ 388.74	1.38095	\$ 399.09	\$ 10.35	2.7%
Fire District #4 Bonds	0.22091	\$ 60.53	0.21510	\$ 62.16	\$ 1.63	2.7%
King County Library general	0.49246	\$ 134.93	0.48288	\$ 139.55	\$ 4.62	3.4%
King County Library bonds	0.04407	\$ 12.08	0.04967	\$ 14.35	\$ 2.27	18.8%
TOTAL	12.51834	\$ 3,430.02	11.92889	\$ 3,447.46	\$ 17.44	0.5%

Notes and assumptions:

- Uses a residence assessed at \$274,000 for 2004 taxes and \$289,000 for 2005 taxes

To calculate taxes for *your* house, do this:

Tax = (Your assessed value / 1000) x rate. For instance, if your assessed value is \$289,000, the tax for school bonds is $289,000 / 1000 \times \$1.72047 = \497.22 . Your total tax bill would be $289 \times \$11.92889 = \$3,447.46$.



Exemptions

Various exemptions are available. These include the following:

Senior/Disabled Property Tax Exemption

[Find the corresponding forms here.](#)

Below is new information regarding changes to the senior citizen exemption program which will become effective June 10, 2004 for the 2005 roll year. New applications will NOT be available until December, 2004. Anyone who would like to be added to our mailing list for new applications can call our Exemptions Unit at 296-3920 then select option 1 and then selection option 4. This option allows a taxpayer to leave their name, address and phone number. We will compile a list and send the new applications to the taxpayers in late fall. Anyone currently on the program or who has been denied an exemption for being over income will automatically be sent a new application due to category changes.

Highlights of changes from Senate Bill 5034 are:

1. Increased maximum dollar limit from \$30,000 to \$35,000
2. Changes in income levels for categories of relief as shown below in the table.
3. Deduction from income for expenses paid to adult family homes
4. Deduction from income for medicare insurance paid by social security recipients
5. Property tax deferral level changed from \$34,000 to \$40,000
6. Senior exemption qualification changed the requirement from physical disability to read just a disability.

Effective for 2004 and earlier years, RCW 84.36.381 grants property tax exemptions if your total annual income is \$30,000 or less and if you are 61 years of age or older, or you are retired because of physical disability, or if you are a widow or widower at least 57 years of age whose spouse had an exemption at the time of his or her death. Once you have applied for an exemption and received approval, you need file only once every four years to maintain the exemption. The Assessor's Office will notify you when it is time to refile. The exemption ceases immediately upon the death of the qualified person, unless survived by an eligible spouse. Legislation passed in 1995 also provides that the claimant's assessed valuation is frozen as of January 1, 1995 or January 1 of the year in which the claim is filed, whichever is later.

The 1998 legislature raised the income limits for this exemption and, at

the behest of county assessors, increased the benefit in the two lower income categories. The new criteria apply to 1999 taxes (1998 income). Persons qualifying for 1998 and earlier tax years still must meet the old criteria. Both sets of criteria are shown in the tables below.

The 2004 legislature raised the income limits for this exemption to \$35,000 and changed the income thresholds and increased the benefit in the two lower income categories. In addition, adult living was added as an allowable expense as well as allowing social security recipients to deduct the medicare insurance premiums they must pay. For more detail on the changes see notes below. The new criteria applies to the 2005 tax year (based on 2004 income). Individuals qualifying for tax years 2004 and earlier must meet the old criteria to receive tax relieve in those past years.

Call (206) 296-3920 for more exemption information.

Click [here](#) for an information sheet about the application/renewal process.

(2005 information sheet will come later in the year)

Click [here](#) to download an application/renewal form.

(2005 application/renewal form will come later in the year)

For those who qualify for this property tax exemption, there are two benefits:

1. The value of your residence is frozen as of January 1, 1995 or January 1 of the initial year of qualification, whichever is later.
2. The property taxes are reduced. The residence is exempt from all excess levies and may be exempt from a portion of regular levies, depending on income.

Qualifying Income Criteria for 1998 Tax	
Income (for 1997)	Levies Exempt (in 1998)
\$18,001 - \$28,000	100% of excess levies
\$15,001 - \$18,000	100% of excess levies, plus \$30,000 or 30% of valuation up to \$50,000, whichever is greater, exempt from all property tax.
\$15,000 or less	100% of excess levies, plus up to \$34,000 or 50% of valuation, whichever is greater, exempt from all property tax.

Qualifying Income Criteria for 1999 and 2004 Tax	
Income	Levies Exempt
\$24,001 - \$30,000	100% of excess levies
\$18,001 - \$24,000	100% of excess levies, plus \$40,000 or 35% of valuation up to \$60,000, whichever is greater, exempt from all property tax.

\$18,000 or less	100% of excess levies, plus up to \$50,000 or 60% of valuation, whichever is greater, exempt from all property tax.
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Qualifying Income Criteria for 2005 Taxes	
Income	Levies Exempt
\$30,001 - \$35,000	100% of excess levies
\$25,001 - \$30,000	100% of excess levies, plus \$50,000 or 35% of valuation up to \$70,000, whichever is greater, exempt from all property tax.
\$25,000 or less	100% of excess levies, plus up to \$60,000 or 60% of valuation, whichever is greater, exempt from all property tax.

A chart showing the average tax savings available to qualified senior citizens and disabled persons can be viewed by clicking [here](#).

Property Tax Payment Deferral

The claimant must have combined disposable income of \$40,000 or less as defined for the senior citizen exemption in RCW 84.36.383 and must be at least 60 years old at time of filing or retired because of physical disability. RCW Chapter 84.38 permits the claimant to defer payment of special assessments and/or real property taxes up to 80% of the amount of the claimant's equity value in the residence. The residence must meet all requirements for an exemption under the senior citizen exemption (RCW 84.36.381) other than the age, income and parcel size limits. Deferred taxes become a lien on the property payable upon sale or transfer. A declaration to defer taxes must be filed with the Assessor no later than 30 days before the tax is due.

Call (206) 296-3920 for information.

Click [here](#) to download a form.

Destroyed Property

RCW 84.70.010 provides that, if on or before December 31 in any calendar year, any property placed upon the assessment roll in that year is destroyed in whole or in part, the true cash value of such property shall be reduced for that year in an equitable amount as determined in other provisions of the law.

Call (206) 296-5151 for information.

Click [here](#) to download a form.

Current Use/Open Space

Chapter 84.34 RCW (the Open Space Act) provides for current use assessment of farm and agricultural land, timber land and other open space land. Applications for classification are made to the Assessor for farm and agricultural land and to the County Council for other classification.

Once land is classified, taxes are based on the current use value of the land rather than its highest and best use. The Assessor must maintain the current use value for as long as the property remains classified. At the same time, a record of the market value of the property is kept. The difference between the current use value and the market value becomes the basis for computing the additional taxes, penalties and interest that may become payable upon a change of use or removal from classifications.

The county-administered Public Benefit Rating System provides additional property tax incentives to property owners. To qualify, the property must possess potential for additional development and the owner must agree to restrict development and/or provide public access.

Call (206) 296-3969 for information.

Home Improvement

RCW 84.36.400 exempts from taxation any physical improvement to a detached single family dwelling for the three assessment years subsequent to the completion of the improvement, up to 30% of the value of the original structure. This can provide substantial tax savings for homeowners who remodel or expand their homes. For example, the owner of a house in Seattle assessed at \$100,000, with an improvement of \$30,000, could save over \$1,100 in property taxes during the course of the exemption. This home improvement exemption may be claimed only once in a 5-year period. Normal maintenance work does not qualify for this exemption. *Notice to claim the exemption must be filed with the Assessor prior to completion of the improvement.*

Call (206) 205-0656 for information.
Click [here](#) to download a form.

Historic Property

According to RCW 84.26.030, the actual cost of substantial improvement to eligible historic property (which cost is 25% or greater of the assessed value of the historic structure prior to rehabilitation) may be excluded from the assessed value of such property for a period of ten years. Applications for this exemption are furnished by the Assessor and approved by the Historical Preservation Board of the jurisdiction within which the property is located.

Call (206) 296-5145 for information.
Click [here](#) to download a form.

Timber or Timber Land

RCW 84.33.040 exempts all timber on privately and federally owned land from property taxes. Timber is subject to an excise tax paid at the time of harvest and administered by the state Department of Revenue. The timber excise tax is collected by the state for distribution to local taxing districts. Upon sale; public timber, other than federal, is subject to ad valorem taxation as personal property in addition to the excise tax. However, any property tax paid on this timber may be claimed as a credit against the excise tax.

Forest land is subject to property tax under RCW 84.33.010. Land that has been either classified or designated under the law is assessed in accordance with valuation schedules developed by the Department of Revenue (DOR). The Assessor must determine which land qualifies and then assess the land according to DOR-certified forest land grades.

Land which has no higher or better use than growing and harvesting timber may be classified as forest land by the Assessor. Land which is being used to grow and harvest timber but which is more valuable for other uses may be designated as forest land by the Assessor upon application by the landowner. To qualify as either classified or designated forest land, a parcel must be at least 20 acres in size and must be devoted primarily to, and used for, growing and harvesting timber. Both classified and designated forest land may be subject to a compensating tax if the use of the land is changed or upon an owner's request to remove the classification or designation.

Call (206) 296-3969 for information.

Publicly-Owned Property

RCW 84.36.010 allows exemption of taxes to all publicly-owned property such as that of federal, state, county, or city governments.

Call (206) 296-5141 for information.

Church-Owned Property

RCW 84.36.020 allows exemption of church-owned property used for church purposes. Property must be used for such things as church, parking, parsonage, convent and caretaker's residence. The land on which an exemption is granted may not exceed five acres.

Call (206) 296-5151 for information.

Exempt Property

RCW's 84.36.030 through 84.36.350 allow tax exemptions for property used in character building, benevolent, protective or rehabilitative social services, camp facilities, veterans and relief organizations, libraries, orphanages, day care centers, nursing homes and hospitals, schools and colleges, art, scientific and historical collections, fire companies, humane societies, musical

and artistic associations, public assembly halls, certain public authorities, and sheltered workshops for the disabled. *Exemption must be claimed annually and ceases upon cessation of the exemption-qualifying use of the property. Applications must be made to the state Department of Revenue.*

Call (206) 296-5151 for information.

Updated: April 22, 2004

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Some Things to Remember for Fall 2005 and 2006 Municipal Elections

by Jim McNeill, Foster Pepper & Shefelman PLLC

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Planning for municipal elections in Fall 2005 and 2006 begins now. This article will briefly list some things to remember for those municipalities planning to go before the voters within the next 16 months.

2006 Election Dates and Ballot Proposition Filing Deadlines

The Fall 2005 and 2006 election dates and deadlines for filing the ballot proposition resolution or ordinance are listed below. These are the dates permitted under current law, which may be changed by the Legislature. Bills are introduced during every legislative session to change the available election dates (e.g., cancellation of 2004 Presidential Primary). Please Note: The county auditor is required to mail absentee ballots at least 18 days prior to an election date.

<u>Election Date</u>	<u>Ballot Proposition Filing Deadline</u>
September 20, 2005	August 5, 2005
November 8, 2005	September 23, 2005
February 7, 2006	December 23, 2005
March 14, 2006	January 27, 2006
April 25, 2006	March 10, 2006
May 16, 2006	March 31, 2006
September 19, 2006	August 4, 2006
November 7, 2006	September 22, 2006

*Copies of p. 35-37
for [unclear] July
Dick*

Changes to Ballot Title Laws

The laws governing ballot titles for most bonds and levies may have changed since you last submitted a ballot title to the voters. Municipalities intending to submit bond or levy propositions in Fall 2005 or 2006 should consult with bond counsel familiar with these changes before proceeding. UNDER NO CIRCUMSTANCES SHOULD OLD BALLOT TITLES SUBMITTED AT ELECTIONS OCCURRING PRIOR TO SEPTEMBER 2000 BE USED AS MODELS.

Open Public Meetings Law

Municipalities must comply strictly with the Open Public Meetings Law (chapter 42.30 RCW). Any action taken at meetings failing to comply with the Open Public Meetings Law shall be null and void.