

CITY OF SHORELINE

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

Monday, August 25, 2008 - 7:30 p.m.
Shoreline Conference Center
Mt. Rainier Room

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

ABSENT: None

1. CALL TO ORDER

At 7:30 p.m. the meeting was called to order by Mayor Ryu, who presided.

2. FLAG SALUTE/ROLL CALL

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

3. CITY MANAGER'S REPORT

Bob Olander, City Manager, provided reports and updates on various City meetings, projects, and events. He announced that the Public Works Department has been working on some major stormwater/utility projects in the City. He described them in detail and the status of each.

Councilmember McGlashan congratulated the City's Public Works Department for the completion of the Dayton Ave. Retaining Wall Project.

4. REPORTS OF BOARDS AND COMMISSIONS

Mayor Ryu announced that City Manager Bob Olander received the Washington City and County Management Association Distinguished Public Service Award for 35 years of service in the State of Washington.

Mr. Olander commented that the job is fascinating and his is in a very rewarding profession. He thanked the Mayor and the Council for the recognition.

5. GENERAL PUBLIC COMMENT

a) Patty Hale, Shoreline, on behalf of the Ridgecrest Neighborhood Association, introduced members of the Ridgecrest Neighborhood Association Board: Dick Nicholson, Chair, Diane Bundtz, Vice Chair, and Mary Kay Doyle, Board Member. She showed a video of the 10th Annual Ridgecrest Ice Cream Social. She noted that there were 1,200 people in attendance and there were 50 gallons of ice cream served. She added that the King County Sheriffs Department helicopter "Guardian 1" was very popular.

b) Laethan Wene, Shoreline, thanked King County Sheriff Sue Rahr, who was in attendance.

Mr. Olander recognized King County Sheriff Sue Rahr in the audience, who updated the Council at their dinner meeting prior to the Council Business meeting.

6. APPROVAL OF THE AGENDA

Councilmember Eggen moved approval of the agenda. Councilmember Hansen seconded the motion, which carried 7-0 and the agenda was approved.

7. CONSENT CALENDAR

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

- (a) **Minutes of Business Meeting of June 23, 2008
Minutes of Special Meeting of July 7, 2008
Minutes of Business Meeting of July 14, 2008
Minutes of Workshop Dinner Meeting of July 28, 2008**

- (b) **Approval of expenses and payroll as of August 13, 2008 in the amount of \$2,355,327.34 as specified in the following detail:**

***Payroll and Benefits:**

Payroll Period	Payment Date	EFT Numbers (EF)	Payroll Checks (PR)	Benefit Checks (AP)	Amount Paid
6/29/08-7/12/08	7/18/2008	24903-25125	7812-7873	37117-37128	\$544,395.76
7/13/08-7/26/08	8/1/2008	25126-25345	7874-7938	37294-37302	\$449,787.47
					<u>\$994,183.23</u>

***Accounts Payable Claims:**

Expense Register Dated	Check Number (Begin)	Check Number (End)	Amount Paid
7/17/2008	37036	37057	\$21,449.86
7/17/2008	34839		(\$175.00)
7/17/2008	37058		\$175.00
7/17/2008	36925		(\$24,876.44)

7/17/2008	37059		\$24,876.44
7/18/2008	37060	37079	\$204,459.69
7/18/2008	37080		\$323.25
7/22/2008	37081	37091	\$3,613.95
7/23/2008	37092	37116	\$100,121.89
7/23/2008	37129		\$24,533.77
7/24/2008	37130	37140	\$413,732.75
7/28/2008	37141		\$1,450.00
7/29/2008	37142	37159	\$94,359.65
7/30/2008	37160		\$5,273.00
8/1/2008	37161		\$1,030.60
8/1/2008	37162	37166	\$21,440.80
8/4/2008	37167		\$13,494.09
8/5/2008	37168	37193	\$165,885.58
8/5/2008	37194		\$289.47
8/5/2008	37195	37197	\$26,784.51
8/5/2008	37198	37226	\$2,930.98
8/6/2008	37227	37236	\$927.37
8/6/2008	37237	37251	\$99,101.45
8/7/2008	37252	37293	\$148,264.53
8/12/2008	37303	37315	\$9,962.32
8/13/2008	37316		\$1,714.60
			<u>\$1,361,144.11</u>

(c) **Ordinance No. 516 Relating to Transportation Demand Management, Adopting a Commute Trip Reduction Plan, and Implementing Measures as Required by RCW 70.94.527**

(d) **Ordinance No. 517 Adjusting the Salary Range for the Sr. Parks Maintenance Worker Position**

(e) **Ordinance No. 518 Approving the Shoreline Water District Franchise**

8. UNFINISHED BUSINESS

(a) Update on Community Conversations: Visioning Process for Shoreline 2028

Joe Tovar, Planning and Development Services Director, provided an update on the outreach effort and plans for the Community Visioning Process. He noted that the meetings were varied in order to provide enough opportunities for everyone to attend. He added that his group tried to make a video script to introduce people to the kinds of change that can happen over 20 years. He noted that there are six other cities that each have their own concept of how much growth they should accommodate. He noted that a preliminary estimate shows that there will be 10,000 more residents in Shoreline by 2028. He added that telecommuting and the utilization of different fuels would increase. This process, he explained, represents the "front end" of the Comprehensive Plan (CP) that the City is required to update by 2010. He highlighted that it is the Council's legal obligation to consider what the public says; then it is the Council's job to weigh it and come up with 10-12 pages that articulate the concept for the future of Shoreline. He added that there also

needs to be discussion about the script for the video, the format for the October 30th Town Hall meeting, and details of the December 1st meeting.

Mr. Olander said this will be fairly high-level process. He stated that this is a values process and the vision statement will inform the more detailed policies.

Councilmember Way asked how the vision values and framework goals intersect with the CP and the Code.

Mr. Tovar replied that the framework goals and the vision statement will be adopted into the CP and in the next couple years the City will go through each chapter and study the different elements. Each of these segments will be made consistent with the framework goals and vision. He stated that a number of code amendments are coming and the Council doesn't have to wait until 2011 to implement them. He said there are a lot of land use things happening between now and then that make the framework goals useful.

Mr. Olander commented that the focus tends to be on land use issues, but the CP is more than that. The framework goals should also be applied to transportation, economic development, housing, and sustainability.

Mayor Ryu called for public comment.

a) Boni Biery, Shoreline, felt that all voices in the City should be heard. She said the citizens feel that what they say as individuals is not given same consideration as organizations, developers, and businesses. She suggested that all local organizations, including Shoreline Solar, Friends of Fircrest, Sustainable Shoreline Education Association, the PTSA, and the Shoreline School District, should be included. She noted that the Briarcrest Neighborhood Association is working on a neighborhood subarea plan, and she would like to see every neighborhood create its own vision in collaboration with the organizations in its neighborhood. She felt that all the neighborhoods in Shoreline need a voice.

Mr. Tovar stated that he would contact non-profit groups or special districts in the City to see if they are interested in hosting one of the meetings.

Mayor Ryu asked Councilmembers if there were any other groups they would like to suggest attend these meetings. She wondered if political action groups could attend. Mr. Tovar responded that they were welcome as long as they were an organization with an ADA compliant meeting facility.

Councilmember Eggen suggested the Council invite the Shoreline Coalition and perhaps the 20th Avenue Neighbors.

Councilmember McConnell commented that the City has already scheduled a lot of meetings, and she would like to see organizations attend the meetings already scheduled.

Councilmember Way wondered if outlining major themes would make for an improved process. She noted that Vicki Stiles could give a historical introduction on one of the scripts. She added that people think creatively if the themes are outlined.

Mr. Olander commented that the DVD script will be done so people can have the same place to start from. He said it will provide a consistent framework and questions.

Councilmember McGlashan agreed. He hoped to see fresh ideas that are not guided, and advocated for beginning "with a clean slate."

Deputy Mayor Scott agreed and wanted the community to give their input. However, he felt the City needs to be efficient in its use of time. He also stated that there should be time limits for each meeting. He noted that Shoreline has over 50,000 people and asked if there is a goal of how many people to reach. Commenting that the desired outcome is for 10 to 12 values, he questioned if the public is aware of the purpose of this exercise.

Mr. Tovar replied that the City doesn't want to tell people to "do their homework." Instead, he would like to hear the residents' perceptions and hopes for the future. Mr. Olander commented that the amount of input the City receives depends on the process.

Deputy Mayor Scott asked if the focus is going to be on the City's values. Mr. Tovar confirmed that the focus will be on values and that the DVD will make that clear. He noted that people will also be informed about the next steps so they can subscribe to the updates. He noted that the venues should accommodate at least fifty people and be ADA compliant.

Mayor Ryu said she is glad the Council and City staff is open to adding more groups. She suggested having another meeting to converse with the school, fire, and utility districts. She added that she would love to see the October 30 meeting be an "open mic" forum.

Mr. Olander shared Mr. Tovar's concerns about having an open mic at these meetings. He said there are residents who will decide they don't want to participate in the process because they will want to talk directly to the Council. Additionally, he said councils generally give more credence to people who speak than the written material that will be received. He stated that an open mic format could happen at the draft language stage.

Councilmember Way commented that the City shouldn't try to limit the involvement of people. She said an open mic format doesn't need to be rigid or have a timeframe. She felt if town halls are good enough for New England, they're good enough for us. She felt the City should facilitate this by providing childcare and food. She wanted the process structured to stimulate new ideas. She suggested that the conversation be mediated like it was done in the Speaker Series.

Councilmember Hansen felt this is a good program. He highlighted that the standard visioning process is similar to Rotary International. He noted that everyone should have the same opportunity to speak. He supported this item as proposed.

Deputy Mayor Scott said the forums are sponsored by the City of Shoreline and that anyone can attend them, but wants it clearly publicized that the Council wants the public to be there. He felt there should be an established attendance goal, as he said he would love to see new faces at the meetings.

Mayor Ryu discussed the role of community groups. She asked if there was any incentive for hosting. Mr. Tovar commented that it is a City-sponsored event for whole community and individual hosting groups are asked to invite their own membership.

Councilmember Eggen said the role of hosting groups is critical. He said people are much more likely to attend meetings with like-minded people. He stated that there aren't any environmental organizations signed up for hosting right now. He suggested that there should be some questions that solicit information. He felt that land use issues have been very contentious and there should be some way to solve them.

Councilmember McGlashan expressed concern that this is starting to feel a little rushed to get this all done in one month. He asked why this is moving so fast. Mr. Tovar replied that this has been deliberately designed so October is "total immersion month" for the citizens. He noted that it should be wrapped up by spring 2009 and it needs to be finalized by the time the Council goals process begins. He noted that there will be other land use issues for the Council to resolve and the longer this takes, the more uncertainty there will be.

Mayor Ryu appreciated the City staff commitment and discussed the outstanding questions.

Mr. Tovar commented that he isn't sure that it is a good idea to meet with the junior taxing districts on October 30. Mr. Olander wanted the Council to think about the creative media for the meeting. He felt the Councilmembers can host certain tables and give creative thought about how to structure the meetings. He also felt there should be another night reserved for the taxing districts.

Councilmember Way inquired if the taxing district representatives can come to the dinner meetings. Mr. Olander felt that could be an option and noted that the Council has regular meetings with district representatives each year. He noted that the Council needs to understand their key values from their perspectives, which is a high-level conversation which may not work well in a dinner meeting format. He added that he has a sense of where the Council wants to go.

Councilmember Way echoed Deputy Mayor Scott's comments on outreach and urged the City staff to get this out in the *Currents*, the website, and Channel 21. She also stated that the Ronald Bog blog would be good for this too. Deputy Mayor Scott also suggested doing a public service announcement on Channel 21. Mayor Ryu suggested providing flyers to campaigners.

9. NEW BUSINESS

(a) 2008 Second Quarter Financial Report

Debbie Tarry, Finance Director, provided the first half of 2008 financial status update of the City. She stated that the Consumer Price Index (CPI) changes were more dramatic than the City expected and there have been some negative impacts. She added that the General Fund revenue projections are slightly ahead and they are still watching the sales tax, permit revenue, and negative gambling tax trends. Additionally, she commented that the department is closely monitoring where the sales tax revenue is coming from. She noted that utility and franchise tax collections are slightly ahead of projections.

Councilmember Way asked about the garbage utility tax revenues from Cleanscapes. Ms. Tarry responded that the City didn't receive payment for the month of March because that was Cleanscapes' transition month and it was a timing issue.

Councilmember Hansen asked if all the utility payments are a full quarter behind. Ms. Tarry replied that the utility payments arrive at the City one month after the due date.

Ms. Tarry pointed out that there is a negative trend in gambling tax revenues. She said at the end of June the actual returns were 32 percent lower than projections.

Councilmember Way asked if the total number of Shoreline casinos have changed since 2004. Ms. Tarry responded that the number of establishments hasn't changed, but one casino has had significantly less business than the rest.

Mayor Ryu wanted to know how the rate affects collections. Ms. Tarry replied that there was a big decrease in revenues when the smoking ban went into effect and the tribal casino competition went up.

Mayor Ryu highlighted that casinos have high fixed expenses and the loss may impact the City's budget by \$2.3 million. Ms. Tarry felt that the impact won't be that significant.

Councilmember Eggen felt that gambling revenues are discretionary and expect them to drop off in a recessionary period. Ms. Tarry replied that if they gambling revenues drop off the City will lower projections.

Ms. Tarry continued and stated that there is a downward trend in investment earnings due to a drop in interest rates which can create a reduction in revenue for operating services. She also stated that expenditures are 2 percent below projections and most of it is due to vacant City staff positions. She also stated that there have been fewer jail days used, and this area could come in \$200,000 to \$300,000 under budget. She then discussed the non-General Fund items. She said the Real Estate Excise Tax (REET), which is used for capital projects, has significantly declined due to a drop in real estate sales. She noted that this is the general trend everywhere.

Councilmember Way asked for an investments overview. Ms. Tarry said the City attempts to have a balanced portfolio, but the goal is to get a market rate of return. She said the City is currently slightly ahead of the state investment pool because of the City's longer term investments. She highlighted that the Council approved an investment policy which regulates the

percentage of investments that can be outside of the state investment pool. Additionally, the Council has approved investment dealers.

Continuing, Ms. Tarry gave an update of third quarter activity. King County, she pointed out, is seeing a drop in sales tax revenues and the card room revenues for the City are down 10%. She stated that the REET transactions are down 35% and the value of the transactions is down 44%. However, she stated operating revenues are slightly ahead of projections, and the City's operating expenditures are also slightly below projections. She noted that areas of concern include the stormwater utility fee receipts and the negative REET figures.

Councilmember Way wanted to know which businesses are doing better in sales tax collection. Ms. Tarry replied that they are broken down into state codes and the Economic Development Manager is reviewing them.

Mr. Olander stated that the Finance Department staff does an outstanding job of tracking revenues and expenditures. He noted that King County is facing \$80 million in budget shortfalls. He said the City is tracking this closely and following Council budget philosophies.

Councilmember McGlashan discussed the gambling tax and asked what the casinos in Kent, Renton, and Tukwila are experiencing. Ms. Tarry responded that most cities are experiencing the same trend of a 10% decline. Mr. Olander added that the economy is also factor, as Councilmember Eggen had noted earlier.

Councilmember Hansen commented that historical figures demonstrate that recreational facilities do better during economic downturns. He announced that the State is looking at a shortfall of a couple billion dollars.

Councilmember Eggen urged people to contribute to the local food banks.

10. ADJOURNMENT

At 9:43 p.m., Mayor Ryu declared the meeting adjourned.

Scott Passey, City Clerk