

# EDMONDS CITY COUNCIL APPROVED MINUTES

## April 23, 2013

The Edmonds City Council meeting was called to order at 7:00 p.m. by Mayor Earling in the Council Chambers, 250 5<sup>th</sup> Avenue North, Edmonds. The meeting was opened with the flag salute.

### ELECTED OFFICIALS PRESENT

Dave Earling, Mayor  
Lora Petso, Council President  
Strom Peterson, Councilmember  
Frank Yamamoto, Councilmember  
Joan Bloom, Councilmember  
Kristiana Johnson, Councilmember  
Adrienne Fraley-Monillas, Councilmember  
Diane Buckshnis, Councilmember

### ALSO PRESENT

Walker Kasinadhuni, Student Representative

### STAFF PRESENT

Stephen Clifton, Community Services/Economic  
Development Director  
Carrie Hite, Parks & Recreation/Human  
Resources Reporting Director  
Rob English, City Engineer  
Kernen Lien, Senior Planner  
Jen Machuga, Associate Planner  
Jeff Taraday, City Attorney  
Sandy Chase, City Clerk  
Jana Spellman, Senior Executive Council Asst.  
Jeannie Dines, Recorder

### 1. ROLL CALL

City Clerk Sandy Chase called the roll. All elected officials were present.

### 2. APPROVAL OF AGENDA

Council President Petso requested Agenda Items 17 and 18 be removed from the agenda.

**COUNCIL PRESIDENT PETSO MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, TO APPROVE THE AGENDA AS AMENDED. MOTION CARRIED UNANIMOUSLY.**

### 3. APPROVAL OF CONSENT AGENDA ITEMS

Council President Petso requested Item H be removed from the Consent Agenda.

**COUNCILMEMBER PETERSON MOVED, SECONDED BY COUNCIL PRESIDENT PETSO, TO APPROVE THE REMAINDER OF THE CONSENT AGENDA. MOTION CARRIED UNANIMOUSLY. The agenda items approved are as follows:**

- A. **APPROVAL OF CITY COUNCIL MEETING MINUTES OF APRIL 16, 2013.**
- B. **APPROVAL OF CLAIM CHECKS #201596 THROUGH #201717 DATED APRIL 18, 2013 FOR \$1,226,036.24. APPROVAL OF PAYROLL DIRECT DEPOSIT & CHECKS #60137 THROUGH #60152 FOR \$429,100.81, BENEFIT CHECKS #60153 THROUGH #60160 AND WIRE PAYMENTS OF \$187,962.15 FOR THE PERIOD APRIL 1, 2013 THROUGH APRIL 15, 2013.**
- C. **APPROVAL OF LIST OF EDMONDS' BUSINESSES APPLYING FOR RENEWAL OF THEIR LIQUOR LICENSES WITH THE WASHINGTON STATE LIQUOR CONTROL BOARD, MARCH 2013.**

- D. COMMUNITY SERVICES / ECONOMIC DEVELOPMENT DEPARTMENT QUARTERLY REPORT - APRIL, 2013.
  - E. REPORT ON BIDS OPENED APRIL 16, 2013 FOR THE 2013 WATERLINE REPLACEMENT PROJECT AND AWARD OF CONTRACT TO D&G BACKHOE IN THE AMOUNT OF \$1,304,457.70.
  - F. AUTHORIZATION FOR MAYOR TO APPROVE RELEASE OF A UTILITY EASEMENT & ACCEPTANCE AND RECORDING OF NEW STORM UTILITY AND PUBLIC PEDESTRIAN ACCESS EASEMENT.
  - G. REQUEST TO AWARD THE WWTP STANDBY POWER DISTRIBUTION AND SWITCHGEAR IMPROVEMENT PROJECT TO EWING ELECTRIC, INC.
- ITEM H. ORDINANCE AMENDING THE EDMONDS COMMUNITY DEVELOPMENT CODE TO APPLY DESIGN STANDARDS TO THE BD2, BD3 AND BD4 ZONES TO REPLACE THE REQUIREMENT FOR BUILDING STEP BACKS. THE PROPOSAL ALSO INCLUDES A PROVISION EXEMPTING SMALL DECORATIVE 'BLADE SIGNS' FROM SIGN CODE AREA CALCULATION LIMITATIONS.

Council President Petso explained she supported removing the stepback from the BD2 – 4 zones and including a provision for exempting blade signs from sign code area calculation limitations. However, the ordinance also changes the base building height from 25 feet to 30 feet. She opposed the change in the building height at the public hearing and will vote against the ordinance.

**COUNCILMEMBER PETERSON MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, TO APPROVE ITEM H, ORDINANCE NO. 3918, AN ORDINANCE OF THE CITY OF EDMONDS, WASHINGTON, AMENDING CHAPTERS 16.43 AND 22.43 ECDC RELATING TO THE DEVELOPMENT REGULATIONS AND DESIGN STANDARDS FOR THE DOWNTOWN BUSINESS (BD) ZONES. UPON ROLL CALL, MOTION CARRIED (4-3), COUNCILMEMBERS BUCKSHNIS, PETERSON, JOHNSON AND YAMAMOTO VOTING YES; AND COUNCILMEMBERS FRALEY-MONILLAS AND BLOOM AND COUNCIL PRESIDENT PETSO VOTING NO.**

**4. PROCLAMATION IN HONOR OF WHITE CANE DAYS**

Mayor Earling read a proclamation declaring May 3-4, 2013 as Lions White Cane Days in Edmonds. He presented the proclamation to several members of the Edmonds Lions Club.

**Brian Evans, President, Edmonds Lions Club**, explained the Lions Club has been in existence since 1917 and started with Helen Keller. Their focus is sight and hearing impairments but they also provide student scholarships, assist the Edmonds Food Bank, hold a raffle, and assist with Sierra Park for the Blind. They welcome assistance and new members. He presented Mayor Earling with a pen/flashlight.

**5. PROCLAMATION IN HONOR OF LOYALTY DAY**

Mayor Earling read a proclamation declaring May 1, 2013 as Loyalty Day in the City of Edmonds. He commented it is particularly important to acknowledge this day in light of recent events in Boston. He presented the proclamation to Jim Blossey. Mr. Blossey introduced Commander Fred Apgar, VFW Post 8870. On behalf of Post 8870 and the hundreds of combat veterans who reside in Edmonds, Mr. Blossey thanked the Council for the proclamation. He encouraged the public to pause on May 1 to remember those who have served and those who have given their lives.

**6. AUDIENCE COMMENTS**

**Maggie Fimia, Edmonds**, expressed her disappointment with the outcome of the Harbor Square Master Plan. She envisioned someone coming to the City with a permit application to build a new home within the limits of the existing zoning and development code, noting they would expect to receive a permit. If

the neighbor protested and went to the City Council, it would be wrong for the Council to tell the Planning Department not to issue the permit. There are codes and laws because the City functions under a rule of law; predictable rules carried out as uniformly as possible, no favorites, no enemies. The GMA and Comprehensive Plan are existing rules; if the Council does not like the Comprehensive Plan, there is a process for amending it but they cannot just reject a project that is consistent with the Comprehensive Plan without stating it is not consistent or how it is not consistent. The Council has not stated how the Harbor Square Master Plan with the recommendations provided by the Planning Board is not consistent with the Comprehensive Plan. The appropriate process would have been to work with the Port on amendments that were amenable to all. She requested answers to the questions she sent last week and again today:

1. How the choice not to accept the Port's Master Plan and begin developing a Council subarea plan was consistent with the State GMA, which required the City to prepare a non-project EIS along with two pages of other significant and costly requirements. If the Council had amended the Port's proposal, those would not have been required.
2. How the Council could have adopted a subarea plan that was potentially inconsistent with the existing Comprehensive Plan such as no residential, no additional height, 150 foot buffers, and no mixed use. She referenced pages 51, 52 and 55 of the Comprehensive Plan that reference mixed use.

**Michael Schindler, Edmonds**, commented he may have been rough on the Council last week, commenting this was a no-growth Council without a plan. He has yet to see a plan and expressed interest in seeing a plan. His business is located in Edmonds and three generations of his family live in Edmonds. Little can be accomplished without teamwork and partnership and work needs to be done with respect and with respect for people and process. In his view some processes were dropped. He pointed out a majority of the Council believe that major changes could be done to a vetted process and plan without consequences. The consequences are serious and if action is not taken to rectify the consequences, they will be long lasting. The consequences include public trust, health of the marsh, public enjoyment of the marsh, economic development, ability to comply with GMA and environmental goals, housing prices, downtown vibrancy, future development proposals by responsible developers, perception of government as wasteful and arrogant, and loss of revenue. He urged the Council to develop a plan for public review.

**Roger Hertrich, Edmonds**, explained tonight the Council passed an ordinance that raised building heights in Edmonds, an ordinance that is based on a public hearing that only advertised step-backs for the BD2 – 4 zones and blade signs with no reference to building heights. Neither tonight's agenda nor the public hearing referenced building heights. He explained the building height in Edmonds was established as 25 feet in Edmonds several years ago; anything above that is an incentive, not a standard height. With the passage of the ordinance, 30 feet is now the standard building height. He said the Council, 1) conducted an illegal hearing because it was not properly advertised and 2) did not include results of the ordinance on building heights in the description. He summarized Councilmembers Buckshnis, Yamamoto, Peterson and Johnson all voted to raise building heights.

7. **ANNUAL REPORTS BY THE SNOHOMISH COUNTY TOURISM BUREAU AND SNOHOMISH COUNTY TOURISM PROMOTION AREA.**

Community Services/Economic Development Director Stephen Clifton introduced **Amy Spain, Executive Director, Snohomish County Tourism Bureau**. Ms. Spain described the importance of tourism to economic development. Visitors to Washington State spent \$16.9 million in 2012; accounting for nearly \$1.1 billion in local/state tax revenues. She described the impact of tourism on wages, salaries, profits and taxes. The Washington Tourism Alliance (WTA) was created when the State tourism office closed in 2011; as a membership organization, it is not a sustainable, competitive model. She highlighted competitor states' tourism budgets. WTA's long term funding principles include:

- Privately governed
- Possibly some state funding, but not control

- Broad-based responsibility
- Inclusive of all sectors of the tourism industry
- Currently evaluating alternative models and funding levels
- Partnership with other tourism sectors (retail, transportation, hotels, recreation, attractions)
- Critical long term funding issues include:
  - Dedicated funds
  - Industry sector balance
  - Sectors determine assessment method
  - Show return on Investment
  - Requested bridge funding from State Legislature

Ms. Spain commented travel and tourism is one of the most important “export-oriented” industries in Washington. Spending by visitors generates sales in lodging, food services, recreation, transportation, and retail businesses – the “travel industry.” These sales support jobs for Washington residents and contribute tax revenue to local and state governments. She provided several statistics regarding the impact of travel to the local economy:

- Overnight travelers to Washington State:
  - Average 2.3 people per travel party
  - Stay 2.5 nights
  - Spend \$458 per travel party per day
  - Totaling \$16.9 billion
- The economic impact of tourism in Snohomish County includes 9,340 jobs, \$217.3 million in payroll, \$16.6 million in local taxes, and \$45.9 million in State taxes
- Visitor spending in Snohomish County is \$875.8 million per year; up 1% from previous year
- The recovery in the travel industry is stabilizing: Washington State as a whole increased revenue 6.9% while room demand increased by just 3.3%
- Snohomish County’s recovery is being led by increased revenue: 10.7% increase in revenue and a 1.7% increase in demand over 2011

Ms. Spain also reported the following:

- Generated 13,176 requests for information from ads; a slight decrease from 2011
- Web visitors for Snohomish.org, SnohomishCountyWeddings.com and RoomsAtPar.com; up 23.4 % over 2011
- SCTB visitor centers served 11,974 visitors. Countywide centers served 91,386 visitors.
- Achieved \$458,000 of free media coverage – up 4%
- 7,415 definite and 6,150 tentative group and convention room nights were booked in 2012 representing \$21 million in economic impact
- Hotel occupancy levels were up 1.7% to 66.5%; ADR was up 8.8% leading to an increase in RevPar of 10.7%
- Hotel motel tax collections were up 5.7%.

She reported on convention and group tour sales and service:

- Ads were placed in meeting and event planners, reunion and sports related publications generating requests for information
- Conducted 16 familiarization tours for meeting, group tour and international tour and travel planners and domestic and international media in the communities of Edmonds, Everett, Lynnwood, Monroe, Mukilteo, Snohomish, Stanwood, Sultan and Tulalip
- Conducted 4 sales missions to Vancouver BC, Olympia, Seattle, Boulder CO and Colorado Springs, resulting in 45 new leads for hotels and attractions in Snohomish County and distribution of 86 packets of information

- 19 trade shows generated 13,773 direct leads and distribution of 3,764 tourism guides in 2012
- Assisted 44 groups with conference services distributing 1,600 guides to attendees
- Group tour, meeting and event planner bids were prepared which resulted in 7,415 total definite room nights with an economic impact of \$17.3million
- Additional pending bookings at year end totaled 6,150 room nights and an additional \$3.7 million of economic impact.
- Primary decrease in economic impact due to recording Pacific Rim Gymnastics Championships in 2011

The sports market continues to be a significant segment contributing \$15.4 million in economic impact. Recognition and awards included:

- Finalist for NASC Member of the Year
- Sports Events Magazine Readers' Choice Award for the 3rd year

Ms. Spain reported on tourism development:

- Ads generated 13,176 total requests for information in 2012
- Additionally, there were over 8,000 visits to RoomsAtPar/StayShopAndSave websites as a result of advertising presence
- Media buys were placed in a variety of media outlets including Alaska Airlines in-flight magazine, North Sound Living, Outdoors NW, National Geographic Traveler, Budget Travel, Westworld, Vancouver BC newspapers and online sources
- Website visitation to primary site was up over 2012 by 23%. Weddings website was up by 19%
- 85,000 copies of an official visitor guide including seasonal calendars of events, and seasonally oriented articles on communities and attractions
- Six issues of StoryLine were mailed to over 1,400 travel writers with each issue
- Conducted a media sales mission to Vancouver, BC
- Attended Society of American Travel Writers and Travel Media Showcase
- Conducted media fams for 17 travel writers – Snohomish, Mukilteo, Tulalip, Edmonds, Everett, Stanwood, Monroe and all points in between
- Sent 16 press releases
- Over 160 media pitches and responses to writers and travel publications requests
- 50 articles were published
- Efforts resulted in \$458,000 of free media coverage – up 4%
- Increased usage of Flickr, Twitter, Facebook and Pinterest

**Jennifer Bravo, Visitor Services Manager, Snohomish County Tourism Bureau (SCTB)**, described continued partnerships with City of Snohomish, Snohomish Chamber of Commerce, Historic Downtown Snohomish and the Historical Society of Snohomish, City of Lynnwood Tourism and Parks & Recreation, as well as Alderwood Manor Heritage Association and SnoIsle Genealogical Society. She reported the north county Visitor Information Center (VIC) was closed due to limited visitor traffic and SCTB now manages the VIC at the Future of Flight and Boeing Tour facility.

She provided a snapshot of visitors:

- 48% from more than 50 miles away
  - 10% from other Washington counties
  - 23% from other states
  - 15% from other countries
- 52% from local area (including surrounding counties)

Ms. Bravo explained they have over 100 volunteers who work at VICs as well as events in the community. She described events that volunteers participate in, training provided to volunteers, and three

familiarization tours held in 2012 to Snohomish, Stanwood and Tulalip, and Lynwood and Edmonds that included tours of six lodging facilities from Edmonds to Arlington, Marysville and Mukilteo.

Ms. Spain described industry education the Bureau provided:

- Four countywide tourism related programs
- Creation of two of six planned video training segments:
  - Aviation attractions
  - Shopping and gaming
- Four additional video training segments planned in 2013
  - Arts, Culture and History
  - Farms, Agriculture, Wineries and Distilleries
  - Outdoor Recreation
  - Spectator Sports
- Creation of Tourism Bingo, a training program for frontline hospitality staff members
- Two training familiarization tours held for frontline staff members at local hotels

She reviewed 2013 initiatives:

- Launch of the new destination brand
- Launch new website
- Four more training videos
- Industry sector events/tours/tickets to train
  - frontline staff
  - New cyber tours
- New itineraries, maps and promotions to assist visitors in exploring all of Snohomish County

**Jessica Voelker, Coordinator, Snohomish County Tourism Promotion Area (TPA)**, thanked the City and Council for their continued support of the TPA, and Mr. Clifton who serves on the TPA Board. She explained the TPA is a funding source established by the lodging industry to increase overnight stays in Snohomish County. The grant is open to applications from non-profit and for-profit organizations as well as municipalities. The grants can fund a wide range of expenses outside marketing and promotion such as facilities costs, bid fees and transportation. Grant applications are available online and are accepted on an ongoing basis; applications are due on the first of each month. She displayed the TPA's website, [www.snocotpa.com](http://www.snocotpa.com). The website includes information on previously funded projects and eligibility requirements. Fourteen projects were funded in 2012 and an additional 14 have been funded to date in 2013. Four projects in 2012 affected Edmonds directly and two took place in Edmonds; these included:

- Triple Crown Sports Memorial Day Tournament – more than 160 teams competed in a youth baseball tournament over a 3-day period
  - Four of the fields were in the Edmonds School District
- Snohomish County Sports and Marketing Program
- Write on the Sound Writers Conference
- Edmonds Half Marathon – TPA Board recommended funding but the event was ultimately not eligible for reimbursement

In 2013 there has been only one applicant from Edmonds; that applicant was not recommended for a TPA grant but she directed them to alternative funding sources such as the Lodging Tax Advisory Committee (LTAC) and the Hazel Miller grant. Three Edmonds programs were funded in 2012 via LTAC: Olympic Ballet, Edmonds Center for the Arts and Edmonds wayfinding signs.

Ms. Voelker provided an educational flyer regarding applying for a financial grant via the TPA. Ideas for future funding in Edmonds from the TPA could include the development of new festivals, conventions, tech conferences, multi-day events and expos, a run or athletic event, state choir championship or multi-day sporting event. The TPA was designed to be flexible to provide resources to bring economic

development and overnight stays to the City. She considered herself an advocate for the lodging industry as well as the community and is always available to meet personally with prospective applicants to discuss their projects before and during the application process.

Councilmember Buckshnis referred to the 1% increase in visitor spending in Snohomish County and asked how that compared to other counties in the state and nation. Ms. Spain answered due to the closure of the State Tourism Office, any marketing in Washington State is done by individual destination marketing organizations. In 2012 the Seattle Visitor's Bureau was successful in creating a program similar to the TPA that generated \$8 million that was used to advertise the region and Washington State. As a result, Seattle had a much higher increase in visitor spending. Tri-Cities received approximately \$1 million in federal grants that was used for tourism promotion; they too saw an increase in visitors. She summarized the increase fluctuates by county. Snohomish County is typically in the top three in regard to visitor spending. She offered to provide the percentage for each county.

Councilmember Buckshnis asked whether the SCTB interacted with the Economic Alliance Snohomish County. Ms. Spain answered Economic Alliance Snohomish County partners with SCTB on specific tourism-related projects. The Alliance's focus is on lobbying efforts and economic development.

**8. DISCUSSION: PROPOSED CODE AMENDMENT TO INCREASE THE TIME FRAME FOR VALIDITY OF PRELIMINARY SHORT PLAT APPROVAL AS ESTABLISHED IN ECDC 20.75.100 (FILE NO. AMD20130002).**

Associate Planner Jen Machuga explained a subdivision into four lots or less is considered a short plat. Currently ECDC 20.75.100 limits the validity of preliminary short plat approval to 5 years. During that timeframe, the applicant would need to submit for civil review or provide the City with detailed engineering drawings showing proposed civil improvements associated with the subdivision. Following the City's review and approval of the civil plans, the applicant may either construct or bond for the civil improvements. At the end of that phase of the process, the applicant would then submit for final review where staff checks that all conditions of preliminary short plat approval have been met and the subdivision would be recorded with Snohomish County.

In the past this process was completed by most applicants well under the five year time limit. However, the economic downturn caused unanticipated delays to several projects. Recognizing the impact of the economic downturn, State law was revised to increase the timeframe for the validity of formal plats, subdivisions into 5 lots or more, to 7 years for formal plats that received preliminary approval on or before December 31, 2014, after which the timeframe for formal plats will revert to 5 years.

At the January 22, 2013 Council meeting a member of the public requested the City consider increasing the current 5 year timeframe for preliminary short plats to 7 years to provide applicants impacted by the economic downturn an opportunity to complete their projects. This was discussed with the Parks, Planning and Public Works Committee on February 11, 2013; the committee was receptive to potentially increasing the timeframe and forwarded the item to the Planning Board. The Planning Board held a discussion and a public hearing and recommended approval of extending the current short plat timeframe.

Ms. Machuga stated the draft code provides reference to State law requirements regarding the timeframe for formal plats as well as new language related to the timeframe for short plats to increase the timeframe to 7 years for short plats that obtained preliminary approval on or before December 31, 2013, and a 5 year time frame for short plats that obtained preliminary approval on or after January 1, 2014. The draft code establishes the provision to extend the time limit to 2 years from the effective date of the ordinance for short plats that obtained preliminary approval on or after January 1, 2006 and would have expired prior to adoption of the ordinance. She pointed out a public hearing is scheduled on May 7; tonight is intended to provide the Council an overview prior to the public hearing and to answer any questions.

Councilmember Buckshnis thanked staff for providing examples she requested of timeframes established for short plat approval for other cities. She expressed her support for moving forward.

Councilmember Bloom commented the draft ordinance references RCW 58.17.140 but does not reference the specific time limits established. She asked whether the time limits could be included in the ordinance. City Attorney Jeff Taraday explained that provision of the RCW has changed multiple times in the last few years due to the economic downturn. Rather than amend the City's code whenever the Legislature changes the timeline, it is preferable to reference the applicable RCW.

Councilmember Bloom asked the current time limits. Mr. Taraday answered it is as long as 9 years in some cases. Ms. Machuga commented the Legislature made a recent change to the RCW.

9. **APPROVAL OF THE MAYOR'S REQUEST FOR AN ADDITIONAL PERIOD OF APPOINTMENT OF ROB CHAVE AS ACTING DIRECTOR OF DEVELOPMENT SERVICES TO INCLUDE JANUARY 1, 2013 THROUGH DECEMBER 31, 2013, AND CORRESPONDING OUT OF CLASS PAY.**

Councilmember Bloom commented her concerns are not related to Rob Chave as the Acting Director but with the process. She referred to the March 6, 2012 minutes in which Mayor Earling stated he understood the Council's interest in a policy change regarding a policy change regarding future appointments and pointing out this is an interim position to last no longer than the end of the year. Her concern was extending this again, relaying everyone dropped the ball by not funding the position in 2013. She recalled the Development Services Director position was vacated by Duane Bowman in 2007/2008. It is a key position that has been vacant for a long time; Mr. Chave has done the job of both the Planning Manager and the Development Services Director last year and was being asked to do it again this year. She wanted to ensure the Development Services Director position was funded during the 2014 budget process.

Councilmember Buckshnis advised the out of class pay was included in the 2013 budget. Councilmember Bloom relayed her understanding that the Interim Development Services Director position was to end December 31, 2012. Therefore, the 2013 budget process should have included funds for a Development Services Director.

Councilmember Buckshnis explained she was aware during the 2013 budget discussions that the position would not be filled due to budget constraints. She expressed support for appointing Mr. Chave to an additional period as the acting director. She suggested the Council discuss whether the Development Services Director position would continue as a vacant position or should be removed.

Council President Petso agreed the action taken last year was to appoint an acting director temporarily through yearend and the action tonight is to appoint Mr. Chave to the position temporarily until the end of 2013. She was content to extend the appointment of Mr. Chave for the year and wait until the budget process to discuss the position further. At that time the Council may have levy results and the position could then be considered for restored funding.

Council President Petso recalled when the Council discussed the appointment last year, there were questions about the process of appointing an interim director and revisions to Chapter 2. The Parks, Planning and Public Works Committee discussed that for two months and were to review it again but did not. She will schedule it for the next Parks, Planning and Public Works Committee meeting.

Mayor Earling explained during the budget process he made a conscious decision not to seek a full-time Development Services Director position and continue with an acting director. He anticipated with benefits, the cost for that position would be \$135,000 - \$160,000/year. Had that position been filled,

another full time position would have been eliminated. He assured Mr. Chave has done a spectacular job fulfilling that role during the past year and is willing to do so again this year.

Councilmember Bloom wanted to ensure this issue is addressed because it is a key position and has many oversight responsibilities. She suggested considering other options to make that position work.

**COUNCILMEMBER PETERSON MOVED, SECONDED BY COUNCILMEMBER YAMAMOTO, THAT THE COUNCIL APPROVE THE MAYOR'S REQUEST FOR AN ADDITIONAL PERIOD OF APPOINTMENT OF ROB CHAVE AS ACTING DIRECTOR OF DEVELOPMENT SERVICES TO INCLUDE JANUARY 1, 2013 THROUGH DECEMBER 31, 2013 AND THE CORRESPONDING OUT OF CLASS PAY. MOTION CARRIED UNANIMOUSLY.**

**10. DISCUSSION REGARDING ALTERNATIVES FOR NON-REPRESENTED LONGEVITY COMPENSATION.**

Parks & Recreation/Human Resources Reporting Director Carrie Hite explained this is a continued discussion from July and September 2012, and the November 2012 Finance Committee. The City hired a compensation consultant last year to complete a salary survey and recommend nonrepresented compensation policy language which the Council adopted in September 2012. At that time the Council requested staff present options regarding longevity compensation to the Finance Committee.

The packet includes a table of longevity compensation that represented employees receive. The Finance Committee discussed longevity compensation in February 2013 and recommended it be presented to full Council for discussion. The consultant's recommendation was to support some type of longevity compensation in consideration of, 1) the commitment of the tenure of City staff, 2) comparison with comparable cities and internal comparisons, and 3) recognizing the reduction in earning potential with the new nonrepresented employee salary ranges.

If the Council chose to apply longevity compensation commensurate with SEIU and/or Teamsters, the financial impact to the City would be \$37,413 with the current tenure of staff:

- 7 employed for 19+ years
- 6 employed 14-19 years
- 4 employed for 10-14 years
- 9 employed for more than 5 years
- 13 employed less than 5 years

Ms. Hite requested direction from the Council regarding longevity compensation.

Councilmember Fraley-Monillas commented the longevity pay for the represented groups is based on a package of compensation that each group negotiates. She was concerned with considering only one of the package items, longevity pay, for nonrepresented employees. She was also concerned that this was not the best economic climate to present this to the citizens. Ms. Hite explained a full package was presented to the Council with the results of the salary survey conducted by the compensation consultant. The Council pulled longevity compensation from the package and asked to have it discussed separately.

For Councilmember Fraley-Monillas, Ms. Hite explained the compensation consultant made several recommendations. One was to place nonrepresented employees on a salary range progression as it was subjective when employees received steps or increases and the City was increasing its own liability without objectivity in the nonrepresented salary ranges. The salary ranges now mirror represented employees at 5%. Every nonrepresented employee was placed on a step and the steps are advanced by 5% subject to authorization of Council via the budget process. That recommendation was approved by Council.

Another of the consultant's recommendations was cost of living adjustments (COLA) commensurate with union employees. The Council approved the Mayor including COLAs in the budget subject to Council approval/revision. In the salary comparisons with comparable cities, there were several compensation packages offered by other cities that Edmonds does not offer nonrepresented employees. For example, deferred compensation of 1% and 2%, which was not approved by the Council. Several cities offered 40 and 50 hours of management leave; the Council approved management leave of 24 hours. The consultant also recommended an educational incentive for commissioned police officers which was not approved by the Council. There was also discussion regarding employment contracts for director level positions and possibly other nonrepresented positions. She summarized the Council approved the 5% salary ranges/steps which reduced salary growth potential for nonrepresented employees by 50%, placed nonrepresented employees on steps and progressing through steps at 5% subject to Council approval via the budget process, Mayor-recommended COLA increases that are subject to Council approval, and management leave.

Councilmember Buckshnis observed the longevity compensation would affect 26 nonrepresented employees. She observed the total impact on the budget was approximately \$37,000 for the 26 employees on a percentage basis based on the table in the Council packet. She acknowledged these are trying times but some employees have been with the City for a long time. She expressed support for some type of longevity compensation due to the importance of a monetary reward for long time employees.

Councilmember Peterson commented on the extra work done by staff due to the limited amount of staff. He supported longevity pay equal to SEIU, commenting that was a small price to pay for the loyalty, expertise and history of long time staff, an invaluable resource. This is especially an invaluable resource in an economy that is turning around; the City needs to retain its experienced staff as the job market becomes more competitive.

Council President Petso inquired about the vacation benefit for nonrepresented employees, whether they received full vacation from day one. Ms. Hite answered directors start at one amount of vacation with no increase; other employees start at a low level that increases over time, commensurate with union employees.

Council President Petso asked why would anyone want to be in a union if nonrepresented employees receive all the benefits given to union employees and even more for directors. Ms. Hite answered a union employee is a protected employee who can bump during layoffs; nonrepresented employees can be laid off at any time with no bumping rights. Union employees are able to earn comp time or overtime for hours over 40 hours/week which nonrepresented employees do not. In the past 1½ months there have been opportunities for 2 staff to promote within the organization from a union position to a non-union position and neither wanted to be a nonrepresented employee due to the vulnerability of those positions. As a result, recruitment was done outside the organization for those two positions. She summarized one of the advantages of considering the benefit package for nonrepresented employees is the ability to attract internal candidates. She expected that would continue to happen in the future. The Council had several discussions regarding nonrepresented compensation last year and there has been discussion by union employees who do not want to promote from within the organization.

Councilmember Fraley-Monillas commented that was their choice. She reiterated nonrepresented employees received 24 hours of management leave, a 5% step and a COLA. She supported paying people a decent salary and paying what they were worth. But when the Council may be considering the possibility of a levy, she was not interested in adding longevity pay in addition to management leave, the 5% step and COLA.

Council President Petso summarized there seems to some interest in presenting a draft longevity compensation proposal to the Council. Ms. Hite suggested if the Council made a decision tonight, it could be incorporated into the policy with policy changes presented to the Council to reflect longevity compensation. She clarified not all nonrepresented employees received management leave, only managers and directors. The other nonrepresented employees can request approval for hour-for-hour comp time.

Councilmember Johnson asked whether the recommendation was for this fiscal year and if so, how would it be funded, or is it a recommendation for the next fiscal year. Ms. Hite responded the recommendation is a policy change and the funding source is year-end balance. The Council can decide when it would be effective. There are four options:

1. Effective retroactively to January 2013
2. Start it July 1
3. Include it in 2014 budget
4. Do nothing

Councilmember Buckshnis asked if the compensation study provided a comparison of other cities. Ms. Hite replied the survey provided information from cities that responded to the survey request. Councilmember Buckshnis asked staff to provide a comparison of what other cities do for their nonrepresented employees.

Council President Petso preferred the Council not take action tonight so that the Council could receive the information Councilmember Buckshnis requested and because this item was scheduled on the agenda as a discussion item. Not taking action tonight would also give Ms. Hite an opportunity to discuss the issue and the timing with the levy team.

Mayor Earling summarized this item will be scheduled on a future agenda with the information the Council requested.

## **11. PARK IMPACT STUDY RESULTS**

Mayor Earling reported he attended the Washington Recreation and Park Association (WRPA) Annual Conference in Vancouver, Washington, where Edmonds received three awards:

- Edmonds Floretum Garden Club
- Best Facility – Hazel Miller Plaza
- Edmonds' partnership with Mountlake Terrace and Lynnwood on 3<sup>rd</sup> grade swim lessons sponsored by Verdant

Mayor Earling advised Ms. Hite is the President-elect of WRPA. Ms. Hite stated a press release will be issued to announce the awards. She explained the Floretum Garden Club received one of the highest awards that WRPA gives, a Citation of Merit – Organization.

Ms. Hite explained the Council authorized the completion of a Park Impact Fee Study on March 6, 2012. The City hired a consultant, Randy Young, Henderson Young and Company, to prepare the study.

**Randy Young, Henderson Young and Company**, explained a park impact fee is one way to augment funding of the capital cost of the City's park system and there are a number of options. He explained the initial mission was to identify the maximum defensible impact fee under Washington law that the City could choose to charge. Over 70 Washington cities have a park impact fee, many do not. His role was not as an advocate for a park impact fee but an expert resource in determining whether a park impact fee is appropriate for Edmonds.

Mr. Young provided a definition of an impact fee: a one-time payment paid by new development for capital costs of facilities needed by new development. He identified reasons to charge impact fees:

- Revenue: for public facilities
- Policy: growth pays a portion of costs so taxpayers don't pay the whole cost
- Quality of life: public facilities keep up with growth

To the question of why Edmonds needs an impact fee when Edmonds is built out, Mr. Young pointed out:

- Conversions from single-family to multi-family, and/or construction of multi-family
- Population growth next six years = 1,237
- Transportation impact fees collected in Edmonds for 2004 – 2010 = \$ 571,872

Mr. Young reviewed the rules for impact fees:

1. Fair Share= growth only, not deficiencies
2. “Reasonably needed”, “proportionate share” = fee proportional to impacts
3. Credits = no double charging (e.g. need to consider funding in CIP)
4. “Cannot rely solely on impact fees” = cannot charge 100% of growth's costs

He reviewed what impact fees can/cannot pay for:

- Can pay for “system improvements” in adopted CIP
- Cannot pay for “project improvements” (i.e., common areas of the development)
- Cannot pay for repair, replacement, renovation
- Eligible land and facilities include parks, open space and recreation facilities

Factors in the calculation of park impact fee include:

- 1) Growth forecast; 2) Cost per “person;” and 3) Impact fee rates

#### Growth Forecast

Mr. Young displayed and reviewed forecasts for population growth forecasts for 1940- 2025 (table 2, page 10 of study) from the City's adopted Comprehensive Plan and employment growth forecasts (table 3, page 11) from the Puget Sound Regional Council for 2000-2025. He explained the proposed impact fee could be charged to residential as well as businesses. He displayed and reviewed a Growth of Equivalent Population and Employment by land use category. A coefficient is determined based on the number of hours an employee works, type of business, amount of time they work in the City and the number of customers they attract. He summarized the total 2011-2025 Growth Equivalent Population was 5,880.

#### Cost per Person

Asset Inventory and Capital Value (table 5, pages 14-15)

| Acres | Land Value   | Improvement Value | Total Value  |
|-------|--------------|-------------------|--------------|
| 210.4 | \$64,887,480 | \$15,486,982      | \$80,374,372 |

Value of Parks per equivalent Population (table 6, page 15)

| Total Value of Edmonds Parks | Current (2011) Equivalent Population | Capital Value per Equivalent Population |
|------------------------------|--------------------------------------|-----------------------------------------|
| \$80,374,372                 | ÷ 45,314                             | = \$1,773.71                            |

Value of Parks Needed for Growth (table 7, page 16)

| Capital Value per Equivalent Population | Growth of Equivalent Population | Value Needed for Growth |
|-----------------------------------------|---------------------------------|-------------------------|
| \$1,773.71                              | x 5,880                         | = \$10,429,210          |

Investment Needed in Parks for Growth (table 8, page 17)

| Value Needed for Growth | Value of Existing Reserve Capacity | Investment Needed for Growth |
|-------------------------|------------------------------------|------------------------------|
| \$10,429,210            | 0                                  | \$10,429,210                 |

Investment in Parks to be Paid by Growth (table 9, page 18)

| <b>Investment Needed For Growth</b> |   | <b>City Investment for Growth @ 30.33%</b> |   | <b>Investment to be Paid by Growth</b> |
|-------------------------------------|---|--------------------------------------------|---|----------------------------------------|
| \$10,429,210                        | - | \$3,163,265                                | = | \$7,265,945                            |

Growth Cost per Person (table 10, page 19)

| <b>Investment to be Paid by Growth</b> |   | <b>Growth of Equivalent Population</b> |   | <b>Growth Cost Per Equivalent Population</b> |
|----------------------------------------|---|----------------------------------------|---|----------------------------------------------|
| \$7,265,945                            | ÷ | 5,880                                  | = | \$1,235.73                                   |

Impact Fee Rates

Impact Fee per Unit (table 11, page 19)

| <b>Type of Development</b>  | <b>Growth Cost Per Equivalent Person</b> | <b>Equivalent Population Coefficient</b> | <b>Unit of Development</b> | <b>Impact Fee Per Unit of Development</b> |
|-----------------------------|------------------------------------------|------------------------------------------|----------------------------|-------------------------------------------|
| Residential – single family | \$1,235.73                               | 2.2125000                                | Dwelling unit              | \$2,734.05                                |
| Residential – multi-family  | \$1,235.73                               | 1.8937500                                | Dwelling unit              | \$2,340.16                                |
| Retail                      | \$1,235.73                               | 0.0020038                                | Square foot                | \$2.48                                    |
| Office                      | \$1,235.73                               | 0.0005056                                | Square foot                | \$0.62                                    |
| Manufacturing               | \$1,235.73                               | 0.0005814                                | Square foot                | \$0.72                                    |
| Construction                | \$1,235.73                               | 0.0001986                                | Square foot                | \$0.25                                    |

Mr. Young referenced tables in the appendix that were used to create the Equivalent Population Coefficient: Employee Hours in Location (per employee) – Table A-1, page 21, Visitor Hours in Location (per employee) – Table A-2, page 22, and Table A-3, page 22.

Mr. Young reviewed potential revenue from park impact fees:

- Equivalent population growth to 2025 = 5,880
- 5,880 growth ÷ 12 years = 490/year
- 490 x \$1,235 = \$605,000 / year

Mr. Young provided a comparison of park impact fees for single family for Edmonds and peer cities:

|              |                |          |                   |
|--------------|----------------|----------|-------------------|
| \$ 6,404     | Issaquah       | \$ 2,438 | Mukilteo          |
| 5,933        | Mill Creek     | 2,329    | Kenmore           |
| 4,579        | Monroe         | 2,000    | Bellevue          |
| 4,305        | Duvall         | 2,000    | Brier             |
| 4,150        | Snohomish      | 1,879    | Mountlake Terrace |
| 3,845        | Kirkland       | 1,726    | Woodinville       |
| 3,175        | Sultan         | 1,662    | Arlington         |
| 3,100        | Redmond        | 1,345    | Bothell           |
| <b>2,734</b> | <b>Edmonds</b> | 1,251    | Marysville        |
|              |                | 427      | Mount Vernon      |

Mr. Young explained the impact fee rate study provides sound basis for park impact fees, but Edmonds has options:

1. Residential only, not commercial
  - Removal all data about employment
  - Revise cost per person
  - Do the math to calculate new rates

Example:

| Type of Housing | Rate if both Residential and Business | Rate if Only Residential | \$ Difference | % Difference |
|-----------------|---------------------------------------|--------------------------|---------------|--------------|
| Single family   | \$2,734                               | \$3,320                  | \$586         | 21.4%        |
| Multi-family    | \$2,340                               | \$2,842                  | \$502         | 21.4%        |

2. Reduce rates across the board

- Identify the rate that concerns the Council the most (i.e. multi-family at \$2,340)
- Identify the amount the Council is willing to charge (i.e. \$1800)
- Divide the “willing” rate by the full rate ( $\$1,800 \div \$2,340 = 77\%$ )
- Apply the same % to all other rates

Example:

| Type of Housing | Unit          | Full Rate in Study | Rate @ 77% |
|-----------------|---------------|--------------------|------------|
| Single family   | Dwelling unit | \$2,734            | \$2,105    |
| Multi-family    | Dwelling unit | \$2,340            | \$1,800    |
| Retail          | Square foot   | 2.48               | \$1.91     |
| Office          | Square foot   | 0.62               | 0.48       |
| Manufacturing   | Square foot   | 0.72               | 0.55       |
| Construction    | Square foot   | 0.25               | 0.19       |

3. Phase in rates over 2 or more years

- Select the final rate when fully phased in
- Select the beginning rate for the first year
- Select the number of years for phase in
- Do the math and create the phasing schedule

Example:

| Type of Housing | Unit          | Year 1 @ 80% | Year 2 @ 90% | Year 3 @ 100% |
|-----------------|---------------|--------------|--------------|---------------|
| Single family   | Dwelling unit | \$2,187      | \$2,461      | \$2,734       |
| Multi-family    | Dwelling unit | 1,872        | 2,106        | \$2,340       |
| Retail          | Square foot   | 1.98         | 2.23         | 2.48          |
| Office          | Square foot   | 0.50         | 0.56         | 0.62          |
| Manufacturing   | Square foot   | 0.58         | 0.65         | 0.72          |
| Construction    | Square foot   | 0.20         | 0.23         | 0.25          |

4. Exempt low-income housing

- Adopt definition of “low income housing”
- Identify timing of paying for exempted fees
- Identify source of paying for exempted fees

Student Representative Walker Kasinadhuni referred to option 1 where businesses are exempt from paying impact fees and asked why the same could not be done for low income housing. Mr. Young answered choosing not to charge business is not an exemption under the statute. It would be a finding by the City Council that the impact of the business community on the parks systems is not enough to require they pay an impact fee. There is explicit authorization in the statute for exemptions for low income housing and other broad public purposes which has come to mean something like exempting the school district from the transportation impact fee.

Mr. Young continued his review of options:

5. Increase revenue from other sources

- Identify other sources that could be raised such as grants, local taxes, bonds
- Determine the amount that can be raised
- Revise the 30.33% city investment

6. Do not adopt park impact fees
  - Raise other revenue
    - Consequence is growth pays less, taxpayers pay more
  - Reduce level of service
    - No new parks, quality of life is reduced

Mr. Young explained the purpose of tonight's presentation was to take Council comments, questions. Next steps include finalizing the impact fee study and, if the Council is interested in proceeding, preparing a draft ordinance and holding a public hearing.

City Attorney Jeff Taraday commented there are a lot of unknowns with regard to how the courts will treat impact fee assumptions in Mr. Young's presentation. His reaction was it was an extremely conservative approach to impact fees. For example, the 30% reduction for other funding, there is nothing in State law that requires all grant funds to be excluded from the impact fee calculation. He did not necessarily think the maximum fee Mr. Young stated the City could charge would be the maximum but it was a way of looking at it. Mr. Young concurred, suggesting if the 30% were not included in the calculation, the Council could indicate the grant funds would be used for repairs and maintenance that are not intended to serve new development.

Councilmember Buckshnis requested a copy of Mr. Young's PowerPoint. She asked what other cities do not charge a commercial park impact fee. Mr. Young responded out of 74-75 cities that charge a park impact fee, only 10 charge a commercial impact fee (Redmond, Mountlake Terrace (only Town Center), Arlington, Tukwila, Poulsbo, Linden, Pasco, Burlington, Sumner, Ephrata, and Zillah).

Councilmember Buckshnis asked what cities have a reduced rate. Mr. Young answered many cities discount the rate rather than phase it. Councilmember Buckshnis asked how the rate was reduced. Mr. Young answered there was no law or case law about how to make a reduction but all the rate categories must be reduced by the same percentage.

Councilmember Peterson observed Mountlake Terrace only charges a park impact fee for businesses in the Town Center. He asked if the City could be divided into residential zones where the park impact fee would not be charged. Mr. Young answered yes, referring to RCW 82.02 that states the city shall identify one or more service areas for its impact fees. For example many cities divide their city into zones for a transportation impact fee. Edmonds could be divided into zones; there would need to be a rational basis for calculating the different rates. Another unintended consequence of creating too many zones is no zone collects enough to build a park. When a city is divided into zones, the funds collected must be used in the zone where they are collected.

Councilmember Peterson asked whether the park impact fee could be less if there were incentives in the City's code for small units such as 700 square feet. Mr. Young answered the square footage data set is pretty thin other than the annual American Housing Survey (AHS). His proposal is very conservative; the highest defensible. The smallest size increment available from AHS data set is 1400 square feet which would mean any construction 1400 square feet and below would not pay the park impact fee.

Councilmember Peterson asked if it was appropriate to be doing the PROS Plan update concurrently with a park impact fee study. Ms. Hite stated it is ideal to do them concurrently. The current PROS Plan does not identify future growth needs, only deficiencies. The PROS Plan update can address the current and future level of service.

Councilmember Peterson asked if funds collected from a park impact fee could be used for a park anywhere in the City. Mr. Young explained the value per capita approach allows the funds to be used for

neighborhood, citywide or area-wide parks. Not adopting service area zones recognizes that residents/businesses use parks citywide. He summarized park impact fees are not based on actual use but accessibility/availability. Conversely transportation impact fees are based on actual use using data sets for individual land uses.

Councilmember Peterson asked if a retail only zone could be exempted. Mr. Young replied the only way to exempt a zone is to never build another park in the zone or direct all grant funds to parks in that zone.

Councilmember Johnson noted park impact fees could not address deficiencies. The Capital Facilities Plan includes approximately six projects with funding of \$34 - 60 million in the 2019-2025 timeframe. She asked how that fit into a park impact fee. Mr. Young stated to meet the requirement to consider other funds, the City's short and long term planning documents and the funding mechanisms were considered.

Councilmember Johnson advised all of the City's REET funds are dedicated to parks. She inquired the amount of capital funding that would be available if Parks Capital REET funds are excluded. Ms. Hite clarified REET 1 is not dedicated to parks; it is dedicated to City infrastructure and currently is paying for City Hall, Edmonds Center for the Arts, seismic upgrade at Frances Anderson Center, and debt service on Marina Beach. The remainder is used for City infrastructure. The first \$750,000 of REET 2 is dedicated to parks; the remainder is dedicated to streets. Projects funded by the \$750,000 Parks capital in the next six years include playground replacements, resurfacing basketball and tennis courts, trail improvements, tree removal and pruning, etc. In 2013, \$500,000 is allocated to match a \$500,000 State grant to revitalize City Park with a spray pad, playground equipment, etc. Cutting those capital funds would have a very large impact on parks. Park impact fees are not intended to supplant those funds; they are for future growth.

Mr. Young explained the 30% was determined by a precise analysis; Ms. Hite reviewed projects on the capital projects list to identify projects that add capacity and would be eligible for a park impact fee. The projects that were not eligible and the associated funding were not included in the calculation. The 30% is funds for projects that are capacity-adding. Ms. Hite provided an example of a project in the CFP that was included in the 30%, the Woodway Fields project, which adds capacity for the current, future and regional population. The first phase of that project is \$4 million.

Council President Petso asked whether Esperance was taken into account as it is in Edmonds' GMA planning area. Mr. Young answered the study considered current city limits only.

Councilmember Buckshnis commented many citizens think the Port is responsible for the Edmonds Marsh when it is actually the City. She asked if park impact fees could be utilized to daylight Willow Creek or restoring the marsh. Ms. Hite replied the marsh rehab has been identified as a deficiency in the current system but it will also benefit future residents. She recalled a 50% factor was used for the marsh rehabilitation. She noted there was not a great deal of funding in the CFP for the marsh at this time. Councilmember Buckshnis asked if the marsh study needed to be completed first. Ms. Hite agreed it did.

Councilmember Bloom asked if there were other housing types that could be exempted from park impact fees such as green buildings. Mr. Young advised there are two specific authorized exemptions in the statute, low income housing and other broad public purposes. There is no case law or Hearing Examiner rulings regarding broad public purposes. A few cities are pushing the envelope but because he was conservative and did not want to put his clients at risk, he suggested having that conversation with the City Attorney. Mr. Taraday said he would generally agree. As a practical matter, because the City has to pay itself the impact fee for anything it chooses to exempt, the City cannot afford to push the envelope too far. The Council has a great deal of discretion regarding what it chooses to exempt via other broad public purposes.

With regard to Esperance, Mr. Young explained typically studies are done on existing city limits. Olympia negotiated with Thurston County for a reciprocal impact fee outside their city limits. Following a recent annexation that increased their population by 40%, he suggested Kirkland talk to their City

Attorney about using the existing impact fee rates until a new study can be conducted. The other alternative would be a moratorium on building permits in the annexed area until a new study is conducted.

Councilmember Johnson noted the Yost Pool project in the CFP has a range of \$5 – 23 million and several other projects have ranges. There is also a \$5 million placeholder in the CFP for an art museum. She asked how the lack of certainty in the CFP was considered. Mr. Young answered in the instances where there were ranges, he discussed with Ms. Hite whether to use the top or mid-point of the range.

Councilmember Johnson suggested if the park impact fee is done concurrently with the PROS Plan, more certainty could be provided in those project estimates. Ms. Hite stated all the CFP projects will be reviewed including a public process to prioritize projects and to refine cost estimates. For example the aquatics study includes a range but the adopted preference is an \$8 million project which was used in the park impact fee study.

If the Council agreed a park impact fee had merit, Ms. Hite recommended scheduling a public hearing and she will prepare a draft ordinance. Councilmember Buckshnis suggested a Council committee review it first to discuss the six options.

Council President Petso requested Councilmembers submit comments to Ms. Hite via email. If a consensus emerges from the comments, it can be scheduled for full Council. If there are conflicts, she will schedule review for Council committee.

Mayor Earling announced Item 13 would be deferred to the May 7 meeting. He declared a brief recess.

## **12. DISCUSSION: SHORELINE MASTER PROGRAM UPDATE**

Senior Planner Kernen Lien explained his presentation tonight will focus on how the Shoreline Master Program (SMP) update affects single family development and the Meadowdale Marina.

He described the SMP's relationship to other plans and regulations:

- 24.10.030 – Relationship to Other Plans or Regulations
  - SMP is adopted element in Edmonds Comprehensive Plan
  - SMP works in tandem with rest of ECDC
    - Uses, developments, and activities must comply with ECDC and SMP
    - SMP prevails where there are conflicts

He explained the draft SMP includes 11 shoreline environmental designations; of those 11, 3 are shoreline residential development:

- Shoreline Residential I
  - North Edmonds east of railroad, RS-12 & RS-20 zoning
- Shoreline Residential II
  - East of railroad, RS-6 zoning
- Shoreline Residential III
  - Lake Ballinger, RSW-12

The main permit for shoreline is Shoreline Substantial Development Permit.

- Single family residences is a preferred shoreline use (RCW 58.17.020)
- Most single family developments exempt for shoreline substantial development permit process; however,
- Single family development must still comply with the regulations within the SMP

He identified shoreline exemptions:

- Single family residence and associate appurtenance
- Construction of the normal protective bulkhead common to single-family residences
- Construction of a dock
  - < \$2,500 in salt water
  - < \$10,000 in fresh water

Mr. Lien reviewed the following:

- Residential Development ECDC 24.60.070:
  - New residential development must be consistent with Comprehensive Plan, zoning restrictions, and shoreline area designations
  - Public access must be considered with subdivision of four or more lots
  - Shared docks with subdivision of two or more lots
- Docks ECDC 24.50.030:
  - Prohibited substances
  - Not more than five feet above water
  - Not to exceed 25% of lot width
  - Located 10 feet from side property line
  - Shared docks can be located on a property line
  - No more than 400 square feet
- Shore Stabilization (Bulkheads) ECDC 24.50.020
  - New development designed so bulkheads are not needed
  - Locate landward of ordinary high water mark
  - Soft methods preferred over hard methods

Mr. Lien reviewed CAO integration:

- 24.40.020 – Critical Areas
- GMA vs. SMA
- SMA rules within shoreline jurisdiction, CAO applies outside of shoreline jurisdiction
- CAO Integration Options
  1. Copy specific sections of CAO into SMP
  2. Reference a specific CAO addition noting which CAO provisions will not apply to the SMP
  3. Include portions of the CAO as an appendix to the SMP
- City pursued options two and three
- 24.40.020.D – CAO Exceptions
  - General provisions
  - Wetlands
- 24.40.020.C – CAO Provisions allowed with Shoreline variance

Mr. Lien displayed and reviewed an image of Lake Ballinger. He provided the following information regarding wetlands:

- Lake Ballinger ringed by wetlands
- CAO Buffer (ECDC 23.50.040)
  - Category III = 50 feet
  - Category IV = 35 feet
- SMP wetland buffers (ECDC 24.40.020.F)
  - Category III = 60 feet base (+ 45 to 105 feet)
  - Category IV = 40 feet
- Variance required to reduce buffer more than 25%

Mr. Lien noted in addition to the above buffers, there is a 15-foot building setback.

Councilmember Buckshnis asked how habitat is scoring. Mr. Lien advised it is contained in 24.40.020.F.

**COUNCIL PRESIDENT PETSO MOVED, SECONDED BY COUNCILMEMBER FRALEY-MONILLAS, TO EXTEND THE MEETING FOR ½ HOUR. MOTION CARRIED UNANIMOUSLY.**

Mr. Lien commented on the bluff setback:

- Standard setback is 50 feet plus 15 feet building setback
- Shoreline variance required to build closer

For Councilmember Bloom, Mr. Lien explained for a Category III wetland, the buffer would be a 60 foot base, and a habitat score of 20-30 would add another 45 feet for a total of a 105 foot wetland buffer. Councilmember Bloom asked how the habitat was scored. Mr. Lien answered it is done by a wetland biologist. The wetland biologist considers the hydrology, soils, and plants as well as the size of the wetland and the quality of the plant community to develop a habitat score.

Councilmember Bloom asked how an applicant seeks a variance. Mr. Lien answered shoreline variances are approved by the Department of Ecology (DOE). The City would hold its process including review and decision by the Hearing Examiner which would be forwarded to the DOE. Shoreline substantial development permits do not require approval by DOE.

Councilmember Bloom asked if that applied to only new construction. Mr. Lien answered staff's thinking was redevelopment within the developed footprint would be allowed such as in Harbor Square. If development is not allowed within the developed footprint and development must comply to adopted standards, that would apply to properties on Lake Ballinger as well as redevelopment at Harbor Square. When the SMP was drafted and staff consulted with DOE, the thought was and the way the SMP is drafted is redevelopment could occur within the developed footprint. Discussions with the City Attorney indicated the language in the SMP and COA may not be sufficient.

Mr. Lien explained within the CAO, a buffer width reduction can be done without a variance process. Within the shoreline jurisdiction, the CAO does not rule, the SMP rules. Therefore a reduction of the buffer below 25% would require a variance process. When the regulations were drafted and the CAO was updated in 2004/2005, the intent was redevelopment could occur as long as it was in the developed permit. Best Available Science (BAS) for the CAO addresses development and developed footprint. When that language was transferred to code from BAS to CAO, it states additions to structures. If the interpretation is development cannot occur within the developed footprint, demolition and rebuilding would be required to meet the buffer setback.

Councilmember Bloom asked if this was different or the same as Harbor Square. Mr. Lien replied with regard to development in the developed footprint, what applies here would apply to Harbor Square and vice versa. He clarified the intent was redevelopment could occur within the developed footprint. Mr. Taraday explained this is a policy question; staff is proposing a policy whereby redevelopment would be allowed in an existing footprint. He was uncertain the proposed language actually effectuates that policy choice. If that is the Council's policy choice, the language needs to be tightened.

For Councilmember Bloom, Mr. Lien explained the standard in drafting the SMP is no net loss of ecological functions over the current conditions. Redevelopment within the previously developed footprint meets the standards of the SMA and the CAO. The intent when the SMP regulations were drafted was to allow redevelopment in the developed footprint. Some jurisdictions have used a straight setback and no buffers and DOE has indicated that meets the requirements of the SMA.

Mr. Lien explained there was a change in the Shoreline designations from the existing SMP to the proposed SMP for Meadowdale Marina. The current shoreline designation of the Meadowdale Marina is Urban Mixed Use, the Comprehensive Plan designation is Mixed Use Commercial and the zoning is Commercial Waterfront, the same as the Port area. The proposed shoreline designation is Aquatic I.

He provided the history of the shoreline designation:

- Aquatic Environment – New environment consistent with SMP Guidelines (WAC 173-26)
- Shoreline designation reviewed by TAC
- TAC notes mention designating upland area associated with Haines Wharf as Urban Mixed Use
- There are no upland areas associate with the site

He described the two aquatic designations and identified areas on the waterfront and Lake Ballinger:

- Aquatic I (Low Intensity)
- Aquatic II (High Intensity)

Mr. Lien described Meadowdale Marina Permitting:

- Shoreline substantial development permit issued in 2005 (SM-05-94) to reconstruct pier
- Two years to start, five years to finish project
- Time begins other permits have been obtained
- Other required permits: HPA, Army Corps, Railroad Crossing, Building Permits
- SM-05-94 still a valid permit
- Proposed change to SMP: Applicants have 5 years to obtain other require permits

Mr. Lien summarized he hoped tonight would be the last work session on the SMP and a public hearing could be scheduled. Hearing no further questions, Mayor Earling suggested Mr. Lien work with Council President Petso to schedule a public hearing.

13. **POSSIBLE ACTION REGARDING DRAFT RESOLUTION ADOPTING ROBERT'S RULES OF ORDER AS THE CITY COUNCIL'S NEW RULES OF PROCEDURE**

This item was deferred to the May 7 meeting.

14. **REPORT ON OUTSIDE BOARD AND COMMITTEE MEETINGS**

Councilmember Peterson reported members of the Lake Ballinger Forum had a successful trip to Washington DC with the lobbyist. They met with Senator Cantwell and Congressman Larsen regarding funding from the Water Resource Development Act to address flooding and water quality issues in Lake Ballinger.

Councilmember Fraley-Monillas reported the main topic of the recent South County Cities meeting was outdoor recreation area plans for Monroe, Sultan and Gold Bar. In Monroe their stormwater runoff flows into manmade lakes; this summer wakeboarding will begin on the stormwater lakes. The meeting also included discussion regarding economic development in an industrial area in Monroe. She noted none of the buildings were over 35 feet; Monroe's City Manager indicated they did not find building heights over 35 feet necessary. Monroe's proposed City Hall will be taller and will combine offices for the city and the school district. Monroe is also attracting businesses; an electronic assembly business opening this summer will employ 350 people.

Councilmember Buckshnis reported Snohomish County Tomorrow passed their GMA population targets for 2035. Woodway submitted a letter of objection because Pt. Wells which is within their MUGA was to provide a population of 1300.

Councilmember Buckshnis reported Governor Inslee's budget includes \$80 million for Puget Sound Acquisition and Restoration funding. WRIA 8 recommended a study of the marsh. WRIA 8 is meeting with the technical committee on May 1 to discuss funding.

Councilmember Yamamoto reported SnoCom is still in a formal dispute regarding the New World System. If resolution is not reached by July, it will advance to step 2 of 3.

Councilmember Bloom reported on the April 17 Economic Development Commission meeting:

- Update from the Technology Committee
  - Harbor Square has been wired
  - Avertec on 5<sup>th</sup> Avenue will be served
  - Europe through the Back Door is extending fiber to their other building.
  - Edmonds Conference is being wired
  - Working to attract tech businesses
  - Developing a marketing strategy
  - Not focusing on the home market at this time due to the cost of wiring individual homes
  - An RFP/RFQ is being prepared for the half-time position to market fiber optics
- Strategic Plan
  - Strategic action items where the Port, Chamber and Senior Center are the lead have been forwarded to them
  - The Strategic Action Planning Committee will review and prioritize the actions
  - Discussed the EDC's role in implementation of the Plan including the EDC championing, monitoring or tracking progress on implementation
  - Discussed narrowing the list of actions that are pertinent to the EDC's mission such as revenue generating items
  - The subcommittee will form a list of priorities to discuss at the next meeting.
- Tourism Update
  - Discussed Bed & Breakfasts in Edmonds and why there are so few
  - A report was given regarding casino gambling and a decision was made not to pursue it due to State law that allows cities to allow/prohibit gambling but not zone for gambling
- Land Use Update
  - The subcommittee discussed land use incentives
  - Snohomish indicated a waiver of hotel/motel tax was not effective
- Coal Train
  - EDC will continue to monitor but will not take a position
- Communications Subgroup
  - The next meeting will focus on disseminating research done by the EDC and getting information into the public domain.

Councilmember Bloom advised she has been asked to make a more extensive report to the Council regarding the EDC's work. With regard to the Tree Board, she encouraged citizens to apply for the two vacancies on the Tree Board. The April 27 Arbor Day celebration will include tree benefit tags hung on trees in downtown Edmonds. The Tree Board also plans to have a booth at the May 4 Garden Market.

## **15. MAYOR'S COMMENTS**

Mayor Earling reported he went to Olympia last Friday along with Mayor Stephenson and Mayor Nearing in an attempt to get a broader array of Snohomish County transportation projects included in the House Transportation package. Representative Marko Liias was successful in passing an amendment that included several transportation projects including the \$10 million Highway 99 Improvement project.

**16. COUNCIL COMMENTS**

Councilmember Buckshnis reported the Senior Center is holding its annual Health Fair on Friday, April 26 from 10:00 a.m. to 2:00 p.m. The Lions Club will provide free vision, hearing, glaucoma and diabetes screening.

With regard to Item 3H on tonight's agenda, Councilmember Buckshnis reported Mr. Hertrich hung up on her when she asked him what 25 + 5 equals. She emphasized 25 + 5 = 30 feet; the height limit in the BD zones in downtown Edmonds has not been raised. The only change was to remove the 15-foot step-back.

Councilmember Fraley-Monillas requested Mr. Taraday address Ms. Fimia's questions. Mr. Taraday explained RCW 43.21.C.420 does not apply; it is an optional process that involves adoption of a subarea plan as well as adoption of development regulations. Development regulations were not proposed at the time the Council was considering the Harbor Square subarea plan. That statute is intended to create a streamlined process for permitting transit oriented development whereby a city adopts a subarea plan as part of its Comprehensive Plan, adopts development regulations, does an EIS and informs the public to bring any SEPA appeals. The process in RCW 43.21.C.420 is an optional process that the City was not utilizing although some in the public believe the Council was required to utilize it.

Councilmember Johnson reported the Garden Market begins on Saturday, May 4.

**17. CONVENE IN EXECUTIVE SESSION REGARDING PENDING LITIGATION PER RCW 42.30.110(1)(i).**

This item was removed from the agenda via action under Agenda Item 1.

**18. RECONVENE IN OPEN SESSION. POTENTIAL ACTION AS A RESULT OF MEETING IN EXECUTIVE SESSION.**

This item was removed from the agenda via action under Agenda Item 1.

**19. ADJOURN**

With no further business, the Council meeting was adjourned at 10:35 p.m.