

**CITY OF EDMONDS
PLANNING BOARD MINUTES
February 14, 2007**

Chair Freeman called the regular meeting of the Planning Board to order at 7:03 p.m. in the Council Chambers, Public Safety Complex, 250 – 5th Avenue North.

BOARD MEMBERS PRESENT

Cary Guenther, Chair
John Dewhirst, Vice Chair
Janice Freeman
Jim Young
Don Henderson
Judith Works
Michael Bowman
John Reed

STAFF PRESENT

Rob Chave, Planning Division Manager
Steve Bullock, Senior Planner
Don Fiene, Assistant City Engineer
Noel Miller, Public Works Director
Brian McIntosh, Parks, Recreation and Cultural Services Manager

READING/APPROVAL OF MINUTES

VICE CHAIR DEWHIRST MOVED THAT THE MINUTES OF JANUARY 24, 2007 BE APPROVED AS AMENDED. BOARD MEMBER FREEMAN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

ANNOUNCEMENT OF AGENDA

No changes were made to the agenda.

AUDIENCE COMMENTS

There was no one in the audience who expressed a desire to address the Board during this portion of the meeting.

PRESENTATION ON UPDATES TO SIX-YEAR CAPITAL IMPROVEMENT PLAN (CIP) 2007-2013

Mr. Fiene advised that the Engineering Department has completed the proposed 2007-2013 Capital Improvement Plan (CIP). The plan shows projected projects and revenues for the next six years. He referred to the spreadsheets that were prepared for each of the 12 funds. He reported that staff is in the process of developing a Capital Improvement Program Project Description Booklet that would describe each of the projects in the CIP, explain their rationale, and identify projected costs and schedules. He reviewed each of the funds with the Board as follows:

- **Funds 112 and 125:** Mr. Fiene advised that these are transportation funds that fund a wide variety of projects such as traffic calming, street lights, overlays, roadway stabilization projects, etc. The situation in these two funds has improved since last year, and the Planning Board played a significant role in this change. He noted that REET 2 Funds in excess of

\$750,000 would be put into Fund 125 for transportation projects. The total amount of REET 2 funds in 2006 was \$1.43 million, so about \$680,000 was used for transportation projects. However, funding from the motor vehicle fuel tax was moved from the capital fund into the 111 fund, which is a transportation operations fund that no longer gets funding from the City's general fund. If this practice continues, the overlay cycle would slip from the proposed 30-year cycle to a 40-year cycle. He noted that the 2006 CIP identified an 80-year cycle for overlay projects. In addition, they were unable to get Olympic View franchise funds into the transportation capital budget. Instead, this money went right into the general fund. However, he summarized that the picture for the transportation funding is much better than it was last year.

- **Fund 113:** Mr. Fiene said this is the fund for the Multi-Modal Edmonds Crossing Project that would bring all modes of transportation together at one site. Board Member Henderson pointed out that dollars have been identified in this fund through 2013. He asked if that is when the City anticipates the project would be finished. Mr. Fiene said he believes the project would be completed around that period of time. Vice Chair Dewhirst noted that the proposed CIP shows RTID and Sound Transit as major sources of revenue, but it should be made clear that these funds have not been secured to date.

Vice Chair Dewhirst said the proposed CIP for Fund 113 shows some significant professional design services cost in 2007 and 2008. It also indicates that right-of-way acquisition and mitigation would be expenditures, but it does not show where the money would come from for these items. Mr. Fiene answered that this funding would come from the State Transportation Appropriation, but he doesn't know if the funds have been secured yet. The Board asked that Stephen Clifton be invited to attend the public hearing for the draft CIP to answer the Board's questions and provide more information. Mr. Fiene agreed to contact Mr. Clifton.

- **Fund 116:** Mr. Fiene advised that this is the building maintenance fund, which is currently financed by the general fund. However, funding beyond 2010 is a concern given the general fund's current situation. Lack of funding would defer building maintenance, leading to the overall deterioration of City assets.

Vice Chair Dewhirst requested more information regarding ESCO Project Phase II. Mr. Miller explained that this project would upgrade the mechanical and lighting components of the City's buildings through a State program that uses a design/build approach. The projects would be financed through energy savings from each building. The City was able to provide enough financing to do more of the projects than they anticipated.

Vice Chair Dewhirst recalled that in 2006 the Board sent a strong recommendation to the City Council urging them to address the shortfalls in the transportation fund, and improvements were made. The building maintenance fund is in real trouble now, and it is important that the City avoid getting into a position where they have to defer maintenance too long. He asked if the City Council has been made aware of the problem. Mr. Miller said staff has advised the City Council of the current situation, but reinforcement from the Board would also be helpful.

Vice Chair Dewhirst asked if the City has a policy that requires rental facilities such as the Meadowdale Club House to be self-supported by revenues generated. Mr. Miller advised that the rental facilities are typically subsidized by the general fund. The Parks, Recreation and Cultural Services Department does what they can to generate revenues from these programs, but they can't charge fees that are greater than what the market would bear, particularly when community groups and non-profit organizations are using the facilities. There is no specific City policy related to these facilities.

- **Funds 125 and 132:** Mr. Fiene said these funds provide money for the Parks, Recreation and Cultural Services Department. He provided a list of the types of projects that are paid for from these funds, as well as sample projects. He noted that the skateboard park project is moving along at this time.
- **Fund 126:** Mr. Fiene advised that this is the park acquisition fund. Board Member Works asked staff to provide more information about the Woodway High School Capital Campaign. Mr. McIntosh explained that the City is looking for money to jump start the Woodway High School Project, and they have requested a local community grant for \$3 million from the Legislature. They are working with local organizations and the school district to lobby local Legislators to push the project through. He noted that once funding is available, it would be much easier to get partnerships. He concluded that they anticipate the capital campaign would include a lot of partners.

Board Member Freeman inquired regarding the Dayton Street Plaza Project. Mr. McIntosh said this project would be located at the corner of 2nd and Dayton, where an old courtyard currently exists. Through a partnership with the City and the Edmonds Arts Foundation, the site would be redeveloped as a public plaza.

- **Fund 129:** Mr. Fiene said this is a special project economic development fund. It was set up for the grant that was received for the International District Enhancement Project.
- **Fund 412:** Mr. Fiene reported that a rate study was completed in 2005, showing a minimal rate increase would be necessary, but the combined utility bills would be increased less than inflation over the next several years.
- **Fund 412-100:** Mr. Fiene advised that this fund would support projects identified in the 2002 Water Comprehensive Plan. The bulk of the money spent in this fund would be used to replace one percent of the City's current water lines per year. Waterline improvements are currently planned in the Perrinville and College Place areas in 2007 and 2008.

Board Member Reed pointed out that the draft CIP identifies 2005 and 2006 projects in the 412-100 fund. Mr. Fiene advised that these projects were originally scheduled in the Comprehensive Plan for 2005 and 2006, but the City fell behind. Staff anticipates the City would be able to catch up in 2007.

Board Member Henderson requested more information about the proposed automatic meter construction project. Mr. Fiene answered that this project would improve the meters so they are more accurate, easier to read and less labor intensive. Mr. Miller added that meter readers would still have to get fairly close to the meter boxes, but they wouldn't have to open the lid to read the numbers. This upgrade would reduce the City's labor costs.

Board Member Henderson asked if the City has ever considered working with other utilities in the area to share meter readers so that one person could read meters for electricity, water, gas, etc. all at the same time. Mr. Miller said staff has considered this option, but the technology is not in place to entertain the concept yet.

- **Fund 412-200:** Mr. Fiene advised that the projects in this fund are identified in the 2003 Stormwater Comprehensive Plan. Sample projects include the Northstream Project that is currently being designed by a consultant. In addition, the Southwest Edmonds area that was annexed in December of 2005 had no storm system whatsoever, and City staff is currently constructing and installing pipe to address this problem area.
- **Fund 412-300:** Mr. Fiene said the projects in this fund are identified in the 2006 Sanitary Sewer Comprehensive Plan. Sample projects include Lift Stations 7 and 8 and the 7th Avenue North Sewer Project.
- **Fund 414:** Mr. Fiene advised that this is the Wastewater Treatment Plant Fund. Sample projects include bar screen replacement, concrete repairs, and electrical improvements. He noted that the Edmonds Treatment Plant serves other jurisdictions, as well. Only about half of the drainage comes from properties within the City of Edmonds.

In summary, Mr. Fiene advised that the transportation capital funds are much improved, but staff does have concerns about the fuel tax revenue. Fund 116 indicates a heavy reliance on grants to meet the project needs, and the Public Works Director plans to draw more from the general fund if approved by the City Council. The other funds in the CIP appear to be meeting the minimum needs. He noted that a public hearing has been scheduled before the Planning Board on March 14th.

Board Member Freeman asked if staff has conducted any studies to identify the impacts to the City if and when the Esperance Area is annexed in the future. Mr. Fiene advised that staff knows some of the problems that exist in this area, and they are not as severe as those the City inherited with the Southwest Edmonds annexation. The roads in the Esperance Area are not in any worse condition than existing City streets, but their storm system has not been upgraded to Edmonds' standards. The sewer and water service could remain with the Olympic View Water District. Because the recent vote to annex was turned down 3 to 1, the City probably won't spend a lot of time or money considering the impacts now. However, if the annexation issue comes up again, it would be helpful to put more thought into the infrastructure so the City Council would have a clear understanding of what problems the City would inherit. Board Freeman expressed her concern that

annexations have the potential to create financial burdens on existing City residents, yet they don't even get to vote on the issue.

Vice Chair Dewhirst asked if the CIP includes funding to consider solutions for the Five Corners area. He noted that a tremendous amount of interest has been expressed about doing something with this intersection. Mr. Fiene noted that the Five Corner intersection (84th Avenue and 212th Street) was included as a line item in the CIP for funding in 2010 and 2011. Vice Chair Dewhirst suggested it would be appropriate to identify funding for this intersection in 2007 or 2008. Mr. Fiene explained that the 2007 and 2008 CIP projects have already been budgeted. Funds have not been budgeted yet for the years 2009 and beyond. He agreed to point this issue out to the traffic engineer.

Board Member Reed said he assumes the items listed in the CIP as 2007 projects are high priorities, as identified by the City Council. However, because all of the projects are alphabetized, it is difficult to know which projects have the highest priority. Mr. Fiene explained the process that is currently used to identify priorities for the various projects. Projects identified in 2007 are the top priorities. However, the availability of grant funding has a significant influence on the prioritization of projects, too.

Chair Guenther asked if the new environmental permit requirements would have an impact on the proposed CIP. Mr. Fiene advised that the NPDS Permit is a new State requirement as part of the Clean Water Act. Cities have up to five years to enact the six elements of the permit, but most of the elements would not be related to the capital budget. Instead, they are related to issues such as tracking illegal discharge, public education and involvement, municipal operations for cleaning catch basins, erosion control, and sediment control and retention for new developments. While the new permit requirements would cost money for the City to implement, the costs would not be associated with the CIP. These additional costs were considered as part of the utility rate studies that were conducted in 2005. He noted that the City of Edmonds is ahead of most jurisdictions in meeting the new permit requirements.

Board Member Young requested further clarification of Mr. Fiene's earlier comment that the transportation fund could be reduced by up to \$150,000 per year. Mr. Fiene explained that the City has had a long-standing policy that 1/3 of the fuel tax revenue would go to the capital budget and 2/3 would go to the operations budget. In the past, the operations fund has received help from the general fund. However, because the general fund is in trouble, \$150,000 of the funding that would typically go to the operations budget was shifted to the general fund. To replace the lost revenue in the operating budget, the City Council decided to transfer \$150,000 from the capital budget into the operating budget. Staff still doesn't know if this change would be permanent or not.

Board Member Young asked if the numbers were correct in identifying more than \$1 million for the overlay program. Mr. Fiene answered affirmatively. He explained that this funding would allow the City to catch up for the years they didn't do any overlays. Board Member Young asked why the REET 2 money was separated into two funds. Mr. Fiene advised that the Finance Director has asked that there be two separate funds for accountability and auditing. However, for planning purposes, it would be better to have all of the money identified in one fund.

Board Member Young asked if the Public Works Department has a schedule for replacing things such as windows, paint, etc. Mr. Miller advised that staff is in the process of developing a preventative maintenance program for existing City facilities. This plan would provide more details about what is needed on an annual basis for regular replacement and maintenance of City assets. Board Member Young recalled that when the Engineering Department approached the City Council with their concerns about the transportation fund, it was helpful to point out that while the standard industry practice calls for a 30-year overlay cycle, the proposed budget would only allow the City to have an 80-year cycle. The City Council ultimately found funding to reduce the cycle to 40 years. He suggested that staff provide this same type of information related to building maintenance to help the City Council get a clear idea of what is needed.

Mr. Miller said he plans to advise the City Council that Fund 116 needs money from the general fund or some other resource. He said staff anticipates it would cost about \$250,000 per year to take care of the ongoing needs of the existing buildings. Vice Chair Dewhirst pointed out that because the City projects a decrease in revenues over the next few years, there might not be money available in the general fund to support Fund 116. Mr. Miller agreed this is a problem that must be addressed.

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PUBLIC HEARING ON PROPOSED ORDINANCE TO AMEND ECDC 20.60 SIGN CODE (FILE NUMBER AMD-07-2)

Mr. McIntosh advised that for several years the community has expressed an interest in having a third location to publicize community events and the need for additional sites is included in the Community Cultural Plan element of the City's Comprehensive Plan. Staff has identified a suitable new site for installing poles for pole-mounted community event banners on the Public Works property to the north side of 212th Street. However, installation has been delayed because the current sign code does not address this special situation where the poles would be located on City property. The issue was brought before the City Council's Development Services/Community Services Committee on November 14, 2006 where the recommended action was to direct staff to pursue developing a code amendment to allow the construction of the proposed sign site. He referred the Board to the proposed amendment, which was reviewed by the Board at their January 24, 2007 meeting. He noted that there would only be one substantial change in the sign code, which would add a definition for "community event banner." The other changes are minor in nature to accommodate community banners in the language.

Board Member Freeman asked if the banners would go across the road. Mr. McIntosh answered that they would be located on the north side of 212th on the Public Works property. The banners would not be placed across the street, and both poles would be placed on the north side of the street.

There was no one in the audience who expressed a desire to address the Board during the public hearing. Therefore, the public hearing was closed.

BOARD MEMBER DEWHIRST MOVED THAT THE BOARD FORWARD A RECOMMENDATION OF APPROVAL TO THE CITY COUNCIL FOR FILE NUMBER AMD-07-2, WHICH WOULD AMEND THE SIGN CODE RELATED TO COMMUNITY EVENT BANNER SITES ON CITY-OWNED PROPERTY. BOARD MEMBER YOUNG SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

PUBLIC HEARING ON APPLICATION BY KNOWLES/SHAPIRO TO REZONE PROPERTY FROM BN TO BC (FILE NUMBER R-2005-97)

Mr. Bullock presented a brief staff report. He explained that the subject property is currently split zoned, with Neighborhood Business (BN) on the northern portion and Community Business (BC) on the southern portion. He recalled that a recent Comprehensive Plan amendment changed the land use designation for the entire property to Highway 99 Corridor, and the current rezone request is the applicant's proposal for bringing the zoning of the entire property into compliance with the newly adopted Comprehensive Plan. They are requesting that the entire property, located at 24310 – 76th Avenue West, be rezoned to BC. Mr. Bullock advised that the remainder of the staff report documents how the project proposal would comply with the rezone criteria.

Tony Shapiro, AD Shapiro Architects, said he represents the applicant, Mr. Ron Knowles. He reviewed the six rezone criteria that must be considered when reviewing rezone applications as follows:

- **Whether the proposal is consistent with the Comprehensive Plan:** Mr. Shapiro suggested that, by rezoning the subject property, the applicant would be able to construct a multi-use building on the site that would be consistent with the neighborhood commercial areas identified in the Comprehensive Plan. He explained that the existing BN zoning would only allow one unit of residential space, which restricts the feasibility of doing a mixed-use development. The proposed rezone would enable the property to be more responsive to the objectives of the Comprehensive Plan.
- **Whether the proposal is consistent with the purposes of the zoning ordinance and the proposed zone district:** Mr. Shapiro advised that the City's current BN zoning designation is outdated and the City is working to redefine it in some regards. The applicant feels the BC zoning designation would be more applicable to a mixed-use type of development and he would like some uniformity across the site.

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- **The relationship of the proposed zoning change to the existing land uses and zoning of surrounding or nearby properties:** Mr. Shapiro explained that there are some challenges with the surrounding area because 76th Avenue turns into a residential street as it travels north, but the subject property is located on the south end of the street against a hillside as the road slopes upward to meet with 205th Street. This lends the site to a slightly different land use than the more flat areas to the north. The adjacent properties to the south are developed as mixed-use and a gas station. The applicant feels the subject property would be a transition area from commercial moving into residential.
- **Whether there has been sufficient change in the character of the immediate surrounding area or in City policy to justify the rezone:** Mr. Shapiro pointed out that the City's goal and objective in meshing with the Growth Management Act is to encourage denser uses in appropriate locations, and the applicant believes that mixed-use development on the subject property would be a good transition between the more intense commercial properties on 205th and the single-family zones to the north.
- **Whether the property is economically and physically suitable for the uses allowed under the existing and proposed zoning:** Mr. Shapiro advised that, with the current zoning, the property is rendered totally unusable. The applicant cannot comply with the requirements of both zones or split a building. The current zoning makes utilization of the property unsuitable given current market trends. Changing the zoning would enhance the viability of the property, as well as the surrounding neighborhood and City.
- **The relative gain to the public health, safety, and welfare compared to the potential increase or decrease in value to the property owners:** Mr. Shapiro said the applicant feels there would be a gain to the City by generating tax revenue. Currently, the property is vacant and gathering dust, and vandalism has been reported by neighbors. A change of use would enhance the surrounding properties and add tax revenue to the City. The applicant proposes that the ultimate project would have under building parking, so the existing parking lot would be removed.

He thanked the Board for considering the rezone proposal and offered to answer any questions they might have.

There was no one in the audience who expressed a desire to participate in the public hearing. Therefore, the public hearing was closed.

Board Member Young asked if approval of the rezone application would encourage redevelopment of the rather shabby corner at the intersection. Mr. Shapiro expressed his belief that the rezone would spur incremental improvements in the area. He advised that the applicant held multiple meetings with neighbors, where concern was expressed about the overall block becoming more intense, but the subject property is just one small component of the block. From a professional standpoint, he agreed with the previous Planning Board suggestion that the entire block be changed to be consistent with the Comprehensive Plan. He noted that the Highway 99 designation doesn't lend itself to this little section of 76th Avenue. However, from a political standpoint, the atmosphere within the neighborhood was more unwilling to accept a slight change. People seemed to be concerned about height issues and the ability to construct a 3-story building where the gas station is currently located. They were also concerned about traffic.

BASED ON THE ANALYSIS PROVIDED IN THE STAFF REPORT ADDRESSING THE 6 REZONE CRITERIA, BOARD MEMBER FREEMAN MOVED THAT THE BOARD RECOMMEND APPROVAL OF FILE NUMBER 4-2005-97 TO REZONE PROPERTY LOCATED AT 24310 – 76TH AVENUE WEST FROM NEIGHBORHOOD BUSINESS (BN) TO COMMUNITY BUSINESS (BC). BOARD MEMBER WORKS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

REVIEW OF EXTENDED AGENDA

Mr. Chave reported that he recently met with Chair Guenther and Vice Chair Dewhirst to discuss the extended agenda. However, since that time, staff discovered they will lose another senior planner at the end of the month. They now have two open planning positions, and staff is trying to regroup and figure out what projects are doable. He said that, in the near future, the Board could look forward to continuing their work on rewriting the Edmonds Community Development Code, as

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well as the Shoreline Master Program update. Other projects such as the Five Corners and Firdale Village Neighborhood Plans would also fit in at some point. He noted that staff is starting into their busy permitting season, so they would have limited resources for the next several months.

Chair Guenther reported that he and Vice Chair Dewhirst met with the Parks, Recreation and Cultural Services Director regarding Parks Board matters. They requested that Mr. McIntosh provide quarterly updates to the Board, and he agreed to present his first 2007 update in March.

Mr. Chave advised that Washington Cities Insurance Authority has requested an opportunity to provide a presentation to the Architectural Design Board and Planning Board regarding quasi-judicial hearings and decisions.

The Board discussed the need to hold their annual retreat. They agreed to schedule the retreat for a regular meeting night in April.

Vice Chair Dewhirst advised that the Parks, Recreation and Cultural Services staff would begin their work to update the Parks, Recreation and Open Space Comprehensive Plan, which would likely come before the Board for review and a public hearing later in the year. He said he indicated the Board's desire to be more involved in the process. Mr. McIntosh agreed and suggested the Board provide volunteers for the following groups:

- Parks, Recreation and Open Space Comprehensive Plan Advisory Group: Board Member Works agreed to participate on this group.
- Woodway Elementary Site Advisory Group: Board Member Freeman volunteered to work with this group.
- Woodway High School Site Advisory Group: Board Member Bowman agreed to work with this group.

Vice Chair Dewhirst encouraged the volunteers to contact Mr. McIntosh to find out more information about future meeting dates.

Chair Guenther pointed out that, on several occasions, members of the public have talked about environmental issues and sustainable and green architecture. As the Board works on the code rewrite, it is important that they don't inadvertently exclude elements that sustainable buildings try to achieve. He asked that he be allowed to make a short presentation to the Board about the environmental programs that are available and what their goals are.

Mr. Chave announced that at the Board's February 28th meeting, staff would make a presentation on low-impact development project ideas that could be incorporated into the code as part of the update. He noted that the City received a grant to fund this work.

Board Member Works recalled that the City has an advisory group on environmental issues. She asked if it would be appropriate to invite members of this group to a future Board meeting. She suggested that the City's efforts on environmental issues should be publicized so the public is aware of what is being done. The Board agreed they would like to learn more about this advisory group and their efforts.

Board Member Young reminded the Board of the Main Street Conference that is scheduled for late March. Board Members Reed, Freeman and Young indicated a desire to attend. The Board agreed that interested Board members could share one registration.

Mr. Chave announced that the Historic Preservation Commission would lead a tour of the downtown on Saturday, February 17th at 10 a.m., and Planning Board and City Council members are invited to attend. The tour would also be open to the public. He advised that Steve Waite, a local architect and member of the Historic Preservation Commission, would conduct a walking tour of the downtown core, pointing out the historic buildings and explaining what features make them historic.

Mr. Chave reported that in December, the City Council, in conjunction with the Downtown Zoning Ordinance, asked the Historic Preservation Commission to consider design elements that should be in the code related to historic preservation. The Commission reviewed the report provided by Mark Hinshaw about what parts of a building's façade supports the

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commercial function. The Historic Preservation Commission is scheduled to make a presentation to the City Council on February 27th. At that time, they plan to ask the City Council for permission to work with the Planning Board to make revisions to the code.

PLANNING BOARD CHAIR COMMENTS

Chair Guenther did not provide any comments during this portion of the meeting.

PLANNING BOARD MEMBER COMMENTS

Board Member Reed referred to an email the Board received from Steve Bernheim regarding the proposed sign code amendments that were considered earlier in the meeting. Mr. Bernheim indicated that he had several recommended amendments to propose related to the sign code. Board Member Reed said he advised Mr. Bernheim that the Board would only be considering one aspect of the sign code at this time, and that there would be an opportunity later in the year to consider more substantial changes.

Vice Chair Dewhirst suggested the Board do something to recognize Mr. Bullock for his years of work with the City.

Vice Chair Dewhirst advised that a website called tidepool.org provides a daily summation of what is going on in the Pacific Northwest from a planning and environmental standpoint, particularly in regards to proposed legislation.

ADJOURNMENT

The meeting was adjourned at 8:55 p.m.