

EDMONDS CITY COUNCIL APPROVED MINUTES

March 25, 2008

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

ELECTED OFFICIALS PRESENT

Gary Haakenson, Mayor
Michael Plunkett, Council President
Peggy Pritchard Olson, Councilmember
Steve Bernheim, Councilmember
D. J. Wilson, Councilmember
Deanna Dawson, Councilmember
Dave Orvis, Councilmember
Ron Wambolt, Councilmember

ALSO PRESENT

Hilary Scheibert, Student Representative

STAFF PRESENT

Al Compaan, Police Chief
Duane Bowman, Development Services Director
Stephen Clifton, Community Services Director
Dan Clements, Administrative Services Director
Kathleen Junglov, Asst. Admin. Services Dir.
Rob Chave, Planning Manager
Dave Gebert, City Engineer
Cindi Cruz, Executive Assistant
Scott Snyder, City Attorney
Sandy Chase, City Clerk
Jana Spellman, Senior Executive Council Asst.
Jeannie Dines, Recorder

1. APPROVAL OF AGENDA

Approve the
Agenda

COUNCILMEMBER WAMBOLT MOVED, SECONDED BY COUNCILMEMBER OLSON, TO APPROVE THE AGENDA IN CONTENT AND ORDER. MOTION CARRIED UNANIMOUSLY.

2. APPROVAL OF CONSENT AGENDA ITEMS

COUNCILMEMBER WAMBOLT MOVED, SECONDED BY COUNCILMEMBER OLSON, TO APPROVE THE CONSENT AGENDA. MOTION CARRIED UNANIMOUSLY. The agenda items approved are as follows:

Roll Call

A. ROLL CALL

Approve
03/18/08
Minutes

B. APPROVAL OF CITY COUNCIL MEETING MINUTES OF MARCH 18, 2008

Approve
Claim Checks

C. APPROVAL OF CLAIM CHECKS #103025 THROUGH #103187 IN THE AMOUNT OF \$705,939.52 ISSUED MARCH 20, 2008, AND APPROVAL OF PAYROLL DIRECT DEPOSITS AND CHECKS #46331 THROUGH #46373 FOR THE PERIOD MARCH 1 THROUGH MARCH 15, 2008 IN THE AMOUNT OF \$813,615.45.

Claim for
Damages

D. ACKNOWLEDGE RECEIPT OF CLAIM FOR DAMAGES FROM DANIEL L. MITCHELL (AMOUNT UNDETERMINED).

Cable
Television
Franchising

E. AUTHORIZATION FOR THE MAYOR TO SIGN AN INTERLOCAL AGREEMENT AND CONSULTANT AGREEMENT - CONSORTIUM FOR NEGOTIATION OF CABLE TELEVISION FRANCHISING.

Olympic View Drive Fiber Optic Conduit

F. **INTERLOCAL AGREEMENT WITH THE CITY OF LYNNWOOD FOR OLYMPIC VIEW DRIVE FIBER OPTIC CONDUIT AND STORM DRAINAGE IMPROVEMENTS.**

100th Ave W Stabilization Project

G. **REPORT ON FINAL CONSTRUCTION COSTS FOR THE 100TH AVENUE WEST RIGHT-OF-WAY STABILIZATION PROJECT AND COUNCIL ACCEPTANCE OF PROJECT.**

Planning Board and ADB Members

3. **CONFIRMATION OF NEWLY APPOINTED MEMBERS TO THE PLANNING BOARD AND ARCHITECTURAL DESIGN BOARD**

COUNCILMEMBER PLUNKETT MOVED, SECONDED BY COUNCILMEMBER OLSON, TO CONFIRM THE APPOINTMENT OF PHILLIP LOVELL TO THE PLANNING BOARD. MOTION CARRIED UNANIMOUSLY.

COUNCILMEMBER PLUNKETT MOVED, SECONDED BY COUNCILMEMBER WAMBOLT, TO CONFIRM THE APPOINTMENT OF BRYAN GOOTEE TO THE ARCHITECTURAL DESIGN BOARD. MOTION CARRIED UNANIMOUSLY.

Resolution of Environmental Policy and Principles

4. **CONTINUED DISCUSSION AND POTENTIAL ACTION REGARDING A RESOLUTION OF ENVIRONMENTAL POLICY AND PRINCIPLES. NOTE: THIS AGENDA ITEM WILL BE OPEN FOR PUBLIC COMMENT.**

Recalling the Council began this discussion last week, Councilmember Wilson advised language had been added under Principles, paragraph 3 regarding transit including commuter rail and light rail and that Edmonds was uniquely positioned to utilize these strategies. He invited feedback from the Council and the public, advising their comments and other comments he had received would be forwarded to the Community Services/Development Services Committee.

Bob Freeman, Edmonds, recalled a question posed by an economics’ professor 50 years ago, what would happen when oil began to run out? Although the class members had degrees in science or engineering they did not think about the combustion products from burning oil, the emissions entering the atmosphere, or the web of laws and regulations that provide ground rules for how the free market operates. Fast forwarding 50 years to the present, it was clear to most that greenhouse gas emissions were the leading cause of global climate change. A solution to the greenhouse gas emission problem and a way to change the web of laws and regulations must be found before there were catastrophic environmental consequences, anticipated to occur within the lifetime of some Councilmembers, their children and grandchildren. Although the situation may appear to be in the hands of nations, he noted cities played an important role in the solution to climate change because they controlled land use and zoning, building permits, and public infrastructure and can influence public transportation systems, achieving energy efficiency and stopping global climate change before it was too late. He urged Council to show leadership by passing the proposed resolution, make sure staff knew what the Council wants, provide a strong policy framework on adapting the City’s Comprehensive Plan and development code and upcoming land use actions, and work with regional transportation agencies to improve public transit systems to reduce the use of private automobiles. He advised Sustainable Edmonds was making a presentation at the Port of Edmonds on March 26 regarding green building

Janis Freeman, Edmonds, reported on a book, “Hell and High Water” by Joseph Romm, founder and Executive Director of the Center for Energy and Climate Solutions and a fellow at the Center for American Progress. Dr. Romm recommends slowing greenhouse gas emissions by 2015 and holding their growth by 2025, anticipating if the goal was not met by 2025 the earth would entering a period of “planetary purgatory.” She noted the climate change movement was a grassroots movement that could not afford to wait for national leadership. She thanked Councilmember Wilson for spearheading the

resolution, commenting it was needed as an unbiased yardstick on which to measure all proposed Comprehensive Plan changes, development and redevelopment and other city activities or policies that affect greenhouse gas emissions. She urged the Council to adopt the resolution without delay.

Suzie Schaeffer, Edmonds, Vice Chair of the Philchuck Audubon Society for Snohomish County, expressed support for the resolution, recommending the addition of language regarding protecting and maintaining wildlife, particularly birds. She explained a group of residents have submitted an application to the National Wildlife Federation to certify Edmonds as a Backyard Wildlife Community, an effort related to a number of activities including encouraging habitat within the community, in residents' backyards and in businesses. They had contacted PCC regarding their landscaping as well as several churches and schools. She offered to make a more formal presentation on the program in the future.

Joan Bloom, Edmonds, thanked Councilmember Wilson for the resolution, stating it was important and potentially historic. She requested addition of language regarding wetlands to the first paragraph due to their importance to the environment and habitat for birds and other wildlife. She referred to Section 1A on page 2, "Code development emphasizing incentives for environmentally sensitive growth," commenting on the importance of incentives not overriding protection of the environment and noting green development did not protect habitat. In addition to adding language regarding regional transportation, she recommended including local transportation. With regard to tasks outlined in the resolution and recalling her neighborhood's unsuccessful efforts to prevent a developer from filling a wetland, she suggested the Planning Board's checklist have a requirement that in addition to a study of critical areas, the property owner contact appropriate state and federal agencies that oversee wetlands.

David Thorpe, Edmonds, expressed support for the resolution, and commented on the importance of preserving and fostering rather than protecting and limiting as well as the importance of codes.

Jeff Pavey, Edmonds, Program Director for Cascade Agenda. He explained this agency has a 100 year vision for the region including Snohomish, Pierce, Kittitas and King Counties that hopes to protect 1.3 million acres of working farms and forests and preserve land in the four county region. He commented on how communities' growth impacted natural areas which was particularly important in view of climate change issues. Cities like Edmonds taking a leadership role in sustainability and encouraging transit, housing affordability and green building was an important step in advancing the issues around climate change. He expressed support for the resolution.

Christie Kelly, Futurewise, and Smart Growth Director for the Philchuck Audubon Society, echoed Mr. Pavey's comments and expressed support for the resolution.

Roger Hertrich, Edmonds, recognized there were many people in the Edmonds area that were very interested in the environment - climate change, wetland, fish, development, and transportation - not just green buildings. He recommended the resolution be expanded, refined and discussed in a public forum. He suggested the resolution be forwarded to the Planning Board to allow them to refine it and seek public input. He cautioned against "getting in a frenzy" to do things that circumvent the code in the name of environment. He referred to the upcoming agenda item where the developer of PCC wanted to install a rain barrel in the setback, an area he noted was not intended to be a storage area. He emphasized the situation was not an emergency; if the developer wanted to utilize water from the roof and needed a storage facility in the right-of-way, he should be required to follow the process. His understanding was the Council was being asked to enact an interim ordinance to put something ahead of the normal process.

Lora Petso, Edmonds, Olympic View Water District Commissioner, commented she was not previously aware of the rain barrel proposal for the PCC site. She advised the State felt they owned stormwater and did not currently allow the capture and reuse of stormwater. She urged staff to research State regulations.

Cliff Sanderlin, Edmonds, endorsed the resolution and emphasized the importance of looking toward Puget Sound with regard to planning. He pointed out the need to prevent runoff from entering Puget Sound by paving less and having more marsh lands and more pervious surfaces. He noted development was negatively impacting streams feeding Puget Sound and destroying habitat and fish species in Puget Sound were at risk from pollutants entering storm drains. He pointed out Edmonds was in a prime location and it was an excellent time to be a leader in saving Puget Sound.

Councilmember Wilson explained the resolution was the result of input from Councilmembers Olson and Dawson. The resolution provided direction to staff and as issues such as the rain barrel arose, the City needed clear policy so that staff could be directed to allow things that reflected the Council's policy decisions. He invited comment from Councilmembers.

Councilmember Wambolt stated for every scientist that indicated global warming was manmade, there was another who found the opposite, that it was cyclical. He referred to a news report from NASA regarding eight weather satellites that take over 300,000 temperature readings daily over the entire surface of the earth; in nearly 30 years of operations, the satellites discovered a warming trend of just .14 degrees centigrade per decade, well within the natural range of temperature variation. Although he supported the resolution, before getting into a "frenzy," he preferred a cost/benefit analysis be included in the resolution and any initiatives should pass a cost/benefit test and any expenditure should yield a similar amount in cost savings.

Councilmember Bernheim expressed support for the resolution, acknowledging he was uncertain when it would be actively supported. He noted the resolution contained a list of twelve principles and four goals and asks staff to undertake certain research and investigation activities. He found the goals undeniably valuable, recognizing that not everyone agreed with him. He agreed with avoiding taking action in a "frenzy" and that any action should be done deliberately and with a lot of support.

Councilmember Bernheim referred to an anti-idling ordinance he planned to propose to the Public Safety Committee next month, an ordinance that would prohibit cars and trucks with internal combustion gasoline engines from running if the vehicle was not moving for a period of three minutes. He noted this was a wasteful energy expenditure and creator of greenhouse gases; cars were not personal, portable heaters and would not be permitted to run to keep the occupants warm in situations such as the ferry holding lanes. In addition to carbon reduction strategies, he noted resolutions such as this were needed to support staff and educational policies. He emphasized the need to simply drive cars less.

Councilmember Bernheim explained another effort related to green building materials and construction practices, advising he also planned to introduce a green building code that would require new projects of 10,000 square feet or more and over three stories to be LEED (Leadership in Energy and Environmental Design) certified or have some another environmental certification. He noted the resolution did not address the use of green energy. He cautioned against Councilmember Wambolt's suggestion that expenditures have an equal return, explaining he purchased green energy for his home and business via PUD to support the development and generation of green energy and had solar panels on his home. He recommended including in the resolution that the City strive to have all its energy needs met via recycled/green energy. The most important part of green energy was conservation. He anticipated residents could reduce their energy consumption by 50%. He expressed support for the resolution and for specific actions that would result in actual reductions.

Councilmember Olson expressed support for the resolution, noting whether global warming existed or not, people needed to use resources in a more efficient manner, and to be encouraged to build green or reuse rainwater rather than having regulations that made that effort difficult.

With regard to comments about frenzied activity, Councilmember Wilson noted the resolution was reviewed by the Community Services/Development Services Committee, by the Council last week and was present for public comment tonight, evidence of a public, unfrenzied, methodical process. He explained the purpose of the resolution was to galvanize a constituency in the community around the idea of smart development that would mitigate future challenges as a result of global climate change, etc. He advised the additional feedback would be presented to the Community Services/Development Services Committee at their April 8 meeting and a final resolution returned to the Council.

Councilmember Wambolt clarified his comment was not about developing a policy in a frenzy but implementing action in a frenzy.

Council President Plunkett encouraged Councilmembers during the upcoming break to read the emails received regarding Item 6. He noted if the Council felt that information was provided too late, action on that item could be postponed.

Mayor Haakenson declared a brief recess.

5. AUDIENCE COMMENTS

Mayor Haakenson reminded the audience that Agenda Item 7 was a presentation from staff and the property owners regarding what could occur on the Antique Mall, Harbor Square and Skippers properties. As the Council planned to take public comment at the April 1 meeting on what was presented tonight, he encouraged the public during Audience Comments not to talk about what they thought they would see tonight and instead make comment at next week's meeting.

Skippers
Property

Lora Petso, Edmonds, relayed she met with a group of citizens recently in an effort to convey how much she valued the downtown area, in particular the open, view-like feeling that currently exists at the Skippers property. She acknowledged the existence of the ferry, overhead signs, intersection, etc., noting there were also views of the mountains, Puget Sound, and park. Using a photograph of the existing view beyond the Skippers property, she superimposed a 30-foot lot line-to-lot line building to illustrate how it would impact views. She referred to past discussions regarding linking downtown with the waterfront, pointing out certain properties, including the Skippers property, were potentially essential for creating an inviting link between downtown and the waterfront. She encouraged the Council to consider the value of the Skippers property as the long-awaited link between downtown and the waterfront.

Mortgage
Issue

Dave Page, Edmonds, referred to the national issue affecting the public's life savings and pocketbook - the prime mortgage mess, the Federal Reserve bail out of private banks. In 1933 the banks were heavily regulated because during the Depression they went into competition with private enterprise, made poor investments, and ran out of money which resulted in runs on the banks that then ran out of money and the entire banking system collapsed. He referred to the Glass Steagall Act that placed restrictions on banks so that they could not create and sell securities on the open market. That Act was in place for 65 years; banks got the Glass Steagall Act repealed in 1999 and in 2001 the stock market experienced a mini-crash. Large banks then created and sold mortgage backed securities (collateralized debt obligations) with no risk because they were able to make loans and promptly sell them. He emphasized the need to repeal the Gramm-Leach-Bliley Act, the Act adopted to repeal the Glass Steagall Act.

March 6
Hearing
Examiner
Meeting

Al Rutledge, Edmonds, reported on the March 6 Hearing Examiner meeting regarding the Diamond Parking lot at 102 Main Street. He questioned whether the Hearing Examiner considered the Port's purchase of Harbor Square and whether the parking lot was transferable. Next he reported on the March 24 Lynnwood City Council meeting, advised he requested information from Edmonds School District 5-6

months ago regarding the next high school. He was advised once the environmental studies were completed, public hearings would be held. He also reported the neighborhood park court hearing was scheduled for April 23.

Rainwater
Cisterns

Ray Martin, Edmonds, agreed with the Councilmembers' concerns about getting into a frenzy or taking abrupt action. With regard to rainwater cisterns, he expressed concern with the water quality, noting municipal water supplies were tested daily versus cisterns which were rarely tested. He relayed that the Snohomish County Health District indicated the city was responsible for testing water in a cistern and the City said Snohomish County or the property owner was responsible. He acknowledged the rain water collection was intended to be used for toilet water; however, he questioned the longevity of plumbing valves to separate the water sources. He also questioned the accuracy of the property owner's sewer bill if rainwater were used to supplement water supply.

Antique Mall,
Harbor Square
and Skippers

Roger Hertrich, Edmonds, commented on his past experience with the property owners who would speak regarding the Antique Mall, Harbor Square and Skippers properties. He opined the property owners' motivation was to increase the price of the land via a code change even though the existing zoning would accommodate development. He referred to Ms. Petso's view from the Skippers property, recalling the community's efforts regarding views blocked by the ferry overhead loading ramp. As a result of the community efforts and concern with views, the ramp was designed to be moved if the ferry terminal were relocated. He cited the importance of views and openness in the area of the ferry holding lanes and the area of Main & Dayton, commenting past proposals have included an urban village with extremely tall buildings.

Interim
Zoning
Ordinance re:
Rain Water
Collection
Tanks

6. PROPOSED INTERIM ZONING ORDINANCE TO PERMIT RAIN WATER COLLECTION TANKS IN STREET SETBACKS TO SUPPORT DEVELOPMENT OF "GREEN" BUILDINGS.

Planning Manager Rob Chave explained this was forwarded to the Council at the recommendation of the Community Services/Development Services Committee. With regard to what this was, he explained it was not a variance and was not an emergency; the Council could adopt an interim zoning ordinance. The reason it was proposed to the Council was the result of a fortuitous accident; the PCC planned to pursue a Platinum level LEED building. Their primary hurdle was rainwater recycling on the site, an issue the City's codes did not anticipate. The developer inquired whether an 8 x 12 foot rainwater storage tank would be allowed in the setback, to which staff answered no. The developer then asked whether they could obtain a variance and staff answered no as there was no criteria that allowed a variance for a technological innovation. Recognizing that the Council adopted resolutions in support of the Mayor's Climate Protection Agreement, joined the consortium working on sustainable building practices and signed the Kyoto protocol, staff concluded this was an appropriate item to present to the Council.

Mr. Chave summarized there were two choices, 1) incorporate the concept into the code via the normal process, or 2) adopt an interim zoning ordinance which placed the zoning provision into the code on a temporary basis while the City studied it via the Planning Board process that includes a public hearing. An interim ordinance was appropriate in view of the Council's policy statements in support of this type of development although there was a disincentive in the code for this specific proposal as there was no room for it on the site. This amendment was narrowly constructed and was not a frenzied attempt that would open the City to negative impacts; it would be limited to commercial setback areas, could only occupy 10% of the setback, and limited to accessory structures of 15-feet or less although there was a provision that would allow the tank to be as high as the building height in the commercial zone. He noted to be allowed to exceed 15-feet, review by the ADB would be required. He read the following whereas from the ordinance and recommended approval of the ordinance:

WHEREAS, the City of Edmonds is a signatory to the U.S. Climate Protection Agreement; and

WHEREAS, the Agreement urges the practice and promotion of sustainable building practices using the U.S. Green Building Council's LEED Program; and

WHEREAS, water efficiency is a major factor in LEED programs; and

WHEREAS, water efficiency can be achieved by installation of rainwater collection and reuse systems to provide water for toilets and urinals, mechanical cooling equipment and irrigation; and

WHEREAS, the major disincentives to installing rainwater collection and reuse systems are the displacement of developable areas and the cost of underground tanks; and

WHEREAS, the City Council finds it to be in the public interest to adopt an interim ordinance removing certain barriers in the Edmonds Community Development Code that discourage installation of rainwater collection and reuse systems;

Mayor Haakenson advised if approved, the interim zoning ordinance would expire in six months and the Council was required to hold a public hearing within 60 days.

For Councilmember Wambolt, Mr. Chave advised the rainwater storage tank could not occupy more than 10% of the street setback along 100th Avenue. Councilmember Wambolt expressed concern with the width of the storage tank, noting it appeared to be very close to the sidewalk. Mr. Chave pointed out there was a provision that limits any location based on safety, access, etc., which would prevent it from blocking a walkway, sight distance, or drive aisle. Councilmember Wambolt asked why none of the materials illustrated the proposed tank. Mr. Chave's understanding was the final tank design had not yet been selected. He noted one of the benefits of the rainwater storage tank was demonstration/education; the interim ordinance contains a requirement for an educational component.

Councilmember Wambolt asked if any consideration was given to placing the tank in the eastern corner of the site. Mr. Chave was uncertain whether the property line on that side would accommodate it. City Attorney Scott Snyder advised via this action, the Council was not authorizing any design. ADB or staff approval would be required for the placement, screening, materials, etc. Mr. Chave advised it would have to be consistent with the design criteria and objectives. Councilmember Wambolt asked if there was any provision for reimbursing the City for the use of the property. Mr. Chave answered that was not in the ordinance; the Planning Board could be asked to consider that. The reimbursement was the public benefit via less use of the public water system, reducing runoff to the treatment plant, etc. Councilmember Wambolt noted PCC was doing this as a business decision, not because they were a benevolent organization. Mr. Chave noted the setback was not technically City property, it was private property.

Councilmember Bernheim pointed out in the first whereas clause, the name of the document the City of Edmonds was a signatory to was the U.S. Mayors Climate Protection Agreement. He asked if an underground rainwater storage tank would not be allowed in the setback. Mr. Chave answered no, to the extent it was a structure. Only in the BC zone were underground structures allowed to the property line, the PCC is in the BN zone. Councilmember Bernheim suggested including reference to industrial zone and asked whether that was appropriate. Mr. Chave acknowledged some of the City's commercial zones functioned like industrial zones.

Councilmember Bernheim expressed concern with the definition of setback area, suggesting the language be clarified to mean the setback area where the tank was located. Mr. Chave answered the proposed language was acceptable as the specific setbacks were defined in the code and staff would reference the specific setback. Mr. Snyder pointed out except on a corner lot there was only one street setback.

Councilmember Dawson applauded the intent of the interim ordinance, noting the request for this project was due to PCC seeking platinum LEED certification and there was nothing in the code provision that addressed the rainwater storage tank. She questioned why there was no language requiring water reuse, water efficiency or eligibility for LEED certification, etc., commenting rainwater capture was not sufficient to warrant this exception to the setback. She suggested language regarding demonstrable water use reduction, which would allow LEED certified buildings to utilize this exception but not someone wanting to locate a rain barrel in the setback. Mr. Chave advised staff considered that and concluded it would be appropriately considered by the Planning Board. He noted one of the difficulties was certification occurred after the project was completed.

Councilmember Dawson referred to the LEED certification checklist, noting some of those requirements such as water efficient irrigation, water use reduction, etc. could be incorporated. She was concerned projects that were not as well done as the PCC project could take advantage of this code provision and wanted to ensure there was some public benefit provided by a project that could utilize the ordinance. Mr. Chave pointed out the educational component was a public benefit. Councilmember Dawson acknowledged it would be difficult to prove a percentage water use reduction at the stage of development the use of the setback was requested. Mr. Chave suggested including the phrase regarding educational component into the definition in the interim ordinance.

Mr. Snyder commented ultimately it would be appropriate to tie the requirement to a certification program, noting any program the Council may adopt would need to be in the code. He anticipated as a result of the resolution, the City would begin considering green building codes, making it easier to tie this to a certification program. In response to the public's concerns with water quality, he assured a completely separate water distribution system within a building or structure that utilized a rainwater storage tank was already addressed by the building code, it was not separated by merely a valve. With regard to comments regarding rain barrels, he noted a structure was defined in the building code as a combination of materials attached to the ground. Councilmember Dawson noted there was language in the ordinance regarding permanent structures. She reiterated her suggestion to include language regarding public benefit and to work out the details of that requirement in the Planning Board process.

Councilmember Orvis clarified this was the first step; there would be a public hearing at the Planning Board. Mr. Snyder agreed the interim ordinance was followed by a process involving the Planning Board to adopt a permanent ordinance with the interim ordinance expiring in six months. Mr. Chave noted there would be a public hearing on the interim ordinance within six months. He noted Mayor Haakenson's Climate Protection Committee was working on potential Comprehensive Plan and program proposals that would be presented to the Council later this year. He anticipated broader programmatic and policy matters would be proposed; the issue with this request was timing.

Councilmember Wilson invited the architect to provide further information on LEED standards, why PCC wanted to site a platinum LEED building in Edmonds, the difference between gold and platinum standards, how many of those types of buildings existed, etc.

George Ostra, architect for PCC Natural Markets, explained this was PCC's ninth store and they had been pursuing a green building program for the past 14 years. They tried to do a little more for each store; their last store in Redmond was the first PCC store to achieve a LEED certification. He explained LEED was the national green building standard and had become the de facto standard in the past 5-6 years for determining what was a green building. Its main function was to simplify the complex aspects of green building to Olympic medals - bronze, silver, gold and platinum. In the entire world there were only 100 LEED platinum certified buildings; in order to achieve that level, they must achieve 80% of the 1600 credits that are offered for things like energy efficiency, using less water, locating a site conducive to transit-oriented development, using recycled materials, using materials sourced within a 500 mile

radius of the building, etc. He noted their Redmond store achieved a gold certification or about 60% of the credits. The Edmonds PCC would include everything done at the Redmond store plus the water component. The rainwater tank and separate piping would cost thousands. PCC did this because they are a natural organic food grocery. The LEED certification goes hand-in-hand with their business policies regarding their food, research and products. He pointed out the rainwater would be stored in the tank and used to water the landscaping and to flush toilets.

Councilmember Wilson recalled there were 18 gold standard buildings in Washington State and 100 platinum buildings in the world. He assumed there were few cities of Edmonds size with a platinum building. If Edmonds had two platinum level buildings, it would likely be the only city of its size in the world with two such buildings. Mr. Ostra was unable to confirm that statement.

Mayor Haakenson commented the City was thrilled to have PCC in the community and that they intended to build the first platinum building in Edmonds.

Councilmember Wambolt asked what appeared to be doors on the site plan. Mr. Ostra responded it was a trash enclosure that was allowed by the code and had already been approved and permitted. He explained they intended to build one cylindrical primarily vertical water tank in the 15-foot setback to the height limit of 15 feet, approximately 8 feet in diameter that would hold 5,000 gallons of water, a week's supply for toilets and watering. He noted the water tank was vertical to take advantage of natural gravity.

Councilmember Wambolt asked if consideration was given to locating the tank on the eastern corner of the property. Mr. Ostra advised there were several reasons for siting it on the west side, 1) there was a property line down the center of the parking on the east side and there was not enough space on that side, 2) approximately two-thirds of the water on the roof flows toward the west, 3) all utilities enter from the west, and 4) the location along the street assisted in the educational benefit.

COUNCILMEMBER PLUNKETT MOVED, SECONDED BY COUNCILMEMBER BERNHEIM, FOR APPROVAL OF ORDINANCE NO. 3682 AND REQUESTED IT BE RETURNED ON THE CONSENT AGENDA.

COUNCILMEMBER BERNHEIM MOVED, SECONDED BY COUNCILMEMBER DAWSON, TO AMEND 21.90.140(B)(2) TO LIMIT THE STRUCTURE TO THE MAXIMUM HEIGHT OF ACCESSORY STRUCTURES IN THE ZONE. THE AMENDMENT CARRIED UNANIMOUSLY.

Mayor Haakenson clarified the ordinance when returned on the Consent Agenda would incorporate all the Council's comments.

Councilmember Bernheim did not support a demonstrable water use reduction, noting this was a rainwater collection system, a developer would not install one if it did not work and it was difficult to predict performance. Councilmember Dawson commented she did not necessarily want to require a set amount of reduction but wanted to require language regarding water reuse.

MOTION CARRIED UNANIMOUSLY.

Waterfront
Antique Mall,
Harbor Square
and Skippers
Properties

7. **PRESENTATIONS REGARDING WATERFRONT ANTIQUE MALL, HARBOR SQUARE AND SKIPPERS PROPERTIES: (1) CITY STAFF WILL PRESENT INFORMATION ON THE EXISTING DEVELOPMENT FRAMEWORK PROVIDED BY THE CITY'S COMPREHENSIVE PLAN AND ZONING CODE; (2) MARK HINSHAW WILL GIVE A PRESENTATION ON URBAN DEVELOPMENT AND MIXED USE; AND (3) PROPERTY OWNERS WILL PROVIDE A STATUS REPORT ON THEIR PLANS FOR SUBJECT PROPERTIES.**

Community Services Director/Acting Economic Development Director Stephen Clifton recalled during the February 1 and 2, 2008 City Council retreat, Councilmembers discussed concerns, visions, and interests regarding the Downtown Master Plan area as identified within the City of Edmonds

Comprehensive Plan. This area is also known as the Port of Edmonds Harbor Square, Antique Mall and Skipper properties and generally includes properties between Main Street and the north edge of Edmonds Marsh, SR 104 and BNSF rail lines.

The Council also expressed support for the City holding at least two public meetings to discuss the potential redevelopment of the subject area. For tonight's meeting, the Council asked for presentations by City staff, Mark Hinshaw and property owners of Harbor Square, the Antique Mall and Skipper. The first group of presenters will consist of staff presenting information on the existing redevelopment framework established by the City's Comprehensive Plan and Zoning Code, the Economic Development Plan, and Plan implementation and zoning. This information is intended to provide a knowledge base for future discussions.

Mr. Clifton recalled the Council's interest in a presentation by Mark Hinshaw, LMN Architects, to discuss urban and mixed use development. Mr. Hinshaw agreed to participate due to his past working relationship with the City and interest in providing a perspective that may assist in future Council deliberations. Mr. Hinshaw will present his findings from a book he recently authored regarding people choosing to move into downtowns as well as redevelopment possibilities and constraints. He noted Mr. Hinshaw did not represent the City or any of the subject property owners nor did he have a contract with any of the entities. He was also not being compensated for his time this evening. The third group of presentations would be given by the owners of the subject properties, Harbor Square, Antique Mall and Skippers. During a second public meeting, scheduled for April 1, 2008, the public is invited to provide comments on potential redevelopment. The City Council will discuss possible next steps following the public comment period.

Staff Presentation

Planning Manager Rob Chave referred to additional information provided to Councilmembers by Councilmember Bernheim regarding specific sections of the Comprehensive Plan. He explained the Comprehensive Plan was part of the City's regulatory framework. He displayed maps of the pre-1995 and 1995 Comprehensive Plan, explaining the 1995 Comprehensive Plan was the first GMA-compliant Comprehensive Plan, had very generalized use areas, and adopted an overall plan concept of "Designed Infill" and included the concept of "Activity Centers" which was derived from Vision 2020 regional plan framework. He reviewed the following Designed Infill principles:

- Retain general land use pattern without introducing higher intensity development into existing single family neighborhoods.
- Careful growth in "corridors," recognizing their transportation function.
- Focus new growth and redevelopment in "Activity Centers" to meet GMA requirements, recognizing Edmonds would need to take its share of population growth. It was recognized the only areas for substantial redevelopment and growth would be downtown and Hwy. 99.

The 1995 Comprehensive Plan structure included elements required by GMA plus an optional element, Community Culture and Urban Design, as well as referenced specific plan elements including the Downtown Plan and other Master Plans. He displayed the 1995 Edmonds Comprehensive Plan concept map and the Edmonds Comprehensive Plan Downtown Activity Center Concept map, explaining there was a specific Plan for the downtown/waterfront area that identified the concept of mixed use, linkage between downtown and the waterfront, and introduced the Master Planned Development concept.

Mr. Chave explained the current Comprehensive Plan changed from a "conceptual" to more detailed plan map, closely tied to zoning, continued the "Designed Infill" concept with focus on "Activity Centers," and acknowledges recent GMA emphasis on plan capacity and buildable lands. The Downtown Waterfront Activity Center Plan was no longer a separate, standalone document; it was now integrated

into the Land Use element language. He noted Councilmember Bernheim's email highlighted additional information in the Comprehensive Plan.

Mr. Chave explained the current Downtown Plan direction includes most of the goals and policies from the old "Downtown/Waterfront Plan;" retains its identity as an "Activity Center," includes the Edmonds Crossing plans, updated planning on the arts integration, includes new Downtown "Districts," including Redevelopment/Master Plan opportunities, and includes new "Design Objectives." He displayed a map of the 1995 Comprehensive Plan and the current Downtown Plan direction, explaining the current plan differentiates downtown districts and emphasizes the importance of master plan-based redevelopment. The master plan area included the Port of Edmonds Harbor Square, Antique Mall and Skippers properties.

Mr. Chave highlighted the current Downtown Plan: open space/public areas along waterfront, view corridors and downtown/waterfront pedestrian connections, and master plan-based redevelopment. He read the Downtown Plan direction in the current Comprehensive Plan: *"The properties between SR-104 and the railroad, including Harbor Square, the Edmonds Shopping Center (former Safeway site), and extending past the Commuter Rail parking area up to Main Street. This area is appropriate for design-driven master planned development which provides for a mix of uses and takes advantage of its strategic location between the waterfront and downtown. The location of existing taller buildings on the waterfront, and the site's situation at the bottom of "the Bowl," could enable a design that provides for higher buildings outside current view corridors. Any redevelopment in this area should be oriented to the street fronts, and provide pedestrian-friendly walking areas, especially along Dayton and Main Streets. Development design should also not ignore the railroad side of the properties, since this is an area that provides a "first impression" of the city from railroad passengers and visitors to the waterfront. Art work, landscaping, and modulated building design should be used throughout any redevelopment project."*

Mr. Chave commented in the past master plan development had been internally focused which resulted in their being more isolated, less accessible and more difficult to sustain development over time. He noted the importance of master planning the larger area to provide a linkage between the downtown and the waterfront.

Mr. Clifton provided goals and policies from the December 2006 Economic Development Plan that were applicable to this area.

- 1. Foster a healthy business community that provides employment and other economic opportunities.**
 - b. Develop or maintain business recruitment programs, and create a tool box of incentives to encourage retail and other commercial development.
 - c. Encourage and expand business expansion and retention programs.

- 2. Revitalize the city's business districts, balancing redevelopment, preservation and the need for consumer amenities**
 - a. Adopt land use policies, zoning, and design guidelines that are supportive of responsible economic development.
 - c. Revise parking requirements, especially downtown, to encourage business development.
 - d. Develop land use regulations that will encourage Transit Oriented Development (T.O.D.) in the Harbor Square and "Old Safeway" area.
 - i. Create synergy for commercial businesses where possible, for example, by implementing a "retail core" area in the downtown.
 - j. Provide a quality environment with character for patrons and residents to enjoy.

- 3. Diversify the tax base and increase revenues to support local services.**
 - a. Address barriers to redevelopment in business districts, and encourage mixed-use development.
 - c. Implement regulations and/or design guidelines that will ensure the development of quality retail and commercial space that can physically accommodate a variety of future users.

- 4. Strengthen the quality of life and vitality of the community for residents, workers and visitors to enjoy.**
 - a. Develop a housing strategy that plans for a variety of housing options, both in design and affordability, around the city. Consider housing options for artists.
 - b. Promote the visitor/tourism sector. Sustain and develop facilities that attract tourists, conferences, professional training, sporting events and other recreational opportunities.
 - c. Consider building incentives that may encourage environmentally-friendly construction (or LEED certified), a percent set-aside for the arts, public spaces, and affordable housing.
 - d. Expand social, cultural, artistic, recreational and other learning activities for all generations.

Mr. Clifton advised the Plan contained only one applicable implementation strategy in the Economic Development Plan: Study and adopt a package of incentives for use in business recruitment and retention efforts.

Development Services Director Duane Bowman described Plan implementation and zoning. With regard to implementation, he explained the Downtown Master Plan was a defined downtown “district” with very general redevelopment guidance. A Master Plan can be implemented in a variety of ways such as specific zone identifying uses/design, an adopted Master Plan in the Comprehensive Plan, or conditional approval process such as a developer’s agreement or contract rezone.

He displayed a map of the existing zoning in the subject area, the Harbor Square, Antique Mall and Skippers properties. He reviewed a table of bulk zoning standards for the BC zone.

Mr. Bowman provided examples from the code of modulated roof design. He also reviewed parking requirements in the BC zone: 1 stall/500 square feet gross floor area for commercial uses and 1 stall/residential unit. He displayed a list of permitted primary uses in the BC zone including retail stores, new automobile sales and service, dry cleaning, multiple dwelling unit above the ground floor; secondary uses permitted in the BC zone including limited assembly, off-street parking and commuter parking lots; and conditional uses in the BC zone including commercial parking lots, hotels/motels, amusement establishments, drive-in businesses.

Mr. Bowman explained the 14 acre Harbor Square site was rezoned from Industrial Park to General Commercial in 1980 via a contract rezone and has a Master Plan associated with the contract rezone. He identified specific uses that are prohibited on the Harbor Square site such as automobile wrecking yard, drive-in restaurants, motel, service station, fuel storage yard, etc. He noted Harbor Square was designed to be a contained development, a concept that was less desirable today. He reviewed the development standards adopted via the contract rezone:

- Buildings may not exceed 35 feet in height.
- Comply with a conceptual master site plan with certain modifications allowed.
- All buildings must be reviewed and approved by the Architectural Design Board.
- Signs are allowed that comply with the BC zone.

- Outdoor storage or assemblage must be screened from SR 104 and Dayton Street.
- Minimum street setback for buildings is 25 feet from both Dayton Street and SR 104.
- Minimum setback for parking is 10 feet from Dayton Street and SR104.

He identified options for implementation of the Comprehensive Plan:

- Develop subject properties under existing zoning.
- If there is a desire to provide flexible development standards, other than what currently exists, a new zoning district could be established which includes new development standards.
- Applicant initiates development of master plan and proposes Comprehensive Plan amendment to adopt the plan along with related zoning code amendments, followed by a request for a rezone to implement the proposed plan.
- Applicant initiates development of master plan and proposes related zoning code provisions, followed by a request for a contract rezone to implement the proposed plan.
- Master Plans must be consistent with the comprehensive plan goals and policies for the area.

Mark Hinshaw Presentation

Mark Hinshaw, LMN Architects, explained his intent was to share observations that may contribute to the Council's deliberation about the future of this area. He noted Edmonds was not alone in this endeavor; virtually all cities/towns in western Washington were engaged in the same effort, a logical outgrowth of the GMA which directs future development into urban centers. He recommended when considering development in areas such as this, it was important to think about what would be happening to society, culture, and economy in the next several decades.

He referred to his book, "True Urbanism, Living In and Near the Center" that addresses the phenomenon of urbanizing centers. He pointed out it was not just a real estate phenomenon or preference of some property owners; it was a fundamental long term change in demography, culture and economy that would last for decades. The number of households was increasing dramatically while household size was decreasing. The fastest growing groups were singles, single parent households, seniors and starter households (S groups) and were the drivers of the economy; it was no longer an economy driven by growing families with children. The typical American household, two adults and two children, represented less than 25% of the population and was continually decreasing. The 4 S groups represented 55% of the population and were likely to represent 65% of the population in fifteen years. He pointed out senior households were currently approximately one out of six; in fifteen years, they would be one of four. He commented on the effect this would have on the economy including delivery of goods and services, healthcare, transportation, housing and neighborhoods.

He displayed a longevity comparison in the United States from 1900 to 2050 that illustrated an increase life expectancy from 50 in 1900 to 80 in 2050, an age well past retirement. He displayed a chart illustrating traffic accident fatalities by age with the highest numbers at age 16-20 and 75-85+. He explained although Americans were living longer, their eye-hand coordination failed in later years and many seniors lose their licenses, sometimes with 20 additional years with no access to an automobile. This required many seniors to find alternate means of transportation including walking. The concept of retirement will change as pension plans and Social Security failed and active seniors wanted to work.

He pointed out another factor was the increasing cost of gas, anticipating a price of approximately \$9.00/gallon was not more than 5-7 years in the future. Increased gas prices would dramatically change Americans' behaviors, requiring that they consider transit, walking and other alternate forms of transportation.

Mr. Hinshaw displayed a comparison of downtown populations in several major cities from 1970 to 2000 and his research of developments built, under construction and permitted in those cities since 2000 which illustrated a dramatic increase in downtown populations. He cited the importance of housing opportunities for a variety of demographics in urban centers. He displayed several photographs of downtown areas, noting the street level was the most important environment. He commented on allowing quirky uses, not only chain stores; changes in the way goods and services were delivered and streets as public living rooms.

Mr. Hinshaw noted a unique feature of the Master Plan area that most other cities did not have was the constraint on underground parking due to the high water table. He pointed out surface parking was no longer being constructed and was being replaced by structured parking which was significantly more costly. Due to the high water table on the subject site, structured parking must extend above ground which would immediately eat into the height limit. He noted it would require more than a couple floors to pay for the premium cost of structured parking.

Property Owner Presentations

Bruce Faires, Port of Edmonds Commissioner, explained his mission was to relate the Port of Edmonds' plans for redevelopment, specifically Harbor Square. The Port and adjacent property owners had a different perspective on recent activities. He explained possible redevelopment activity began in earnest two years ago with two events, 1) the Port's purchase of most of the buildings at Harbor Square which required they undertake a Master Plan for the area, and 2) the City's interest via a joint City Council/Port meeting in May 2006 to begin discussions regarding redevelopment of the area east of the railroad tracks, west of SR104 and Sunset Avenue, north of the Marsh to Main Street. Some of the property owners in that area, along with involvement of City staff and City Council, began a series of meetings to develop alternatives for possible redevelopment. The primary considerations for that activity were cultural, aesthetic and economic impacts and took into consideration all adjacent properties. The Port took a leadership role in this endeavor due to their belief the interests of their constituents, the City and region were best served by looking at the area as a whole and proposing integrated and coordinated development alternatives rather than piecemeal redevelopment. The basic foundation of the group's discussion was the Downtown Master Plan as contained in the City's Comprehensive Plan. He read the language in the Comprehensive Plan regarding the Downtown Master Plan (above in italics).

Mr. Faires advised the two privately held parcels in this area have indicated they intend to redevelop in the near future whereas the Port could wait a decade or more to redevelop Harbor Square as its present condition and usefulness did not require immediate redevelopment. It is the Port's position after discussing the need for specific Harbor Square redevelopment in two public forums, the Port will back away from its previous leadership role, adopt a wait-and-see approach as redevelopment discussions in the community and City Council continue and decisions are made regarding specific redevelopment plans for those parcels of lands should be addressed first. He noted the Port would certainly work toward an integrated and cohesive plan for all the area as opportunities permit to avoid parcel-by-parcel decisions and the resultant huge missed opportunity.

Mike Spence, land use attorney representing the property owners of the Antique Mall property, commented the timing of his clients' redevelopment was sometime in the near future; the exact time period had not yet been determined. One of the reasons the time period had not been established was because when comparing the zoning code, Comprehensive Plan, the GMA planning policies, and the Growth Management Hearings Board's interpretation of the GMA planning policies, it was clear the current zoning was out of sync with the rest of the regulatory and legislative scheme. He noted the Zoning Code did not appear to appreciate that the property abutted the train track with an Amtrak station and Sound Transit station, was walking distance from a State ferry terminal and was located on a State

highway. He noted there were few sites on Puget Sound located this close to transit that offered such a unique opportunity to get people out of their cars and onto transit.

Mr. Spence pointed out goals in the GMA to reduce sprawl and encourage urban development. The GMA encourages urban density in areas where infrastructures exists or can easily be provided, a criteria the subject properties met better than any other properties in Edmonds, Snohomish County and possibly the Puget Sound region. He considered the Growth Management Hearing Board's (GMHB) decision interpreting 36.78.020, the statute establishing the GMA goals and found a phrase that arose often in GMHB decisions was compact urban communities. He doubted a 25-foot height limit plus 5-feet for modulation and a parking requirement of one space per 500 square feet for commercial and one space per residential unit met the definition of compact urban community, particularly in light of increasing gas prices and concerns with climate change. He concluded they looked forward to working with the City and other properties owners to develop a contract rezone, a legislative proposal, a rezone, or whatever vehicle the City determined was most appropriate. They looked forward to being involved in the process and envisioned tremendous potential to do a great development, one of the nicest in the Puget Sound region.

Bob Gregg, Edmonds, advised he owned the Skippers property, the northern tip and smallest property but strategically located, one of the most important parcels and the starting point. He anticipated development on that site would set the tone for the other properties. He observed the Comprehensive Plan anticipated development in this area, anticipated an update of the current zoning, and anticipated a public-private partnership. He described their intent to first develop a vision followed by a plan that incorporated all of these elements. He referred to the menu of options Mr. Bowman presented, explaining they consider the same options and determined two possible ways to proceed, first, to propose a new zone and create a project that fit the new zone. The difficulty with this option was visualizing what the new zone would allow/prohibit and neither the developer nor the public would be certain of the end result. The second option was to propose a new zone and a contract rezone. Under this approach everyone would see exactly what would be developed on their property before it was approved and once it was approved, that was the only thing that could be built on the site. He favored the second option.

He advised Mr. Van Skike would describe their proposed process that would result in a proposal for the Skippers site this year. He acknowledged they did not have a building to propose tonight and hoped the public and the Council would leave the meeting pleased that there would be plenty of time and many opportunities to have input into the design and a lot of influence throughout the process. He provided his personal goals for the site:

- Develop a plan that would receive unanimous Council approval.
- Seek and be sensitive to features and amenities that the public wants incorporated into the design.
- Seek platinum LEED certification for the project.

With regard to the high water table, he pointed out the opportunity to utilize the average 50 degree temperature of Puget Sound for an in-ground heat exchange plant. He acknowledged the above goals would require listening, cooperation and compromise from all parties. He was hopeful that through the process Mr. Van Skike would describe, everyone's wants would be fairly aired and whatever was proposed would be viewed as the best possible development that reflected the collective efforts of the public and the private interests.

Dave Van Skike, land use planner, GordonDeer (formerly Buck & Gordon), representing Gregg Production Associates, the owner of the former Skippers site at 102 Main Street, explained they intended to develop the property in conjunction with the Washington State Department of Transportation (WSDOT) lot via a public-private partnership. He explained their proposal was a unique development

process, gathering information about what would work on the site. The process includes a view corridor study, recognizing that views are a key issue. He noted the existing zone allowed lot line-to-lot line development and three floors which they felt was not necessarily in sync with the Comprehensive Plan or offered the opportunities that Edmonds deserved to see built on the site. Other objectives include an energy efficient design and LEED certification, development with a mix of uses at the street level, throughout the building, setbacks at the ground level to accommodate view corridors, and human scale. Although there were constraints, along with those constraints come huge opportunities for creating connections between downtown and the waterfront, connections to the park, connections to rail, opportunities for transit oriented development, and opportunities for structured parking instead of surface parking. He noted the constraints would require taller buildings; the existing BC zone allows 2½ - 3 floors and although a nice project could be constructed under the existing heights, they feel it would be a missed opportunity. He emphasized they would not shy away from increased heights and planned to develop the site with sensitivity as well as set a very high standard for future development. Their process would provide the City an opportunity to take an incremental approach to the Master Plan.

Mr. Van Skike reviewed the 102 Main Street Design and Land Use process flowchart for the pre-application and application stages. He explained the process was initiated with a meeting on March 10 to get public input on views; the result of that input would be a viewshed analysis. He identified tonight's presentation to the Council and the April 1 opportunity for public comment at the Council. Next they anticipated another public meeting that they would initiate to present the view corridor study and ideas for moving forward. They planned to present early project alternatives to the ADB for additional feedback and develop a zone with a menu of options to achieve ground level public, open space, connectivity, parking, etc. to balance public benefit with additional height or additional development potential. Following presentation to the ADB, they would need to make decisions regarding the zone and project. Another public meeting would follow where they would present the project and proceed to the application process. He briefly reviewed the City's application process.

Mr. Van Skike acknowledged this was an ambitious plan and they hoped to have the process completed by the end of 2008. He summarized it was in everyone's best interest to proceed quickly and get as much public input as possible.

Mr. Clifton advised the public would have an opportunity to comment at the Council's April 1 meeting. He encouraged anyone with information they wanted displayed at the meeting to send it to him before the meeting at Clifton@ci.edmonds.wa.us and/or call him at 425-771-0251.

Councilmember Dawson thanked staff and Mr. Hinshaw for their presentations. On behalf of the Council, she apologized to everyone who had waited until 10:15 p.m., hoping to get a presentation about what was planned for these properties which was not provided although that was the Council's intent.

With regard to Mr. Gregg's plans for a private-public partnership with WSDOT, she noted WSDOT denied any knowledge about a partnership. She asked whether there had been any contact with WSDOT and the nature of that partnership. Mr. Gregg referred to Councilmember Dawson's apology to the audience, hoping she was not apologizing on their behalf, commenting if they had come to the meeting without a plan to take input they would be the ones apologizing. He emphasized this process was different than any other project he developed; he generally purchased a site, proposed what he wanted to build and built it within the City's guidelines. Councilmember Dawson commented he must have some concept in mind. Although she appreciated his plans to seek additional public input, she found tonight a wasted opportunity to share with the public some idea of what he was actually considering. Mr. Gregg disagreed, assuring the architect had not been allowed to draw anything yet. This was a refreshingly different approach to development of a critical property that would change Edmonds for the next 50 years.

Councilmember Dawson noted if there were no plans, the audience could have been informed of that ahead of time and not wait through all the presentations. She reiterated her question about the partnership with WSDOT. Mr. Gregg answered it was a negotiation in real property that would become a public process at some point but there were competitors who were also interested in a partnership with WSDOT. He offered to share more specifics with the Council during Executive Session. Councilmember Dawson asked if he had been in contact with WSDOT and were in negotiations with them. Mr. Gregg answered absolutely. City Attorney Scott Snyder advised there were no Executive Session exemptions that would cover Mr. Gregg's situation; any information he provided would need to be in a public meeting. He noted there were two Executive Session exemptions with regard to real property, 1) setting the price for the sale of public property and 2) setting a purchase price; neither would apply in this case. He noted Mr. Gregg talking to each Councilmember individually could create a similar problem.

COUNCILMEMBER WAMBOLT MOVED, SECONDED BY COUNCILMEMBER DAWSON, TO EXTEND THE MEETING UNTIL 10:30 P.M. MOTION CARRIED UNANIMOUSLY.

Councilmember Bernheim pointed out additional aspects of the Comprehensive Plan that needed to be considered:

- Page 3 - the role of the commercial and industrial enterprises should be considered as supporting the residential nature of the community.
- Page 3 - growth or development should strive to protect for itself and its neighbors light, privacy, and use of open space.
- Page 31 - plans for joint public-private development of the area between SR104 and the railroad tracks could potentially include property acquisition.
- Page 35 E5, E6, and E14 - reinforce the pedestrian nature and scale of development that takes place in this area.
- Page 40 - specific mention of a height limit in the design guidelines.

Councilmember Bernheim thanked Mr. Gregg and his consultant for their statement that they were not shying away from heights, for their plans for an open process, and for their goal of a unanimous decision. Despite some people's disappointment regarding what they expected to see tonight, he felt Mr. Gregg's exploration of an open process was valuable. He commented on his experience with LEED certification, noting it was incredibly difficult to achieve and starting with that goal would allow a great deal of creative potential in the project. He was excited about Mr. Gregg's proposal for an open process, noting it contrasted sharply with the initial plan to present three alternatives to the public.

Councilmember Bernheim suggested the City talk with WSDOT about purchasing their property. Mayor Haakenson advised staff could pursue discussions with WSDOT regarding their property if directed to do so by at least four Councilmembers.

Councilmember Wilson shared the concern and frustration voiced by Councilmember Dawson although he agreed with Councilmember Bernheim that Mr. Gregg's proposal for public input was a great first step. He expressed appreciation for Mr. Gregg's ambition to obtain a unanimous Council vote, asking how many times he anticipated going through the process before reaching a solution that resulted in a unanimous vote. Mr. Gregg answered once, noting it would not be presented to the Council until it was in an approvable form. Councilmember Wilson envisioned Mr. Gregg would need to go through the process more than once to gain approval. He asked about the principles that guided the process, specifically why he wanted to develop a LEED certified building and whether he viewed this as a legacy project. Mr. Gregg answered he had been focused on the LEED certification for 14 weeks beginning with a lecture from an architect on LEED, climate change, and energy efficiency. He observed regardless of whether global warming exists, it cannot be good put toxins into the air and water. He supported the

objectives of using less energy, using energy more efficiently, and polluting less, noting there was a populous that was also interested in those items. After attending three additional seminars, he realized there were exiting things that could be accomplished such as a platinum LEED building. He advised they were considering providing an electric vehicle plug-in for each condominium unit and possibly providing an electric car with each unit. He concluded he was not constructing this as a legacy project but it was an exciting opportunity.

COUNCILMEMBER WAMBOLT MOVED, SECONDED BY COUNCILMEMBER WILSON, TO EXTEND THE MEETING UNTIL MIDNIGHT. MOTION CARRIED UNANIMOUSLY.

Councilmember Wilson invited Mr. Dykes to describe the principles that guided his vision for the development of the Antique Mall property. Al Dykes advised the public process began with property owners meeting and evolved into numerous public meetings in which the input was distilled into four designs. He pointed out the architect's designs were not influenced by the committee members; the only caveat was that they be economically viable. He pointed out the concept that was closest to the existing code was determined to be the most profitable to develop. The other concepts, which provided an increasing amount of public space, were less profitable for the developer. He noted plan 4, the plan he favored, provided the least economic profit to a developer. Although many believe developers are only interested in the dollars, the property owners recognized this as a unique site that offered a unique opportunity to the City and the community and he would be very disappointed if that opportunity was never realized. He was amenable to forfeiting 30% of his profit to achieve a signature development.

Councilmember Wilson asked why the WG33 process broke down and none of the three property owners were making a proposal to the City as a result of that process. Mr. Dykes answered it was a lack of communication. He referred to the disappointment expressed by Councilmember Dawson that the property owners did not have plans to display, commenting he did not recall receiving a phone call from any Councilmember asking whether he was far enough along in the process to have plans to display. He noted if there was anyone to blame, it was whoever planned this presentation at this stage as it was premature.

Councilmember Wilson asked why the WG33 process did not produce a continued collaborative joint approach between the three property owners. Mr. Dykes responded that process had neither failed nor stopped; it was very successful in incorporating input into four different options. He noted that process had more citizen input than any other process he was aware of and nearly all the members voted in favor of option 4. He was in the process of developing a plan that would proceed through the City process; it was being fast tracked and he planned to have a decision on his project by the end of 2008.

Mr. Faires commented the WG33 process did what it was supposed to do; their goal was to begin the public discussion via presenting alternatives to the public. The process stopped because of differences in individual property owners' timing; one of the property owners wants to go yesterday, one wants to go tomorrow and another wants to go in ten years. He noted the process also stopped due to the alternate ideas/approaches posed by the community, many of which were not practical. He acknowledged there were members of the community who did not want anything to happen on the site, an option he did not feel was in the best interest of the present or future community. He concluded the process did what it was supposed to do - it began the public discussion and took it to an end point. It was the Council's responsibility to pull the process back together.

Councilmember Wilson: I'm going to pass so that other Councilmembers can ask questions but I do want to take the opportunity after that to express my vision to you all while we have you in the room about what should be down there. Before and since the other four parcels that were developed in the Work Group of 33, there were only two I believe that had any support in a vote for 6 to 8 stories, and then 6 to

10 stories. In my view as a participant of that, I think both of those proposals would be dead on arrival in a public process. So I want to make sure that my vision is conveyed so that you don't plan a ten story building which would not, just wouldn't get us anywhere. So, with that I will pass until later.

Councilmember Wambolt clarified the reason Mayor Haakenson requested the public hold their comments until next week was to avoid bringing that discussion into this meeting.

With regard to Councilmember Bernheim's comment regarding staff contacting WSDOT about their property, Mr. Snyder advised WSDOT was not offering the property for sale but had indicated its interest in a partnership due to their entrepreneurial plans and desire to retain an ownership interest for the long term use of the property should the relocation of the ferry terminal not occur. Councilmember Bernheim clarified he was not inquiring solely about the sale of the property, he was inquiring about development of the property by WSDOT in partnership with the private property owners without the City participating or communicating its desire to WSDOT. He suggested the City's negotiator contact WSDOT to express the City's interest in working with WSDOT as the primary contact rather than WSDOT working with the private property owners.

As Councilmember Wilson began to describe his vision, Mr. Snyder cautioned him the Council had adopted a vision - the Comprehensive Plan. He cautioned Councilmember Wilson if he was too specific, he could be charged with pre-judgmental bias for any future project. Councilmember Wilson asked if he could reiterate what he said during his campaign. Mr. Snyder answered what Councilmember Wilson said during his campaign was not subject to the Appearance of Fairness Doctrine but there was a separate challenge for pre-judgmental bias; if Councilmember Wilson described things he would not vote for, he ran the risk of not being able to vote.

Councilmember Wilson asked how citizens via their elected body could contribute to this conversation about vision, notwithstanding the Comprehensive Plan. Mr. Snyder advised a Councilmember normally described their decision after a public hearing or during the course of a public process; Councilmember Wilson ran the risk of getting ahead of the process. Councilmember Wilson commented this was of such importance it was worth the risk. He commented the setbacks as noted by Mr. Hinshaw were critical, and lot line-to-lot line development did not provide opportunity for setbacks. He favored setbacks that allowed for pedestrian walkways, fountains, café seating, etc. He commented development of these properties had a tremendous opportunity to set the standard for building throughout the City, Snohomish County and throughout suburban development in the United States. A platinum building that could be used as a tool for public education would be a tremendous asset to the community.

Mayor Haakenson thanked the approximately 120 people who attended tonight's meeting. He advised on April 1 at 7:00 p.m. the Council would hold a public hearing about what the public heard tonight, what they would like to see as part of the development, etc.

8. COUNCIL REPORTS ON OUTSIDE COMMITTEE/BOARD MEETINGS.

Historic
Preservation
Commission

Council President Plunkett reported with the sale of the Bettinger-Kretzler house, the Historic Preservation Commission and the Snohomish County Historical Society was discussing relocation of the home. The Commission reached no conclusion other than a desire to publicize the matter and seek ways to preserve the home. Mayor Haakenson advised the *Edmonds Beacon* would have an article regarding that house this week. He called the homeowner today to put them in touch with someone who may have a site for the home.

SeaShore
Transportation
Forum

Councilmember Olson reported Councilmember Dawson and she attended the SeaShore Transportation Forum where they received a report from King County Metro transit regarding their plans for Bus Rapid

Sound Transit

Transit on I-5. Sound Transit also provided an update; they are considering a fall 2008 vote; however, a presentation by Joni Earl, CEO, Sound Transit, at a subsequent Cities and Towns meeting indicated there was less interest in proceeding with a 2008 vote. She noted Sound Transit had scaled back their plans and light rail would end at Northgate. She remarked Sound Transit needed to provide something to entice Snohomish County voters to approve future plans.

Sound Transit

Councilmember Dawson provided a further update on Sound Transit, advising there was a split on the Board regarding a 2008 versus 2010 vote. She explained the three Snohomish County members felt strongly that more work was necessary, particularly to develop a package that would be viable for the Snohomish County subarea. An update would be provided to the Sound Transit Board on March 27 regarding what the package for a 2008 vote could look like and the Board would vote on April 10 whether to go to a vote in 2008. She reiterated the Snohomish County members felt it was best not to move forward with a 2008 vote.

Lake Ballinger

Councilmember Wilson advised the Lake Ballinger work group, comprised of five cities, was meeting on March 26. He asked that the Council formally appoint him to that work group.

Health District

Councilmember Orvis advised he attended two Health District meetings, the first a Finance Committee meeting where the replacement of the Health District's fleet with hybrid cars was approved. At the Health District's regular meeting, Health Officer Gary Goldbaum made a presentation regarding the District's priorities including the highest priority, disease prevention. Councilmember Orvis reported he also accompanied an outreach worker on a tuberculosis DOT run. He explained anyone who contracted tuberculosis did not just receive a bottle of pills with instructions; the Health District personally administered the pills to ensure the person did not develop a drug resistant strain and to observe any medication side affects.

9. MAYOR'S COMMENTS

Hekinian, Japan Delegation

Mayor Haakenson advised next week he would be leading a delegation of 20 Edmonds residents to Hekinian, Japan. It was the 20th anniversary of the Sister City relationship and Hekinian's 60th anniversary. In honor of Hekinian's anniversary, Dale Chihuly donated a glass sculpture for the City to present to Hekinian. He thanked those who had the foresight 20 years ago to create the Sister City relationship with Hekinian, an amazing cultural exchange for both cities.

10. COUNCIL COMMENTS

Council President Plunkett thanked staff for their excellent presentations and asked Mayor Haakenson to convey his appreciation to the staff members who were no longer present at the meeting. He thanked the property owners for their presentations, noting he had not expected much more than what they presented. He also thanked the members of the public who attended tonight's meeting.

Easter Egg Hunt

Councilmember Olson recognized the Parks & Recreation staff for the great job they did on the Easter egg hunt which she attended with her granddaughter. She asked whether Councilmembers were interested in extending an invitation to Stevens Hospital's CEO to make a presentation regarding their plans.

Stevens Hospital

Mayor Haakenson advised the CEO had agreed to come and would be scheduled on a future meeting agenda.

Real Estate Excise Tax

Councilmember Wambolt provided an update on Real Estate Excise Tax (REET), advising figures from the City's Finance Department indicated the City had collected approximately \$1.4 million in REET2 for each of the last three years. This year, after three months, the City was 47.2% below the same three month period a year ago. When projected out for the year, the forecast was \$896,000, an amount

Councilmember Wambolt believed was unattainable. He concluded REET revenues had not leveled out and continuing to decline; he did not anticipate 2008 would be a good year for REET.

Councilmember Dawson thanked everyone who attended tonight's meeting, commenting it was a testament to the community that this many people attended and stayed this late.

Councilmember Wilson echoed Councilmember Dawson's thanks to the community, recalling Ms. Bloom's comment that it was potentially historic.

Councilmember Orvis thanked everyone for coming.

11. ADJOURN

With no further business, the Council meeting was adjourned at 11:10 p.m.