



## CITY COUNCIL MINUTES REGULAR MEETING MARCH 2, 2015

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### CALL TO ORDER & ROLL CALL

Mayor Bruce Bassett called the meeting to order at 7:00 pm in the Council Chambers of City Hall, 9611 SE 36th Street, Mercer Island, Washington.

Councilmembers Debbie Bertlin, Jane Brahm, Mike Cero, Joel Wachs, Benson Wong, Deputy Mayor Dan Grausz, and Mayor Bruce Bassett were present.

### APPEARANCES

Ira Appelman, 4436 Ferncroft Road, spoke about the Community Engagement Plan which was planned and approved by Council without any community engagement. He believes that one or more public hearings should have been held before the plan was adopted, and that the plans greatness weakness is a lack of credibility.

Tom Acker, 2427 84<sup>th</sup> Ave SE, spoke about the moratorium. He would like the Hines project included and would like the moratorium to cover all aspects of the Town Center. He asked Council to do what is legal and what is right and stated that the Hines project could severely impact everyone on the island.

Cynthia Winiski, 2750 68<sup>th</sup> Ave SE, pointed out the timeline of the communication plan and that the moratorium ends before Council looks at the codes and starts the approval process, which seems contradictory.

Ralph Jorgenson, 8040 84<sup>th</sup> Ave SE, believes that the City is not charging appropriate parks or traffic impact fees for new development. He asked if the City prevents the School District from collecting impact fees on single family short-plated homes. He thinks it's important that the City change its impact fees.

Meg Lippert, 4052 94th Ave SE, does not think the Hines property should be exempted from the moratorium and hopes that the community will retain a village feel and not be filled with high rise buildings.

David McCann, 8182 W Mercer Way, spoke about the Planning Commission's healthy debate about growth and the Growth Management Act. He does not believe the Planning Commission and the City Council are having enough dialogue about the issue of growth.

Michelle Goldberg, 2212 78<sup>th</sup> Ave SE, spoke about the Growth Management Act. She believes there are ways to work within the Growth Management Act to do what is in the best interest of the community.

### CONSENT CALENDAR

#### **Payables: \$718,110.40 (02/19/15)**

**Recommendation:** Certify that the materials or services hereinbefore specified have been received and that all warrant numbers listed are approved for payment.

#### **Payroll: \$713,408.66 (02/20/15)**

**Recommendation:** Certify that the materials or services specified have been received and that all fund warrants are approved for payment.

#### **AB 5043 2012 Island Crest Way Resurfacing Phase 1 Project Close Out**

**Recommendation:** Accept the completed 2012 Island Crest Way Resurfacing Phase 1 project and authorize staff to close out the project.

**AB 5044 2014 Arterial and Residential Street Overlays Project Close Out**

**Recommendation:** Accept the completed 2014 Arterial and Residential Street Overlays project and authorize staff to close out the contract.

**AB 5046 ARCH 2015 Administrative Budget and Work Program**

**Recommendation:** Approve the ARCH 2015 Administrative Budget and Work Program and authorize expenditure of \$29,882 for Mercer Island's contribution to the 2015 ARCH Administrative Budget.

**AB 5047 ARCH 2014 Trust Fund Recommendations**

**Recommendation:** Approve the use of up to \$20,000 from the City's ARCH Housing Trust Fund to fund the Congregations for the Homeless/King County Housing Authority Men's Winter Shelter, Regional Equitable Development Initiative (REDI) Fund and Parkview Home XI, with conditions as recommended by the ARCH Executive Board, and authorize the City Manager or the Administering Agency of ARCH on behalf of the City of Mercer Island to execute any related agreements and documents.

It was moved by Bertlin; seconded by Brahm to:

**Approve the Consent Calendar and the recommendations contained therein.**

Passed 7-0

FOR: 7 (Bassett, Bertlin, Brahm, Cero, Grausz, Wachs, Wong)

**MINUTES**

**Regular Meeting Minutes of February 2, 2015**

It was moved by Brahm; seconded by Bertlin to:

**Adopt the Regular Meeting Minutes of February 2, 2015 as written.**

Passed 7-0

FOR: 7 (Bassett, Bertlin, Brahm, Cero, Grausz, Wachs, Wong)

**REGULAR BUSINESS**

**AB 5048 Public Hearing Regarding Moratorium on Town Center Building Permits**

City Attorney Katie Knight noted that this is a legislative hearing, not a quasi-judicial hearing. She spoke about the passing of the moratorium and noted that an ordinance can only be amended by the passage of another ordinance.

The Mayor opened the public hearing at 7:34 pm.

Tom Imrich, 6231 Island Crest Way, spoke about the moratorium, visioning, and the community engagement process. He believes that no exceptions should be made on the moratorium and that the 1994 vision needs updating. He is concerned that the current community engagement process looks just like the 1994 process and needs to be fixed in order to be meaningful.

Leon Cohen, 9219 SE 33<sup>rd</sup> Place, asked Council to reconsider exempting the Hines project from the moratorium. He stated that if Hines is exempt, then the property at 2411 76<sup>th</sup> Ave SE should also be exempt. He believes that treating the Hines project differently from other properties is illegal, shows a City bias, and is unfair.

Larry Sargent, 2920 76<sup>th</sup> Ave SE, stated that exempting one developer from the review process is not a good idea. He believes that current development is cutting off access to the street and that the town center is becoming a canyon land. He noted that the future of Mercer Island should be amenable to all of its citizens. He urged Council to not exempt the Hines project from the moratorium.

Lynn Walsh, 7710 SE 29<sup>th</sup> Street, spoke in favor of the Hines project. She co-owns one of the parcels in the Hines project and noted that Hines was selected because they fit with Mercer Island values. She stated that there could be unintended consequences by including the Hine project in the moratorium. She wants to sell to Hines and asked Council to please work with them.

Roberta Lewandowski, 4740 86<sup>th</sup> Ave SE, spoke in support of the moratorium. She would like to see charm and graciousness, and likes being able to walk in the Town Center. She would like Council to take their time and get the public process work done.

David Brondstetter, 3742 77<sup>th</sup> Place SE, noted that he cannot tell what the amenities are in the town center, that most people do not want the Hines project exempted, and that Council works for its constituents.

Dave Fennell, 8030 Avalon Place, spoke about being raised in Washington DC and the importance of a long range and regional perspective. He noted that Mercer Island is a part of a larger growing region which is good because growth is an aspect of how things improve over time. He believes Council has chosen the right course for the 4-month moratorium.

Mark Clausen, 6107 SE 32nd Street, suggested that Council give up some control of the process in determining how the town center will look. He believes that a 40 member committee is not going to be productive and that having staff on the committee will only end up controlling the outcome. He suggested there be a smaller group without Council involvement. He believes that development in the town center has too much schlock and that the buildings should be nicer and on a human scale.

David Witman, 6114 92<sup>nd</sup> Ave SE, spoke about the idea that time is money and that an opportunity once passed may not come again. He questioned whether people are really asking for a moratorium or asking for a different development other than the Hines project. He is concerned that the moratorium will last too long and that Mercer Island will be left with the same city center as is there now.

Nancy Hewitt Spaeth, 8320 SE 34th Street, spoke about what density looks like in the Town Center and questioned how many stories the Hines project will be.

Evan Kaseguma, Hines developer, stated that Hines is not planning a 6-story project and that they are fully committed to working with the City. He spoke about the public wanting real benefits, public open plazas, and high quality retail. He noted that Hines is focused on listening first and designing second. He spoke about creating a south facing open plaza which will pull the building back from the street and about bringing a high quality anchor retailer to the town center which will help engage the public space. He also spoke briefly about the high quality materials that will be used in the project.

Ira Appelman, 4436 Ferncroft Road, spoke about supporting the moratorium but not the King and Hines exemptions and stated that no justification is given in the findings of fact for these exemptions. He spoke about not discriminating in favor of the wealthy and believes the problems with development in the Town Center started in 1994. He asked Council to represent the people of Mercer Island rather than the wealthy who are simply trying to make money off the process.

Cynthia Winiski, 2750 68<sup>th</sup> Ave SE, asked for her findings of fact to be entered into and made part of the official public record for tonight's public hearing. She questioned whether Council contributed to the Hines letter that was sent to the City.

Matt Winiski, 2750 68<sup>th</sup> Ave SE, spoke about discrepancies between what was said at the Council Planning Session and what took place at the February 2, 2015 Council Meeting. He requested that the City Council disclose the facts and circumstances of the meetings and discussions between the City and Hines at this evening's City Council Meeting.

Joy Matsura, 7264 W Mercer Way, spoke about the City not being prepared for tonight's public hearing. She is concerned about the process that will take place after the City receives legal advice. She stated that the public does need to understand what happens in deliberations and that Council needs to find a way to communicate.

Bob Medved, 7238 SE 32<sup>nd</sup> Street, noted that Council's guiding principle is the law and is bothered by how lightly the Council is taking this public hearing and the findings of fact. He stated that it is arguably unlawful to exempt anyone from the moratorium.

John Houlihan, 3401 Evanston Ave N, Seattle, represents Dollar Development, believes that their development stands in the same place as the Hines project. He noted that their hotel serves an important need, is

supported by people on the island, and that it would be fair and equitable to exempt their project as was done for Hines.

Ben Humphrey, 8009 SE 58<sup>th</sup> Street, would like to see Whole Foods on Mercer Island and see the downtown area grow with new businesses. He does not want giant high rises but believes the town center could use some new businesses and new places to go for island residents.

Curtis Brown, 7015 80<sup>th</sup> Ave SE, noted that there are no two majorities and that he wants a suburban neighborhood. He also spoke briefly about the growth management act.

Michelle Goldberg, 2212 78<sup>th</sup> Ave, noted that the moratorium should never have exempted the Hines project. She stated that the moratorium is a tool to put the town center development on hold while the City revises the comprehensive plan and its development codes, and continues with the town center visioning process. She asked Council not to grant any more exemptions and to stop construction to see if schools can take the density and enrollment. She stated that without impact fees, residents will be paying.

David McCann, 8182 W Mercer Way, asked Council to engage its citizens, extend the moratorium with no exemptions, and change their form of engagement, such as a digital survey.

Robert Thorpe, 2737 SE 78<sup>th</sup> Street, asked Council not to downzone single family and noted that moratoriums don't really work, they only push the problem off. He stated that if development is limited to two stories, there won't be affordable housing and plazas. He noted that since the Growth Management Act says we have to take our fair share, the City should allow for good development while keeping the requirements for open spaces and parking.

The Mayor closed the public Hearing at 8:34 pm.

#### **AB 5045 Revision to Shoreline Master Program Update (2nd Reading)**

Development Services Group Director Scott Greenberg presented the Shoreline Master Program (SMP) Update. He noted that the Department of Ecology has conditionally approved the SMP, with the addition of a definition of wetland manual, and a technical correction on the definition of ordinary high water mark. He explained that the ordinance with these changes would be sent to the Department of Ecology, they will issue an approval letter, and then the adopted SMP would go into effect in 14 days from the date of the letter.

It was moved by Brahm; seconded by Wong to:

**Adopt Ordinance No. 15C-02 amending MICC 19.07.110, Mercer Island Shoreline Master Program.**

Passed 6-1

FOR: 6 (Bassett, Bertlin, Brahm, Grausz, Wachs, Wong)

AGAINST: 1 (Cero)

#### **AB 5042 East Link Light Rail Station Name Recommendation**

Assistant City Manager Kirsten Taylor presented information to the Council about naming the East Link Light Rail Station. She spoke about the criteria for the name and noted that Sound Transit has collected feedback on the station naming from multiple venues. She stated that the community is recommending naming the station "Mercer Island".

Tia Raamot, Sound Transit, spoke briefly about the ADA requirements for the station name.

It was moved by Bertlin; seconded by Brahm to:

**Recommend the name "Mercer Island" to the Sound Transit Board for the East Link Light Rail Station located in the City of Mercer Island.**

Passed 7-0

FOR: 7 (Bassett, Bertlin, Brahm, Cero, Grausz, Wachs, Wong)

## **OTHER BUSINESS**

### **Councilmember Absences**

There were no absences.

### **Planning Schedule**

City Manager Treat spoke about starting the March 16 meeting at 5:30 pm, the next consideration of the moratorium is on June 1<sup>st</sup>, and noted that the joint meeting with the MISD School Board will be on April 30.

### **Board Appointments**

There were no board appointments.

### **Councilmember Reports**

Councilmember Cero asked for a summary of public record requests.

Deputy Mayor Grausz asked the Council if they would like to support the Committee to End Homelessness's Strategic Plan through the Sound Cities Association. The Council discussed this topic at length and decided to support parts of the strategic plan that support affordable housing.

Councilmember Wachs spoke about meeting with members from the King Conservation District.

Councilmember Brahm spoke about attending the SCA dinner. She noted that Dow Constantine gave a State of King County address and that three quarters of County spending goes to the King County justice system.

Executive Constantine noted that one initiative he wants to focus on is putting money at the beginning of the system and focusing on the future of children.

## **ADJOURNMENT**

The Regular Meeting adjourned at 9:37 pm.

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Bruce Bassett, Mayor

Attest:

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Karin Roberts, Deputy City Clerk