

2022 State of the City Building Connections

Thursday, June 9, 2022

7:00 to 8:30 a.m.

City Hall – Council Chamber

1. Welcome – **MAYOR** – Begins at 7:30 a.m.
 - a. Introduce electeds and thank people for attending
 - b. Introduction of theme: Building Connections
2. Accomplishments
 - a. COVID response
 - i. ARPA Human Services
 - ii. ARPA Businesses
 - b. Addressing homelessness
 - i. Enhanced shelter/198th/regional effort – **GUEST SPEAKER** – Leo Flor
 - ii. Severe weather shelter
 - c. Adopted Housing Action Plan
3. The future
 - a. Climate Action Plan update/sustainability
 - b. Inclusive and welcoming city
 - c. Destination 2024
 - i. 148th Bridge
 - ii. 145th Corridor
 - iii. Light Rail
 - d. Eco Devo update
 - i. How development meets important goals
 1. Affordable housing and housing choice
 2. Sustainability and climate action
 - ii. Overview of projects **ECONOMIC DEVELOPMENT MANAGER**
 1. Focus on three projects
 - a. Shoreline Place
 - b. 192nd – All affordable and some units for people with disabilities
 - c. First project in 148th
 2. General overview of rest of projects – Projects occurring where we intended – along transportation corridors.)
 - e. Changes at City over past two years – **CITY MANAGER**
 - f. Police
 - g. RADAR Program – **GUEST SPEAKER** – Brook Buettner
 - h. Park bond projects
 - i. Acquisition of six properties to expand park system
 - j. Sidewalks
4. What's next - **MAYOR**
 - a. Budget
 - b. Levy lid lift
 - c. Summer events
 - d. Thank you

2022 STATE OF THE CITY SPEECH

Welcome - MAYOR

[slide 1] Thank you for joining us this morning for our annual State of the City breakfast. After a two-year absence, it is great to be back together again. I want to thank Eli Porter for providing music for us this morning on the keyboard. Eli is a music student at Shoreline Community College.

I want to recognize the elected officials in attendance today and express my appreciation for their service.

- King County Councilmember Rod Dembowski
- City of Mountlake Terrace Mayor Kyoko Matsumoto-Wright
- City of Edmonds City Councilmember Vivian Olson
- King County District Court Judge Marcine Anderson
- North City Water District Commissioner Charlotte Haines

I'd also like to recognize Megan Utemei from Senator Patty Murray's office; Marielle Trumbauer from Representative Pramila Jayapal's office; Chris Esh who is here from Governor

Jay Inslee's Office; and John Elder from State Senator Jesse Salomon's office.

We also have Jack Kahn who is the incoming President of Shoreline Community College; Shoreline School District Superintendent Susana Reyes; Shoreline Fire Chief Matt Cowan; and Debra Smith who is the General Manager of Seattle City Light. I would also like to acknowledge two former Shoreline City Councilmembers who are with us today – Cheryl Lee, one of the City's first City Councilmembers, and Janet Way.

Now I would like to recognize my colleagues on the Shoreline City Council. Each one of them is hard working and dedicated to the Shoreline community. Please stand when I call your name.

- Deputy Mayor Betsy Robertson
- Councilmembers:
 - Chris Roberts;
 - Eben Pabee; and
 - John Ramsdell.

Councilmembers Doris Fujioka McConnell and Laura Mork aren't with us here at City Hall but are watching the live stream, so I also want to be sure to acknowledge them as well.

Lastly, I would like to recognize our City Manager Debbie Tarry and acknowledge the work of our City staff.

Introduction of Theme

[slide 2] Our theme this year is "Building Connections." The word "build" can mean putting things together or making things stronger. In Shoreline, we are building connections in both ways.

We are putting together physical connections through infrastructure investments, creating inviting neighborhoods that are safe and efficient for all modes of transportation and environmentally sustainable.

We are investing in our parks and open spaces, connecting people to nature and recreation opportunities.

We are strengthening community connections by working to be an anti-racist and welcoming community where everyone,

especially people who haven't felt connected in the past, can feel connected and valued.

We are supporting people who have lost connections through homelessness by helping them find stability through shelters and connecting them to services.

We are renewing connections through community events that were suspended for two years.

And we are strengthening connections through better community engagement, especially with communities and people we haven't traditionally heard from.

Past Year's Accomplishments

COVID response

[slide 3] The past two years have been extremely challenging for all of us. **[slide 4]** Shoreline has had 10,718 COVID cases, 316 hospitalizations, and 137 deaths. Everyone has been impacted by the pandemic, and for some, the impacts have been devastating. Family members and loved ones have been lost. We've faced sickness and fear. Some lost jobs or

faced food and housing instability for the first time. But, through it all, we have come together as a community to support each other and do what we needed to get through these challenging times and remain connected. The Shoreline community stepped up to help each other, and the outpouring of individual donations, volunteer efforts, and support for each other—often organized informally—has been amazing to see.

[slide 5] For the City's part, working closely with other governmental agencies and community partners, the City has helped families and businesses in need. Thanks to federal CARES Act and ARPA funds, we have been able to dedicate more than \$2 million to provide support for households who needed it most. This has included funding for rental assistance, grocery vouchers, mental health support, tutoring support for students, and PPE to keep local human service agencies open and able to serve their clients safely.

We have also worked to ensure funds are reaching those populations most affected by COVID and who have historically been underserved, including those experiencing homelessness;

immigrants and refugees; as well as those who identify as Black, Indigenous, and People of Color.

We established a Small Business Support Program that provided over \$775,000 in grants to Shoreline small businesses. In partnership with the Shoreline Chamber of Commerce, we hired a business outreach specialist to work with our local small businesses to better understand the challenges they face so we can connect them to the help they need.

[slide 6] During the 2020-2021 school year, our recreation staff helped 84 students in grades K through 12 attend school through remote learning camps. They also provided virtual programming for our specialized recreation participants and supported other City programs. We partnered with the Hunger Intervention Program and the Shoreline PTSA to provide campers with snacks, lunches, weekend food backpacks, clothes, and school supplies.

This school year, our teen and tween programs opened back up. Getting kids back into normal routines safely has been

a priority, and a challenge, but our recreation staff has done magnificent work.

[slide 7] While City facilities remained closed to the public from March 2020 through July 2021, City staff continued to work and provide City services to the Shoreline community.

We recognize that the threat of COVID is not over. We will continue to follow CDC and Public Health guidelines to ensure the safety of our community. **[slide 8]** More than 94% of the population aged 12 and older in Shoreline have received at least one dose of vaccine. Getting vaccinated is still the best way to fight this pandemic.

Adopted Housing Action Plan

[slide 9] While we have concentrated on the pandemic over the past two years, we have also continued work on the many other critical issues facing our community. Housing in the Puget Sound region continues to be in high demand and short supply. **[slide 10]** As of 2017, over one-third of Shoreline's households were cost burdened. A household is considered cost burdened if they pay 30% or more of their income for

housing costs and extremely cost burdened if they pay more than 50%.

- Among Shoreline renters, 43% were cost burdened, with 22% extremely cost burdened.
- Among Shoreline homeowners, 29% were cost burdened, with 10% extremely burdened.

[slide 11] Hundreds of affordable housing units have been built in Shoreline through the Multi-Family Property Tax Exemption Program, and requirements for affordable housing in the light rail station areas will ensure inclusive affordability for the life of those buildings. But, while the City has adopted regulations and incentives to address the housing affordability crisis, we know our work is not done.

The number of cost-burdened residents will likely increase without more action to preserve existing or construct more affordable housing. Most of the new housing being developed consists of market rate townhouses and studio and one-bedroom rental apartments. While the addition of much-needed housing stock for the professionals attracted to our

region's growing innovation economy has enlivened our commercial districts, it does represent a shift in the demographics of our community. Under current trends, owner-occupied and family sized housing units will make up a smaller proportion of Shoreline's housing stock in the future.

[slide 12] Late last year, with support from a Washington State Department of Commerce Grant, we completed a Housing Action Plan. The Plan identifies our greatest housing needs and looks at different city-led initiatives we can use to help address those needs. The initiatives could help encourage the preservation and development of housing at prices affordable to all of Shoreline's residents, now and in the future.

[slide 13] Housing strategies incorporated in the Plan:

- Promote housing that isn't reliant on cars for commuting and accessing routine needs.
- Are deliberate about building a racially inclusive community.

- Allow for a diversity of housing types for different family structures and sizes.
- Identify existing affordable housing and encourage preservation.
- And leverage publicly owned land wherever possible.

The Planning Commission has started work on developing cottage housing regulations, and over the next couple years will study allowing duplexes and triplexes in more areas of the city. City Council looks forward to acting on these in the future.

Addressing Homelessness

[slide 14] Unfortunately, that work can't come soon enough for some of our most vulnerable residents. Homelessness is a deeply challenging problem that we encounter every day in Shoreline and across the region. We know it isn't a Seattle problem, but a regional one that requires all of us to work together to address. Shoreline has been an active partner in developing local and regional solutions and providing resources to address the issue.

In 2015, the City Council adopted a resolution supporting King County's proclamation of emergency regarding homelessness. Since then, we have taken several actions related to addressing homelessness in Shoreline. We have increased our human services funding to include funding for a Housing and Outreach Specialist through Lake City Partners. We have supported a Severe Weather Shelter in partnership with the North Urban Human Services Alliance and St. Dunstan's Church.

[slide 15] Two of the most significant steps we have taken have been partnering with King County on the opening of The Oaks Enhanced Shelter and partnering with the County and Catholic Housing Services to develop 100 units of permanent supportive housing at 198th and Aurora for people that were homeless or experiencing housing instability. This includes individuals dealing with chronic mental health issues.

The Oaks Enhanced Shelter has been in operation for just over a year, and, earlier this year, the 198th project received final funding to move forward with construction, which will

begin later this year. **[slide 16]** Here to talk a little more about those two projects and the importance of working together to address homelessness is Leo Flor, the Director of King County's Department of Community and Human Services.

[LEO FLOR SPEAKS]

[slide 17 – The Oaks]

[slide 18 – 198th]

[MAYOR RETURNS TO PODIUM]

The future

Climate Action Plan update/sustainability

[slide 19] In 2013, We completed our first Climate Action Plan to help reduce greenhouse gas emissions associated with transportation, building energy use, and solid waste generation in Shoreline. While we have completed many of the recommended actions contained in the Plan, we still have a lot of work to do to reduce our emissions to the level needed to avoid the worst impacts of climate change.

[slide 20] Climate change is having huge impacts on communities around the world, including Shoreline. We are already experiencing poor air quality from increased wildfire smoke, hotter summer days, and increased flooding. We will continue to face these and other negative impacts unless we act over the next ten years to drastically reduce greenhouse gas emissions – specifically, those emissions from activities like driving cars and heating and cooling buildings.

[slide 21] We are updating the Climate Action Plan. The updated Plan will outline key actions the City needs to take to reduce community-wide emissions and prepare our community for the impacts of climate change. The Plan will identify climate action strategies that also improve equity, increase community resilience, and protect ecosystems in Shoreline.

It is important that solutions to climate change benefit everyone in our community, especially people that are most likely to be affected – often referred to as "frontline" communities. These are community members that face historic and current inequities, often experience the earliest and most

acute impacts of climate change, and have limited resources and/or capacity to adapt to those impacts. Their voices are often the least heard even though they may be the most valuable ones to add because they are the most vulnerable to climate impacts.

Anti-racist community (Inclusive and welcoming)

[slide 22] For too long, many people in our communities have been left out of the decision-making process. In Shoreline, we are consciously working to change that. We want all residents to feel valued. We envision a community in which people from all backgrounds have equitable access to opportunities to ensure they and their families can be successful. **[slide 23]** Shoreline is home to an increasingly diverse community:

- 40% of Shoreline residents are people of color
- One in five Shoreline residents is foreign born
- One in four speaks a language other than English in the home

- And 49% of Shoreline School District students are youth of color

In 2020, we committed to building an anti-racist community. As an organization, we have focused our efforts in three areas.

[slide 24] We are working to increase the capacity of City staff to deliver services with an emphasis on equity and inclusion by providing mandatory staff training on institutionalized racism, working with diverse populations, and evaluating City policies and procedures.

We are working to improve access to City information and services by residents from diverse communities by promoting outreach and community engagement through use of language specific resources and intentional outreach to diverse populations.

And finally, we are working to increase community-based support for diverse communities by providing technical help and support to community groups and organizations serving

diverse populations to promote multicultural and anti-racist efforts.

Nationally, we have seen a lot of push back against this type of work. I am proud that we have continued to be resolute in our pursuit of becoming an anti-racist community. This work isn't just important, it is absolutely essential.

Destination 2024

[slide 25] In preparation for the opening of Lynnwood Link Light Rail, we have been planning for changes that will come with it. There are eight different transportation projects linked to the opening of the Shoreline South/148th light rail station. The goal for all these projects is to ensure pedestrians, bicyclists, transit, and auto traffic can get to and from the station and through the 145th corridor as safely and efficiently as possible.

148th Bridge

[slide 26] We have reached 90% design for the \$38 million 148th Street Non-Motorized Bridge project. We've learned that people living within a ½ mile from transit are far more likely to

walk or bicycle than those who live further. The 148th street bridge opens up a significant amount of land within the ½ mile radius of the station. Through local resources and partnerships with King County and Sound Transit, we have enough funding to complete design and construct the critical first phase of the project, which is the landing on the east end of the bridge.

We expect to complete the east bridge landing by mid-2023 and secure full funding to complete the entire project by 2025. Earlier this year, we worked closely with our legislative representatives in Olympia to secure significant funding through the state transportation package and we have been working closely with our federal representatives to secure federal funding.

145th Corridor and I-5 Interchange

[slide 27] In November 2021, the State Transportation Improvement Board awarded the 145th Street and I-5 interchange project a \$5 million grant, which provided the last amount needed to fully fund this \$30 million project. The City and WSDOT plan to replace the signalized intersections on both

sides of I-5 with roundabouts and update lane configurations on the bridge. We expect to complete the design and permitting by the end of this year and begin construction in 2023.

[slide 28] We are also designing improvements for the 145th Corridor between Aurora and I-5. The design will widen 145th to accommodate design elements that will improve traffic operations, safety, and mobility.

We're planning construction of this project in three phases. Phase 1 is I-5 to Corliss; Phase 2 is Corliss to Wallingford; and Phase 3 is Wallingford to Aurora, which includes a transition to Linden Avenue and the Interurban Trail.

Our goal is to complete Phase 1 by 2024. We expect completing design and right-of-way acquisition by the middle of this year.

We have funding to complete designs for Phases 2 and 3, but they will need more funding for right-of-way acquisition and construction. We will complete that work as funding becomes available.

Economic Development Update

How development meets important goals

Affordable housing and housing choice

[slide 29] Light rail will be transformative for Shoreline.

We are already seeing it. The planning we started in 2013 will help us to create a more sustainable community for everyone to enjoy.

[slide 30] Increased density around the light rail areas will help create more housing choices, allowing more people of various socio-economic levels and needs to live in Shoreline. Whether you are a new family buying an older single-family home, an older resident downsizing to a townhome, or a single individual just starting out who is renting their first apartment, we have been planning for a community that will meet all those needs.

Sustainability and climate action

[slide 31] Our development efforts are also designed to help address climate change. By creating denser, more

walkable communities, particularly around light rail and other transit, we can better reduce our greenhouse gas emissions. In comparison with denser developments around transit, a typical existing Shoreline home produces more than three times the greenhouse gas emissions from energy use due to its larger size and lower efficiency and due to more trips taken by car. A typical home in east King County produces eight times the emissions. The energy-efficiency benefits of denser, walkable communities are clear.

[slide 32] Now to say a few more words about some of the economic development occurring in Shoreline is our Economic Development Manager Nathan Daum.

[NATE SPEAKS]

With the long-awaited removal of the vacant former Sears complex finally underway, a new downtown for Shoreline and neighboring communities is coming into view: **[slide 33]** Shoreline Place. Over more than 10 years, the City of Shoreline has undertaken numerous policy and programmatic steps to ensure the centrally-located Shoreline Place Community

Renewal Area, or CRA, experiences a revitalization fully matching its potential.

[slide 34] The long-awaited first redevelopment project at Shoreline Place, a 330-unit apartment building called The Current, opened in 2021 adjacent to the Interurban Trail, across Westminster Way from Central Market. The success of the project, which is leasing up at a blistering pace of more than 24 units per month, is indicative of the strength of the overall housing market and is serving to support the vision of high-quality mixed-use urbanism envisioned for the CRA. That market success could not be more vital to realizing the CRA vision because, while we as the City and community created the vision for the CRA, the buildings, plazas, and tree-lined streets within Shoreline Place are all being constructed with private capital.

[slide 35] Over the course of 10 to 20 years, the keystone Sears property at the center of Shoreline Place will be redeveloped by Merlone Geier Partners as a \$400-million, mixed-use urban village of 3 new city blocks framed by a

network of those new, tree-lined streets maintained by the property owner but enjoyed by all thanks to permanent easements for public use.

The private investment into the redevelopment inside the CRA is also funding improvements of public rights of way on all sides, with new frontage along Dayton and Westminster already completed. Improvements to 160th have also begun and will continue as the CRA redevelops.

[slide 36] Merlone Geier anticipates completing its first phase, a gateway staircase and terrace at the corner of North 155th Street and Westminster Way flanked by two new retail buildings, in 2023. Negotiations are ongoing with several restaurants, cafés, fitness studios, financial institutions, and providers of other services.

[slide 37] Washington State is also reinvesting in the CRA, having recently renovated its Department of Transportation Regional Headquarters and welcoming the addition of hundreds of Washington State Department of Ecology workers, which, with the ongoing transition back to more in-person

work, will increase the daytime population in the CRA significantly for the benefit of local eateries and other businesses.

[slide 38] Completed in 2017, the \$140-million transformation of Aurora Avenue North into Shoreline's Signature boulevard has been, since 2018, one of the City's top economic development priorities and it has led to hundreds of millions of dollars in investment. **[slide 39]** At 192nd and Aurora, just across the street from Metro's Park & Ride, a new project called 192 Shoreline is under construction. The builder was attracted to the site with its excellent access to transit and services and the City's affordable housing code incentives such as Park Impact Fee and Transportation Impact Fee exemptions.

The seven-story building's 250 apartments will be permanently affordable to those earning no more than 50 percent of Area Median Income. And fifty-five of the units are reserved for people with disabilities who will receive supportive services such as the walking club coordinated by on-site community project coordinators. For many, Walking Club and

other Community Project programs are the highlight of their week, ensuring regular interaction with community members, structured activities to support positive behavioral health, and a sense of purpose and connection.

We are thrilled to have this new infusion of residents so close to the geographic center of the City. It is an example not only of the City's commitment to supporting the creation of affordable housing, but it also shows how the evolution of Shoreline's Signature Boulevard can continue the vision of a vibrant, urban, walkable environment in an inclusive way.

[slide 40] Redevelopment of Shoreline's two future Light Rail Station areas has largely consisted of townhomes – about 500 of them in just the first two years following the advent of that housing type in the City's land use code. Now, major mixed-use multifamily projects are expected to begin reshaping core areas immediately adjacent to the stations themselves.

[slide 41] The first project in the area next to the Shoreline South/148th Street Light Rail Station is the eight-story, 252-unit Ion Apartments project, on NE 149th Street just west of 5th

Avenue. The development includes ground-floor commercial space. The project also takes advantage of an update to the City Code that allows projects to front directly onto light rail station property and not require setbacks as would be required with other adjacent properties. City code requires the developer to construct frontage improvements, such as sidewalks, amenity zones, bike lanes, and undergrounding of power lines. These frontage improvements will encourage pedestrian and bicycle access through the area to the station. They will also provide access to the City's future 148th Street Non-Motorized Bridge linking Shoreline's Parkwood and Ridgecrest neighborhoods.

[slide 42] Significant investment is reshaping Shoreline's commercial areas into vibrant, walkable urban districts. When Sound Transit Link Light Rail service opens in the next few years, it will be in a community transformed. While the change is dramatic and the cost of newly constructed housing can be eye-popping, everything is relative.

According to the real estate data company CoStar, newcomers moving into Shoreline are often pleasantly

surprised by the price of high-end apartments within walking distance to shopping, restaurants, and high-capacity transit. This growing population is increasing demand for shops and restaurants while creating the very vibrant, urban conditions necessary for attracting today's workforce talent. That makes this next chapter of the City's history, that we will begin to write together, one filled with many exciting opportunities at least equal to, if not far greater than, the challenges we face.

[slide 43] Now, I would like to turn it over to our City Manager Debbie Tarry.

[DEBBIE WALKS TO PODIUM]

Changes at City – CITY MANAGER

Thank you, Nate.

As an organization, we have experienced a lot of change and transition over the past two years. **[slide 44]** Since January 2020, 83 employees are in a new position with the City. Of those, 58 are new hires to the City – that is a third of our workforce. We are also becoming more diverse and younger, with almost half of our staff being millennials. And while that

much change in such a short amount of time can be stressful on an organization, it also provides opportunities for improvement. We are excited to have an amazing group of incredibly talented people working for us who are dedicated to serving this great community.

Another big change is a switch to more of a hybrid model for many employees who work at City hall. Around 40% of our workforce now has a hybrid remote/in-person work schedule.

To help accommodate this change, we are in the process of updating many of our conference rooms to allow for hybrid meetings. This will include hybrid Council meetings and other community meetings.

Police

[slide 45] We have also had some changes within our police department this year. Newly appointed King County Sheriff Patti Cole-Tindall has permanently promoted Shoreline Police Chief Shawn Ledford to the King County Sheriff's Office Command Staff as the Chief of Patrol Operations Division.

Currently, Ryan Abbott is serving as Shoreline's Interim Police Chief and has been since January.

With Chief Ledford's permanent appointment, we will begin a more in-depth recruitment process for the Shoreline Police Chief position later in June. I am still in the process of completing the recruitment plan, but I know it will include an opportunity for the public to meet the candidates before a final selection is made. We expect to have a permanent chief appointed by the end of the summer.

We have been fortunate to have both Chief Ledford and Interim Chief Abbot here in Shoreline. They have both been committed to working with community members to ensure everyone feels safe and respected in Shoreline.

RADAR – BROOK BUETTNER

[slide 46] Maintaining a safe community for all is important to City leadership. Events over the past few years, both locally and nationally, have prompted a significant degree of interest in how we deliver public safety services and whether

there are alternatives to police officers being the responsible party to deliver all of these services.

The North Sound RADAR Program is one such alternative response program that provides Shoreline Police with more tools when responding to calls in our community. **[slide 47]** To discuss the program further is RADAR's project manager Brook Buettner.

[BROOK SPEAKS]

Hi, I'm Brook Buettner, and I manage the North Sound RADAR Navigator Program. The RADAR Navigator Program is an alternative approach to law enforcement, serving people in crisis in Shoreline, Lake Forest Park, Kenmore, Bothell and Kirkland.

I'm delighted to be here to give a quick history of the program in Shoreline, as well as a glimpse in to the future of crisis services for North King County.

RADAR was started in Shoreline, by the Shoreline Police Department, when officers recognized the need to share information and de-escalation strategies for people they were

encountering with developmental disabilities or in behavioral health crisis. They soon recognized the need for a social worker to help navigate people in to the community of care.

Over time, Shoreline began to work with neighboring jurisdictions to share resources and eventually to build a single program, the RADAR Navigator Program, serving the people of all five cities.

Almost three years ago, the RADAR cities received a grant through the King County MIDD Behavioral Health Levy, which allowed us to bring on a program manager (me) and created funding for six part-time contracted Navigators.

Navigators are mental health professional social workers who do both crisis de-escalation, and help refer and navigate people to the community of care so that they don't fall in to crisis again.

During the last three years, our program has slowly grown and served about 400 people in crisis in 2021. In early 2022 we transitioned to a new phase of hiring full-time Navigators. We are now on the cusp of a very exciting expansion.

The cities of North King County share a vision of the future—

First, that all people in our community have access to behavioral health and support services.

When they do fall into crisis, they have access to the right resource at the right time. Sometimes that's police, sometimes that's a fire fighter, and sometimes that's a social worker.

The Navigator Program will have social workers available seven days a week, and eventually 24 hours a day, to respond directly to people in crisis when appropriate.

This means that the Navigators will respond both with police (this is called a co-response model), and independently in their own crisis response vehicles, which is often referred to as community response.

They will also be able to do proactive outreach to people who may be living homeless, may be at risk for crisis, or who the Navigators know need a little extra support to get to the next stage.

I'm so excited that the City of Shoreline, Shoreline Police Department, and the Shoreline City Council share this vision and I'm looking forward to building a better, safer and more supported community together.

[DEBBIE WALKS BACK TO PODIUM]

Park bond projects

[slide 48] Ever since incorporation, Shoreline residents have been strong proponents of our park system. In 2006, they approved Shoreline's first park bond levy. That levy expired last year. In February, 70% of Shoreline voters approved the City's second park bond levy for park improvements and park land acquisitions.

[slide 49] We will use proceeds from the park bond to make significant improvements to Brugger's Bog, Hillwood, James Keough, Richmond Highlands, and Briarcrest Community Parks.

Improvements will include such things as playgrounds, splash-pads, multi-sports courts, walking trails, picnic shelters,

off-leash dog areas, and a fully accessible play area for people of all physical abilities.

[slide 50] In addition, we will also invest in park amenities for three other parks. We will construct a new off-leash dog area and play area at Ridgecrest Park; upgrade the off-leash dog area and convert the dirt soccer field to grass at Shoreview Park; and make the education center and children's garden accessible to people of all abilities at Kruckeberg Botanic Garden. We will also install public art throughout the City.

We have already received great input from the community on the preliminary park project designs and we look forward to working with the community over the coming year to continue the design process and help make their vision for parks a reality.

Stay tuned!

Acquisition of six properties to expand park system

[slide 51] In addition to the park improvements, we will also use proceeds to purchase property to expand park space. This includes covering the costs of property already purchased

in anticipation of the park bond to expand Paramount Open Space, Brugger's Bog, and Rotary Parks. The bond also includes funds for additional park land acquisitions in the light rail station areas and other parts of the City.

In addition to these acquisitions, in 2020, using Conservation Futures Tax grants and Parks Impact Fees, we purchased property for our two newest parks – Edwin Pratt Memorial Park on 185th Street, and Westminster Park in the Westminster Triangle neighborhood.

Sidewalks

[slide 52] The need for sidewalks has been a priority for the community and the City Council since incorporation. Sidewalks not only create safe routes for pedestrians and improve accessibility for people of all abilities, but as discussed previously, creating walkable communities helps reduce greenhouse gas emissions. In 2018, City Council approved a Sidewalk Prioritization Plan and an increase in the vehicle license fee to support sidewalk repair and rehabilitation. Later in 2018, Shoreline voters approved an increase in the sales and

use tax to fund the construction of new sidewalks, beginning with the 12 listed on the ballot measure.

Since 2018, staff has focused on developing and implementing both programs – the Sidewalk Rehabilitation Program and the 2018 Voter Approved New Sidewalk Program.

[slide 53] Two rehabilitation projects we will be working on over the next two years are:

- 15th Avenue NE from 155th to 175th Streets, and
- 5th Avenue NE from 165th to 175th Streets.

Both corridors serve bus routes and have significant barriers to access for people with mobility issues. The primary barriers are the result of tree root damage and insufficient curb ramps that make accessibility difficult. We will start construction of the 15th Avenue section this year and plan to start on 5th Avenue next year. The preliminary cost estimate for both routes is \$2.3 million.

[slide 54] The New Sidewalk Program has made considerable progress since 2018. Staff completed an

implementation plan that will see all 12 projects included in the measure completed by the end of 2028. We completed the first project, located along 1st Avenue NE between 192nd and 195th Streets, last year. The project used pervious pavement for surface water management and includes an 11-foot sidewalk that allows for bicycles.

It also provides a direct connection to the 195th Connector pathway and completes a gap in the sidewalk network along 1st Avenue.

Construction on the second new sidewalk project, located along 5th Avenue NE, started earlier this year. We are building sidewalks and bike lanes on both sides of 5th, from 175th Street to near 182nd Court where it will connect to improvements completed by Sound Transit. These improvements will provide a direct connection for people moving both on bikes and walking to the new Shoreline North/185th Light Rail Station. The 5th Avenue improvements will also act as an on-street connection for the Trail Along the Rail.

For this project, we dropped the standard five-foot amenity zone to preserve the maximum number of trees possible. With all our sidewalk projects, we work to balance the mobility needs of all users with our desire to protect trees.

In 2021, we began designing the sidewalk for 20th Avenue NW. We expect construction to begin later this year. We will build the sidewalk on one side of 20th to connect people to Richmond Beach Saltwater Park.

Now I'd like to turn it back over to the Mayor who will speak a little about the City's finances and the potential levy lid lift renewal later this year.

[MAYOR WALKS TO THE PODIUM]

What's next – MAYOR

Budget

[slide 55] In the fall of 2020, we expected the pandemic would significantly impact City revenues. Fortunately, that didn't happen. While that may have been the case for some parts of the region and for certain City revenues, overall,

Shoreline experienced robust performance in its retail trade and construction sectors, which helped ease impacts to the City's revenue streams.

Areas of the budget that were affected included our recreation programs. We expected our recreation programs to resume at regular levels for the whole 2021-2022 biennium. Given that the pandemic extended throughout 2021, we had to cancel or change our programming to ensure compliance with public health regulations. As a result, we saw a loss of rental and registration revenue. However, even with those losses, we continued to maintain a healthy financial position.

[slide 56] The City's financial health continues to be strong. We have healthy financial reserves; double A plus bond rating; Standard & Poor's highest assessment for fiscal management; and we continue to receive clean state and federal audits. Achieving such positive ratings requires tough budget decisions at times and will require more in the future to ensure that we continually abide by strong fiscal policies.

Levy lid lift

[slide 57] However, even with our strong financial position and conservative budgeting principles, we continue to face a structural imbalance when looking at our financial forecast. The cost of providing basic services continues to grow faster than the revenues that fund those services. The reason for this is primarily due to the state-mandated 1% cap on property tax increases. This 1% cap does not allow the City to keep pace with inflation. However, with voter approval, we can address this with a “levy lid lift” that allows Shoreline to exceed this 1% limit.

Shoreline voters approved such lid lifts in 2010 and 2016. Passage of those levy lid lifts allowed the City to reset the property tax rate and increase the annual levy simply by the rate of inflation each year for 6 years. Doing so just allowed us to keep up with inflation. The 2016 levy expires at the end of this year.

In February, the City Manager appointed 13 Shoreline residents to a Financial Sustainability Citizen Advisory

Committee. The City Manager tasked the Committee with reviewing the City's budget and finances, with the primary focus being potential replacement of the 2016 levy lid lift. They recently completed their work and recommended that the City Council place a levy lid lift on the November ballot to ensure the City continues to provide the level of city services the community has come to expect and rely on.

This summer, the City Council will consider whether to place a levy lid lift on the November ballot. Ultimately, it will be up to Shoreline voters to decide if we should have another levy lid lift.

Summer events

[slide 58] After a two-year hiatus, we are excited to see summer events back in Shoreline! All events will meet City, CDC, and Public Health guidelines.

[slide 59] We encourage everyone to enjoy one of our Lunchtime Concerts and Events. Bring family and friends of all ages to one of Shoreline's beautiful parks for a free concert at

lunchtime. The first show will be on July 12 at Richmond Beach Saltwater Park.

[slide 60] Every Tuesday evening from July 12 through August 2 in Cromwell Park, you can put your karaoke skills to work with Karaoke in the Park.

[slide 61] For something more active, come explore neighborhoods, parks, and trails on some of the best walking routes in our City with Shoreline Walks. Designed for adults ages 50+, the walks are open to all ages and abilities.

[slide 62] Another popular summer activity is our Low-tide beach walks. You can explore and investigate the fascinating world of marine beaches at Richmond Beach Saltwater Park during low tides and see sea stars, crabs, and other creatures who live in Puget Sound. Join volunteer beach naturalists for these fun, free, and informative beach walks.

[slide 63] And finally, we are happy to have Celebrate Shoreline back in August! Come celebrate the City of Shoreline's birthday! The festival has two stages with live music

and shows, beer garden, pony rides, children's theater, food, a toy workshop, hands on activities, and more!

You can find out more about each of these events on our website at shorelinewa.gov.

Thank you!

[slide 64] Thank you again for coming today and we look forward to working with all of you as we build connections for a better tomorrow!