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**CITY OF LAKE FOREST PARK  
City Council  
Public Hearings and Regular Meeting  
October 11, 2001**

**Councilmembers present:** Alan Kiest, Carolyn Armanini, Dwight Thompson (7:19 p.m.), Mary Jane Goss (7:22 p.m.), Nate Herzog, Roger Olstad, Ed Sterner (7:46 p.m.)

**Staff present:** David R. Hutchinson, Mayor; Douglas Jacobson, City Administrator; Michael Ruark, City Attorney; Dennis Peterson, Police Chief; John Hawley, Finance Director; Ty Peterson, City Planner; Susan Stine, City Clerk; Evelyn Jahed, Deputy City Clerk

**Others present:** 15 visitors

**PUBLIC HEARING**

**Community Development Block Grant (CDBG) 2002 Funds Allocation**

Mayor Hutchinson opened the public hearing on the Community Development Block Grant (CDBG) 2002 Funds Allocation at 7:03 p.m.

There being no comments, the public hearing on Community Development Block Grant (CDBG) 2002 Funds Allocation was closed at 7:04 p.m.

**PUBLIC HEARING**

**Initiative 747**

Mayor Hutchinson opened the public hearing on Initiative 747 at 7:17 p.m.

City Administrator Doug Jacobson noted that information included in council packets shows the total dollar impact on Lake Forest Park if Initiative 747 is approved.

There were no other comments. At 7:19 p.m., Hutchinson noted that the public hearing on Initiative 747 would be continued to the October 18, 2001 council study session at 7:15 p.m.

**CALL TO ORDER**

Mayor Hutchinson called the regular meeting to order at 7:30 p.m.

1 **PUBLIC HEARING**

2 **King County Proposition 1 – Medic One Levy**

3  
4 Hutchinson opened the public hearing on King County Proposition 1—Medic One Levy at 7:31  
5 p.m.

6  
7 There were no comments on King County Proposition 1—Medic One Levy.

8  
9 At 7:32 p.m., Hutchinson noted that the public hearing on King County Proposition 1—Medic  
10 One Levy would be continued to the October 18, 2001 council study session at 7:30 p.m.

11  
12  
13 **MAYOR'S REPORT**

14  
15 Mayor reported on his attendance at meetings of the Association of Washington Cities,  
16 Suburban Cities Association and the Shoreline School District Board. He also noted that he had  
17 met with State Senator Darlene Fairley. He reported on the community meeting with neighbors  
18 of the interim city hall property regarding its listing for sale.

19  
20  
21 **ADOPTION OF AGENDA**

22  
23 Cmbr. Armanini requested that the agenda be amended to include a report from State Senator  
24 Darlene Fairley following citizen comments.

25  
26 City Administrator Doug Jacobson requested the addition of a 10-minute executive session to  
27 discuss real estate matters with Peter Folkins, New Ventures Group.

28  
29 **Cmbr. Thompson moved** to adopt the agenda as amended. **Cmbr. Olstad seconded. The**  
30 **motion carried unanimously.**

31  
32  
33 **CITIZEN COMMENTS**

34  
35 Mamie Bolender, 16730 32<sup>nd</sup> Place NE, reported seeing salmon on October 10 in McAleer  
36 Creek at Blue Heron Park.

37  
38 Bolender voiced her concerns regarding the proposed gambling ordinance and said she  
39 believes that this is not appropriate for the City of Lake Forest Park. She stressed the need to  
40 allow for a lot of discussion prior to making a decision and said she strongly opposes the  
41 proposed changes to the city's gambling restrictions.

42  
43 **Report/Scout Troops 348 and 309**

44  
45 Ryan Lantz, senior troop leader for Scout Troop 348, reported on the recent decline in  
46 recruitment at the Cub Scout level for the Boy Scouts organization. He noted policy changes at  
47 the elementary schools, which prohibits the distribution of information to students. He asked for  
48 support from the city in promoting scouting. Troop 348 scouts Eric Gurr, Scott Gochanour and  
49 Neal Fitch and Troop 309 scout Eric Orth discussed their experiences with scouting.

1  
2 Council members expressed their appreciation of the scouts' involvement in the community and  
3 various projects completed. Cmbr. Olstad suggested contacting the Shoreline School Board,  
4 and Cmbr. Armanini recommended advertising upcoming meetings in the community  
5 announcements section of the Lake Forest Park Enterprise. Cmbr. Thompson discussed Eagle  
6 Scout projects in the city and how such projects could be recognized.

7  
8 Cmbr. Sterner arrived at the meeting at 7:46 p.m. and expressed his support for the scouts and  
9 their work.

10  
11 Nigel Keiffer, 3022 NE 193<sup>rd</sup> Street, suggested that the city pass a resolution in appreciation for  
12 the work the scouts have done for the community.

13  
14 Mike Lantz, 18225 47<sup>th</sup> Place NE, co-chair of Troop 348, reported that the scouts had initiated  
15 this presentation themselves, and he asked council members for their support.

16  
17 City Administrator Jacobson noted that the Lake Forest Park Rotary Club is developing a  
18 service club sign for the city and suggested the sign as another method of advertising in the  
19 community.

20  
21 Senator Darlene Fairley, 17430 Ballinger Way NE, said that her office is able to prepare letters  
22 of congratulations for Eagle Scouts if notification comes to her from the troop leader.

### 23 24 25 **Report from State Senator Darlene Fairley**

26  
27 State Senator Darlene Fairley reported on the proposed model business and occupation tax  
28 ordinance and issues related to redistricting.

29  
30 Fairley noted that her office had provided information on the potential changes and impacts of  
31 the proposed gambling regulations. She discussed her work on the Senate commission on  
32 gambling and urged council members to view the videotaped testimony before the commission.

33  
34 In response to Cmbr. Kiest, Fairley noted that available information indicated that no law  
35 enforcement problems were noted in the gambling establishments or parking lots.

36  
37 In response to a question from Cmbr. Herzog, Fairley said that constituent feedback focused on  
38 societal concerns and the impact on communities that were gambling destinations.

39  
40 Fairley discussed the continuing impacts of Initiative 695 and noted that state funds for various  
41 projects have been put on hold. She said that her information points to the elimination of any  
42 backfill from the state to replace motor vehicle excise tax funds after this biennium.

43  
44 Goss noted that a study of the effects of gambling at the state and local level is available on the  
45 104<sup>th</sup> Congress website. *(Council approved change 10/25/2001.)*

46  
47 Thompson thanked Senator Fairley for her efforts on behalf of Lake Forest Park and expressed  
48 his appreciation of her straightforward approach to the issues.

1 Armanini thanked Senator Fairley for her work on behalf of cities throughout Washington and  
2 expressed her appreciation for her efforts related to small cities such as Lake Forest Park.

3  
4  
5 **CONSENT CALENDAR**

6  
7 Kiest requested that the September 13, 2001 council regular meeting minutes be pulled from  
8 the consent calendar.

9  
10 **Kiest moved to amend** the September 13, 2001 minutes as follows:

11  
12 Page 6, line 45: "...King County along with a break-out for North King County can be found..."

13  
14 **Thompson seconded. The motion carried unanimously.**

15  
16  
17 **Thompson moved** to approve the consent calendar as amended as follows:

- 18  
19 1. September 13, 2001 Council Regular Meeting Minutes  
20 2. September 20, 2001 Council Study Session Minutes  
21 3. September 27, 2001 Council Regular Meeting Minutes  
22 4. October 11, 2001 Finance Committee Report covering Warrants No. 40168 through 40260  
23 drawn from the Claims Clearing Fund in the amount of \$306,466.46 and Warrants No.  
24 21502 through 21578 drawn from the Payroll Clearing Fund in the amount of \$144,873.31.

25  
26 **Armanini seconded. The motion carried unanimously.**

27  
28  
29 **FIRST READING CALENDAR**

30 **Resolution 650/Establishing Official Name of Stream in Vicinity of Northeast 155<sup>th</sup> Street**

31  
32 **Thompson moved** to advance Resolution 650/Establishing Official Name of Stream in Vicinity  
33 of Northeast 155<sup>th</sup> Street to the second reading calendar.

34  
35 **Armanini seconded. The motion carried unanimously.**

36  
37  
38  
39 **Resolution 651/Taking a Position on Initiative 747**

40 **Resolution 652/Taking a Position on King County Proposition No. 1 Medic One Levy**

41  
42 **Thompson moved** to advance Resolution 651/Taking a Position on Initiative 747 and  
43 Resolution 652/Taking a Position on King County Proposition No. 1 Medic One Levy to the  
44 October 18, 2001 council study session agenda for second reading and final action calendars.

45  
46 **Goss seconded. The motion carried unanimously.**

1 **SECOND READING CALENDAR**

2 **Resolution 649/Authorizing Mayor to Sign Agreement with Mark Schnurle for Conflict**  
3 **Public Defense Services**

4  
5 City Attorney Mike Ruark noted that he had drafted a substitute agreement for council review  
6 and action and noted the changes in the agreement.

7  
8 **Sterner moved** to accept the replacement agreement prepared by the city attorney and to  
9 adopt Resolution 649/Authorizing Mayor to Sign Agreement with Mark Schnurle for Conflict  
10 Public Defense Services as amended. **Goss seconded. The motion carried with six votes**  
11 **(Thompson out of chambers).**

12  
13  
14 **Resolution 653/Authorize Disbursement of Community Development Block Grant (CDBG)**  
15 **2002 Funds**

16  
17 Armanini asked if the administration could determine if CDBG funds could be used for  
18 Americans with Disabilities Act (ADA) projects. She said that she is interested to know if funds  
19 could be used for such projects as the playground equipment at Lake Forest Park Elementary  
20 School.

21  
22 **Herzog moved** to schedule Resolution 653/Authorize Disbursement of Community  
23 Development Block Grant (CDBG) 2002 Funds for the October 18, 2001 council study session  
24 on second and final action calendar.

25  
26 **Thompson seconded. The motion carried unanimously.**

27  
28  
29  
30 **Authorize Response to Suburban Cities Association Strategic Planning Process**  
31 **Questionnaire**

32  
33 Following his comments related to the work of the committee, **Herzog moved** to add items 6  
34 and 7 as follows:

- 35  
36 6. Restrict membership on the Board to elected officials.  
37 7. Regional committee appointments limited to dues paying members.

38  
39 **Goss seconded. The motion carried unanimously.**

40  
41 **Olstad moved** to accept the recommendation of the committee and authorize it as amended as  
42 the city's response to the Suburban Cities Association strategic planning process questionnaire.

43  
44 **Armanini seconded. The motion carried unanimously.**

45  
46  
47 A seven-minute recess was called for at 8:35 p.m.

48  
49 The meeting was resumed at 8:46 p.m.

1 **Ordinance 861/Amending Gambling Regulations**

2  
3 Cmbr. Herzog discussed his research on ways to increase revenue for the city following the loss  
4 of revenue from Initiative 695. He noted that the changes in state gambling regulations to allow  
5 recreational gambling provide an opportunity for increased revenue for the city. Herzog noted  
6 that the city is able to impose taxes on recreational gambling activities, and this constitutes a  
7 voluntary tax on all participants whether they are residents or non-residents. According to  
8 research by Finance Director Hawley, Herzog said the city could realize \$300,000 - \$500,000  
9 from the proposed amendments. Herzog said he supports the proposed ordinance, which  
10 would amend the city's gambling regulations to allow mini-casinos. Herzog noted that although  
11 this solution may not be perfect, he sees no other method to provide the revenue needed to  
12 cover the city's potential budget shortfall.

13  
14 Kiest expressed concern that the proposed ordinance was not presented in the standard format  
15 and requested that it be prepared in the proper format prior to further consideration by the  
16 council. Kiest also expressed concern regarding the potential for intimidation of city staff by  
17 gambling entities.

18  
19 Sterner stated his concerns regarding the proposed ordinance which would expand gambling in  
20 the city. He noted that there is no guarantee that such gambling could be limited by zoning to  
21 one property in the city. In response to Sterner, Jacobson noted the city of Tukwila's  
22 experience and stated that Shoreline's city manager and attorney believe that overlay zoning  
23 can be utilized to control the location of such establishments.

24  
25 Armanini said she would like additional information on the issue of creating an overlay zone to  
26 limit gambling to a particular property or area. In response to a question from Armanini, City  
27 Attorney Ruark said that the state has the power to take away restrictions in the future that the  
28 city currently may impose. Armanini said that the power of the state on this issue makes her  
29 very cautious. She noted that the city has the power to say yes or no to commercial gambling,  
30 but all other decisions are up to the state. The city has very limited authority regarding  
31 commercial gambling if it is allowed.

32  
33 Armanini also questioned the impact of saturation on revenue if all communities allow  
34 commercial gambling. She expressed her opposition to the notion that commercial gambling is  
35 already in our community because it is allowed in neighboring cities. She also noted that the  
36 law enforcement information provided is not compelling.

37  
38 Goss expressed her concern that the proposal seems to indicate that it is acceptable to  
39 exchange one blight for another in the affected neighborhood. She hoped that the residents of  
40 that neighborhood would be considered in this decision and stated that the same sense of vision  
41 used in the city's comprehensive plan process should be utilized in this discussion *for this*  
42 *neighborhood.* (Council approved change 10/25/2001.)

43  
44 Olstad said he concurs with the concerns raised by other council members. If citizens support  
45 the proposal to expand gambling in the city, he has not heard from them. He has, however,  
46 heard from citizens who are opposed to the proposed ordinance.

47  
48 In response to a question from Olstad, Herzog noted that the Economic Development  
49 Commission as a whole accepted the proposed gambling amendments, although no formal vote

1 was taken. He said the issue of zoning and the impact on neighboring merchants were topics of  
2 discussion at that meeting. He also noted that the commission agreed that the city needs to be  
3 able to generate more revenue. Herzog said that the commissioners also discussed social and  
4 philosophical issues, such as whether the government should protect citizens by restricting  
5 gambling or if citizens should make such decisions personally. Herzog said that council  
6 members cannot have 100 percent confidence that the state won't change gambling regulations  
7 and limit the city's authority; however, the budget shortfall is looming.  
8

9 Economic Development Commissioner Bob Edwardsen said that Bob Simmons and Nate  
10 Herzog were invited to attend their meeting to discuss the issue of gambling. He noted that  
11 Simmons was unable to attend but sent an excellent letter listing his concerns regarding  
12 gambling based on his research. Edwardsen said that the information regarding the city's  
13 budget shortfall was quite daunting for commissioners, and citizens should be informed of this  
14 as part of the discussion about gambling.  
15

16 Armanini expressed concern that the commissioners were only presented with the option of  
17 either a budget shortfall or allowing gambling. She looks to the Economic Development  
18 Commission for creativity and vision regarding the city's options in support of its financial health.  
19

20 Thompson said that he hoped the Economic Development Commission would meet with Mr.  
21 Simmons before taking a vote on gambling. He said all commissioners should receive the  
22 information provided to the council. He reflected on joining the city through the annexation  
23 process and asked if the policy concept of gambling is consistent with the vision for our city.  
24

25 Kiest said that from the sound of the comments, the council is at a very early stage of the  
26 discussion on gambling. He said that the discussion should include the city's comprehensive  
27 plan, issues related to administration of the law and prevention of corruption, and the impacts of  
28 the revenue relationship to gambling. Kiest said that clarifying the issues would require a lot of  
29 staff work. If certain minimum standards can be met, then it can be discussed as a values  
30 issue.  
31

32 Armanini expressed her concern of a single business that potentially could make a substantial  
33 contribution to the city's budget.  
34

35 Following discussion of issues related to the budget process and the council's workload,  
36 **Thompson moved** to remove Ordinance 861/Amending Gambling Regulations from the second  
37 reading calendar and to schedule it for discussion at the January 17, 2002 council study  
38 session.  
39

40 **Armanini seconded. The motion carried unanimously.**  
41  
42

#### 43 **Resolution 650/Establishing Official Name of Stream in Vicinity of Northeast 155<sup>th</sup> Street** 44

45 **Armanini moved** to accept the revisions to the proposed resolution and to adopt Resolution  
46 650/Establishing Bsčəł'a? (Bsche'tla) Creek as the Official Name of Stream in Vicinity of  
47 Northeast 155<sup>th</sup> Street. **Olstad seconded. The motion carried unanimously.**  
48

1  
2 **NEW BUSINESS**

3 **Reports**

4  
5 Armanini reported on the meeting of the Shoreline School District task force regarding the use  
6 of the district's land bank properties.  
7

8  
9 **Communications**

10  
11 Hutchinson noted the City of Lake Forest Park was presented an award from the Washington  
12 Financial Officers Association in recognition of the city's 2001 budget document. The mayor  
13 and council expressed their appreciation for the efforts of Finance Director John Hawley.  
14

15  
16 At 9:58 p.m., Hutchinson noted that the next item on the agenda is a 10-minute executive  
17 session to discuss real estate matters. Those not required to remain for the executive session  
18 exited the meeting at this time.  
19

20 A three-minute recess was called for at 9:59 p.m.  
21

22  
23 The regular meeting was resumed at 10:03 p.m.  
24

25  
26 **Executive Session**

27  
28 The regular meeting was recessed to executive session for approximately 10 minutes at 10:04  
29 p.m. for discussion of real estate issues.  
30

31 The executive session was extended for 15 minutes at 10:20 p.m.  
32

33 The executive session was extended for 15 minutes at 10:35 p.m.  
34

35  
36 The regular meeting was resumed at 10:47 p.m.  
37

38  
39  
40 **Motion to Proceed/Interim City Hall Property Sale**

41  
42 **Thompson moved** that the proposal to sell the interim city hall property to Onnuri Church as  
43 presented, with final approval as to form by the city attorney, be approved.  
44

45 **Herzog seconded. The motion carried unanimously.**  
46  
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1 **ADJOURNMENT**

2

3 There being no objection, the meeting was adjourned at 10:50 p.m.

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\_\_\_\_\_  
7 Susan Stine, City Clerk

8

9

10 APPROVED:

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\_\_\_\_\_  
14 David R. Hutchinson, Mayor