



CITY OF LAKE FOREST PARK CITY COUNCIL COMMITTEE OF THE WHOLE MEETING

Monday, October 23, 2023 at 6:00 PM

**Meeting Location: In Person and Virtual / Zoom
17425 Ballinger Way NE Lake Forest Park, WA 98155**

INSTRUCTIONS FOR PARTICIPATING IN THIS MEETING VIRTUALLY:

**Join Zoom Webinar: <https://us06web.zoom.us/j/84308122892>
Call into Webinar: 253-215-8782 | Webinar ID: 843 0812 2892**

The Committee of the Whole is providing opportunities for public comment by submitting a written comment or by joining the meeting webinar (via computer or phone) or in person to provide oral public comment.

HOW TO PARTICIPATE WITH ORAL COMMENTS:

Sign up here <https://app.waitwhile.com/welcome/comment-sign-up> between 9:00 a.m. and 5:00 p.m. on the day of the meeting to provide Oral Comments during the meeting.

If you are attending the meeting in person, there is a sign in sheet located near the entrance to the Council Chambers. Simply fill the form out and the Deputy Mayor will call your name at the appropriate time. Oral comments are limited to 3:00 minutes per speaker.

If you are attending the meeting via Zoom, in order to address the Committee during the Public Comment section of the agenda, please use the “raise hand” feature at the bottom of the screen. Oral comments are limited to 3:00 minutes per speaker. Individuals wishing to speak to agenda items will be called to speak first in the order they have signed up. The City Clerk will call your name and allow you to speak. Please state your name and whether you are a resident of Lake Forest Park. The meeting is being recorded.

HOW TO SUBMIT WRITTEN COMMENTS:

<https://www.cityoflfp.gov/615/Hybrid-City-Council-Meetings> (use CTRL+CLICK to open this link)

Written comments for public hearings will be submitted to the Committee if received by 5:00 p.m. on the date of the meeting; otherwise, they will be provided to the Committee the next day. Because the City has implemented oral comments, written comments are no longer being read under Citizen Comments.

Meetings are shown on the city’s website and on Comcast channel 21 for subscribers within the Lake Forest Park city limits.

AGENDA

1. CALL TO ORDER

2. CITIZEN COMMENTS

*This portion of the agenda is set aside for the public to address the Council on agenda items or any other topic. The Council may direct staff to follow up on items brought up by the public. **Comments are limited to a three (3) minute time limit.***

3. DISCUSSION ITEMS

- A.** Deliberations and Recommendations for the Mayor's Proposed Mid-Biennial Budget Adjustment for 2023-2024
- B.** Council letter to Sound Transit
- C.** Letter to Sound Transit CEO Julie Timm requesting support for lowering the speed limit on SR 522 to 35 mph
- D.** Proposed Surplus Real Property Ordinance
- E.** Potential red light camera installation at the intersection of NE 153rd Street and Bothell Way
- F.** Sound City Association Regional Boards and Committees

4. ADJOURN

FUTURE SCHEDULE

- Thursday, October 26, 2023 City Council Regular Meeting 7 pm - *hybrid meeting (Zoom and City Hall)*
- Thursday, November 9, 2023 City Council Work Session Meeting 6 pm – *hybrid meeting (Zoom and City Hall)*
- Thursday, November 9, 2023 City Council Regular Meeting 7 pm – *hybrid meeting (Zoom and City Hall)*
- Friday, November 10, 2023 City Hall Closed in observance of Veterans Day
- Thursday, November 16, 2023 City Council Budget and Finance Committee Meeting – *hybrid meeting (Zoom and City Hall)*
- Thursday, November 23, 2023 City Hall closed in observance of Thanksgiving
- Friday, November 24, 2023 City Hall closed in observance of Native American Heritage Day

Any person requiring a disability accommodation should contact city hall at 206-368-5440 by 4:00 p.m. on the day of the meeting for more information.

CITY OF LAKE FOREST PARK

MAYOR'S PROPOSED 2023-2024 MID-BIENNIAL BUDGET ADJUSTMENT

- SEPTEMBER 28, 2023 -



Mayor
Jeff R. Johnson

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Section 3, ItemA.

Lorri Bodi
Tom French
Tracy Furutani
Larry Goldman
Phillippa M. Kassover
Jon Lebo
Semra Riddle

TO: Lake Forest Park City Council

FROM: Mayor Jeff Johnson

RE: MAYOR'S MID-BIENNIAL BUDGET MESSAGE – 2023-2024

I am pleased to present the 2023-2024 Mayor's Proposed Mid-Biennial Budget Adjustment to the City Council for consideration. The Proposed Adjustment is generally a true up of actual results to the budget and normally would not include new expenditures. However, as we know all too well, since the adoption of the budget we have had several unanticipated costs realized.

Police Department

With unprecedented inflation, and a tight labor market, the city has been challenged with hiring and retaining high performing employees. To maintain a competitive advantage in filling positions within the police department, council authorized salaries to be increased 5% beyond the negotiated 2023 increase, and to hire up to three additional limited term officers to transition through upcoming retirements. While the three additional officers are a one-time cost, this could result in roughly \$540,000 for each year the department carries all three.

For over 20 years the city of Bothell has provided police dispatch services for Lake Forest Park. This summer we received notice that Bothell would be terminating those services in favor of joining another agency. As the administration has explored dispatch options, the only feasible and least expensive would be to join NORCOM at an increase of 158%. This large increase in cost effectively offsets the new general fund revenue the council approved in the 2023/2024 adopted budget.

Insurance

The Washington Cities Insurance Authority (WCIA) has provided initial rate increases for 2024. Liability insurance will increase ~8%, property and auto expected to increase ~25%, and crime/fidelity rates are expected to increase ~5-10%. The actual rate increases will be provided to the city sometime later this fall. Such large increases were not anticipated in the adopted budget, as these proposed increases are well outside the historic trend.

Unrepresented Salaries

Several of the unrepresented position salaries are out of market, with a couple by as much as 23%. To ensure that the city retains these high performing employees and continues to be competitive in this market, this mid-biennial budget recommends increasing the salary range of any position that is out of market. The adjustment of these ranges results in salary increases for several positions as identified in the schedule of adjustments.

Financials

The proposed budget update is a balanced budget proposal. The six-year financial forecast updated during the 2023/2024 budget process shows that the City continues to be fiscally responsible and successfully maintaining a general fund balance well above target. Council's recently approved financial investment strategy will smooth interest income volatility long-term, but in the near-term, bank rates are at or above that of municipal bonds.

As we look ahead to 2024, we will need to be diligent, with the Administration and City Council working together to identify areas of opportunity and creative solutions to continue providing the great level of service that Lake Forest Park is known for. In an environment with ever increasing costs and regressive funding options for small bedroom communities, we will need to look to outside funding opportunities and regional solutions to address the many challenges before us.

Through the first nine months of this biennium, great work has been completed on several projects funded in this cycle. Streets have been milled and overlaid, traffic calming measures installed, parks and streetscapes maintained, and design work on culvert L90 and the 40th Place Roundabout continues. The planning and public outreach processes for the lakefront park and the comprehensive plan have begun and will be in full swing through the end of 2024 and beyond.

In conclusion, I am pleased to present the Mayor's Proposed Mid-Biennial Budget Adjustment to you and look forward to conversations about this proposal and the financial future of the City.

Sincerely,



Mayor Jeff Johnson

Remember, "Once you start doing only what you've already proven you can do, you're on the road to death."
- Jerry Seinfeld

Executive Summary

The City of Lake Forest Park follows a biennial budget process, mandating a thorough mid-cycle review to ensure alignment between budgeted amounts and actual financial performance. The City's Administration has performed the required mid-biennial budget review and is proposing a mid-biennial budget adjustment.

Numerous alterations have arisen throughout 2023 necessitating amendments to the currently adopted budget. Including continually rising insurance costs, union agreement ratifications, unanticipated police dispatch transition, increasing jail service expenses, non-represented salary adjustments, a surface water capital project, and a newly approved investment interest to name a few. A detailed explanation is provided in the narrative of adjustments.

Background

The City adopts a biennial budget spanning two years. Local governments choosing to adopt biennial budgets are required by state statute to perform an in-depth review mid-way through the budget cycle to pinpoint any substantial discrepancies between the projected amounts and the actual financial results. If significant differences are identified, then a mid-biennial budget adjustment should be considered. Mid-biennial budget adjustments are a time to 'true-up' the adopted budget to reflect actual performance. Budgets are living documents and created with the best knowledge at the time of adoption. Budget adjustments, or amendments, are considered a normal course of action in local government.

The City is approaching the mid-point of the 2023-2024 budget and has completed the required mid-biennial budget review (the review). The review revealed that while most line items of revenue and expenditure are performing as expected (consistent with budget) a few items each of revenue and expenditure differ from budgeted amounts resulting in consideration of a budget adjustment.

The Mayor is proposing a 2023-2024 mid-biennial budget adjustment (hereinafter referred to as the Mayor's Proposed Adjustment). The details of the Mayor's Proposed Adjustment are in the attached schedules. It should be noted that only those budgets and schedules that are adjusted in the Mayor's Proposed Adjustment are included in this document. The entire 2023-2024 adopted budget can be found on the City's website at cityofflp.gov.

The following documents are included in the Mayor's Proposed Adjustment packet; a brief description of each document is provided to orient readers to the contents of each document.

1. Narrative of Adjustments

The Narrative of Adjustments contains:

- Description of the mid-biennial budget adjustment process
- Description of each adjustment
- The value of each adjustment in the current biennium
- The justification for each adjustment.

2. Schedule of Adjustments

The Schedule of Adjustments is a table of the updates and changes included in the Mayor's Proposed Adjustment for both revenues and expenditures to clearly outline adjustments by fund.

3. Ordinances and Resolutions

The following Ordinances and Resolutions will be presented throughout the Mid-Biennial Budget Adjustment Process but are not included in this Mayor's Proposed Adjustment package:

1. Ordinance Establishing the 2024 Surface Water Rate
2. Ordinance Establishing the 2024 Property Tax Levy
3. Resolution Adopting the 2024 User Fee Schedule Rates
4. Ordinance Amending the 2023-2024 Adopted Budget

The following describes the adjustments included in the Mayor's Proposed Adjustment. The adjustment explanations are outlined by topic.

Employee Market and Cost of Living Adjustments

Market Adjustments for the Management Professional Employees

During the preparation of the currently adopted budget, only anticipated cost of living adjustments for all Management Professional Employees (MPE's) were included. During the Police Guild and Teamsters Union negotiations, compression with supervising non-represented employees was identified and addressed to eliminate wage compression issues for supervising MPE staff. The full evaluation of all MPE's, also known and referred to as non-represented employees, is usually completed every couple of years to make sure staff is appropriately compensated and market adjustments are completed when appropriate. An evaluation of all MPE's was due to align compensations appropriately within the labor market to retain valued city employees. The total value for all MPE's market adjustments is \$170,000, including salaries, benefits, and related payroll taxes. The funds that include employee salary and benefit increases are the following: General Fund, Street Fund, Transportation Capital Fund, Sewer Utility Fund, and Surface Water Utility Fund.

Teamsters Market Adjustments and Retro Pay

Cost of living adjustments for the Teamsters Union were included in the originally adopted budget. However, the additional market adjustments and retro pay for 2022 were not included and need to be amended in the current budget. The retro pay for Teamsters in 2022 was a total of \$15,000. The value of the market adjustment was \$33,000 for 2023 and \$21,000 for 2024. The contract was voted and approved by Teamsters mid-2023 and was followed by City Council approval to ratify the Teamsters Union contract from 2022-2024. The total cost of the retro pay and market adjustments for 2022, 2023, 2024 is \$69,000. The funds that include employee salary and benefit increases are the following: General Fund, Street Fund, Sewer Utility Fund, and Surface Water Utility Fund.

Police Staff Adjustments - Limited Term Employees (General Fund)

The city devised a strategic plan to counter the potential loss and retirement of current police staff within the next two years. This involved introducing a category termed "Limited Term Employees," allowing for the addition of three extra police officers. The primary goal is to provide flexibility in training new staff – a process requiring approximately 1-2 years to attain proficiency. Currently, the police department has successfully hired two laterals and one entry-level officer to fill the approved Full-Time Equivalent (FTE) positions. To address staffing needs and uncertainties, the department is in the process of evaluating several promising candidates for hiring into these Limited Term Employee (LTE) positions. The anticipated annual cost of the three additional LTE's is estimated at \$540,000 for salary, benefits, specialty pay, uniforms, and equipment. The city recognizes that costs may fluctuate based on factors such as staff retirements, officers departing for other agencies, or new officers not meeting department expectations and/or successfully completing training requirements.

In conjunction with this initiative, diligent monitoring of the Uniform, Equipment, and Civil Service budgets is imperative to ensure adequate provisions for hiring new officers while maintaining

overall fiscal prudence. This holistic approach aims to strengthen the police force, enhance retention, and prepare for future police staffing challenges effectively.

During the spring of 2023 the city elected, in partnership with the Police Guild, to reopen the agreement to evaluate increasing current wages to all represented guild employees and the Lieutenants to address salary compression concerns. The decision to reopen the Guild union agreement was made to remain competitive in the labor market and address retention concerns among police staff. A 5% increase in their salaries was implemented, effective from June 1st, 2023. Increasing the wages proved instrumental in incentivizing police staff members contemplating a move to other police departments to stay within our organization. The value of increasing the police department wages 5% is roughly \$100,000. Due to the addition of the 3 recently approved Limited Term Police Officers being included in the proposed mid-biennial budget adjustment at \$540,000 the additional market adjustment increase was thoughtfully not included. However, the police budget salaries and benefits will be closely monitored and may need to be expanded at a future budget amendment in the second or third quarter of 2024. With the inclusion of the \$540,000 for the 3 Limited Term Police Officer in the proposed mid-biennial budget adjustment, cost savings realized to date through vacancies and the likelihood that the 3 LTE positions will not be filled concurrently, the 5% market adjustment is not recognized in this adjustment. The police budget salaries and benefits will be closely monitored and will be expanded at a future budget amendment in the second or third quarter of 2024, if necessary.

General Fund

Health and Wellness Grant

In 2022/23, the police department received a \$15,000 grant for Health and Wellness from WASPC. For 2023, the remaining amount was used to purchase fitness equipment for \$8,851. The city received the reimbursement and this wellness grant is presented as a pass-through cost in the General Fund.

Blake Reimbursement

The Administrative Office of the Court (AOC) provided municipal courts with a grant to reimburse all courts affected by the *State vs. Blake* decision. On February 25, 2021, the Washington State Supreme Court in *State vs. Blake* declared Washington's strict liability drug possessions statute unconstitutional. Consequently, persons convicted in Washington State under RCW 69.50.4013(1) for possession of controlled substances may be eligible to have their drug conviction vacated and any fines, assessments, and fees paid refunded. AOC set aside state funds to reimburse municipal courts for the refunds issued.

The Blake reimbursement was a total of \$42,716. The expenditures were \$34,197 which included the reimbursement to all qualifying defendants and additional work by the prosecuting attorney. The difference was internal court and finance staff time.

Police Overtime Services: Reimbursement by Outside Entities

During the preparation of the original budget the Police Department included overtime costs on the expenditure side to include the cost for outside police coverage. The revenue side was not arcuately accounted for, which assists in offsetting the larger police overtime expenditure budget allocation. A couple of the outside agencies that use the City of Lake Forest Park's

Police services are the University of Washington for events and Town Center for additional security.

Washington State Settlement Opioid Litigation

The City is currently receiving opioid settlement funds due to multiple states, counties, and cities uniting against various entities within the pharmaceutical supply chain who manufacture, distribute, and dispense prescription opioids. The funds received from the opioid epidemic must be spent to combat the opioid epidemic. At the time the multiple agreements were approved by City Council, the actual settlement revenue the City would receive, and when, was unknown. To date, the City has received \$12,732 and anticipates another \$4,000 in the near future.

Police Patrol Equipment: Rifles

House Bill 1240 prohibits the manufacture, importation, distribution, and sale of assault-style weapons in Washington, with an exception for sales made to armed forces and law enforcement. Officers using personal equipment for duty is no longer allowed. Patrol rifles that were personally owned were pulled from operations. The approved cost to provide equipment for 21 commissioned officers was \$94,605, but the actual cost turned out to be closer to \$70,500.

Dispatch Services (Bothell to NORCOM)

Following the dissolution of Bothell's dispatch services, the city sought an Interlocal Agreement (ILA) with NORCOM dispatch. The prior cost for dispatch, equipment, and maintenance through Bothell was \$180,000 annually. For the 4th quarter of 2023, the budget allocated to Bothell Dispatch is \$44,840, prorated at \$14,947 for October. The remaining budget of \$29,893 is designated for NORCOM services for November and December. A payment of \$71,665 will be made to NORCOM for dispatch services for this period. This leaves an additional \$41,772 needed, requiring a budget adjustment to conclude 2023 appropriately. Looking ahead to 2024, the current Dispatch Budget remains at \$180,000. However, estimated NORCOM costs for the year total \$463,560, resulting in an additional \$283,560 necessitating a budget adjustment. It's important to note that there could be supplementary costs for historical data conversion, license fees for accessing the old system, and other unforeseen services during this transition. Planning and adapting the budget for these contingencies will be vital for a smooth transition and efficient dispatch services in the coming year.

Jail Services: Municipal Court and Police Department

Jail costs saw a significant rise in the past year due to Yakima canceling its jail housing contract. The alternatives were Snohomish County Jail and King County Jail. Lynnwood Jail is closed for remodeling and the building of a new facility. The anticipated opening is in 2024. This, combined with higher bookings, a new judge holding defendants accountable, and inflation led to substantial cost increases. The approval of the Sunnyside Jail Interlocal Agreement (ILA) is expected to reduce future jail costs for defendants with long-term stays. The jail costs are currently at 92%, which is double the anticipated budget for 2023/24. The Administration is hopeful with the new Sunnyside ILA that the future cost will be more in line with historical jail costs and will be continually monitored. The budget is being expanded cautiously, including an additional \$150,000.

Operational Items – Multiple Funds

Investment Interest: New Strategy Approved Spring 2023

The Budget & Finance Committee recently approved a new investment strategy for a longer-term investment of the City's money through governmental agency bonds. The strategy allows the City to more effectively estimate future investment interest revenues. The governmental agency bonds yield (interest rate) ranges from 3.4-4.92% while the shorter-term interest rates are currently ranging between 4.3-5.3%. The City's longer term governmental bonds provide a fiscally predictable interest rate for the duration of each governmental agency bond with ladder maturity dates ranging from March 2024 to May 2028. The shorter-term interest rates are more unpredictable while the government agency bonds provide financial stability for a substantial portion of the City's money. Both short and long-term financial investments are necessary for the City.

The conservatively estimated investment interest has a value of over a million dollars to adjust for 2023's actual revenue and 2024's estimated governmental agency bond and short-term investment interest. Investment interest was estimated extremely low in the original budget due to the pandemic and uncertain economy. The new investment strategy that was recently approved is the only revenue change that benefits all City funds as the distribution allocation is based on cash balances for each fund.

Sewer Utility and Surface Water Utility Funds

Multiple invoices in the sewer utility and the surface water funds that were fiscal year 2022's expenses did not make the open period cut off to be paid in the appropriate fiscal year that the expenses occurred. Therefore, both funds are amending increases to carry the previously appropriated budget forward to the current budget. The City strives to pay for all expenses within the appropriate fiscal year, unfortunately this does occasionally occur.

Sewer and Surface Water Utility Tax

Sewer and Surface Water Utility Taxes

The Administration cautiously entered only one year of the new revenue for the sewer and surface water utility taxes in the general, sewer utility, and surface water funds. As a result, the revenue needs to be increased in all three funds along with the expenditure in the sewer utility and surface water utility funds. The utility tax is paid for by the rate payers of the sewer utility and the surface water funds. All three transactions for both the sewer utility, the surface water utility, and the general funds are presented on the schedule of adjustments.

Surface Water Capital Project

35th Avenue Capital Project

The project includes the installation of a storm water facility to convey storm water from the public right-of-way through a city acquired easement on private property. This work improves a long-standing condition by directing the storm water to a more advantageous location and avoids the two more costly options, north and south, within the city's street right-of-way.

Schedule of Adjustments: 2023-2024 Mid-Biennial Budget Adjustment

Section 3, ItemA.

GENERAL FUND				
Title	Revenue(R)/Expend.(E)	2023-2024 Adjustment Amount	Total Revenue	Total Expenditure
WASPC Behavioral Health Grant	R	\$ 8,851	\$ 8,851	
WA ST AOC Blake Reimbursement	R	\$ 42,716	\$ 42,716	
Sewer Utility Tax	R	\$ 154,000	\$ 154,000	
Surface Water Utility Tax	R	\$ 63,000	\$ 63,000	
Police OT Services (Reimbursed by outside entities for additional coverage)	R	\$ 80,000	\$ 80,000	
Investment Interest	R	\$ 433,500	\$ 433,500	
State Opioid Settlement	R	\$ 16,732	\$ 16,732	
General Fund Revenue Adjustment Total		\$ 798,798	\$ 798,798	
Management Professional Employees (MPE) Salaries	E	\$ 97,000		\$ 97,000
Management Professional Employees (MPE) Benefits	E	\$ 39,000		\$ 39,000
Washington Cities Insurance Authorities	E	\$ 39,282		\$ 39,282
Judgements/Settlements Blake & Professional Services	E	\$ 34,197		\$ 34,197
Police Department Salaries - Limited Term Positions	E	\$ 300,000		\$ 300,000
Police Department Benefit - Limited Term Positions	E	\$ 220,000		\$ 220,000
Police Uniform Expenses	E	\$ 15,000		\$ 15,000
Police Department - WASPC Behavioral Health Grant (Pass Through)	E	\$ 8,851		\$ 8,851
Police Equipment: Rifles	E	\$ 70,500		\$ 70,500
Civil Service Commission - Professional Services for Police Hires	E	\$ 5,000		\$ 5,000
Dispatch Services	E	\$ 310,385		\$ 310,385
Jail Expenses	E	\$ 150,000		\$ 150,000
Teamsters Salaries & Benefits	E	\$ 13,800		\$ 13,800
General Fund Expenditure Adjustment Total		\$ 1,303,015		\$ 1,303,015
Total Net Change to the General Fund		\$ (504,216)		
STREET FUND				
Title		2023-2024 Budget Amount	Total Revenue	Total Expenditure
Interest Investment	R	\$ 39,500	\$ 39,500	
Street Fund Revenue Adjustment Total		\$ 39,500	\$ 39,500	
Management Professional Employee Management (MPE) Salaries	E	\$ 2,500		\$ 2,500
Management Professional Employee Management (MPE) Benefits	E	\$ 1,000		\$ 1,000
Teamsters Salaries & Benefits	E	\$ 17,250		\$ 17,250
Washington Cities Insurance Authorities	E	\$ 2,885		\$ 2,885
Street Fund Expenditure Adjustment Total		\$ 23,635		\$ 23,635
Total Net Change to the Street Fund		\$ 15,865		

Schedule of Adjustments: 2023-2024 Mid-Biennial Budget Adjustment

Section 3, ItemA.

TRANSPORTATION BENEFIT DISTRICT FUND				
<u>Title</u>		<u>2023-2024</u> <u>Budget Amount</u>	<u>Total Revenue</u>	<u>Total</u> <u>Expenditure</u>
Investment Interest	R	\$ 34,500	\$ 34,500	
TBD Fund Revenue Adjustment Total		\$ 34,500	\$ 34,500	
	E	\$ -		\$ -
Transportation Benefit District Expenditure Total		\$ -		\$ -
Total Net Change to the Transportation Benefit District Fund		\$ 34,500		
STRATEGIC OPPORTUNITY FUND				
<u>Title</u>		<u>2023-2024</u> <u>Budget Amount</u>	<u>Total Revenue</u>	<u>Total</u> <u>Expenditure</u>
Investment Interest	R	\$ 103,000	\$ 103,000	
Strategic Opportunity Fund Revenue Adjustment Total		\$ 103,000	\$ 103,000	
	E			\$ -
Strategic Opportunity Fund Expenditure Total		\$ -		\$ -
Total Net Change to the Strategic Opportunity Fund		\$ 103,000		
CAPITAL IMPROVEMENT FUND				
<u>Title</u>		<u>2023-2024</u> <u>Budget Amount</u>	<u>Total Revenue</u>	<u>Total</u> <u>Expenditure</u>
Investment Interest	R	\$ 107,500		
Capital Improvement Fund Revenue Adjustment Total		\$ 107,500	\$ 107,500	\$ -
	E			\$ -
Capital Improvement Fund Expenditure Adjustment Total				\$ -
Total Net Change to the Capital Improvement Fund		\$ 107,500		
CAPITAL FACILITY MAINTENANCE FUND				
<u>Title</u>		<u>2023-2024</u> <u>Budget Amount</u>	<u>Total Revenue</u>	<u>Total</u> <u>Expenditure</u>
Investment Interest	R	\$ 48,500		
Capital Facility Maintenance Fund Revenue Adjustment Total		\$ 48,500	\$ 48,500	\$ -
	E			\$ -
Capital Facility Maintenance Fund Expenditure Adjustment Total				\$ -
Total Net Change to the Capital Facility Maintenance Fund		\$ 48,500		

Schedule of Adjustments: 2023-2024 Mid-Biennial Budget Adjustment

Section 3, ItemA.

TRANSPORTATION CAPITAL FUND				
<u>Title</u>		<u>2023-2024</u> <u>Budget Amount</u>	<u>Total Revenue</u>	<u>Total</u> <u>Expenditure</u>
Investment Interest	R	\$ 107,520	\$ 107,520	
Transportation Capital Fund Adjustment Total		\$ 107,520	\$ 107,520	
Engineering Salaries	E	\$ 6,500		\$ 6,500
Engineering Benefits	E	\$ 2,500		\$ 2,500
Washington Cities Insurance Authorities	E	\$ 807		\$ 807
Transportation Capital Fund Revenue Adjustment Total		\$ 9,807		\$ 9,807
Total Net Change to the Transportation Capital Fund		\$ 97,713		
CAPITAL FACILITIES MAINTENANCE FUND				
<u>Title</u>		<u>2023-2024</u> <u>Budget Amount</u>	<u>Total Revenue</u>	<u>Total</u> <u>Expenditure</u>
Investment Interest	R	\$ 48,500		
Capital Facility Maintenance Fund Revenue Adjustment Total		\$ 48,500	\$ 48,500	\$ -
	E			\$ -
Capital Facility Maintenance Fund Expenditure Adjustment Total				\$ -
Total Net Change to the Capital Facility Maintenance Fund		\$ 48,500		
SEWER UTILITY FUND				
<u>Title</u>		<u>2023-2024</u> <u>Budget Amount</u>	<u>Total Revenue</u>	<u>Total</u> <u>Expenditure</u>
Investment Interest	R	\$ 49,000	\$ 49,000	
Sewer Utility Tax	R	\$ 154,000	\$ 154,000	
Sewer Utility Fund Revenue Adjustment Total		\$ 203,000	\$ 203,000	
Management Professional Employee Management (MPE) Salaries	E	\$ 5,000		\$ 5,000
Management Professional Employee Management (MPE) Benefits	E	\$ 2,000		\$ 2,000
Teamsters Salaries & Benefits	E	\$ 17,250		\$ 17,250
Professional Services - Invoices from 2022 paid in 2023	E	\$ 15,000		\$ 15,000
Repairs & Maintenance - from 2022 paid in 2023	E	\$ 15,000		\$ 15,000
Washington Cities Insurance Authorities	E	\$ 3,070		\$ 3,070
Sewer Utility Tax	E	\$ 154,000		\$ 154,000
Sewer Utility Fund Expenditure Adjustment Total		\$ 204,320		\$ 211,320
Total Net Change to the Sewer Utility Fund		\$ (8,320)		
SEWER CAPITAL FUND				
<u>Title</u>		<u>2023-2024</u> <u>Budget Amount</u>	<u>Total Revenue</u>	<u>Total</u> <u>Expenditure</u>
Investment Interest	R	\$ 134,000	\$ 134,000	
Sewer Capital Revenue Adjustment Total		\$ 134,000	\$ 134,000	
	E			\$ -
Sewer Capital Fund Expenditure Adjustment Total		\$ -		\$ -
Total Net Change to the Sewer Capital Fund		\$ 134,000		

Schedule of Adjustments: 2023-2024 Mid-Biennial Budget Adjustment

Section 3, ItemA.

SURFACE WATER UTILITY FUND				
Title		<u>2023-2024</u> <u>Budget Amount</u>	<u>Total Revenue</u>	<u>Total</u> <u>Expenditure</u>
Investment Interest	R	\$ 52,000	\$ 52,000	
Surface Water Utility Tax	R	\$ 63,000	\$ 63,000	
Surface Water Utility Fund Revenue Adjustment Total		\$ 115,000	\$ 115,000	
Management Professional Employee Management (MPE) Salaries	E	\$ 11,000		\$ 11,000
Management Professional Employee Management (MPE) Benefits	E	\$ 4,500		\$ 4,500
Teamsters Salaries & Benefits	E	\$ 20,700		\$ 20,700
Professional Services - Invoices from 2022 paid in 2023	E	\$ 130,000		\$ 130,000
Washington Cities Insurance Authorities	E	\$ 4,144		\$ 4,144
Surface Water Utility Tax	E	\$ 63,000		\$ 63,000
Surface Water Utility Fund Revenue Adjustment Total		\$ 233,344		\$ 233,344
Total Net Change to the Surface Water Utility Fund		(118,344)		
SURFACE WATER CAPITAL FUND				
Title		<u>2023-2024</u> <u>Budget Amount</u>	<u>Total Revenue</u>	<u>Total</u> <u>Expenditure</u>
Investment Interest	R	\$ 70,000	\$ 70,000	
Surface Water Capital Revenue Adjustment Total		\$ 70,000	\$ 70,000	
35th Ave Project - Design, ROW, Construction, Const. Management	E	\$ 560,000		\$ 560,000
Surface Water Capital Fund Expenditure Adjustment Total		\$ 560,000		\$ 560,000
Total Net Change to the Surface Water Capital Fund		(490,000)		
VEHICLE & EQUIPMENT REPLACEMENT FUND				
Title		<u>2023-2024</u> <u>Budget Amount</u>	<u>Total Revenue</u>	<u>Total</u> <u>Expenditure</u>
Investment Interest	R	\$ 40,500	\$ 40,500	
Vehicle and Equipment Revenue Adjustment Total		\$ 40,500	\$ 40,500	
	E			\$ -
Vehicle and Equipment Expenditure Adjustment Total		\$ -		\$ -
Total Net Change to the Vehicle & Equipment Fund		\$ 40,500		

DRAFT

City of Lake Forest Park Council(members)

This draft could be revised to refer to Council or Councilmembers, depending on the results of our discussion.

Dear Chair Constantine and Sound Transit Board Members:

In late 2022, the Lake Forest Park City Council formally requested a brief pause in the Stride Bus Rapid Transit (BRT) design work for 1.2 miles in Lake Forest Park (LFP), then only at the draft 60% level, so that we could work cooperatively to develop design refinements. We made this request because of the north/east-bound BAT's huge environmental and fiscal impacts lane through LFP, compared to its minimal transit, traffic flow, and travel time benefits.

Briefly, our city is the most heavily impacted community of the entire four-city project, and is the site of the costliest segment of the route. Compared to the project as a whole, LFP's 1.2 mile span has 56% of the property takings, and the majority of removed trees: 110 homes and small businesses on Bothell Way and over 400 buffer trees removed. BRT budget estimates are also highest in LFP, including \$83 million for property acquisition and permits and \$210 million for construction/ construction management. In contrast, transit benefits will be modest, only about 2 minutes, only north/east-bound, and only at peak rush hour.

The Council appreciates the recent communications and information that CEO Timm has shared with our community, including her personal time and attendance as well as her September 2023 response to our December letter. This exchange has been helpful.

The Council would like to share with you what we have learned through this recent engagement and design work, along with our updated concerns:

- 1) The many property takings along with removal of 40 buffer trees for the BAT lane will bring bus traffic on both sides of SR 522 much closer to front and back doors of over 100 LFP homeowners and several multi-family buildings. None of the other cities along the route will experience impacts on this scale.
- 2) Driveways from dozens of private homes, multi-family buildings, and businesses will enter and exit directly into an active bus lane, creating traffic and safety issues.
- 3) These takings will also result in removal of parking spaces for local small businesses.
- 4) Property takings, coupled with removal of hundreds of buffer trees and shrubs, will increase noise and reduce air quality by bringing these much closer to our residences and businesses. Adverse human health impacts will result from these impacts.

5) The massive west side retaining wall (the length of many football fields), substituting for the current corridor of trees, will reflect and magnify noise impacts on these same homeowners.

6) Construction will add 1.3 acres of new impervious surfaces affecting 3 fish streams and, coupled with tree removals, will increase heat island effects.

7) No construction plans yet exist for crossing Blsche'tla Creek, currently on the state's "must fix" culvert list and where the proposal is to remove 28 trees from what is already a designated landslide and sensitive area. Further, we understand that ST wants to span the creek with a pedestrian bridge at city expense.

7) 95,000 tons of dirt and debris (65% of project total), will have to be removed for the BAT in LFP, creating massive trucking and construction impacts on our residents and businesses.

These are fundamental BAT harms that would have lasting serious adverse effects on our community, not aesthetic concerns or easily mitigated impacts, despite ST staff assertions. We do understand that Sound Transit is facing a number of challenges in trying to improve transportation in the Puget Sound region, and LFP supports public transit improvements. However, the Council believes that the BAT lane is not the right transit solution for Bothell Way through LFP. **We urge Sound Transit to reconsider the BAT proposal and work with us to develop a LFP transit solution based on queue bypasses and signalized lights, an approach that will capture similar traffic flow and transit benefits, but without such disproportionate environmental, safety, community, and fiscal costs.**

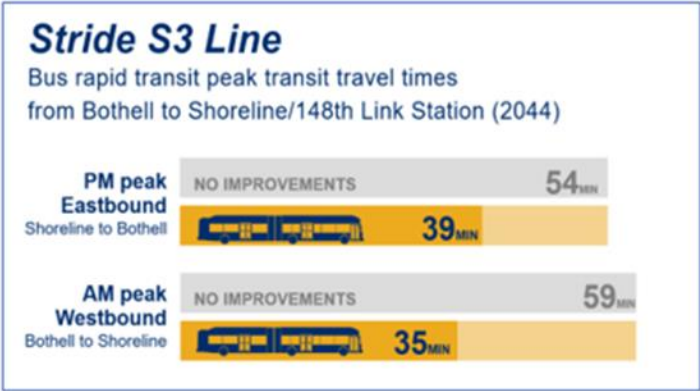
There is convincing precedent for changing course and adopting a non-BAT solution. On 145th Street during peak eastbound congestion, Sound Transit's engineering solution is queue bypasses with signalized lights. This queue bypass approach on 145th accounts for 62% of the 15 minute peak eastbound travel time savings for the entire BRT (vs. "no build," see attached). Claims that the two similar traffic congestion situations and patterns are entirely different are not persuasive. Rather, Sound Transit is now implementing with great effectiveness on 145th Street what we are respectfully requesting for LFP. We hope you will agree.

Sincerely,

Tom French
Deputy Mayor and Council Chair
On behalf of the following LFP City Councilmembers:

Cc: CEO Julie Timm

Year: 2044 PM Peak Eastbound	Time Between Stops No Build 2042	Time Between Stops With Build 2042	Time Saved (Minutes) Build Vs No Build	% of all Time Saved
148th and 5th Ave	-	-	-	-
145th/15th	13.3	5.5	7.9	50%
145th/30th	4.0	2.1	1.9	12%
Bothell Way/ 153rd	4.7	4.2	0.5	3%
Bothell Way/ 165th	3.0	2.1	0.9	6%
Lake Forest Park/Bothell Way	1.8	0.9	0.8	5%
Bothell Way/61st	3.1	2.7	0.4	3%
Bothell Way/68th	2.5	2.2	0.2	1%
Kenmore P&R	1.6	1.5	0.1	1%
98th/182nd	6.6	5.6	1.0	6%
185th/104th	2.5	1.6	0.8	5%
UWB	5.7	4.7	1.1	7%
Beardslee/195th	3.3	3.3	0.0	0%
I-405 Station	2.4	2.4	0.0	0%
Total Time	54.4	38.8	15.7	100%



AN ORDINANCE adding Lake Forest Park Municipal Code Chapter 18.74: Sale, Disposition or Lease of Surplus Real Property for Affordable Housing.

WHEREAS, RCW 39.33.015 authorizes cities surplus and dispose of real property owned by the City for public benefit purposes, defined therein as affordable housing for low-income and very low-income households; and

WHEREAS, RCW 39.33. 015 provides that disposal of such surplus property may be at less than fair market value, including no cost transfers if agreeable by the City; and

WHEREAS, to take advantage of the provisions of RCW 39.33.015 the City must enact rules to regulate the disposition of property for public benefit purposes; and

WHEREAS, the City Council wishes to have the option available to surplus and dispose of City-owned real property for public benefit purposes in the event the City Council finds it is in the best interests of the City and its residents to do so; and

WHEREAS, the most recent city Comprehensive Plan update states, in Policy LU-4.3, that the city “identify underused land and encourage infill development that is compatible with the scale and character of surrounding development”; and

WHEREAS, in the same Comprehensive Plan update, Policy H-3.3 states the city “support non-profit organizations that construct and manage affordable housing”; and

WHEREAS, according to Leland Consulting, working on the city’s 2024 Comprehensive Plan update, found that “less than 25 percent of Lake Forest Park households would be able to afford the median home in the city as of this year”; and

WHEREAS, the City Council finds and determines that adoption of this ordinance adding Chapter 18.74 to the Lake Forest Park Municipal Code which creates rules to regulate the disposition of public property for public benefit purposes, in the public interest and in the best interest of the City and its residents;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAKE FOREST PARK, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Chapter 18.74 shall be added to the Lake Forest Park Municipal Code as follows:

18.74 Sale, Disposition or Lease of Surplus Real Property for Affordable Housing

18.74.010 Policy regarding disposition of city surplus real property for affordable housing pursuant to RCW 39. 33. 015.

18.74.020 Definitions

18.74.030 Surplus real property resolution

18.74.040 Disposition procedure

18.74.050 Limitation of section

18.74.010 Policy regarding disposition of city surplus real property for affordable housing pursuant to RCW 39.33.015.

It is the policy of the City that surplus real property may be disposed of for affordable housing purposes as authorized under RCW 39.33.015 when the City Council finds that affordable housing is needed within the City and the disposition of the property for affordable housing is in the best interest of the City and its residents. Further, although it is acknowledged that all forms of affordable housing are important, the City's priority is to provide affordable multi-family units when possible.

18.74.020 Definitions

The definitions in RCW 39.33.015 as now existing and as amended are hereby adopted.

18.74.030 Surplus real property resolution

A. The City Council shall adopt a resolution which clearly states that the property is considered surplus to the City's needs and that the property shall be disposed of for a public benefit purpose pursuant to RCW 39.33.015

B. The resolution shall contain the following information:

1. A description of the property parcel size, general location, legal description and King County Assessor's tax parcel number;
2. A description of the circumstances under which the property was obtained;
3. A statement identifying the fund account to which proceeds from its sale, if any, should be credited;
4. A summary of the history of municipal use, if any, or uses for which it might be held;
5. Assessor's value of the property;
6. A description of how the property should be disposed;
7. A summary of the easements, covenants or deed restrictions that will be imposed on the property as part of the disposition; and

8. A determination of the minimum sale or lease price, or if the sale or lease is for no cost, a statement that indicates such.

C. No appraisal or valuation information is necessary.

D. In the event that after surplus the City Council determines that the property will not be disposed of pursuant to RCW 39.33.015, the surplus resolution shall be rescinded and the property will go through the normal surplus procedures.

18.74.040 Disposition Procedure

A. Disposition of surplus real property for public benefit purposes of providing affordable housing may be at no cost, a long term lease, or an amount determined appropriate by the City, even if that amount is less than the appraised, assessed or fair market value of the property.

B. Disposition of surplus real property may be by direct negotiation with a non-profit, 501(c)(3) or similar entity that provides affordable housing for City residents.

C. In the alternative, if the City Council deems it appropriate, disposition of surplus real property may be accomplished through an RFP procedure, sealed bid, or auction.

D. In all cases, the deed, lease or other instrument transferring or conveying the property shall include a covenant or other requirement that the property shall be used for a public benefit purpose and remedies that apply in the event the recipient of the property fails to use the property for the designated public benefit purpose or ceases to use the property for such purpose.

E. Recipients of surplus real property shall pay all costs of the transfer, including, but not limited to, appraisal costs, title fees, excise tax and recording fees.

18.74.050 Limitation of section

This section is not applicable to surplus, sale, transfer, disposition or lease of City real property for purposes other than affordable housing pursuant to RCW 39.33.015.

Section 2. SEVERABILITY. Should any portion of this ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, such decision shall not affect the validity of the remaining portions of this ordinance or its application to other persons or circumstances.

Section 3. CORRECTIONS. The City Clerk is authorized to make necessary corrections to this ordinance including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

Section 4. EFFECTIVE DATE. This ordinance shall take effect five (5) days after passage and publication. APPROVED BY A MAJORITY PLUS ONE of the Lake Forest Park City Council this ____ day of _____, 2023