

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Regular Meeting

February 13, 2023
6:00 p.m.

Council Chambers
Bellevue, Washington

PRESENT: Mayor Robinson, Deputy Mayor Nieuwenhuis and Councilmembers Barksdale, Lee, Robertson, Stokes and Zahn

ABSENT: None.

1. Call to Order

The meeting was called to order at 6:00 p.m., with Mayor Robinson presiding. Ms. Robinson noted that Eva Jean Brown Carpenter, an activist, former Bellevue Councilmember and low-income housing advocate, passed away recently.

Councilmember Lee said he worked with Ms. Carpenter when she was on the City Council and he was on the Transportation Commission. Mr. Lee noted that she lived in his neighborhood, Somerset, at the time.

Councilmember Stokes said he worked with Ms. Carpenter when she was the executive director and he was the legislative director for the Washington State PTA.

2. Roll Call; Flag Salute

City Clerk Charmaine Arredondo called the roll and all Councilmembers were present. Councilmember Lee led the flag salute.

- (a) Proclamation: Day of Action and Remembrance for Japanese American Incarceration during World War II

Councilmember Robertson read the proclamation recognizing February 19, 2023, as Day of Action and Remembrance for Japanese American Incarceration During World War II. Approximately 300 Bellevue residents were incarcerated and only 11 of the 60 families that were displaced returned to the area after 1945. Ms. Robertson urged all residents to reflect on this unfortunate time in our nation's history and reaffirmed the Council's commitment to protecting the civil rights of everyone in the community.

Kyle Kinoshita, Co-President of the Seattle Chapter of the Japanese American Citizens League (JACL), thanked the Council for the proclamation. He said more than 120,000 Japanese Americans were incarcerated during World War II and the Council's proclamation recognizes the tremendous damage and trauma caused to the families who were displaced. Mr. Kinoshita said the JACL worked nationally to achieve a measure of justice with President Reagan's signing of the Civil Liberties Act in 1988. He noted that his mother, Cherry Kinoshita, was recognized by former governor Mike Lowry as a driving force in achieving national redress. He said that, like her, we should not rest until justice in society is attained. Mr. Kinoshita said the JACL joins with the City Council in committing to inclusion, access, equity, opportunity and the protection of civil rights for all.

3. Approval of Agenda

- Deputy Mayor Nieuwenhuis moved to approve the agenda, amended to move Item 8(j) to Item 12(a), to be addressed directly following the approval of the consent calendar. Councilmember Lee seconded the motion.
- The motion carried by a vote of 7-0.

4. Oral Communications

- (a) Wendy Tyner expressed her enthusiasm for the upcoming Wintergrass Music Festival at the Hyatt Regency Hotel, February 23rd through 25th. She said the festival has expanded to include the Westin Hotel for the first time this year. Ms. Tyner thanked the City for its ongoing support of educational programs, scholarships and free admissions. She said more performances have been added this year to attract more Bellevue residents. She said this is the festival's 30th anniversary and 14th year in Bellevue.
- (b) Alex Zimmerman said he was not allowed to speak at a Seattle School Board meeting. He asked whether Bellevue had any process for handling discrimination complaints. He said Seattle has a human rights commission.
- (c) Sally Lawrence, Chair of the Save Coal Creek group, commented in opposition to the proposed Isola development in the Lakemont area. She said a recent rally at Newcastle Beach Park attracted more than 120 people. She thanked the City's Parks and Community Services Department for opening up additional parking at the rally. She urged cities and King County to work together with the property owner/developer to save the open space as a park. Ms. Lawrence commented on the importance of preserving habitat. She submitted 120 postcards of public comments to the Council.
- (d) Joe Kunzler expressed concern over the Council's public comment policy. He thanked Deputy Mayor Nieuwenhuis and Councilmember Robertson for turning their backs while Mr. Zimmerman, a modern-day Nazi, spoke. Mr. Kunzler said Mr. Zimmerman is using the Council forum to spread hate. He said that if the Council cannot enforce state law prohibiting campaigning during public comment, he will take this matter to the public

disclosure commission. Mr. Kunzler urged the Council to revise its public comment policies and to stop Mr. Zimmerman from hateful speech in Council Chambers. He thanked Councilmembers for their public service.

- (e) Marikay Cuthill said she was speaking on behalf of a number of residents. She encouraged the City to work with the community to address crime and to talk about topics of interest and concern for residents. She said people are leaving cities and schools nationwide. She encouraged working together as a team.

Councilmember Robertson commented to Mr. Kunzler that no one on the Council agrees with Mr. Zimmerman. She said he is ridiculous and hateful but he must be allowed to make public comment. Ms. Robertson said Mayor Robinson does not like hearing the language. Councilmember Robertson thanked Mr. Kunzler for his comments.

Mayor Robinson said the City Clerk and City Attorney will respond to Mr. Kunzler regarding free speech and the applicable law.

5. Reports of Community Councils, Boards, and Commissions: None.

6. Report of the City Manager: None.

7. Council Business and New Initiatives: None.

8. Consent Calendar

→ Deputy Mayor Nieuwenhuis moved to approve the Consent Calendar with the exception of Item 8(j). Councilmember Stokes seconded the motion.

→ The motion to approve the Consent Calendar carried by a vote of 7-0, and the following items were approved:

- (a) Motion to approve payment of claims and payroll for the period January 1, 2023 – January 31, 2023.
- (b) Ordinance No. 6724 providing for the establishment of the Bellevue-Redmond Tourism Promotion Area and approving other matters related thereto.
- (c) Ordinance No. 6725: 1) authorizing execution of a grant agreement (and supplements if necessary) with the Washington State Transportation Improvement Board (TIB) to accept up to \$3,990,000 in state Urban Arterial Program (UAP) grant funding to support construction of the 150th Avenue SE Mobility Improvements (SE 28th Street to SE 38th Street) Project (reference CIP Plan No. PW-R-212, 150th Avenue SE/SE 37th Street/I-90 EB off-ramp); 2) amending the 2023-2029 General Capital Investment Program (CIP) Plan to increase the budget for the 150th Avenue SE/SE 37th Street/I-90 EB off-ramp (CIP Plan No. PW-R-

212) by \$3,990,000; and, 3) amending the 2023-2024 General CIP Fund to increase the appropriation by \$3,990,000.

- (d) Resolution No. 10221 authorizing execution of a large public works contract with Fury Site Works Inc. as the lowest responsible bidder, for a new Mercer Slough Farm Building, in an amount not to exceed \$2,722,500, plus all applicable taxes.
- (e) Resolution No. 10222 authorizing execution of a two-year General Services Contract with Behavioral Interventions Inc., in an amount not to exceed \$120,000, plus all applicable taxes, with the option for two one-year renewals for monitoring services through the Bellevue Electronic Home Detention Program.
- (f) Resolution No. 10223 authorizing the execution of a five-year Software as a Service agreement with CityBase, Inc. to provide an Enterprise Point of Sale system in an amount not to exceed \$851,000 plus all applicable taxes.
- (g) Resolution No. 10224 authorizing execution of an Amended and Restated Agreement for Maintenance, Operation, Repair, Emergency Response, and Capital Improvement of the Bellevue Pipeline Segment of the Cascade Water Alliance Pipeline.
- (h) Resolution No. 10225 authorizing execution of a labor agreement between the City of Bellevue and the Bellevue Police Support Guild, representing Police support staff employees, for a three-year contract period starting January 1, 2023, and expiring December 31, 2025.
- (i) Resolution No. 10226 authorizing execution of an amendment to the Agreement for Use of Subscription Material with Lexipol, LLC to increase the contract value to an amount not to exceed \$101,310.75.

12. Other Ordinances, Resolutions, and Motions

- (a) Agenda Item 8(j) – Resolution No. 10227 authorizing execution of a professional services agreement with Performing Arts Center Eastside (PACE), to provide event management services for Bellwether Arts Festival, for an initial 2-year term, with the option of three 1-year renewals, for a maximum of five years, and for a total contract amount not to exceed \$600,000, plus all applicable taxes.

City Manager Miyake said Resolution No. 10227 authorizes the execution of an agreement with Performing Arts Center Eastside (PACE) to provide event management services for the Bellwether Arts Festival.

Councilmember Lee said the Council supports the Bellwether Arts Festival. Responding to Mr. Lee, Arts Community Manager Lorie Hoffman said there was an open request for proposals (RFP) process to select the proposed vendor. Mr. Lee said he wanted to review the RFP and project scope. Ms. Hoffman said the scope is outlined in the contract.

Councilmember Lee said he wanted to know PACE's experience and qualifications relative to the contract for event management services. Ms. Hoffman said PACE has been planning to build a large performing arts center in Bellevue for a number of years. They also provide programming on an ongoing basis for the arts community. Ms. Hoffman highlighted examples of PACE's event management. She said PACE is accustomed to the production of large events.

Councilmember Zahn referred Councilmembers to the attachments to the agenda memo, including the professional services agreement and full scope of work. She said on page 12, item 4 addresses sponsorship. She said she is pleased there is a commitment that PACE shall bring a minimum of \$150,000 in sponsorships by the end of 2024.

Councilmember Stokes, liaison to the Arts Commission, said this is the same process that has been used for years. He said all of the information is accessible to the Council in advance of meetings and the Arts Commission meetings are open to the public. He complimented arts program staff for their work with the Bellwether festival over many years. Mr. Stokes said he has confidence in the contract with PACE. He said the Council's role is to set policy and not to manage staff.

Deputy Mayor Nieuwenhuis said he appreciated Councilmember Lee raising his concerns. Mr. Nieuwenhuis said he read the meeting materials and is satisfied with the scope of work and contract.

Mayor Robinson expressed support for the motion.

- Deputy Mayor Nieuwenhuis moved to approve Resolution No. 10227, and Councilmember Stokes seconded the motion.
- The motion carried by a vote of 7-0, with Councilmember Lee abstaining. *[Under Council Rules, an abstention is counted in the affirmative.]*

9. Public Hearings

- (a) Public Hearing and action on Resolution No. 10228 authorizing the execution of documents necessary to release an existing water easement at 14121 NE 20th Street, which has been declared surplus to the City's needs and is no longer required for providing continued water service; the granting and recording of such release being deemed in the best interest of the public.

Mr. Miyake recalled that the water easement at 14121 NE 20th Street was declared surplus to the City's needs during its January 23 meeting.

Loren Matlick, Real Property Manager, Finance and Asset Management (FAM) Department, presented a map of the property located at 140th Avenue NE and NE 20th Street. The site will be developed as an apartment building and 20 percent of the units will be available as affordable units through the multifamily tax exemption (MFTE) program. The existing utility infrastructure

within the easement will be removed by the developer and the easement will no longer be needed. Mr. Matlick said no new water service is needed for the project.

- Deputy Mayor Nieuwenhuis moved to open the public hearing, and Councilmember Stokes seconded the motion.
- The motion carried by a vote of 7-0.

City Clerk Arredondo noted that no written comments were received.

Alex Zimmerman commented on the need for utilities discounts for low-income customers, including disabled individuals and senior adults.

Mayor Robinson asked Mr. Zimmerman to comment regarding the water easement only during the public hearing.

Joe Kunzler encouraged the Council to ban Mr. Zimmerman from Council meetings for a period of time.

Responding to Mayor Robinson, Mr. Matlick said the apartment project will include placing the new water utility service in the public right-of-way.

- Deputy Mayor Nieuwenhuis moved to close the public hearing, and Councilmember Stokes seconded the motion.
- The motion carried by a vote of 7-0.
- Deputy Mayor Nieuwenhuis moved to approve Resolution No. 10228, and Councilmember Stokes seconded the motion.
- The motion carried by a vote of 7-0.

10. Study Session

- (a) Update on Establishment of BelRed Arts District as Creative, Entertainment and Innovation Hub

City Manager Brad Miyake introduced discussion regarding the establishment of the BelRed Arts District as a creative, entertainment and innovation hub.

Jesse Canedo, Assistant Director, Community Development Department, said staff would provide an update regarding current efforts to accelerate work on the BelRed Arts District.

Lorie Hoffman, Arts Community Manager, said the BelRed neighborhood has the highest concentration of arts and cultural businesses and organizations and artists in Bellevue, which is known as a naturally occurring creative cluster. The BelRed area was designated an arts and

culture district in the 2009 subarea plan. Ms. Hoffman said development of the arts district is a key goal in the 2020 Economic Development Plan.

Ms. Hoffman highlighted seven studies and planning efforts related to the arts district since 2010. She noted that many creative businesses, artists and organizations are concerned about the rising cost of space and the loss of existing spaces. She said it is vital that the City partner in the district's development, leveraging skills and actions where needed.

Ms. Hoffman said the 2022 BelRed Arts District Implementation Plan was included in the meeting packet. The five-year plan identifies four focus areas for arts district growth: 1) management, 2) visibility, 3) connection, and 4) creative space. The management goal is to have an active and formal managing body (e.g., multi-organizations/districts working together). Ms. Hoffman said the City is working with community partners to establish a nonprofit organization, potentially to be known as the BelRed Arts District Community Alliance. She said an arts district web site would launch later this month.

The visibility goal is for the district to be known and recognizable. Ms. Hoffman said that five organizations received BelRed Bonus arts grants. She highlighted public art projects including along Spring Boulevard, the mural pilot program, street banners and window signage. Public art will be installed at 130th Avenue and Spring Boulevard in late 2023/early 2024. Final designs for artwork at NE 12th Street and Spring Boulevard are to be completed this year.

Ms. Hoffman said the connection goal is to see the district as a place to come together, innovate and experience art, culture and creativity. She has made presentations to approximately 60 organizations. She said this is a one city, one community effort that involves the arts community, developers, regional partners, community leaders, local government and stakeholder corporations.

Ms. Hoffman noted the critical need for creative work and performance space. She said the topic will be addressed during the BelRed Look Forward review. The City will advocate for creative spaces in new development. Ms. Hoffman said three new creative businesses recently moved to the BelRed area including the Russian-language Theatre33. She said an arts district needs anchors and major facilities to be successful.

City staff worked over the past year with Artspace Consulting to study what affordable artist housing and creative commercial space could look like in the BelRed district. In 2017, the City contracted with Artspace to conduct a feasibility study regarding the potential for affordable artist housing and arts facilities somewhere in the district. The results of the study are available on the City's web site. In 2021, staff began conversations with Artspace about the next steps. In 2022, working with a core group of community members, Artspace launched the art market study to assess the market needs and community demand.

The study involved 437 survey respondents and 400 of them indicated an interest in at least one type of affordable creative space. Ms. Hoffman said surveys were completed by a broadly diverse group of individuals representing more than 30 creative fields.

Ms. Hoffman said the full recommendations of the study are included in the meeting materials. The recommendations encourage a mix of affordable artist housing with the majority of units priced at or below 60 percent of the area median income (AMI). They prioritize free shared spaces to support exhibitions and performances and suggest up to 74 private studio spaces in addition to live/work housing. Shared specialized creative spaces could include a gallery, drawing studio, workshop space, rehearsal space or artisanal light-industrial uses.

The City will continued to encourage creative, economic and cultural growth in the BelRed Arts District. Ms. Hoffman said staff will use the arts market study to pursue private-public partnership opportunities. Additional priorities include the activation of public spaces in the district and the installation of signage and other visual features.

Councilmember Stokes, liaison to the Arts Commission, said this is exciting and a long time coming. He said the development of the arts district is already underway. He noted its proximity to the Eastrail and future growth in the BelRed area. He commended Mr. Canedo and Ms. Hoffman for their extensive efforts with the community.

Councilmember Robertson concurred with Mr. Stokes regarding the exciting planning effort. She recalled that when she was chair of the Planning Commission in 2007 and 2008, the commission worked on the BelRed Subarea Plan. Ms. Robertson said the arts district should be a key focus area of the BelRed Look Forward review. She expressed an interest in exploring potentially adding development incentives for arts space.

Councilmember Zahn expressed enthusiastic support for the BelRed Arts District. She indicated support for partnerships, murals, pop-ups and temporary art, art in the streets, street dances, and collaborative art. She noted the connection with economic development. Ms. Zahn asked whether the City helps arts organizations with marketing and advertising.

Ms. Hoffman noted plans to provide information on the arts district web site including an organization/business directory and events calendar. Responding to Councilmember Zahn, Ms. Hoffman said the City does not require projects to provide a certain percentage of funding for the arts program. She said an arts district is a good place to experiment with that approach.

Councilmember Barksdale noted his interest in nightlife and interactive art. He said he has been advocating for festival streets that are configured with the appropriate infrastructure for streamlined permitting and event productions. He suggested exploring ways for the City to promote the arts district as well as arts and culture points of interest citywide (e.g., City pass).

Ms. Hoffman said Visit Bellevue Washington is involved in discussions regarding the arts district. She said many of the district's initiatives are targeted toward the opening of light rail service in the BelRed corridor. She concurred with Mr. Barksdale's suggestion for designated festival streets and/or outdoor performance spaces. Mr. Canedo said the City is doing a pilot project in Old Bellevue this spring to explore potential locations.

Responding to Councilmember Barksdale's earlier comment, Ms. Hoffman said nightlife is a common topic in conversations about the arts district.

Councilmember Lee acknowledged the importance of arts and culture activities as part of economic development. He commented on his interest in having larger events that bring everyone together. He said he would not want to see a Bourbon Street type of environment. He encouraged cross-cultural activities and asked who might be providing programs.

Ms. Hoffman said multipurpose design allows facilities to accommodate many functions. She concurred with the suggestion to focus on cross-cultural activities as well.

Councilmember Lee said this must be implemented in the right way and not like New Orleans or Nashville. He asked about the community partners and the representation of different cultures.

Deputy Mayor Nieuwenhuis thanked staff for the presentation. He observed that Councilmember Lee is advocating for a uniquely Bellevue experience.

Mr. Nieuwenhuis asked how the City can encourage or influence the optimal mix of entertainment, technology, art, etc. He encouraged marketing the arts district to current residents and potential visitors. He would like to see at least one annual signature event in the arts district.

Ms. Hoffman said there has been discussion about a signature event, as well as a large event to introduce the community to the arts district. She said much of the work is focused to coincide with the opening of light rail. She noted efforts to bring a Black artisan market into Bellevue at least once per year.

Mayor Robinson said it is great to be able to capitalize on the naturally occurring creative cluster in the Spring District. She said she would like to contemplate micro housing with shared art spaces, potentially through the MFTE housing program.

Responding to Ms. Robinson, Ms. Hoffman said there have been discussions with developers about preserving certain older warehouses or other buildings to be used as dance studios or for other arts activities. She said the City does not currently provide an incentive related to preserving older buildings.

Mr. Canedo suggested that the topic be addressed during the BelRed Look Forward review.

Ms. Hoffman said micro housing was not targeted in the art market study. However, an upcoming study is anticipated to address micro units.

At 7:36 p.m., Mayor Robinson declared a break. The meeting resumed at 7:50 p.m.

- (b) Proposed Ordinances to Increase Threshold for Administrative Approval by Amending Bellevue City Code Chapters 4.28 Procurement, 4.30 Real Property Acquisition and Leasing, and 4.32 Sale of City Property

City Manager Miyake introduced discussion regarding proposed ordinances that would increase the dollar threshold for administrative approval. He said the Council raised the issue during its retreat earlier this year.

Ira McDaniel, FAM Assistant Director, said staff is seeking Council direction to prepare an ordinance modifying Bellevue City Code Chapters 4.28, 4.30 and 4.32 to increase the threshold for administrative approval, for final Council action at a future meeting. The purposes of the revisions are to streamline processes, create efficiencies, maintain oversight of significant expenditures, ensure transparency and provide faster project delivery.

Mr. McDaniel said staff proposes increasing the threshold from \$90,000 to \$350,000 for procurement and real property. The primary factors considered in making the recommendations included state law, the volume of contracts and thresholds used by other agencies. Mr. McDaniel said staff law does not dictate what actions should go before the Council for approval. He said the \$350,000 threshold is consistent with state law that establishes the same threshold for small public works projects. He said adopting the \$350,000 threshold would eliminate more than half of the contracts submitted to the Council for review. However, those contracts represent only 10 percent of the City's total contract value. Mr. McDaniel compared Bellevue's procurement threshold to other agencies, noting that the proposed \$350,000 threshold is quite conservative.

Mr. McDaniel said the proposed code provisions will clarify administrative authority, correct outdated or incorrect references, consolidate the threshold for real property small purchases, and adjust the settlement thresholds for low dollar real property transactions. The proposed revisions will result in faster delivery of projects under \$350,000, improved efficiency for staff and the Council, maintaining internal controls and providing transparency by publicly reporting on contracts valued between \$90,000 and \$350,000.

Responding to Mayor Robinson, Mr. McDaniel said the change will save many hours in staff time and allow staff to focus on other work items and initiatives.

→ Deputy Mayor Nieuwenhuis moved to direct staff to prepare an ordinance modifying Bellevue City Code Chapters 4.28, 4.30 and 4.32 to increase the threshold for administrative approval, for final Council action at a future meeting. Councilmember Stokes seconded the motion.

Deputy Mayor Nieuwenhuis expressed support for the proposed revisions and the resulting efficiencies. He suggested publicizing the availability of information on contracts to the community.

Councilmember Zahn thanked staff for bringing this issue to the Council's attention. She said she could not remember a time when a contract below the \$350,000 threshold was ever denied by the Council.

Councilmember Lee concurred with his colleagues. He thanked staff for addressing oversight and transparency as well.

- Councilmember Robertson moved to amend the motion to add that the item would come back for Council action on a future consent calendar. Councilmember Stokes seconded the motion.
- The amendment carried by vote of 7-0.
- The motion, as amended, carried by a vote of 7-0.
- 11. Land Use: None.
- 13. Unfinished Business: None.
- 14. New Business: None.
- 15. Executive Session: None.
- 16. Adjournment

At approximately 8:09 p.m., Mayor Robinson indicated that the February 21 meeting was cancelled and declared the meeting adjourned.

Charmaine Arredondo, CMC
City Clerk

/kaw