

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Regular Meeting

June 5, 2023
6:00 p.m.

Council Chambers
Bellevue, Washington

PRESENT: Mayor Robinson¹, Deputy Mayor Nieuwenhuis and Councilmembers Barksdale, Lee, Robertson, Stokes and Zahn

ABSENT: None.

1. Call to Order

The meeting was called to order at 6:01 p.m., with Deputy Mayor Nieuwenhuis presiding.

2. Roll Call; Flag Salute

City Clerk Charmaine Arredondo called the roll and all Councilmembers were present. Deputy Mayor Nieuwenhuis led the flag salute.

(a) LGBTQIA+ Month Proclamation

Councilmember Lee read the proclamation recognizing June 2023 as LGBTQIA+ Pride Month in Bellevue and affirming the City's commitment to standing in solidarity with LGBTQIA+ residents and workers against ongoing discrimination and injustice.

Yuri Hattersley, representing the City's Rainbow Alliance for Diversity (RAD) employee resource group, said he oversees a continuous improvement program within the City's Finance and Asset Management (FAM) Department and serves as co-chair for RAD. They thanked the Council for the proclamation and commented on how important it is for elected officials to stand up and affirm the rights of LGBTQIA+ individuals. They said the Council's Vision Statement welcoming the world and celebrating diversity stands in firm support of the City's ability to show up and support all communities. They said the Pride Month kickoff event on June 1 in City Hall was well attended and the Paws and Pride Dog Jog and Walk event on June 4 was well received as well. They expressed appreciation for the Council as leaders in creating spaces to

¹ Mayor Robinson participated remotely.

hold these events and for working to move toward a more equitable future for all LGBTQIA+ people.

Yuri said employees are working to build a more inclusive workplace by focusing on training, recognizing privilege, and guidance on how to use inclusive pronouns. They thanked the Council for recognizing Transgender Remembrance Week in late November, which honors the lives lost to anti-transgender violence. On behalf of the Rainbow Alliance for Diversity, they thanked the Council for the proclamation and wished everyone a happy Pride Month.

3. Approval of Agenda

- Councilmember Robertson moved to approve the agenda, and Councilmember Stokes seconded the motion.
- The motion carried by a vote of 7-0.

4. Oral Communications

City Clerk Arredondo reminded the public that no election-related topics may be discussed during oral communications, including promoting or opposing a ballot measure or candidate.

- (a) David Loudenback said it had been two months since he last spoke during a Council meeting. Since that time, he has walked another 120 miles and met a lot of interesting people. He described an encounter with a blind woman in Pioneer Square in Seattle who he assisted in getting on the right bus. He said he was speaking for disabled and blind individuals. He commented on Airfield Park's important role as a wildlife corridor.
- (b) Susan Pappalardo, President of SplashForward, expressed support for building an aquatic center at Airfield Park. She said the park's 2023 preferred master plan update balances active and passive uses with the forest regions largely protected. She said 16 acres are wooded with limited development and 11.5 acres are open and developable. She said the preferred facility provides community activities, family recreation, group exercise, swim lessons and aquatic therapy. She said the center will be able to accommodate competitions and special events.
- (c) Kate Sinon said she was representing more than 1,100 community members who oppose development at the meadow at Airfield Park. She expressed concern about the lack of community outreach and public information regarding the park master plan. She suggested providing information in the It's Your City newsletter. She asked the City to resume open-ended discussions with the community to include additional on-site meetings advertised with expanded public notice. She suggested exploring the potential for locating the aquatic center at Bellevue College and other urbanized sites. She expressed concern about environmental and wildlife impacts and about building the park over the old landfill.

- (d) Alex Tsimerman stated his objection to the current City Council. He said White people are a minority in Bellevue. He objects to Amazon being located in Bellevue.
- (e) Patrick Sathyanathan expressed concern regarding the Bellevue Police Department and described a search of his home. He expressed concern that the BPD does not have an office of accountability.
- (f) Stacy Bacon said she has lived in Bellevue for 23 years and frequently visits Airfield Park. She said the meadow should not be developed because it serves as a natural reservoir for water, captures and stores carbon from the atmosphere, helps to maintain ecosystem diversity and provides recreation opportunities. She commented regarding the positive mental health impacts of spending time in nature. She urged the Council to preserve the meadow.

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

6. Report of the City Manager

- (a) Bellevue Botanical Garden Award for Best Public Garden

City Manager Brad Miyake introduced an update regarding the Bellevue Botanical Garden. He acknowledged members of the Bellevue Botanical Garden Society leadership in the audience.

James Gagliardi, Bellevue Botanical Garden Director, said the garden was recently voted Best Public Garden through a channel 5/King5 community survey. He played a short video providing an overview of the garden, which noted that 425,000 people visited the 53-acre garden in 2022. The garden has more than 3,000 plant varieties and displays the best plants and gardening practices for the Pacific Northwest.

Mr. Gagliardi commented on the importance of the partners who support the garden including the Bellevue Botanical Garden Society, Bellevue Utilities Department and others. Nearly 750 volunteers contributed more than 16,000 hours working in the garden in 2022. Mr. Gagliardi highlighted the garden's new greeter program, new interpretative signs and other visitor services. The park includes 12 thematic gardens open free to the public from dawn to dusk every day of the year.

Mr. Gagliardi said a recent endowment enabled the garden to add a full-time curator position. He highlighted the garden's educational activities.

Deputy Mayor Nieuwenhuis thanked Mr. Gagliardi, garden staff and volunteers for their hard work in the garden.

- (b) Diversity Advantage Initiative and Cross-Cultural Center Project Update

City Manager Miyake introduced staff's update from the Diversity Advantage Team.

Dr. Linda Whitehead, Chief Diversity, Equity and Inclusion (DEI) Officer, said staff is working to update the 2014 Diversity Advantage Plan using both community and staff input. The public will be asked to consider the following questions: What should the City keep doing? What should the City stop doing? What should the City start doing? Dr. Whitehead said staff is working with the Centering Communities of Color (CCC) team and the Bellevue Diversity Advisory Network (BDAN) to sponsor community dialogues later this summer to engage with the public.

Dr. Whitehead described efforts to incorporate equity for all residents into the City's departmental policies and practices through budgeting. The budget equity tool adopts an equity lens for developing data-driven budget proposals supported by periodic assessments for accountability.

Dr. Whitehead said DEI and Human Resources Department staff are working to develop a curriculum for training staff in interrupting microaggressions and privilege, and training of all staff will be conducted in conjunction with the Human Resources staff. The DAT supports the CCC team, which will be holding community dialogues on race and social justice throughout Bellevue in July and August. Dr. Whitehead said BDAN members continue to support the CCC's work and will assist with the community dialogues when possible.

Dr. Whitehead recalled that the Council previously directed staff to move forward with cross-cultural programming, to begin looking for a non-profit partner to lead the development of the cross-cultural work and to investigate space availability across the community. The cross-cultural project will be implemented as a traveling center to bring diverse cross-cultural activities to locations across Bellevue. Staff will work with community stakeholders through a brief community design process to consolidate and refine ideas from previous studies and identify potential partners to move forward. The City will award funds to non-profit organizations to develop cross-cultural programs and activities. Dr. Whitehead noted that funding was approved in the 2023-2024 DEI budget to support the development of this program.

Dr. Whitehead highlighted the City's work related to annual cultural events including Pride Month, Juneteenth Day, AANHPI (Asian American, Native Hawaiian and Pacific Islanders) Heritage Month, Welcoming Week, Martin Luther King, Jr. Day, Transgender Day of Remembrance, Latino Heritage Month and Black History Month. She said all of these activities provide opportunities for learning and having fun together. Dr. Whitehead thanked everyone who worked on and attended the Pride Month celebration at City Hall. She said it was well-attended, educational and festive. Dr. Whitehead thanked Yuri Hattersley and Sara Boyle for their hard work on the event.

Dr. Whitehead invited everyone to the Juneteenth Celebration in City Hall on June 20, which will feature a panel discussion, music, dance, spoken word and a reception. She said it is a celebration of freedom and an educational opportunity for the current and future generations. She thanked Amazon for co-sponsoring the event.

Deputy Mayor Nieuwenhuis thanked staff for the update.

- (c) Environmental Stewardship Initiative (ESI) Quarterly Update
[Written information only. No presentation]

City Manager Miyake noted the ESI quarterly update provided in the meeting packet.

- (d) Report of Emergency Procurement for Professional Services
[Written information only. No presentation.]

Mr. Miyake said the report on emergency procurement for professional services relates to a previous emergency proclamation regarding an incident in South Bellevue.

7. Council Business and New Initiatives: None.

8. Consent Calendar

Mayor Robinson recused herself from voting on the Consent Calendar, noting her husband's recent involvement with the King County Housing Authority and her position on the Hopelink Board. Ms. Robinson temporarily left the meeting.

→ Councilmember Robertson moved to approve the Consent Calendar, and Councilmember Stokes seconded the motion.

→ The motion to approve the Consent Calendar carried by a vote of 6-0, and the following items were approved:

- (a) Council Minutes
Minutes of May 8, 2023 Regular Meeting
- (b) Resolution No. 10258 adopting the City of Bellevue 2024-2029 Transportation Improvement Program (TIP).
- (c) Resolution No. 10259 awarding Bid No. 23012 to and authorizing the execution of an agreement with OMA Construction, Inc., as the lowest responsible bidder, to construct an accessible pedestrian pathway in Eastgate Park for an amount of \$893,750.00 plus all applicable taxes.
- (d) Resolution No. 10260 authorizing the City Manager to enter into an agreement for the Ardea at Totem Lake project in the amount of \$475,000, as recommended by the ARCH (A Regional Coalition for Housing) Executive Board.
- (e) Resolution No. 10261 authorizing the City Manager to enter into an agreement for the Bellevue Homes project in the amount of \$203,600, as recommended by the ARCH (A Regional Coalition for Housing) Executive Board.
- (f) Resolution No. 10262 authorizing the City Manager to enter into an agreement for the Kenmore Supportive Housing project in the amount of \$1,112,800, as

recommended by the ARCH (A Regional Coalition for Housing) Executive Board.

- (g) Resolution No. 10263 authorizing the City Manager to enter into an agreement for the Kirkland Heights project in the amount of \$358,400, as recommended by the ARCH (A Regional Coalition for Housing) Executive Board.
- (h) Resolution No. 10264 authorizing the City Manager to enter into an agreement for the Scattered Homes project in the amount of \$135,700, as recommended by the ARCH (A Regional Coalition for Housing) Executive Board.
- (i) Resolution No. 10265 authorizing the City Manager to enter into an agreement for the Spring District 120th Avenue affordable housing project in the amount of \$118,700, as recommended by the ARCH (A Regional Coalition for Housing) Executive Board.
- (j) Resolution No. 10266 authorizing the City Manager to enter into an agreement for the Totem Six Plex project in the amount of \$25,000, as recommended by the ARCH (A Regional Coalition for Housing) Executive Board.
- (k) Resolution No. 10267 authorizing the City Manager to enter into an agreement for the Hope Starts Here project, in an amount of \$208,976 per year, for five years, adjusted annually for inflation, for operations, maintenance, and services, as recommended in the 2022 Housing Stability Program (HSP) Funding Recommendations.
- (l) Resolution No. 10268 authorizing the City Manager to enter into an agreement for the Plymouth Crossing project, in an amount of \$606,036 per year, for five years, adjusted annually for inflation, for operations, maintenance, and services, as recommended in the 2022 Housing Stability Program (HSP) Funding Recommendations.
- (m) Resolution No. 10269 authorizing the City Manager to enter into an agreement for the Spring District 120th Station TOD project, in an amount of \$6,000,000, as recommended in the 2022 Housing Stability Program (HSP) Funding Recommendations.
- (n) Motion to award Bid No. 22069 for the Factoria Boulevard Storm Conveyance Improvements Project to Goodfellow Bros., as the lowest responsive and responsible bidder, in an amount not to exceed \$11,404,625, plus all applicable taxes (CIP Plan No. D-114)
- (o) Resolution No. 10270 authorizing execution of Amendment 5 to the Marymoor Park Interlocal Agreement with King County for maintenance and operation of the Bellevue/King County Marymoor Ballfield Complex.

Mayor Robinson returned to the meeting.

9. Public Hearing: None.

10. Study Session Items

- (a) Discussion of Ordinance Updating Local Construction Codes as required by State Law and Amending Certain Provisions of Bellevue City Code (BCC) 23.05

City Manager Miyake introduced discussion regarding updates to the construction and fire codes.

Gregg Schrader, Building Official, said staff is seeking Council direction to bring two code update ordinances back for formal action or to provide alternative direction. The International Codes are updated every three years and a State technical advisory group reviews the codes and sets minimum requirements. The updated codes will go into effect on October 29, 2023. The City may amend the codes but cannot make them less restrictive. Mr. Schrader said three public stakeholder outreach meetings were held last fall and were attended by more than 100 representatives of the construction, design and development industries.

Mr. Schrader said the Washington State Building Code Council (SBCC) voted earlier this spring to delay the implementation of the codes from July 1 to October 29, 2023. This will allow more time for the industry and local governments to complete training about the new codes.

Significant changes to the national codes include allowing mass timber construction up to a maximum of 18 floors, increasing the accessibility turnaround space from 60 inches to 67 inches, and establishing safety criteria for shipping container buildings. Significant changes to the state code address energy efficiency requirements, requirements for heat pumps for space and water heating, pre-wiring for electric vehicle charging in new houses and the implementation of the Wildland-Urban Interface Code.

Mr. Schrader noted that the proposed codes includes updates to make it more consistent with the administration of the existing Building Code. He said the fire marshal has worked closely with Fire Department personnel to reduce the number of local amendments, which are historically driven by fire fighting operations.

Mr. Schrader said staff is seeking Council direction to move forward with preparing ordinances amending the construction codes and the fire and wildland codes for future Council action.

Deputy Mayor Nieuwenhuis thanked staff for the update.

Councilmember Robertson stated her understanding that the SBCC delayed implementation of the codes by 120 days due to the 9th circuit decision regarding the use of natural gas. She said there is a pending lawsuit on the same topic as well. Mr. Schrader said information has not yet been shared with building officials regarding potential provisions addressing natural gas. He said he was not aware of any additional proposed changes at this time.

Ms. Robertson recalled her past suggestions to consider adopting the International Property Maintenance Code. Mr. Schrader confirmed that the code is not included in the update. In further response to Ms. Robertson, Mr. Schrader said that a few years ago the City moved language regarding property maintenance into Bellevue City Code 23.20 regulating buildings and 23.22 regulating housing.

Councilmember Robertson urged the City to consider adopting the International Property Maintenance Code. She said it is a tool for ensuring that buildings and properties are safe, livable and well maintained.

Responding to Councilmember Zahn, Mr. Schrader confirmed that the revisions are intended to align with the new state codes. He said previous amendments to the Fire Code addressed violations.

- Councilmember Lee moved to direct staff to bring code update ordinances back for Council action, and Councilmember Stokes seconded the motion.
- The motion carried by a vote of 7-0.

(b) Discussion and Direction on Proposed Donation-Funded Utility Rate Assistance Program: Neighbors Helping Neighbors

City Manager Miyake introduced discussion regarding a proposal for a donation-funded utility rate assistance program.

Lucy Liu, Deputy Director, Utilities Department, recalled that the Council asked staff to explore the implementation of a program that would allow the community to make donations to help support Bellevue's utility rate relief efforts. The City is in the process of implementing a new billing system that will have the needed functionality. Ms. Liu said staff is seeking Council direction to draft an ordinance for future action establishing the Neighbors Helping Neighbors donation-funded utility rate assistance program.

Andy Baker, Fiscal Manager, Utilities Department, said the City currently has three utility relief programs: 1) emergency assistance waives up to four months of utility bills, 2) ongoing 70-percent discount for low-income seniors and disabled residents, and 3) utility tax rebate for low-income households. The City assists approximately 1,000 households and spends more than \$1 million annually through the three programs. The ability to accept donations from ratepayers creates a funding source and helps to avoid rate impacts.

Mr. Baker noted that not all low-income customers qualify for existing programs. However, the new program will provide temporary relief for more households. He said current guidelines do not provide eligibility for individuals who need help now if their previous year's income exceeds a certain threshold.

Staff researched utilities programs in other agencies including Puget Sound Energy (PSE), City of Seattle and City of Spokane. The key components of a donation program are: 1) unique

branding to communicate the purpose of the program, 2) ability to accept recurring donations through utility payments and one-time donations online, and 3) dedicated for temporary relief.

Mr. Baker said staff proposes providing an initial \$50,000 from the Utilities Department and matching donations up to \$50,000 annually. The program is targeted toward preventing water shutoffs. It will be available to low-income customers, beyond seniors and disabled individuals, who do not qualify for the ongoing discount programs. The program will waive payment for up to two months of basic utility service. Customers can receive up to six months of assistance if they are eligible for both emergency assistance and the donation program funds.

Mr. Baker described the customer outreach plan to promote the new program and donation options and to inform the public that assistance is available. Communications tools include the It's Your City newsletter, social media, customer bill insert, City web site and business partners. Direct outreach will involve human services organizations and agencies, door tags, customer bill inserts, information on the Utilities Billing web page and signage in City Hall.

Mr. Baker said the Environmental Services Commission reviewed the proposed donation program and unanimously recommends that the City Council adopt the program.

Responding to Deputy Mayor Nieuwenhuis, Mr. Baker confirmed that the new billing system will accommodate monthly billing.

Councilmember Lee, liaison to the Environmental Services Commission, expressed support for the proposed program. He thanked the commissioners and staff for their work.

Councilmember Stokes concurred and commented on the importance of assisting low-income residents.

Councilmember Zahn expressed support for the proposal and the ability for both residents and businesses to donate, even if they are not utility customers. Responding to Ms. Zahn, Ms. Liu said the City plans to move to monthly billing in 2024. In further response, Ms. Liu said staff anticipates the need for assistance to be at least \$100,000 annually and perhaps as high as \$1 million. She said staff will review the program with each budget cycle to determine whether adjustments are needed.

Mayor Robinson expressed support for the program, noting that one of the first signs of housing insecurity can be the inability to pay utility bills. She suggested coordinating the program with homelessness prevention efforts.

Councilmember Barksdale expressed support for the proposed program. Responding to Mr. Barksdale, Mr. Baker said donations will be placed into a fund to be used only for rate relief. The funds are distributed as people apply for assistance. Mr. Barksdale suggested providing some type of incentive to encourage people to donate.

Councilmember Robertson said people and businesses in Bellevue are generous and this program provides an opportunity to help their neighbors. Responding to Ms. Robertson, Ms. Liu said the

Utilities Department will provide an initial \$50,000 in the fund. To encourage donations, the City will match the donations up to \$50,000 annually. Ms. Liu said the estimated annual cost of \$100,000 would cover approximately 400 households. Ms. Robertson said she looks forward to monthly billing.

Deputy Mayor Nieuwenhuis requested an update to the Council after the program has been implemented for 6-12 months. He said it would be great to acknowledge everyone who donates in some way.

- Councilmember Lee moved to direct staff to bring back an ordinance for Council action to establish the Neighbors Helping Neighbors donation-funded utility rate assistance program. Councilmember Stokes seconded the motion.
- The motion carried by a vote of 7-0.

At 7:30 p.m., Deputy Mayor Nieuwenhuis declared a short break. The meeting resumed at 7:42 p.m.

11. Land Use: None.

12. Other Ordinances, Resolutions, and Motions

- (a) Ordinance No. 6742 amending the Land Use Code (LUC) to create a new Section LUC 20.20.537 Micro-Apartments to establish applicability, requirements and standards for Micro-Apartments; amending LUC 20.10.440 Land Use Charts, LUC 20.25A.050 Downtown Land Use Charts, LUC 20.25D.070 BelRed Land Use Charts, LUC 20.25P.050 Eastgate Land Use Charts, LUC 20.25Q.050 East Main Land Use Chart, and LUC 20.50.034 “M” Definitions for consistency with the new Section LUC 20.20.537; providing for severability; and establishing an effective date.

City Manager Miyake said this topic was last discussed during the April 24 Council meeting. He noted that staff is seeking Council action tonight on Ordinance No. 6742.

Rebecca Horner, Director, Development Services Department, introduced staff for the presentation.

Nick Whipple, Planning Manager, requested Council adoption of the recommended Land Use Code Amendment (LUCA) and Council direction to staff to analyze provisions in Bellevue City Code Chapter 4.52 for potential updates in the future.

Mr. Whipple recalled that the LUCA was initiated under the Next Right Work action to remove barriers to micro-apartments. It is consistent with Strategy B of the Affordable Housing Strategy to create a variety of housing types. The proposed LUCA will: 1) implement Action B-1 of the Affordable Housing Strategy, 2) implement the Next Right Work action to remove barriers to the

construction of micro-apartments, 3) encourage micro-apartments in certain locations, and 4) respond to the City's housing needs as identified in the 2022 Housing Needs Assessment.

Mr. Whipple said the LUCA represents a Process IV City Council legislative action. Discussions about the proposed LUCA were held with the City Council on October 10, 2022 and with the Planning Commission on January 25, 2023. The commission held a public hearing on March 8, 2023 and finalized its recommendation, which was presented to the City Council on April 24, 2023.

The micro-apartments LUCA applies in mixed-use areas within one-half mile of transit with service four or more times per hour, within one-quarter mile of transit with service two or more times per hour and within one-half mile of future light rail and bus rapid transit (BRT) stations. Mr. Whipple said the LUCA sets a maximum unit size of 320 square feet, a minimum bicycle parking ratio of one space per five units and a minimum vehicle parking ratio of 0.25 spaces per unit. Each micro-apartment is calculated as 0.25 dwelling unit and there is no requirement for a multifamily play area at the housing developments.

Mathieu Menard, Senior Planner, recalled three issues that were raised by the Council during the initial discussion about micro-apartments: 1) unit size alignment with the multifamily tax exemption (MFTE) program, 2) parking requirements and 3) open space access for future micro-apartments. The MFTE program currently requires that if units are smaller than 300 square feet, they are classified as very small dwelling units and rental costs are based on 45 percent of the area median income (AMI). Units larger than 300 square feet must be offered at 80 percent AMI. Developments with units larger than 300 square feet must provide 25 percent of the units at 80 percent AMI and must offer deeper affordability (70 percent AMI) when no family-sized units are provided.

Mr. Menard said the Land Use Code provides regulations for all micro-apartments in eligible locations, including requirements for maximum size, parking, density and multifamily play areas. The MFTE program offers a voluntary affordable housing incentive for new multifamily rental development in the form of a 12-year residential property tax exemption in exchange for a certain percentage of affordable housing units.

Mr. Menard described three code options for addressing the LUCA and the MFTE program together. He noted that there has been little interest in Seattle and elsewhere to develop very small dwelling units (less than 300 square feet) with rental costs of 40-45 percent AMI. He said staff recommends Option B: 1) adopt LUCA as drafted, 2) remove barriers to micro-apartments immediately, and 3) potentially update MFTE code later this year. This option gives developers certainty in designing and planning for micro-apartments and allows time to analyze the impacts of the MFTE AMI threshold and unit size. Mr. Menard said there is currently one developer interested in applying the LUCA to develop housing in the BelRed corridor.

Mr. Menard said the reduced parking requirement for affordable housing requires that units are affordable at 80 percent AMI and are occupied by households earning 80 percent AMI or less. Restrictions are placed on the units for the life of the building. The LUCA eliminates the

multifamily requirement for a play area. However, other open spaces are required where applicable (e.g., public plaza, landscaping).

Mr. Menard said the public engagement process involved discussions with developers, architects and property managers as well as a community information session on January 19. Information is also provided on the City's web page and in the January neighborhood newsletter.

Deputy Mayor Nieuwenhuis thanked staff for the presentation.

Mayor Robinson acknowledged that micro-housing is not for everyone. However, it is a missing link in the housing available in Bellevue and will provide more affordable options. She expressed support for staff's recommendation of Option B. She would like to have the opportunity to examine MFTE parking requirements within the next six months. Mayor Robinson thanked the Planning Commission for its work.

Councilmember Robertson, liaison to the Planning Commission, said she was not in favor of adopting the LUCA with the intent of modifying the MFTE program and/or LUCA in the near future to better align the two programs. She said she worked with the City Attorney's Office to draft a proposed amendment, which was emailed to the Council. Ms. Robertson's amendment would revise the LUCA to be consistent with the MFTE program now and incorporate the standards for the MFTE program's AMI threshold, based on a code reference to the parking requirement and the unit size.

Ms. Robertson said her proposed amendment would reduce the maximum unit size to 300 square feet, consistent with the MFTE program, and would also state "or the size of a very small dwelling unit, whichever is larger" as set forth in that program. She suggested that if the MFTE program is modified in the future, the changes would be applied to the LUCA as well. She said if these changes are not made, someone using the MFTE program could get a 12-year tax exemption but would be charging market rates for the units because the market rate for very small units is generally 60-80 percent AMI. She is not in favor of allowing housing with no parking facilities.

Councilmember Robertson recommended adopting Option B with her proposed changes, as emailed to the Council earlier in the day.

Mr. Whipple concurred about the benefit of alignment between the micro-apartment LUCA and the MFTE program. He said a developer is currently interested in pursuing a micro-apartment project. They have had their pre-application conference and have moved into a pre-development services application. Mr. Whipple said the developer proposes developing 189 units in the BelRed area. However, lowering the maximum unit size to 300 feet would not allow the developer to move forward.

Mr. Whipple said the LUCA requires that the units be permanently designated as affordable housing.

Mr. Menard clarified that currently under the Land Use Code and the MFTE program, a developer could build a 310-square-foot apartment and qualify for the MFTE program.

Councilmember Barksdale expressed support for Option B as recommended by staff. He said waiting six months to consider updates to the MFTE program will allow the City to see the impact of the LUCA.

Councilmember Lee concurred with Councilmember Robertson's concerns and expressed support for her proposed amendment.

Regarding parking requirements, Mr. Lee opined that there will always be a need for parking facilities, even with small units. Mr. Menard said Option A recommends updating the LUCA when the MFTE program is updated to set the parking AMI requirement. He said further analysis is needed and acknowledged that some people will have cars. The requirement would be set at zero if affordable housing is provided but does not prevent the development of parking facilities.

Councilmember Stokes expressed support for Option B as recommended by staff and the Planning Commission. He believes that further revisions to enhance the alignment of the Land Use Code and the MFTE program can be delayed for now. He said housing is urgently needed and he is ready to move forward.

Councilmember Zahn thanked staff for the information. She concurred with Mayor Robinson that micro-apartments are not for everyone but they provide a needed housing type. She encouraged moving forward with micro-apartments and suggested that developers might decide to provide more parking to make the units more appealing.

Mr. Menard said that, according to the housing needs assessment, 26 percent of residents are single-person households and 22 percent of apartments are studios or one-bedrooms. He said all micro-apartments in the region in 2022 were built in Seattle and there are no micro-apartments on the Eastside.

Deputy Mayor Nieuwenhuis expressed support for moving forward with the amendment proposed by Councilmember Robertson. He said he did not know that the Planning Commission was unaware of the comparison to the MFTE program. He acknowledged the urgency to provide housing. However, he opined that a six-month delay would not be too long.

Mayor Robinson said she appreciated Councilmember Robertson's expertise and ideas. However, she would like to move forward with Option B.

→ Mayor Robinson moved to adopt Ordinance No. 6742, Option B, as proposed by staff. Councilmember Stokes seconded the motion.

Responding to Councilmember Lee, Mr. Whipple said the housing needs assessment does not provide information about the number of residents who own cars.

- Councilmember Robertson moved to amend Ordinance No. 6742 with the provisions emailed to the Council, truing up the LUCA with the MFTE program for very small dwelling units (300 square feet or less) with regard to parking and unit size requirements. Councilmember Stokes seconded the motion.

Councilmember Robertson clarified that she proposed her amendment to avoid delay in encouraging affordable housing units. She reiterated that the LUCA should be consistent with the MFTE program, which will create deeper affordability.

- The motion to amend failed by a vote of 3-4, with Deputy Mayor Nieuwenhuis, Councilmember Lee and Councilmember Robertson in favor.

Councilmember Robertson said it is poor form to pass legislation that we know is wrong and not take the opportunity to make better. She said she would not support the main motion.

Councilmember Lee opined that more information is needed about the impact of requirements regarding unit size and parking within the MFTE program. He reiterated his concern that people will have cars without any parking facilities.

Councilmember Stokes said the proposed LUCA is not unreasonable.

- The main motion carried by a vote of 6-1, with Councilmember Robertson opposed.

13. Unfinished Business: None.

14. New Business: None.

15. Executive Session: None.

16. Adjournment

At 8:29 p.m., Deputy Mayor Nieuwenhuis declared the meeting adjourned.

Charmaine Arredondo, CMC
City Clerk

/kaw