

**CITY OF BELLEVUE
CITY COUNCIL**

Summary Minutes of Regular Meeting

January 13, 2026
6:00 p.m.

Council Chambers
Bellevue, Washington

PRESENT: Mayor Malakoutian, Deputy Mayor Hamilton and Councilmembers Bhargava, Briar, Nieuwenhuis, Robinson and Sumadiwirya

ABSENT: None.

1. Call to Order

The meeting was called to order at 6:03 p.m., with Mayor Malakoutian presiding.

2. Roll Call; Flag Salute

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

(a) Martin Luther King, Jr., Day Proclamation

Councilmember Briar read the proclamation declaring January 19, 2026, as Martin Luther King, Jr. Day in Bellevue. She encouraged everyone to reflect on Dr. King's legacy, engage in acts of service and to participate in related activities, including the City's celebration and health fair.

Theryl Johnson, Vice President, Bellevue Alumnae Chapter of Delta Sigma Theta Sorority, said January 13 is the anniversary of the founding of the sorority at Howard University in 1913. The original founders were dedicated to public service and social action and one of their first events was the 1913 Woman Suffrage Procession. Ms. Johnson said they look forward to working with the City at the health fair and celebration. She thanked the Council for the proclamation.

(b) National Human Trafficking Awareness Month Proclamation

Councilmember Sumadiwirya read the proclamation recognizing January 2026 as National Human Trafficking Awareness Month in Bellevue. She urged everyone to report suspected trafficking, support survivor-centered services and to contribute to community efforts to help prevent trafficking and uphold human rights.

Captain Ben Jones, Bellevue Police Department, thanked the Council for the proclamation. He said Bellevue is fortunate to have resources dedicated to addressing human trafficking. He urged

the public to contact the police department/911 if they need help or know of someone who is being trafficked.

3. Approval of Agenda

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

4. Oral Communications

City Clerk Arredondo said the total time for oral communications is for a period not to exceed 30 minutes and topics must relate to City of Bellevue government. Individuals speaking to items on the agenda will be called first and if time remains, others will be called. The presiding officer is authorized to give preference to individuals who have not spoken to the Council within the past 60 days or who are speaking to items that will come before the Council in the upcoming 60 days. Each speaker is allowed up to three minutes to speak and a maximum of three speakers are allowed to speak to any one side of a particular topic. In compliance with Washington state campaign laws regarding the use of public facilities, no speaker may support or oppose a ballot measure or candidate.

- (a) Patience Malaba, Co-Chair of the Eastside Housing Roundtable and CEO of the Housing Development Consortium, expressed support for staff's proposed updates to the multifamily tax exemption (MFTE) housing program, especially the Wilburton Supercharger incentive. She encouraged support for home ownership opportunities.
- (b) Joe Fain concurred with Ms. Malaba and said the Bellevue Chamber of Commerce supports the MFTE program updates. He thanked City staff for their work and encouraged the Council's support of the recommendations.
- (c) Brady Nordstrom, Housing Development Consortium, noted their work with the Eastside Affordable Housing Coalition and expressed support for the MFTE program updates. He said the average MFTE tenant earns 56 percent of the area median income (AMI). He thanked the City for its leadership and support and said he looks forward to a continued partnership.
- (d) Jessie Clawson commented regarding Agenda Item 10(a), Initiation of the Parking Reform Land Use Code Amendment (LUCA). She urged the Council to take the most expansive approach possible in regulating parking requirements. She encouraged an approach that helps small businesses and suggested that the Council expand the scope of the parking code changes to apply citywide. She encouraged the Council to direct staff to take a comprehensive, citywide look at the parking code to modernize it to current standards.

- (e) Jack Shannon expressed concern regarding plans for the South Meydenbauer Reservoir Project in his neighborhood. He highlighted the wildlife that live along the greenbelt. He said the proposed bare concrete building is incompatible with the neighborhood. He encouraged the City to use architects and landscape specialists instead of utilities staff to design this type of facility.
- (f) Keehn Thomsen expressed concerns regarding the South Meydenbauer Reservoir Project adjacent to his property. He said residents have advocated to retain access to the open space. He said one-third of the site will be fenced, blocking access and views. He said residents were told there would be meaningful, long-term benefits from the project.
- (g) Doug Smith concurred with the previous two speakers. He said residents have engaged with utilities staff in good faith for the past couple of years. He said they read documents, provided input and tried to be constructive partners. He said residents have been told that fencing is the only viable solution to meet operational and security needs. He said that research of peer cities indicated that secure and regulatory compliant reservoirs can exist with open, natural community-oriented spaces. He said there has not been sufficient exploration of project alternatives.

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

6. Report of the City Manager

(a) 2026 State Legislative Session Preview

City Manager Diane Carlson introduced staff's update regarding the 2026 state legislative session.

Katie Halse, Assistant Director for Intergovernmental Relations, City Manager's Office, introduced Diana Hart, the new State Relations Policy Advisor.

Ms. Hart said the 60-day session began on January 12. She noted that 2026 is a campaign year for half of the Senate and all members of the House. Key topics for the legislative session include the continued budget shortfall, response to federal government action, human services and housing affordability.

Ms. Halse said the key priorities in the Council's State Legislative Agenda are: 1) economic prosperity and partnership, 2) affordable housing, 3) transportation (I-405/SR 167 corridor, business access and transit lanes and SR 520/124th Avenue NE interchange), and 4) streamlined permitting. She noted that the State Policy Statement provides broader guidance for advocacy on policy issues. Ms. Halse noted that the Association of Washington Cities (AWC) 2026 Legislative Agenda focuses on indigent defense, transportation, housing supply and shared revenues.

Ms. Halse highlighted upcoming meetings and events including AWC City Action Days on January 21 and 22. The revenue forecast will be released on February 20 and the legislative session ends on March 12.

Mayor Malakoutian thanked staff for the update.

7. Council Business and New Initiatives: None.

8. Consent Calendar

- Councilmember Robinson moved to approve the Consent Calendar, and Deputy Mayor Hamilton seconded the motion.
- The motion to approve the Consent Calendar carried by a vote of 7-0, and the following item was approved:
 - (a) Resolution No. 10572 authorizing execution of a Parks Property Tax Levy Agreement between King County and the City of Bellevue.
 - (b) Ordinance No. 6897: 1) authorizing execution of Change Order No. 2 to the Public Works Contract with Cornerstone General Contractors Inc. for Construction Services for Fire Station 10, in the amount of \$3,700,000 plus all applicable taxes, for a new contract total not to exceed \$38,279,270, plus all applicable taxes; 2) amending the 2025-2026 General Capital Improvement Program (CIP) Fund to increase the appropriation by \$4,250,000; and 3) amending the 2025-2030 General CIP Plan to increase the budget for the Fire Station 10 (Levy) project (CIP Plan No. PS-64) by \$4,250,000.
 - (c) Resolution No. 10573 determining that an existing utility easement located at 200 112th Ave NE is surplus to the City's needs and is no longer required for providing continued service; and setting a time and place for a public hearing.

9. Public Hearing: None.

10. Study Session Items

- (a) Council Initiation of Parking Reform Land Use Code Amendment in response to recent changes to state law enacted through Senate Bills 6015 (2024) and 5184 (2025), as well as updates to the city's Comprehensive Plan policies adopted in the Bellevue 2044 Plan.

City Manager Carlson introduced discussion regarding the proposed Council initiation of work on the Parking Reform Land Use Code Amendment (LUCA).

Rebecca Horner, Director, Development Services Department, said staff is seeking Council feedback regarding parking regulatory options.

Nick Whipple, Code and Policy Director, said minimum parking established through land use regulations requires developments to provide a specified minimum number of off-street parking spaces, typically based on land use, dwelling units or floor area. These regulations are intended to prevent spillover parking on nearby streets and to ensure sufficient parking capacity. The regulations assume a worst-case peak demand scenario. Bellevue's development regulations reflect minimum parking requirements since at least 1962. The underlying approach reflects development patterns and transportation assumptions of that time period.

Mr. Whipple said the City's parking requirements no longer apply to certain uses that were once common, including bowling alleys, airfields and dance halls. He said the Bellevue 2044 Comprehensive Plan supports transit-oriented development, encourages flexible parking standards, and seeks to remove unnecessary barriers to development.

Mr. Whipple said Senate Bill 6015 in 2024 and SB 5184 in 2025 established parking stall dimensions and reduced minimum parking requirements for cities. The requirements apply to future residential, mixed-use and commercial developments. The deadline for complying with new state law is January 2027.

Shawn Edghill, Senior Planner, said that under SB 5184, minimum parking requirements cannot exceed 0.5 space per unit for multifamily development, one space per unit for single-family development and two spaces per 1,000 square feet for commercial uses. The new law states there can be no minimum parking requirements for residential uses under 1,200 square feet, commercial spaces smaller than 3,000 square feet, affordable housing, senior housing, childcare centers, ground floor commercial uses and conversions (non-residential to residential).

SB 6015 provides an allowance for tandem parking and for enclosed or unenclosed parking to count toward the minimum parking requirement. The maximum required parking stall dimension is eight feet by 20 feet, except for ADA stalls. There are minor limits on parking surface materials. Mr. Edghill noted that SB 5184 includes an exemption when an expert empirical study proves that the mandate would be significantly less safe than current rules.

Mr. Edghill said the City's parking requirements are primarily in Land Use Code 20.20.590 and in 20.25A (Downtown districts), 20.25D (BelRed), 20.25Q (East Main TOD) and 20.25R (Wilburton TOD).

The proposed scope of work for the LUCA is to: 1) align the code with the new state mandates to address minimum parking, parking surface materials and stall dimensions, and 2) streamline parking requirements and establish one LUC chapter of parking regulations. Additional scope options are to: 1) expand parking reform near transit (remove parking requirement within one-half mile of light rail and RapidRide bus stops and in areas with frequent transit), 2) expand parking reform citywide through the elimination of minimum parking, and 3) clarify the treatment of changes in use or tenant transitions with parking constraints.

Mr. Edghill said the LUCA process will follow Process IV requirements for public noticing and the public hearing. Direct engagement will include information sessions and meetings with

residents, neighborhood associations and the development community. Information will be provided on the City's website and in the It's Your City newspaper and Neighborhood News publication.

Mr. Edghill highlighted the draft schedule for the LUCA process beginning with community outreach this spring. The draft LUCA will be completed this summer for review and public engagement and for the Planning Commission's review this fall. Council action is anticipated by December to comply with state law.

Mr. Edghill requested Council direction to initiate work on the Parking Reform LUCA and to consider additional scoping options.

Councilmember Bhargava said it is important to consider the impact of parking requirements on actual development potential, especially on smaller or constrained parcels. He encouraged flexibility in the code, a market-driven approach, demand-based parking and options for shared parking. He expressed an interest in more information regarding the proposed removal of parking requirements near transit.

Councilmember Robinson concurred with Mr. Bhargava's comments regarding flexibility, a market-driven approach and shared parking. She asked whether the minimum regulations would address concerns raised by Jessie Clawson during oral communications. Ms. Robinson said she did not agree that four-bedroom, low-income housing does not require parking. She also disagreed with not requiring parking for senior housing.

Ms. Robinson expressed support for expanding parking reform near transit and clarifying the treatment of changes in use or tenant transitions. Regarding the expansion of parking reform citywide, Ms. Robinson said she felt that should be based on conversations with transit agencies and a qualitative analysis. She expressed an interest in more transit options with realistic walkability based on the geography.

Referring to Ms. Clawson's issue, Mr. Whipple said there are different parking requirements for retail and restaurants. Retail parking has a lower demand ratio than restaurants in the code and the lack of parking can make it difficult for restaurants to take over a former retail space. Mr. Whipple said the baseline scope of work for the LUCA does not address this issue. However, it could be added to the scope of work.

Councilmember Briar thanked staff for the information. She said good policy is rooted in excellent data derived from logically consistent principles and should be scalable. She expressed support for expanding the scope of the LUCA to address parking reform near transit and to clarify the treatment of changes in use. She suggested a technical analysis of the potential for expanding parking reform citywide.

Councilmember Nieuwenhuis expressed support for expanding the scope of the LUCA to consider expanding parking reform citywide and to clarify the treatment of changes in use. He said he had some concerns about parking reform near transit service. He said he would favor a more market-driven approach because business owners understand their parking needs.

Councilmember Nieuwenhuis said that removing the residential visitor stall requirement is long overdue. He expressed support for a modernized citywide approach.

Mr. Nieuwenhuis encouraged staff to conduct extensive public outreach and to gather feedback.

Responding to Councilmember Sumadiwirya, Mr. Whipple said parking cannot be required for affordable housing and childcare uses under the new state law. He said Bellevue does not currently have a parking requirement for childcare centers.

Ms. Sumadiwirya encouraged staff to engage businesses, especially restaurant owners, in discussions.

Deputy Mayor Hamilton expressed support for the proposed scope of the LUCA. He concurred with his colleagues' comments. He expressed an interest in expanding parking reform near transit and in the potential for eliminating parking requirements for certain circumstances. He said he hopes the review process can consider the safety of pedestrians and cyclists. He expressed support for robust public engagement. Responding to Mr. Hamilton, Mr. Whipple said a web page has been created on the City's website and the public can subscribe to the project's newsletter.

Mayor Malakoutian thanked staff for their work and encouraged extensive community outreach. He noted general Council support for adding the three items suggested by staff to the LUCA scope of work.

- Deputy Mayor Hamilton moved to direct staff to initiate work on the Parking Reform LUCA and to direct the Planning Commission to review and process the LUCA. Councilmember Nieuwenhuis seconded the motion.
- The motion carried by a vote of 7-0.

At 7:32 p.m., Mayor Malakoutian declared a short break. The meeting resumed at 7:44 p.m.

(b) Multifamily Tax Exemption (MFTE) Program Update

City Manager Carlson introduced discussion regarding an update of the Multifamily Tax Exemption (MFTE) program.

Bianca Siegl, Director, Office of Housing, said staff is seeking Council direction to prepare an ordinance for final action at a future meeting.

Robin Xiao, Affordable Housing Development Program Manager, provided a brief overview of the MFTE program. The program offers a 12-year property tax exemption on the value of qualifying residential improvements for new multifamily properties. At least 20 percent of the units must be reserved for households earning up to 80 percent AMI for 12 years. Certain projects and units require deeper affordability. The program applies in all areas zoned for multifamily use.

Mr. Xiao highlighted the MFTE code update process that was initiated in May 2025.

Mr. Xiao provided an overview of staff's recommendations related to the Wilburton Supercharger option, Wilburton eight-year programs, 20-year home ownership program, MFTE for conversion projects, inclusionary zoning, and expanded parking exemptions for TOD areas. He said staff recommends not moving forward with the citywide Supercharger option or the 12-year extension alternative.

The Wilburton Supercharger allows a property owner to double count their mandatory housing units toward the MFTE requirements without the 15 percent reduction in AMI that would otherwise be required. Mr. Xiao highlighted the new eight-year tax exemption in exchange for additional units that are affordable at 50-60 percent AMI for the life of the project. He commented on the 20-year home ownership program, conversion projects, aligning the MFTE program with the Land Use Code, 8-year program option with future inclusionary zoning, and parking TOD exemption. Under the existing rules, there is a 30 percent discount for MFTE renters who choose to rent a parking space.

Mr. Xiao said there is currently an exemption for downtown projects and staff recommends expanding the exemption to all projects within one half-mile of frequent transit service.

Mr. Xiao said the recommendations represent a balance of the key priorities and themes heard throughout the engagement process. He noted a recommendation to consolidate the processing of documents for both MFTE and mandatory housing units. Moving forward, staff will evaluate the MFTE program along with the LUCA revisions involving mandatory affordability. Mr. Xiao commented on the stakeholder feedback. He suggested initiating a MFTE program look-back in 2029.

The citywide Supercharger option could stimulate redevelopment but it is not designed to offset the costs of mandatory requirements. The Supercharger concept only applies alongside mandatory affordability, which is currently limited to the Wilburton area. Mr. Xiao said staff does not recommend expanding the Supercharger option citywide.

Mr. Xiao said 80 percent AMI is the current market rate for studio and one-bedroom units. MFTE households earn approximately 56 percent AMI. He said the MFTE program continues to provide a desirable, balanced incentive.

Mr. Xiao said there have been discussions about a 12-year extension that would allow a property to receive up to 24 years of a property tax exemption. He said staff recommends against adopting the 12-year extension option at this time. He said Bellevue's first expiration will be in December 2031.

Mr. Xiao commented on the fiscal impacts of the proposed changes to the MFTE program. He said the existing 12-year program, new 20-year home ownership program and new program for conversion projects apply citywide. The new eight-year program and 12-year Supercharger option apply only in the Wilburton area.

Mayor Malakoutian thanked staff for the presentation.

Councilmember Briar said it is important to move forward to increase the housing supply as quickly as possible. She said she appreciated the information on the fiscal impacts. She is pleased that affordable housing can be built without heavily burdening the average taxpayer.

Councilmember Robinson said she appreciated staff's work on this complex topic. She asked about the possibility of a qualitative analysis of the TOD parking exemption that takes geography and walkability into consideration. She expressed support for the eight-year program and the home ownership option.

Councilmember Sumadiwirya thanked staff for their work and the thorough presentation.

Councilmember Nieuwenhuis said he appreciated staff's extensive efforts to engage stakeholders and gather feedback. He thanked the individuals and organizations who have been involved with this program and provided input. He said MFTE program updates need to come forward concurrently with rezones.

Councilmember Bhargava thanked staff for their good work. He expressed support for the Supercharger option in the Wilburton area, home ownership option and conversion projects.

Mr. Bhargava suggested considering a higher degree of incentive, such as a lower percentage of affordable units, in exchange for deeper affordability units. He expressed an interest in the 12-year extension option despite staff's recommendation to not adopt it at this time.

Deputy Mayor Hamilton thanked everyone, including the Eastside Housing Roundtable, for their work. He said he appreciated his colleagues' support of the MFTE program update. He said he looks forward to further discussion regarding the potential effectiveness of the Wilburton Supercharger option in other neighborhoods and the potential benefit of the 12-year extension. He expressed support for moving forward to finalize the MFTE program update.

Responding to Mayor Malakoutian, Mr. Xiao said he would follow up with information regarding the number of forecasted affordable housing units. In further response to Mr. Malakoutian, Mr. Xiao commented on the performance metrics, including the MFTE program participation rate and the rent savings at each property.

- Deputy Mayor Hamilton moved to direct staff to finalize the Multifamily Tax Exemption (MFTE) Program code update ordinance for final action at a future meeting. Councilmember Nieuwenhuis seconded the motion.
- The motion carried by a vote of 7-0.

11. Land Use Reports

- (a) Consideration of SRM Affordable Housing Rezone Application submitted by SRM Development for a rezone of a 4.55-acre site located at 999 118th Avenue SE from Office/Limited Business (OLB) to Neighborhood Mixed Use (NMU). Permit File No. 22-118369-LQ.

City Manager Carlson introduced consideration of the SRM Affordable Housing Rezone application. She said this is a quasi-judicial matter on a site-specific rezone located at 999 118th Avenue SE.

City Clerk Charmaine Arredondo said staff will present the administrative record and the recommendation of the Hearing Examiner on this site-specific rezone. She said this is a quasi-judicial process in which the Council makes a decision based on established criteria rather than policy preferences. She said the Appearance of Fairness rules apply to this process. In 2022, the Council was removed from most quasi-judicial processes (Process I and II) but state law requires the Council to make the final decision on site-specific rezones (Process III).

The application followed Process III rules regarding the minimum comment period, public meeting, Director's recommendation to the Hearing Examiner, and the public hearing held by the Hearing Examiner before making a recommendation to the Council.

City Attorney Trisna Tanus provided information regarding ex parte disclosures. The Appearance of Fairness doctrine indicates that decisionmakers must not engage in ex parte communications regarding a matter. If an ex parte communication occurs, it should be disclosed and the parties should have the opportunity to rebut the substance of the communication. Ms. Tanus said a search of the Council's email accounts did not find any ex parte contacts. However, she invited Councilmembers to disclose any ex parte communications occurring outside of the Council's email.

Ms. Tanus said the Council's role is to consider and take final action on this site-specific rezone application. The Council shall not accept new information and shall consider the complete record developed before the Hearing Examiner and the recommendation of the Hearing Examiner. The decision should be based upon the defined decision criteria in the Land Use Code.

Toni Pratt, Land Use Director, Development Services Department, said the SRM application requests a rezone of an existing 4.55-acre site from Office/Limited Business (OLB) zoning to Neighborhood Mixed-Use (NMU) zoning.

Wayland Barton, Senior Planner, said the site currently consists of a 135-unit apartment complex and a partially built hotel (Holiday Inn Express). He presented a graphic depicting the site context with Office, OLB and LI parcels bordering the site as well as nearby I-405 and the Mercer Slough. The Land Use Director recommended approval to the Hearing Examiner.

After holding a public hearing on November 3, 2025, the Hearing Examiner recommended approval to the City Council. Ms. Arredondo said the Hearing Examiner recommends approval of the application to rezone the site from OLB to NMU, consistent with the Comprehensive Plan

land use designation assigned to the area. She said staff will request final Council action on the rezone application on January 27.

Mayor Malakoutian thanked staff for the information.

12. Other Ordinances, Resolutions and Motions: None.

13. Written Reports

(a) Intergovernmental Affairs Monthly Update as of December 31, 2025

14. Unfinished Business: None.

15. New Business: None.

16. Executive Session: None.

17. Adjournment

At 8:52 p.m., Mayor Malakoutian declared the meeting adjourned.

Charmaine Arredondo, CMC
City Clerk

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