CITY OF BELLEVUE CITY COUNCIL

Summary Minutes of Regular Meeting

June 12, 2023 6:00 p.m.

Council Chambers Bellevue, Washington

<u>PRESENT</u>: 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 6:03 p.m., with Mayor Robinson presiding.

2. Roll Call; Flag Salute

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

(a) Juneteenth Proclamation

Councilmember Barksdale read the proclamation recognizing June 19, 2023, as Juneteenth Day in Bellevue and called on the community to join in embracing the City's commitment to continued reflection and action to advance equity, inclusion and justice.

Jeri Tiernan, representing the Centering Communities of Color (CCC) committee, said that even though the Emancipation Proclamation had been signed by President Lincoln, the last enslaved Americans in Galveston, Texas, were not informed of that fact until June 19, 1865. She described the activism and accomplishments of Fannie Lou Hamer, who was born to sharecroppers in 1917, worked in cotton fields at a young age, and ultimately learned to read and write. In 1961, she received a hysterectomy without her consent while undergoing minor surgery. Ms. Hamer subsequently became active in Mississippi's civil rights movement.

Ms. Tiernan recalled that last year she was asked by her employer to speak to commemorate Juneteenth Day. However, she was prevented from telling Fannie Lou's full story and was asked to present a more sanitized version of her life. Ms. Tiernan said it is important to learn about this and similar stories in their completeness. She thanked the Council for the proclamation and noted

representatives of the CCC committee and the Bellevue Diversity Advisory Network (BDAN) in attendance.

(b) World Elder Abuse Awareness Day Proclamation

Councilmember Robertson read the proclamation recognizing June 15, 2023, as World Elder Abuse Awareness Day in Bellevue and urged everyone to commit to building safer communities for our aging residents.

Diana Thompson, representing the Bellevue Network on Aging, thanked the Council for the proclamation. In 2022, 83 percent of reports of abuse in Washington state involved vulnerable adults age 60 and older. Elder abuse includes physical and emotional abuse, financial exploitation, confinement, neglect, willful deprivation, self-neglect and sexual abuse. The abuse occurs in private homes, institutional settings and within businesses in the community and is often perpetrated by a known trusted person. Signs of elder abuse include unexplainable bruises, changes in personality, inattention to hygiene or medication, irrational excuses, aggression, unexplained financial actions and missing money.

Ms. Thompson said senior abuse is underreported and a victim might not report abuse for a number of reasons including inability to report, fear of retaliation, concern that the abuser will be sent to jail or fear that reporting will lead to placement in a nursing home. She shared a story of a recent incident in which an individual illegally spent \$848,000 of a client's money. She said the criminal case is pending and the client is now living in an adult family home and doing well. Ms. Thompson instructed the public to call 911 in an emergency and, in a non-emergency, to contact Washington State Adult Protective Services at 1-877-734-6277 or to file a report online.

Mayor Robinson acknowledged members of the Bellevue Network on Aging in the audience.

3. Approval of Agenda

- Deputy Mayor Nieuwenhuis moved to approve the agenda, and Councilmember Stokes seconded the motion.
- \rightarrow The motion carried by a vote of 7-0.

4. <u>Oral Communications</u>

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) Patrick Bannon, President of the Bellevue Downtown Association (BDA), said he is Co-Chair of the newly formed Friends of the Grand Connection group. He said the BDA has been working with the City on the Grand Connection project for many years. He said the new group's purpose is to champion the bike-pedestrian I-405 over-crossing section of the Grand Connection. This includes advocacy and helping to identify funding for the project. The crossing will connect the Downtown light rail station to the Eastrail,

Wilburton neighborhood and the Spring District. Mr. Bannon said they envision the crossing to be both functional and iconic. He said this is a placemaking project that people will love, a community building and economic development project, a project that will enhance tourism efforts and a way to reconnect the areas east and west of I-405. Mr. Bannon noted additional members of the group in the audience. He said the group's goal is to see the over-crossing completed by 2028.

- (b) Pearl Leung, Amazon representative and Co-Chair of Friends of the Grand Connection, recalled Amazon's past efforts with the City and community to create a vision and design for the Grand Connection. She said Amazon was an early adopter of the Grand Connection design guidelines to activate the Pedestrian Corridor adjacent to its building. Last November, Amazon made a donation to the City to accelerate the community vision and to support the formal design process for a bike-pedestrian bridge over I-405. Ms. Leung thanked all of the individuals, businesses and organizations that have joined the Friends group. She said the Grand Connection will be a signature and defining feature serving as a catalyst for redevelopment in the Wilburton area. She thanked the Council and City staff for all of their work to make Bellevue a great place.
- (c) Christopher Randels, representing Complete Streets Bellevue, expressed support for the proposed Transportation Benefit District (TBD). He said his organization has been participating in the City's Comprehensive Plan update process, most recently related to the Draft Environmental Impact Statement (DEIS) process. He said this was the first EIS process to utilize Bellevue's new Mobility Implementation Plan (MIP) reflecting a multimodal transportation network. He said a fundamental weakness of the MIP is that no target date has been set for the completion of the multi-modal transportation network. He expressed concern about serious injuries and fatalities on City roadways. He encouraged the City to consider progressive revenue sources for transportation projects in the future.
- (d) Pamela Johnston asked the Council to preserve the owner occupancy requirement for properties with accessory dwelling units (ADUs). She expressed concern that houses and ADUs are being used as short-term rentals, and she noted that full house, short-term rentals are illegal. She suggested that the City allow cottage housing, which is present in the Bridle Trails area, across Bellevue. She said cottage housing should not be used as short-term rentals in order to provide housing for long-term residents.
- (e) Alex Tsimmerman commented about the racial and religious makeup of Bellevue residents, current Councilmembers, and City Council candidates.

Mayor Robinson warned him to avoid comments regarding elections or candidates and asked him to not make disparaging comments about people based on race or religion.

(f) Olivia Sun said she grew up in the Bellevue School District and just finished her second year in college. She recalled coming to the Council when she was in 11th grade to talk about her involvement with Tune In, Not Out, an educational project focused on preventing teen distracted driving. During her senior year in high school, she interned with the City's neighborhood sidewalks program and now she is studying data science

and social systems at Stanford University with a focus on urban systems. Ms. Sun said she took a class called How Cities Can Save The World, taught by San Jose's mayor Sam Liccardo. She said that learning about the City's Vision Zero program stimulated her interest in transportation and urban planning. She said she was grateful for the opportunity to work with the City and she supports Vision Zero goals.

- (g) Ryan Donohue, Chief Advocacy Officer for Habitat for Humanity in Seattle, King County and Kittitas County, expressed support for the Planning Commission's recommendations regarding the ADU Land Use Code Amendment (LUCA). He encouraged the Council to direct staff to finalize the ordinance as recommended. He expressed support for the inclusion of detached ADUs (DADUs) and ownership opportunities.
- (h) Renzee Sto Tomas expressed concern about safety when bicycling in Bellevue. He encouraged more funding for the Vision Zero program to support safety projects that will better protect cyclists and pedestrians.
- (i) Troy Schmeil, owner of Sapphire Homes, spoke in support of the LUCA to remove barriers and to encourage the development of ADUs. He said ADUs are better for the environment because they take advantage of existing roads, infrastructure and land, and they fill an important need that is not currently being met. He said two of his adult children, a teacher and a nurse, grew up in Bellevue but cannot afford to live here now. He said ADUs have enabled longtime residents to be able to afford to stay in their communities. He said his company built nine houses with ADUs in another city, and five of the nine properties are home to multigenerational families. He encouraged allowing ADUs up to 1,200 square feet. He thanked the Council for all of their housing efforts and said he would love to see cottage housing as well.
- (j) A gentleman wearing a t-shirt that read "Save Bellevue's Large Trees" thanked the Council and City staff for listening to residents who are concerned about preserving trees. He noted that other cities in the region have stricter regulations to protect significant and landmark trees. He expressed concern about the removal of trees associated with redevelopment.
- (k) Heidi Dean expressed concern about the proposed removal of the owner occupancy requirement for ADUs, noting that it will likely cause an increase in short-term rentals. She said it was good to hear Mr. Schmeil's comments about providing multigenerational housing because she believes that should be the primary purpose of ADUs. However, she believes that is more the exception than the rule in the current housing market. She expressed concern about the enforceability of the City's existing regulations for short-term rentals. She said there are many illegal Airbnbs throughout Bellevue. She expressed concern about investors who buy homes and leave them vacant until they sell them for a good profit.

- 5. Reports of Community Councils, Boards, and Commissions
 - (a) Parks and Community Services Board First Quarter 2023 Report [Written information only. No presentation.]
- 6. Report of the City Manager
 - (a) Vision Zero Program Update

City Manager Brad Miyake introduced staff's update regarding the Vision Zero program.

Paula Stevens, Assistant Director, Transportation Department, thanked Franz Loewenherz for his leadership and noted the involvement of staff from multiple departments on the steering team and Transportation Department core team, as well as staff subject matter experts.

Ms. Stevens presented a graph comparing the number of fatal and serious injury collisions with the top five Washington cities and with statewide data. The number of fatal and serious injuries in Bellevue is trending upward for pedestrian and cyclists. The goal of the Vision Zero program is to achieve zero fatal and serious injury collisions in Bellevue.

Franz Loewenherz, Mobility Planning and Solutions Manager, highlighted activities from the 2022 Vision Zero Action Plan including walking audits, three road safety assessments conducted with funding from the Washington Traffic Safety Commission, enhanced enforcement, a LIDAR technology collaboration for intersection safety, and reduced speed limits in certain areas of Bellevue.

Implementation of the 2023 Vision Zero Action Plan included three additional road safety assessments, which will inform the development of safety improvements. Mr. Loewenherz said staff will finalize the Speed Management Plan this year through the use of U.S. Federal Highway Administration funding. He said staff will engage with Bellevue's diverse communities and stakeholders in the design and prioritization of Bike Bellevue projects in the Downtown, Wilburton and BelRed neighborhoods.

Mr. Loewenherz summarized four attributes of the City's safe system approach under Vision Zero: 1) aligned with other City priorities (i.e., equity, sustainability, accessibility and economic vitality), 2) data and outcome focused and community inspired, 3) proactive and incorporates a redundancy of solutions to create a safety net for everyone, and 4) prioritizes learning and collaborating with others in the national Vision Zero community. He said that through collaboration and improved street design, safe speeds, improved data and a culture of safety, the program will save lives. He noted the environmental and health benefits of walking and cycling.

Mayor Robinson thanked staff for the update.

- 7. Council Business and New Initiatives
 - (a) Appointment to Planning Commission

Councilmember Robertson said seven people were interviewed to fill the vacancy on the Planning Commission. She recommended the appointment of Negin Khanloo, noting that she is currently serving on the Environmental Services Commission. Ms. Khanloo earned a PhD in public administration and sustainable development and is a graduate of the City's Bellevue Essentials program.

- → Councilmember Robertson moved to appoint Negin Khanloo to serve a term on the Planning Commission expiring on May 31, 2027. Deputy Mayor Nieuwenhuis seconded the motion.
- \rightarrow The motion carried by a vote of 7-0.

Councilmember Lee said Deputy Mayor Nieuwenhuis and Councilmember Robertson were recently recognized at the Bellevue Chamber of Commerce gala event for their public service. Mr. Nieuwenhuis received a civic leadership award and Ms. Robertson received a lifetime civic achievement award. Mr. Lee thanked Councilmember Robertson for her longtime service.

Councilmember Robertson said she is not running for re-election. She noted she has served the community for 20 years since her initial appointment to the Planning Commission.

- 8. Consent Calendar
- → Deputy Mayor Nieuwenhuis moved to approve the Consent Calendar, and 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) Council Minutes *Minutes of May 22, 2023 Regular Meeting*
 - (b) Resolution No. 10271 authorizing execution of an agreement with King County Parks to provide funding to support completion of the Eastrail Wilburton Trestle Project.

At 7:00 p.m., Mayor Robinson declared a short break. The meeting resumed at 7:10 p.m.

- 9. Public Hearing: None.
- 10. Study Session Items
 - (a) Recommended Land Use Code Amendment (LUCA) to remove barriers to, and encourage construction of, attached accessory dwelling units (ADUs), and to provide a mechanism for separate ownership of ADUs

City Manager Miyake introduced discussion regarding the recommended Land Use Code Amendment (LUCA) regulating accessory dwelling units (ADUs). He said staff is seeking direction to finalize the LUCA ordinance for Council action during a future meeting.

Nick Whipple, Planning Manager, Development Services Department, recalled that the LUCA was initiated as part of the Next Right Work to implement the Affordable Housing Strategy (i.e., Action B-2 to update ADU standards). Phase 1 is focused on removing barriers to attached ADUs and facilitating separate ADU ownership. He said duplexes, triplexes and detached ADUs (DADUs) will be addressed during Phase 2 of this effort.

The objectives of the LUCA are to encourage the construction of attached ADUs and to create a mechanism for separate ownership. He said the current Comprehensive Plan periodic update process informed how staff chose to phase this body of work. Mr. Whipple noted new state legislation (HB 1337) related to ADUs as an additional consideration in drafting the City's regulations.

Caleb Miller, Senior Planner, said ADUs are smaller housing units that are functionally separate from the primary home. Bellevue currently allows attached ADUs but not DADUs. Attached ADUs can be in the form of a converted garage, upper floor, basement or side-by-side configuration. ADUs provide housing to serve diverse community needs, including Bellevue's growing senior population, and can provide more affordable homeownership opportunities.

In 2021, the Council removed the rule that required homeownership for three years before an ADU could be added on their property. Since that time, there has been a modest increase in ADU permit applications.

Mr. Miller described the provisions of the recommended LUCA. The existing code restricts the size of an ADU to 800 square feet or 40 percent of the main home's square footage, whichever is less. The Planning Commission recommended a maximum size of 1,200 square feet or 40 percent of the home's square footage, whichever is greater. The LUCA removes the prohibition of a second front entry door. The City's current process requires separate registration for an ADU, public notice after approval of a permit and inspection by Land Use staff. The recommended LUCA does not require registration, public notice or a land use inspection. Mr. Miller said inspections will be handled by the City's building division as part of their permitting inspections for life, safety and building code issues.

Mr. Miller said the existing owner occupancy requirement for ADUs is not included in the LUCA and the sale of ADUs is now allowed under the LUCA. The existing code requires one parking space per ADU unless the site is located within one-quarter mile of transit, resulting in no minimum parking requirement for the ADU. The LUCA requires one parking space for ADUs larger than 1,000 square feet and two spaces for ADUs larger than 2,000 square feet. No parking is required for ADUs within one-half mile of frequent transit service.

HB 1337 established the maximum parking requirements for ADUs based on lot size. For an ADU larger than 2,000 square feet, a maximum of one space is required for lots smaller than 6,000 square feet and a maximum of two spaces is required for lots greater than 6,000 square

feet. Staff's recommendation reflects the same provisions as HB 1337, while the Planning Commission recommended requiring two parking spaces for ADUs larger than 2,000 square feet. Mr. Miller said staff supports the Planning Commission's recommendation to not require parking if the ADU is within one-half mile of frequent transit or the ADU is smaller than 1,000 square feet. The commission and staff both recommend requiring one parking space for ADUs larger than 1,000 square feet but less than 2,000 square feet.

Luisa Calad, Planning Commissioner, said the commission discussed the draft LUCA during a study session on March 22 and the public hearing was held on May 10. The commission recommended adoption of the LUCA. Ms. Calad said more housing options are needed and ADUs will provide opportunities not currently widely available. She said they discussed concerns about off-street parking requirements, owner occupancy, public notice, property taxes, short-term rentals and an increase in the number of residents within a neighborhood. She said when investors use ADUs for short-term rentals, the cost will eventually become quite high versus long-term rentals. She noted the goal of providing housing that is more accessible to families. Ms. Calad acknowledged that the commission discussed parking requirements. She said the commission recommended a larger size limit for ADUs of 1,200 square feet or 40 percent of the main home's square footage, whichever is greater, to encourage housing to accommodate families.

Ms. Calad said the commission determined that the LUCA meets the Land Use Code decision criteria and is consistent with the Comprehensive Plan, enhances public safety and welfare and is not contrary to the interests of citizens and property owners.

Mr. Miller said staff's public engagement efforts followed Process IV requirements regarding notice of application, notice of public hearing and holding the public hearing. Direct engagement included a virtual community meeting, meetings with ADU builders and City permit review staff, and public feedback regarding the Comprehensive Plan update that is underway. Information is also provided on the City's website and in the Neighborhood News article in the March 2023 edition.

Mayor Robinson thanked staff for the presentation.

Councilmember Robertson, liaison to the Planning Commission, said the commission had an extensive discussion about the proposed LUCA and raised many of the same issues raised by the Council. She said she is pleased to hear that staff is planning public education regarding the procedure for selling an ADU. She suggested it would be appropriate to provide information to permit applicants that short-term rentals are not allowed in residential areas. She thanked the commission for their work and expressed support for the LUCA.

Councilmember Barksdale said he has been advocating for ADUs and DADUs for some time and he is pleased to see that this housing option is being encouraged through the removal of barriers. He expressed support for moving forward to finalize and adopt the LUCA.

Councilmember Lee referenced the concern among members of the public about the elimination of the owner occupancy requirement for ADUs. Responding to Mr. Lee, Mr. Miller said short-

term rentals are currently defined in the code as 30 days or less occupancy. The current code prohibits ADUs from being used as short-term rentals.

Councilmember Lee acknowledged extensive public engagement with certain stakeholders. However, he wondered about the level of outreach to the general public. He noted comments during earlier oral communications expressing frustration with the volume of information on the LUCA and the Comprehensive Plan update.

Mayor Robinson asked staff to comment on whether homeowners associations are affected by the LUCA provisions.

Mr. Whipple said the Comprehensive Plan update process involves robust ongoing public engagement. He said Community Development Department staff could provide more information regarding the extent of the outreach and feedback from the public. He said Phase 2 of the ADU/DADU program will rely on the Comprehensive Plan periodic update process to inform how the City develops DADU requirements. Mr. Whipple said there has been a great deal of public interest in the ADU LUCA and staff has responded to questions and suggestions. He said staff prepared a list of frequently asked questions to post online following the community meeting.

Regarding homeowner associations, Mr. Whipple said attached ADUs are allowed wherever single-family homes are allowed in Bellevue. He said it would be up to the associations to enforce any covenants prohibiting ADUs.

Commissioner Calad said the Planning Commission encouraged robust public outreach and staff listened to the commission in their efforts. She said the public was encouraged during the commission's discussions and public hearing to contact the commissioners with concerns and questions as well. She said the commission's recommended LUCA incorporates public input and feedback.

Councilmember Stokes said ADUs bring a number of benefits including potential ownership and more affordable housing. He said ADUs provide the opportunity to live in neighborhoods with schools, parks and other amenities, and many people are looking for smaller housing units. He commended the LUCA for removing barriers to ADUs. He noted the support for ADUs by the Seattle-King County Realtors organization. Mr. Stokes said he was ready to move forward with finalizing and adopting the LUCA.

Deputy Mayor Nieuwenhuis noted his interest in making it easier for residents to establish an ADU. He thanked Councilmember Robertson for her expertise and leadership on this issue. He thanked the Planning Commission for their work. He concurred with Councilmember Robertson about the need for public education regarding the LUCA provisions. Mr. Nieuwenhuis expressed support for moving forward.

Responding to Mr. Nieuwenhuis, Mr. Miller said staff did not reach out directly to neighborhood associations. Mr. Nieuwenhuis suggested adding neighborhood associations to future public outreach efforts. He said he would like the City to consider ways to enforce the prohibition on

short-term rentals, noting that it would help increase the availability of long-term rental housing. Mr. Nieuwenhuis thanked staff and the Planning Commission for their work.

Councilmember Zahn thanked the Planning Commission and staff for their recommendations. She said ADUs will add to the variety of housing types in Bellevue. She expressed support for homeownership opportunities and for the ability of senior adults to stay in their homes with an ADU as an income source. She concurred with suggestions for public education regarding short-term rentals. She asked whether there are programs to assist individual residents with the development of ADUs. She said she looks forward to discussing DADUs in the future.

Mr. Miller said he was not aware of funding assistance for the development of ADUs. He noted a requirement in the state legislation to allow DADUs and to allow up to two ADUs/DADUs on all residential lots in Bellevue. He said those issues will be examined further as part of the Comprehensive Plan periodic update.

Responding to Ms. Zahn, Mr. Whipple said the Phase 2 work to address DADUs is anticipated to be completed in time to comply with the effective date of HB 1337.

Mayor Robinson expressed enthusiastic support for the proposed LUCA. She said it provides a good opportunity for lower cost homeownership and the ability to build equity. She concurred with her colleagues' concerns about the enforcement related to short-term rentals. She wondered if there was a way to encourage property owners to provide more off-street parking.

Mr. Whipple said single-family homes in Bellevue are required to have two off-street parking spaces. He noted that the Planning Commission recommended requiring two spaces for ADUs larger than 2,000 square feet, unless they are on lots smaller than 6,000 square feet.

- Ocuncilmember Robertson moved to direct staff to finalize the ADU LUCA ordinance, with staff's recommendation for parking requirements, for final action at a future meeting. Deputy Mayor Nieuwenhuis seconded the motion.
- \rightarrow The motion carried by a vote of 7-0.
 - (b) Discussion of a Transportation Benefit District and Recommended Use of Potential Funding

City Manager Miyake introduced discussion regarding the formation of a Transportation Benefit District (TBD).

Andrew Singelakis, Director, Transportation Department, said that reductions in the 2021-2022 budget affected the department's maintenance budget and the department has been on a deferred maintenance schedule since that time. Establishing a TBD has been discussed as an option for generating revenue for transportation maintenance and ongoing capital programs. Mr. Singelakis said staff is seeking Council direction to move forward with forming the TBD.

John Resha, Director, Finance and Asset Management (FAM) Department, said a TBD is a quasi-municipal corporation with an independent taxing authority under 2005 state law [RCW 36.73]. The funds may be used for transportation maintenance and improvement projects, and the TBD requires annual performance and financial reporting. Mr. Resha noted that there are 18 TBDs in King County.

Mr. Resha said there are Council-approved and voter-approved funding options for a TBD. The Council has the authority to impose a sales and use tax of up to 0.1 percent, an annual vehicle license fee up to \$50, an impact fee or charge associated with commercial construction or land development, and a vehicle toll on city streets. A voter-approved TBD allows a sales or use tax of up 0.3 percent, an annual vehicle fee up to \$100, and an ad valorem property tax. He said only one jurisdiction has attempted approval of a property tax and it was not successful.

The vehicle license fee would apply to all vehicles registered in Bellevue. A \$20 fee is allowed for the first year and would raise approximately \$2 million annually. The fee can be increased to \$40 per year after two years and to \$50 per year after four years. The 0.1 percent sales tax would cost the average Bellevue household \$20-\$30 per year and would generate approximately \$10 million annually.

Mr. Resha reviewed the timeline for implementing a TBD. The first step is Council approval to form the district. The next steps would be Council assumption of the district followed by a funding authorization process. He said a number of TBDs have been formed and either have not been assumed or have not had funding associated with them.

Chris Long, Assistant Director, Transportation Department, said the impacts of the COVID pandemic resulted in an eight percent reduction in the transportation budget due to other citywide priorities. The four main maintenance categories are roadways and sidewalks, traffic signals and streetlighting, pavement markings and signage, and roadside vegetation. Mr. Long said new infrastructure over the past four years included 27 traffic signals, 43 enhanced crosswalks, 150 traffic cameras, 1,200 lane mile increase in sweeping needs and a 33 percent increase in crosswalks and related markings. He said maintenance funding is needed to support the new infrastructure.

Mr. Long presented photos depicting the impacts of deferred maintenance citywide. He noted a backlog of more than 500,000 square feet in sidewalk repairs. He said the life expectancy of the asphalt mitigation used in recent years is only three years. He said more funding is needed to support capital programs as well including bridge and pavement preservation, traffic signals and lighting, neighborhood traffic safety, Smart Mobility Plan implementation, Vision Zero projects, pedestrian and bike facilities, sidewalks and major maintenance. Major maintenance covers large projects such as replacing rockeries along the roadway, electrical system upgrades and pedestrian safety improvements.

Mr. Long said there are a number of steps in the TBD process, including two public hearings (July and September). Staff anticipates Council adoption of the TBD financing ordinance this fall. Mr. Long said staff will begin providing presentations about the TBD to local business organizations.

Mr. Long requested Council direction to begin the process of forming a TBD.

Councilmember Robertson said TBDs provide a dedicated funding source for transportation needs. She expressed support for moving forward and for holding the public hearing anticipated for July 10. She said the formation of a TBD is aligned with the City's culture of stewardship.

Councilmember Zahn expressed support for forming the TBD. She said she appreciated the details about why the TBD is needed and what can be accomplished with the funding. She said additional transportation funding will help to implement the Vision Zero program.

Councilmember Lee concurred with Councilmember Robertson's comment about the City's culture of stewardship and expressed support for forming the TBD. Mr. Lee said he wants to ensure that the money is spent on the right priorities.

Councilmember Barksdale expressed support for the formation of the TBD, especially in light of conversations about the needs related to bike and pedestrian infrastructure.

Deputy Mayor Nieuwenhuis said he sees this as an extension of the Keep Bellevue Beautiful initiative. He expressed support for moving forward with creating the TBD. He said it would be interesting to learn more about the other TBDs in King County. He asked whether there is anything more the Council should know in considering the formation of a district and whether it could limit the City in other ways.

Mr. Singelakis said that any items in the Transportation Improvement Program (TIP), including capital projects, are eligible for TBD funding.

Mr. Resha said the adoption of a TBD does not restrict any other City funding and the revenue can be used as matching funds to other funding sources.

Councilmember Stokes expressed support for moving forward and concurred with Deputy Mayor Nieuwenhuis that this is part of keeping Bellevue beautiful. He said the transportation system is vital to the community and the TBD will help to maintain the quality and mobility of the system. Mr. Stokes said he would like to see the City do more in terms of public outreach, including through neighborhood associations. He said he appreciated staff's work and he believes this is something everyone will look back on as a significant benefit for Bellevue.

Mayor Robinson expressed support for moving forward and said that investments in the transportation system are dollars well spent. She said she regularly hears requests from the community for crosswalks in neighborhoods.

Responding to Ms. Robinson, Mr. Resha says TBDs are in place until they are formally dissolved. He said the sales tax option is limited to 10-year terms that can be renewed.

Mayor Robinson noted Council support to move forward with the process of forming the TBD.

(c) 2023-2024 Federal Legislative Priorities

City Manager Miyake said staff is seeking Council direction regarding the 2023-2024 federal legislative priorities.

Genesee Adkins, Chief of External Affairs, said Bellevue is now represented by two congressional districts due to population growth, with Representative Suzan DelBene in District 1 and Representative Adam Smith in District 9.

Ms. Adkins said the debt ceiling agreement was signed into law on June 3 and sets the spending levels through January 1, 2025. As the appropriations process moves forward, the U.S. House is now marking up the first batch of funding bills. She noted the U.S. Senate will move at a slightly slower pace. She said three of Bellevue's earmark requests will move forward through early fall.

Ms. Adkins said Congress passed two significant pieces of legislation since the Council's approval of its federal legislative agenda: the Inflation Reduction Act and the Chips and Science Act. She said the draft 2023-2024 federal priorities document provided in the meeting packet is structured around the City Council Vision and its seven strategic target areas: 1) transportation and mobility, 2) high-performance government, 3) achieving human potential, 4) great places where you want to be, 5) high-quality built and natural environment, 6) economic development, and 7) regional leadership and influence.

Ms. Adkins said Deputy Mayor Nieuwenhuis will travel to Washington, D.C., the week of June 19 to discuss federal priorities and to thank elected officials for their ongoing support and advocacy for Bellevue's legislative priorities and federal grant requests (i.e., two through the U.S. Environmental Protection Agency and one through the U.S. Department of Transportation). She said the City will be submitting a revised application for Safe Streets and Roads for All program funding. She said the City will likely not know about funding for earmark items until September.

Mayor Robinson thanked Ms. Adkins for the update.

Councilmember Barksdale said he would like to see a priority to address small businesses and to provide funding to help increase diversity among small business owners.

Mayor Robinson noted the City's program to support minority and women-owned small businesses. Responding to Mayor Robinson, Mr. Miyake said he was unsure about what federal funding might be available and what conditions might be attached to it.

Ms. Adkins said the City coordinates with the U.S. Small Business Administration on a number of programs, including those involving underrepresented businesses, to promote and share a number of resources for small businesses. She said one potential future opportunity would be a pilot program or seed money toward efforts to reduce barriers for small business owners.

Mr. Miyake said City staff recently met with the U.S. Small Business Administration and can raise the issue with their staff.

Councilmember Zahn said she appreciated the update to the federal priorities. She noted that she currently serves on the Board of Directors for the National League of Cities (NLC) and on its federal legislative priorities committee. She encouraged staff to continue to involve Councilmembers in traveling to Washington, D.C., to participate in lobbying efforts.

Councilmember Robertson expressed support for the list of federal priorities as presented by staff. She observed that the priorities strike the right balance and identify items that are appropriately addressed by the federal government. She expressed appreciation for the delegates and federal agency staff that take the time to meet with Bellevue's representatives and staff. She spoke in favor of approving the priorities tonight.

Mayor Robinson suggested bringing back the one-time exemption from the capital gains tax for the sale of a primary residence. She said this could help to encourage people to downsize and free up more single-family homes for families. She concurred with Councilmember Barksdale regarding assistance to small businesses. She said five businesses on Main Street will be displaced due to redevelopment and she would like there to be a way to help keep small businesses within their neighborhoods if desired.

Councilmember Lee thanked Ms. Adkins, her staff and the City's lobbyist for their hard work and the clear list of federal priorities. He recalled a number of projects in Bellevue and the region that have benefited from federal funding. Mr. Lee commented on the value of a strategic approach and leveraging funds. He noted technology and environmental issues as high priorities at this time.

→ Councilmember Stokes moved to adopt the 2023-2024 Federal Priorities document for federal-level policy and budget advocacy. Councilmember Robertson seconded the motion.

Councilmember Lee noted that partnerships, advocacy and relationships are very important. He said Councilmembers can provide input and help in lobbying efforts.

- \rightarrow The motion carried by a vote of 7-0.
- 11. Land Use: None.
- 12. Other Ordinances, Resolutions, and Motions: None.
- 13. Unfinished Business: None.
- 14. New Business: None.
- 15. Executive Session: None.

16. Adjournment

Mayor Robinson noted that June 19 is the Juneteenth Day holiday and the next Council meeting will be held on June 26. A celebration of Juneteenth will be held in City Hall on June 20.

At 9:00 p.m., Mayor Robinson declared the meeting adjourned.

Charmaine Arredondo, CMC City Clerk

/kaw