

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Regular Meeting

January 23, 2023
6:00 p.m.

Council Chambers
Bellevue, Washington

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

ABSENT: None.

1. Call to Order

The meeting was called to order at 6:00 p.m., with Mayor Robinson presiding.

Mayor Robinson called for a moment of silence to honor the victims, families and loved ones affected by the mass shooting over the weekend in California.

2. Roll Call; Flag Salute

Deputy City Clerk Karin Roberts called the roll, and all Councilmembers were present. Mayor Robinson led the flag salute.

3. Approval of Agenda

→ Deputy Mayor Nieuwenhuis moved to approve the agenda, and Councilmember Stokes seconded the motion.

→ The motion carried by a vote of 7-0.

4. Oral Communications

(a) Cynthia Cole, a Lake Hills resident, asked the Council to oppose House Bill 1110, which would mandate the end of single-family zoning in Bellevue and all other cities in Washington with populations over 6,000. She expressed concern that it takes zoning authority away from local governments. She said the City is already doing a considerable amount of work to address housing, including affordable housing, needs. She said local officials are more accessible and responsive than state officials to their constituents.

- (b) Alex Zimmerman asked about the City's programs for low-income utilities customers. He encouraged the City to have more people on the council. He commented on the need for low-income housing.
 - (c) Heidi Dean concurred with the first speaker's comments. She encouraged the Council to take a position against HB 1110 and noted that it provides no incentives for the private sector to build affordable housing. She noted the lack of evidence that the proposed measures have succeeded in increasing the availability of affordable housing. She said she listened to a State Senate committee discussing SB 5258, which would increase the supply and affordability of condos and townhomes for ownership. She encouraged the City to follow that issue and expressed support for more home ownership opportunities.
 - (d) Luba Abramova said that public safety in certain areas of Bellevue has drastically changed. She noted concerns regarding shoplifting, theft and car break-ins. She said she has witnessed shoplifters who were allowed to leave stores without paying for items. She said a friend lost his job after trying to stop a thief in the store where he was working. She said there are no consequences for offenders.
 - (e) Shelley Carlson, a resident of the Meydenbauer Bay neighborhood, expressed concern regarding the steady increase in property crimes in Bellevue. She said criminals seem to go unpunished. She noted that her car has been broken into twice. Earlier this month, the locked neighborhood mailboxes outside her house were all pried open and the mail and packages had been stolen. She and her neighbors have had tools and bikes stolen. She said Nextdoor.com has a number of posts about car crimes and theft in Clyde Hill, Enatai and Surrey Downs. Ms. Carlson said the \$1,000 threshold for prosecuting theft is unacceptable and does not deter crime.
 - (f) Matt Arnold expressed concern regarding shoplifting, retail theft and other criminal activity that occurs without punishment in Bellevue. He said shoplifting is common at the QFC and Bartell stores on NE 8th Street. He said his wife and an employee watched a man load a number of steaks into his backpack and walk out of the store. He noted a business on Bellevue Way that was robbed five times over a one-year period and twice over the past three weeks. He said the store owner is ready to leave the community. He noted that approximately 160 businesses have left Seattle. He urged the City to take a zero tolerance stance against this criminal behavior and to protect Bellevue's reputation as a safe city.
5. Reports of Community Councils, Boards, and Commissions: None.
 6. Report of the City Manager: None.
 7. Council Business and New Initiatives
- Deputy Mayor Nieuwenhuis moved to excuse Mayor Robinson's absence from the February 6, 2023 City Council Regular Meeting. Councilmember Robertson seconded the motion.

→ The motion carried by a vote of 7-0.

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 January 9, 2023 Regular Meeting
- (b) Motion to award Bid No. 22068 for 2023 Utilities On-Call Asphalt Restoration contract to AA Asphalt, LLC, as the lowest responsive and responsible bidder, for a term of two years in an amount not to exceed \$1,176,690, plus all applicable taxes.
- (c) Ordinance No. 6719 amending the Bellevue Environmental Procedures Code, chapter 22.02 of the Bellevue City Code, to remove references to City Council appeal authority for Process I and III land use decisions, consistent with amendments adopted in Ordinance No. 6673; providing for severability; and establishing an effective date.
- (d) Resolution No. 10210 authorizing the purchase and installation of one vehicle and heavy equipment lift system from Stertil-Koni USA, Inc., for the City's fleet maintenance and repair facility, in an amount not to exceed \$180,770, plus all applicable taxes.
- (e) Resolution No. 10211 authorizing execution of a contract, and all necessary related documents, with Northwest Lift & Equipment, LLC, to perform construction activities in preparation for the installation of one vehicle and heavy equipment lift system at the City's fleet maintenance and repair facility, in an amount not to exceed \$115,000, plus all applicable taxes.
- (f) Resolution No. 10212 authorizing execution of Amendment 4 to the Professional Services Agreement with Bohlin Cywinski Jackson to increase the contract amount by \$2,013,943, for a total contract amount not to exceed \$8,519,863, plus all applicable taxes, for architectural design/engineering services for Fire Station 10 and Fire Station 5.
- (g) Resolution No. 10213 authorizing execution of a second amendment to the Agreement for Professional Services with Pacifica Law Group, outside counsel for the City in the lawsuit of Wu v. City of Bellevue (KCSC Case No. 22-2-

02081-4 SEA), increasing the contract to an amount not to exceed \$175,000, plus all applicable taxes.

- (h) Resolution No. 10214 determining that an existing water easement at 14121 NE 20th Street is surplus to the City's needs and is no longer required for providing continued water service; and setting a time and place for a public hearing to consider the release of this easement.
- (i) Resolution No. 10215 authorizing the execution of a contract with Road Construction Northwest, Inc. in the amount of \$259,401, plus all applicable taxes, to repair the asphalt trail along 118th Avenue SE between Bellefields Yard located at 2101 118th Avenue SE and SE 40th Street.
- (j) Resolution No. 10216 of the City Council of the City of Bellevue, Washington, the designated "legislative authority" for the proposed Bellevue-Redmond Tourism Promotion Area, pursuant to the Interlocal Agreement for the Joint Establishment of a Tourism Promotion Area, by and among the City of Bellevue and the City of Redmond, providing notice of the intent to establish a tourism promotion area; providing notice that the City Council shall conduct a public hearing on the establishment of a tourism promotion area; identifying the proposed boundaries for the tourism promotion area; identifying the proposed use of revenues generated by the tourism promotion area; identifying the estimated costs for the tourism promotion area; and identifying the estimated charges to be imposed in support of the tourism promotion area, among other matters.
- (k) Resolution No. 10217 authorizing execution of a labor agreement between the City of Bellevue and the International Association of Firefighters Union, Local 1604, representing Firefighters, for a one-year contract period starting January 1, 2023, and expiring December 31, 2023.
- (l) Ordinance No. 6720: 1) awarding Bid No. 21022, Fire Station 10 Construction Project (CIP Plan No. PS-64 and PW-R-208), to Cornerstone General Contractors as the lowest responsible and responsive bidder, in the amount of \$32,233,309, plus all applicable taxes; 2) amending the 2023-2024 Land Purchase Revolving Fund to increase appropriation by \$3,517,000 for monies related to the sale of Fire Station No. 3; 3) transferring \$3,517,000 from the Land Purchase Revolving Fund to the General Capital Investment Program (CIP) and amending the 2023-2024 General CIP Fund to increase the appropriation by \$3,517,000; and 4) amending the 2023-2029 CIP Plan to increase the budget for the Fire Station 10 (Levy) Project (CIP Plan No. PS-64) by \$16,267,000 and decrease the budget for the Fire Station 4 (Levy) Project (CIP Plan No. PS-65) by \$12,750,000.

9. Public Hearings

- (a) Public Hearing on a proposed Land Use Code Amendment (LUCA) to conform provisions within the Shoreline Master Program (SMP), chapter 20.25E of the

Land Use Code (LUC), to remove references to the East Bellevue Community Council (EBCC), and to remove City Council appeal authority for Process I land use decisions. This LUCA conforms the SMP and LUC with Ordinance Nos. 6670 and 6673.

City Manager Brad Miyake introduced the public hearing regarding Shoreline Master Program (SMP) conformance amendments.

Liz Stead, Interim Co-Director, Development Services Department, recalled previous discussion on January 9 regarding the conformance amendments.

Caleb Miller, Senior Planner, said staff is seeking Council direction following the public hearing to prepare the Shoreline Master Program (SMP) Conformance Land Use Code Amendment (LUCA) Ordinance for final action at a future meeting. He recalled the termination of the East Bellevue Community Council and said Ordinance No. 6670 removed references to the former EBCC in the Land Use Code. Ordinance No. 6673 removed the City Council's role in quasi-judicial appeals for Process I and Process III land use matters. Neither of those ordinances included amendments to the SMP [LUC 20.25E].

Mr. Miller said the proposed SMP amendments remove references to the EBCC, remove the City Council's role in Shoreline Process I actions, and clean up remaining references to quasi-judicial appeals in LUC 20.35. Appeals are directed to the State Shoreline Hearings Board.

Mr. Miller said that following tonight's public hearing and Council action, staff will submit a package to the State Department of Ecology (DOE). The DOE will issue an initial determination of consistency and the City Council will take action on the LUCA. The DOE will make a final determination of consistency later this spring.

Mr. Miller said staff's proposed LUCA meets the following decision criteria under LUC 20.30J.135: 1) is consistent with the Comprehensive Plan, 2) enhances public health, safety or welfare, and 3) is not contrary to the interests of citizens and property owners.

→ Deputy Mayor Nieuwenhuis moved to open the Public Hearing, and Councilmember Stokes seconded the motion.

→ The motion carried by a vote of 7-0.

Alex Zimmerman expressed his opposition to the termination last summer of the two remaining community councils in the state. He encouraged the public to elect different City Councilmembers.

→ Deputy Mayor Nieuwenhuis moved to close the Public Hearing, and Councilmember Lee seconded the motion.

→ The motion carried by a vote of 7-0.

→ Deputy Mayor Nieuwenhuis moved to direct staff to prepare the Shoreline Master Program (SMP) Conformance Land Use Code Amendment (LUCA) for final action on the consent calendar at a future meeting. Councilmember Stokes seconded the motion.

→ The motion carried by a vote of 7-0.

10. Study Session Items

(a) City of Bellevue Housing Needs Assessment

City Manager Miyake opened discussion regarding the Bellevue Housing Needs Assessment. He said the last housing needs assessment conducted in 2016 informed the development of the 2017 Affordable Housing Strategy.

Michael Kattermann, Director, Community Development Department, commented on the lack of and increasing cost of housing. He said the greatest challenge is to be able to provide housing units priced at 0-30 percent of the area median income (AMI).

Thara Johnson, Planning Manager, Community Development Department, highlighted the major findings of the housing needs assessment. She noted ongoing trends including an aging population, diversifying population, increasing economic disparity and decreasing unit sizes. There are more very low-income and high-income households today than in the past. Over the past 20 years, Bellevue has experienced a 185 percent increase in home values while there has been only a 39 percent increase in income.

Ms. Johnson said that individuals/households earning the least spend most of their earnings on housing. More than one-quarter of Bellevue households spend more than 30 percent of their income on housing, and three-quarters of Bellevue's lowest income households spend more than 30 percent of their income on housing.

Ms. Johnson said that 11 percent of people who work in Bellevue live in Bellevue, while 89 percent of employees travel from other areas. She noted the City's interest in increasing housing opportunities for Bellevue workers. Bellevue's primary employers are in the fields of computer and mathematical services, business and finance operations, office and administrative support, sales, and restaurants. The typical office and administrative support position in Bellevue pays less than \$50,000 annually. A person in that category, living alone or supporting a child or partner, could only afford a 50 percent AMI one-bedroom apartment in Bellevue. Ms. Johnson noted that increased commute trips result in increased greenhouse gas emissions and increased traffic congestion.

Ms. Johnson said approximately half of Bellevue's housing units are single-family and half are multifamily. She noted current discussions within the state legislature about promoting middle scale housing types that fall between traditional single-family and multifamily housing. She said single-family housing tends to be older and multifamily housing has increased significantly over the past 20 years. She said senior adults and larger families tend to pay more than 30 percent of their income on housing. If trends continue, housing development will focus on studios and one-

bedroom units, and it will become increasingly difficult for a family to be able to afford to live in Bellevue. Ms. Johnson said the age of housing relates to the housing type and affordability level. She said Bellevue has made significant progress in preserving older apartments that are more affordable than newer options. As part of the periodic Comprehensive Plan update, the City will conduct an equity and displacement analysis to evaluate the impacts of land use changes against displacement risk.

Ms. Johnson commented on the racial disparity in home ownership, which allows individuals and families to build wealth and housing stability. She said White households in Bellevue are more than twice as likely to own a home as Black households. She said several policies may be able to support additional home ownership opportunities, particularly targeting underrepresented groups. She noted that some housing types are more conducive to ownership opportunities based on cost. Ms. Johnson said the housing needs assessment found that Black and Hispanic households are more likely to be cost burdened than other households.

Ms. Johnson said the housing needs assessment included a gap analysis to identify housing affordability needs through 2044. The analysis looked at the income levels that need to be served through the development of the targeted 35,000 housing units. With existing residents, there is a significant gap in housing for 50 percent AMI households and especially for households below 30 percent AMI. For existing workers, there is a need for various housing types to serve a broad range of income levels. The third category studied in the gap analysis was people who would like to live in Bellevue but cannot afford housing costs. Ms. Johnson noted the need for housing to serve the lowest and highest income levels.

Ms. Johnson said the gap analysis determined that most housing built today is priced at 120 percent AMI or higher based on market factors. She said middle scale housing development in less expensive areas might be able to meet the housing needs for 80-120 percent AMI households without subsidy. However, the greatest need is at the 0-30 percent AMI level, which requires heavy subsidy.

Next steps are to apply the findings of the housing needs assessment through the City's Next Right Work initiative, Comprehensive Plan periodic update and the Wilburton Vision Implementation project. Ms. Johnson highlighted the need for support for the most cost-burdened populations (i.e., Black, Hispanic, low-income and senior adults), development of larger units for all incomes, preservation of existing affordable housing and efforts to create housing at the deepest affordability levels.

Mike Kattermann said much of the housing work is driven by the provisions of HB 1220, which added specific requirements for the Housing Element of the Comprehensive Plan. He noted ongoing discussions about the need to address missing middle housing.

Councilmember Stokes thanked staff for the comprehensive update. He said the housing needs assessment gives the Council a better understanding of the challenges in the community.

Councilmember Robertson thanked staff for the presentation. She acknowledged that deeper affordability housing will require some type of subsidy. Responding to Ms. Robertson, Mr.

Kattermann confirmed that there is a significant demand for both very low-income and very high-income housing units.

Responding to Councilmember Robertson, Ms. Johnson said HB 1220 provided direction for staff to evaluate racially disparate impacts. Ms. Johnson said that includes an audit of the City's existing policies to study the impacts and how to address them. Ms. Johnson said there will be an equity analysis to support the Environmental Impact Statement (EIS) review and the Comprehensive Plan update.

Mr. Kattermann highlighted the equity and displacement analysis and said the preservation of existing affordable housing is an important component of the City's Affordable Housing Strategy.

Deputy Mayor Nieuwenhuis thanked staff for the information. Responding to Mr. Nieuwenhuis, Ms. Johnson said the City works with ARCH (A Regional Coalition for Housing), the King County Housing Authority and other partners to coordinate efforts. Ms. Johnson said the Housing Stability Program will provide funding for additional initiatives.

Mayor Robinson said she read the full housing needs assessment. She suggested an increase in Bellevue's housing goal targets. Mr. Kattermann said that through the Comprehensive Plan update, staff is looking at different scenarios for additional housing capacity. He noted the potential for up to 70,000 new housing units over the next 20 years.

Mayor Robinson commented on the need for more independent living opportunities for senior adults. She strongly encouraged an emphasis on home ownership along with rental units. She suggested that subsidies help with the costs associated with securing a mortgage.

Councilmember Lee thanked staff for their work and for the thorough assessment report. He looks forward to seeing how the information will be used and how the City will maintain flexibility.

Councilmember Zahn said the information in the housing needs assessment will be very helpful going forward. She noted the need to update the City's affordable housing goals for both rentals and home ownership. She said certain businesses are experiencing staffing shortages due to the high cost of housing. She noted the current drop in K-12 enrollment in the Bellevue School District.

Councilmember Barksdale observed that if a person cannot afford to live in Bellevue because they earn below 30 percent AMI, they have other expenses that make their life more difficult (e.g., car, gas). He reiterated his interest in staff engaging with people who do not currently live in Bellevue to determine their experiences and barriers.

Mr. Barksdale suggested tracking key metrics and adjusting them as needed. He expressed support for focusing on both rental and ownership housing. Responding to Mr. Barksdale, Mr. Kattermann said ARCH administered a home down payment program in the past. He said there are examples of similar programs across the country.

Mr. Barksdale said he would be interested in feedback about the housing needs assessment from members of the Centering Communities of Color Committee. Ms. Johnson confirmed that the information had not yet been presented to the committee. She noted ongoing public outreach throughout the Comprehensive Plan update process. Councilmember Barksdale suggested reaching out to organizations outside of Bellevue including The Urban League and the NAACP (National Association for the Advancement of Colored People).

At 7:36 p.m., Mayor Robinson declared a short break. The meeting resumed at 7:48 p.m.

(b) State Legislative Update

City Manager Miyake introduced staff's update regarding an emerging issue within the state legislature.

Genesee Adkins, Chief of External Affairs, said staff is seeking direction regarding House Bill 1110 and Senate Bill 5190. Staff recommends taking the position of Other as opposed to Pro or Con and submitting a comment letter addressing minimum zoning requirements, density near major transit, parking requirements and affordability.

Ms. Adkins said the relationship between affordable housing and land use is a high priority issue for Bellevue. She noted that Bellevue was selected to join the Association of Washington Cities (AWC) Housing Solutions Workgroup in 2022. She said Emil King participated on the workgroup as well.

Mr. Kattermann said HB 1110 and SB 5190 are identical and are referred to as the Missing Middle Housing Bill. The legislation would require cities with a population of 6,000 or more, or cities within a contiguous urban growth area around a city with a population of 200,000 or more, to authorize middle housing in all residential zones. It requires cities to authorize development of 1) at least four units per lot on all lots zoned for residential use, 2) six units per lot in all residential zones if two of the units are affordable, and 3) at least six units per lot in all residential zones within one-half mile of a major transit stop.

Mr. Kattermann described the parking requirements under HB 1110/SB 5190. Cities would be prohibited from: 1) requiring off-street parking for middle housing within one-half mile of a major transit stop, 2) requiring more than one off-street parking space for middle housing on lots smaller than 6,000 square feet, and 3) requiring more than two off-street parking spaces for middle housing on lots larger than 6,000 square feet.

Ms. Adkins said the hearing on HB 1110 was held by the House Committee on Housing on January 17. A public hearing to consider SB 5190 is scheduled for January 25 in the Senate Housing Committee.

Ms. Adkins compared the current proposed legislation to HB 1782 that was discussed in 2022. That bill exempted cities with populations below 20,000, while the current bill exempts cities with populations below 6,000 and outside of the Seattle and Spokane metropolitan areas. HB

1782 allowed fourplexes while the current bill allows up to sixplexes if two units are affordable as defined in the bill. Ms. Adkins said HB 1782 provided an alternative to cities regarding a minimum density of 33 dwelling units per acre.

Ms. Adkins presented the lists of cities in favor of and opposed to the proposed legislation, as well as cities falling into the category labeled Other. Cities in favor include Bothell, Burien, Kirkland, Olympia, Port Townsend, Seattle and Spokane. Cities against the legislation are Battle Ground, Gig Harbor, Maple Valley, Port Orchard, Poulsbo and Puyallup. Cities and entities in the Other category are the AWC and the cities of Bonney Lake, Covington, Kent, Redmond, Spokane Valley and Tacoma.

Ms. Adkins said one issue that has been discussed relates to having the same number of units per lot citywide in residential areas versus focused or tiered levels of upzoning. She said there are also concerns regarding the potential displacement of existing, naturally occurring affordable housing. She noted concerns around increasing density in areas that have no or infrequent transit service. Ms. Adkins said other issues causing concern include infrastructure capacity and parking requirements. She said many residents rely on cars to get to and from jobs.

Lacey Jane Wolfe, Assistant Director of Intergovernmental Relations, said staff recommends that the Council direct staff to vote as Other on HB 1110/SB 5190 and to submit a comment letter addressing minimum zoning requirements, density near major transit, parking requirements and affordability.

Staff recommends submitting the following comments about the bill. Regarding minimum zoning requirements, staff recommends that Bellevue request amending HB 1110/SB 5190 to require up to fourplexes and to omit cottage housing and courtyard apartments from the citywide requirements, while allowing cities to permit them in certain residential zones throughout the city. The current proposed legislation allows up to sixplexes, cottage housing and courtyard apartments.

Regarding density near major transit, staff recommends that Bellevue encourage legislators to utilize the tremendous transit-oriented development (TOD) potential adjacent to future light rail stations and bus rapid transit (BRT) stations. In the area of parking requirements, staff suggested comment language recommending a scaled approach to parking requirements based on the lot's proximity to frequent transit.

Turning to affordability, Ms. Wolfe said Bellevue has strong experience in incentivizing affordable housing. Staff believes that the proposed bill does not include sufficient incentives to build significant affordable housing. Staff recommends that Bellevue comment as follows: "To impact affordability more effectively, the legislature should make significant investments through the state biennial budgets to fund new and established programs to aid local governments and nonprofit organizations in creating and preserving low-income housing units."

Ms. Adkins said the next steps are to request Council direction tonight in order to provide comments and state Bellevue's position during future bill hearings. Staff will work on

amendments with sponsors and stakeholders and return to the Council if further direction is needed.

Key dates for the legislative session are February 17 cutoff for policy committees, February 24 cutoff for fiscal committees, March 8 House of Origin cutoff, April 14 Opposite House cutoff and on-time adjournment on April 23.

Responding to Councilmember Barksdale, Ms. Adkins said that taking the position of Other will provide the opportunity to work with other cities and state legislators to improve the bill.

Responding to Mr. Barksdale, Mr. Kattermann said the City could require design standards or other guidelines to maintain neighborhood character. However, they would apply to the single-family housing as well. Mr. Barksdale expressed support for increasing density near transit service and increasing housing affordability.

Councilmember Zahn thanked staff for the presentation and questioned whether the City could still provide suggestions if it weighed in as Pro the proposed legislation. In the area of affordability, Ms. Zahn expressed support for significant state investments to fund new and established programs for low-income housing units.

Responding to Ms. Zahn, Ms. Adkins said the City would be able to submit suggestions if it voted as Pro. Ms. Adkins said staff believes voting Other provides the best position for participating in the discussions.

Regarding parking requirements, Ms. Adkins said the City currently considers a number of criteria when setting parking requirements for off-street parking. She suggested that Bellevue recommend a similar approach in the proposed legislation.

In further response to Ms. Zahn, Ms. Adkins said staff does not want to preclude the City's authority to allow middle scale housing types only in certain land use zones. Mr. Kattermann said that, as part of the Comprehensive Plan update, staff is already looking at areas where the City might want to introduce missing middle housing. He said it might not be appropriate in every residential area based on infrastructure capacity, transit services, density and other factors.

Councilmember Lee thanked staff for understanding and continuing to refine Bellevue's interests. He believes that Bellevue can be influential in designing the legislation. He said the City is doing a good job of addressing housing needs and solutions. He noted the value of being nimble and flexible. Mr. Lee suggested opposing the legislation because it does not address Bellevue's issues.

Mayor Robinson expressed concern regarding the potential impact of the proposed housing policies on infrastructure capacity. She said one proposed amendment would exempt a city with a multifamily tax exemption (MFTE) housing program from adopting certain State requirements. She suggested an exemption for cities that have an affordable housing plan and that can demonstrate how they are addressing missing middle housing.

Ms. Robinson encouraged a stronger focus on home ownership. She acknowledged that providing more housing will not guarantee an increase in the supply of affordable housing. She said it is imperative to ensure that the community gains affordable housing units. She observed that there is likely a place for cottage housing, fiveplexes and sixplexes, and courtyard apartments.

Mayor Robinson said she liked the emphasis on increasing density in TOD areas. However, she would also like there to be opportunities for middle housing in single-family neighborhoods. She expressed support for the City's current scaled approach to establishing parking requirements.

Deputy Mayor Nieuwenhuis asked whether there is any data to demonstrate the outcomes resulting from similar legislation in other cities. He asked whether there is data about the impact on both the overall supply of housing and the availability of affordable housing. Ms. Adkins said she has not heard any discussion about experiences in other cities.

Mr. Nieuwenhuis said he shared Mayor Robinson's concern regarding infrastructure capacity. Mr. Kattermann said the issue will be addressed as part of the Comprehensive Plan update and an analysis of different growth scenarios. Staff will identify the areas in Bellevue that could best accommodate increased density based on existing infrastructure.

Mr. Nieuwenhuis asked whether the bill's sponsor has discussed the environmental costs related to the provisions. He noted concerns by the community regarding the implementation of the Environmental Stewardship Initiative (ESI), tree canopy goals, and other issues. He encouraged an exemption for cities like Bellevue that have an affordable housing strategy and are aggressively addressing housing needs. He concurred with Councilmember Lee that the City understands the Bellevue community best.

Responding to Mr. Nieuwenhuis, Ms. Adkins said she will look into the availability of data regarding the impacts of the proposed approach. She said a number of other cities have raised environmental concerns regarding critical areas, water quality, tree retention, shoreline permits and other items.

In further response to Deputy Mayor Nieuwenhuis, Ms. Adkins said the legislation indicates that when a city is found to have adopted regulations that are substantially similar to the requirements of the bill, there is the potential for an exemption. She said the City of Tacoma is in the Other category and is interested in allowing specific types of housing in different areas. Ms. Adkins said Bellevue and other cities are interested in a clear definition of "substantially similar" regulations. Ms. Adkins said staff and the lobbyist will continue to advocate for Bellevue's interests through a number of committee meetings and discussions.

Councilmember Robertson said she leans more toward Con because the legislation removes local control over land use zoning. She concurred with Mayor Robinson's and Deputy Mayor Nieuwenhuis's comments regarding creating a path for an exemption. Ms. Robertson recalled that the safe harbor proposed during the previous legislative session was to use the guideline of 33 housing units per gross acre, which includes parks, roads, wetlands, housing, etc. That guideline would result in the City having to plan for 1.5 million people in Bellevue. Ms.

Robertson suggested an exemption for cities that have planned and zoned to meet growth targets and that have an affordable housing plan. While she is concerned about the impact on local control, she can support taking the position of Other and submitting comments and suggestions.

Councilmember Robertson said she supports allowing a broader range of housing types. However, she believes that placing them where needed is a more appropriate approach. In the area of density near major transit services, Ms. Robertson suggested a safe harbor threshold based on a certain number of housing units per net acre and a one-half mile walkshed to transit. She encouraged fourplexes and sixplexes closer to transit stations. She said it will be necessary to address critical areas. Regarding frequent transit, she would like to see a map that reflects future light rail stops. Ms. Robertson observed that four buses per hour is not very frequent transit service.

In the area of parking requirements, Ms. Robertson said a study in recent years indicated that lower income individuals actually had a higher rate of car ownership. She said the requirements do not consider existing street parking, and some areas of Bellevue have very limited street parking. She suggested adding the following topics to the comment letter: critical areas, impacts on infrastructure, the need for state funding and the need for a safe harbor/exemption. Councilmember Robertson said Bellevue is already working to achieve housing goals and does not need the state legislature dictating how cities should achieve the goals.

Councilmember Stokes said it appears that the cities supporting the legislation are already taking actions themselves. He said most of the cities that oppose the legislation are smaller cities. He said the City of Bellevue is doing a great job of addressing housing. However, more can be done, and the state legislation will provide opportunities for actions that might be difficult under current regulations. Mr. Stokes expressed concern that requesting an exemption would alienate other cities in the region. He encouraged Bellevue's leadership and participation with cities and the state legislature to improve and refine the legislation.

Mayor Robinson suggested a motion in support of taking the position of Other while also submitting suggestions and feedback.

Councilmember Lee agreed with Ms. Adkins that the City needs to work aggressively on this topic. Mr. Lee said it is important to give a clear and strong message. He reiterated his support for taking the Con position against the legislation.

Responding to Councilmember Barksdale, Ms. Adkins confirmed that there is a process to request an extension of the length of time required for constructing utilities and other infrastructure improvements. Mr. Barksdale said he understood concerns regarding local control. However, he thinks there is a need for state legislation in this area.

Councilmember Zahn suggesting including in the affordability comments a sentence about State funding for infrastructure. She acknowledged concerns regarding critical areas and the tree canopy. She said she believes that trees can be retained through deliberate designs. Ms. Zahn cautioned against diluting the proposed bill too much.

Deputy Mayor Nieuwenhuis said he was now leaning more toward Con than Other. He opined that the City needed to make a bolder statement, and he concurred with Councilmember Robertson's concerns.

Mr. Nieuwenhuis expressed concern regarding the impacts on neighborhood character, infrastructure costs and overcrowding on neighborhood streets. He noted the lack of data presented in the legislature demonstrating the outcomes of the proposed approach. He said there are data based on experiences in New York City and other cities, and none reported any significant impact on housing affordability.

Mr. Nieuwenhuis does not want to see single-family homes demolished and trees removed to build a fourplex with each unit selling for \$1 million. He noted longtime concerns throughout Bellevue regarding the redevelopment of older homes into mega houses. He wondered how the community will react when density increases after the requirement to allow more housing types.

Mr. Nieuwenhuis noted his concern regarding local control. He said he wants Bellevue to continue to be a good regional partner if it meets the interests of Bellevue residents. He suggested that, as the fifth largest city in the state, the City take a bolder approach against the legislation unless certain revisions are incorporated. He said it is not fair to single-family residents to abruptly require significant increases in density.

Councilmember Robertson said Bellevue has added more than 17,000 housing units and nearly 50,000 residents over the past 20 years. She said the City is working hard to help provide affordable housing in the community. While she shares Deputy Mayor Nieuwenhuis's concerns, she supports taking the position of Other.

Ms. Robertson suggested adding to the motion in the agenda packet: "...critical areas, infrastructure impacts, clarification of exemption or reasonable safe harbor, and state funding for infrastructure and affordable housing."

Responding to Mayor Robinson, Ms. Adkins said the issue of a safe harbor is already in the bill. She said the City of Bellevue and City of Tacoma are interested in a clarification of the safe harbor. Ms. Adkins said staff will explore a formula of the substantive components that are equivalent to the objectives of the state legislation. Councilmember Robertson said fourplexes might be suitable in certain areas while other housing types are a better fit in other areas.

Councilmember Stokes expressed support for the motion in the agenda packet and the additional language proposed by Councilmember Robertson. He hopes Bellevue's comments will stimulate input from other cities. He suggested that cities need to allow the State to impose certain requirements. He noted the importance of setting clear goals.

Mayor Robinson requested adding a reference to home ownership within the affordability comments. Ms. Robinson said she fully supports the addition of housing. However, she would prefer allowing cities to retain local control.

Councilmember Lee said he appreciated the comments by Deputy Mayor Nieuwenhuis and Councilmember Robertson. Mr. Lee said the Council has not discussed these issues with the public. He said Bellevue representatives need to get to the table to talk with state legislators. He said the City needs to be clear about what it will and will not support. He encouraged sending a strong message by taking the Con position and requesting discussion with legislators.

→ Deputy Mayor Nieuwenhuis moved to direct staff to weigh in as Other on HB 1110 and SB 5190 and to draft a comment letter addressing the following: minimum zoning requirements, density near major transit, parking requirements, affordability, critical areas, infrastructure impacts, clarification regarding a safe harbor, and State funding for infrastructure and affordable housing, including home ownership. Councilmember Robertson seconded the motion.

Councilmember Barksdale suggested drafting the language in the letter as expressing support, even if the City is taking the position of Other. He asked about performance monitoring.

Mayor Robinson interpreted Mr. Barksdale's comment to be suggesting a friendly tone to the letter. Councilmember Robertson made a distinction between a friendly tone and expressing positive support with potential changes. She suggested the letter should not express support if the City is weighing in as Other and suggesting key revisions.

Ms. Adkins suggested wording to indicate that the Bellevue City Council supports the policy objectives underlying the legislation. She noted language in the City's State Legislative Agenda calling for a balanced, collaborative approach that embraces adding more housing opportunities, availability and affordability in our city. Ms. Adkins suggested the Council express support for the policy drivers of the legislation but not the specific bill.

Responding to Mayor Robinson, Councilmember Barksdale wondered whether the comment letter should reference performance metrics. He said the ongoing availability of data would help to refine and adjust housing development efforts within relatively short timelines.

Mayor Robinson and Councilmember Stokes concurred with Mr. Barksdale's suggestion but suggested that the City's efforts around performance metrics be separate from this legislation.

Councilmember Zahn referenced the use of the words "substantially similar" in the language regarding a safe harbor. Ms. Zahn said the Council's discussion has used the word "equivalent." She recommended a clarification of what would be "substantially equivalent" in terms of what a city is doing to facilitate and incentivize housing development.

Councilmember Robertson said she would be hesitant to add restrictive language to the comment letter. She suggested that broader statements give staff and the lobbyist greater flexibility in crafting legislation. She expressed support for the motion as written.

Responding to Councilmember Zahn, Ms. Adkins said there are two components in the underlying legislation that address the idea of an exemption or safe harbor. Ms. Adkins confirmed Bellevue's and other cities' interest in a clarification of "substantially similar."

- Councilmember Zahn moved to encourage that the legislation clarify Section 4, Subsection 3(b), to provide better guidance about which municipal development regulations would qualify as “substantially similar.”

There was no second.

Mayor Robinson suggested that the amendment was not necessary, and that staff understands the Council’s position sufficiently to draft the comment letter.

- Councilmember Lee made a substitute motion that the Bellevue City Council take a Con position to HB 1110 and SB 5190. Councilmember Stokes seconded the motion.

Mr. Lee suggested conveying to the state legislature that Bellevue wants to collaborate and work with them through the process.

- The substitute motion failed by a vote of 2-5, with Deputy Mayor Nieuwenhuis and Councilmember Lee in favor.

- The main motion carried by a vote of 5-2, with Deputy Mayor Nieuwenhuis and Councilmember Lee opposed.

(c) Intergovernmental Affairs [*Written information only. No presentation.*]

11. Land Use: None.

12. Other Ordinances, Resolution, and Motions: None.

13. Unfinished Business: None.

14. New Business: None.

15. Executive Session: None.

16. Adjournment

At 9:33 p.m., Mayor Robinson declared the meeting adjourned.

Karin Roberts, CMC
Deputy City Clerk

/kaw