City of Bellevue

450 110th Avenue NE
Bellevue, WA 98004

Meeting Agenda

City Council Regular Meeting

Tuesday, July 21, 2026 **6:00 PM** **Council Chambers (1E-126)**

City Council meetings are conducted in a hybrid manner with both in-person and virtual attendance options. To speak at the meeting, you can attend in-person or remotely participate via one of these options:

- **www.zoom.us and enter Webinar ID: 871 6827 7098 Password: 534267**
- **253-215-8782 and enter Webinar ID: 871 6827 7098**

The meeting may also be viewed on BTV Channel 21, or for the best viewing experience watch livestream on Bellevue Television YouTube:

www.youtube.com/bellevuetelevision

1. Call to Order

2. Roll Call, Flag Salute

3. Approval of Agenda

4. Oral Communications

The total time for oral communications is 30-minutes and topics must relate to City of Bellevue government. Persons speaking to items on the agenda will be called first and, if time remains, persons not speaking on an agenda item will be called. The Presiding Officer is authorized, in each category, to give preference to (1) persons who have not spoken to Council within 60 days prior to the meeting or (2) to persons speaking to items anticipated to come on the agenda within 60 days. Speakers will be allowed up to three minutes to speak, and a maximum of three persons are permitted to speak to each side of any one topic. Please note that testimony provided during oral communications will be recorded.

Speakers may register beginning at 12:00 p.m. on the day of the Council meeting using the online link below. In-person assistance to register is available at 5:00 p.m. outside the City Council meeting room on the first floor.

https://bellevuewa.gov/council-oral-comms

5. Reports of Boards and Commissions

a) 26-474 — 2027 Recommended Budget and Strategic Plan for the Bellevue-Redmond Tourism Promotion Area

6. Report of the City Manager

7. Council Business and New Initiatives

8. Consent Calendar

a) 26-475 — Motion to approve payment of claims and payroll for the period June 01, 2026 - June 30, 2026.

b) RES 10656 — Resolution authorizing execution of an agreement between the City of Bellevue and American Traffic Solutions, Inc., doing business as Verra Mobility, for the use of automated cameras to issue notices of speeding infractions within city limits. The initial term of the agreement is through January 31, 2030, with an option to extend for two additional two-year terms.

9. Public Hearings

10. Study Session Items

a) 26-476 — Name recommendation for the park at Main Street and 112th Avenue SE

b) 26-477 — Transportation Needs and Funding Strategy

c) 26-478 — Multifamily Tax Exemption Catalyst Program for Housing Opportunities in Mixed-Use Areas

11. Land Use Reports

12. Other Ordinances, Resolutions and Motions

13. Written Reports

14. Unfinished Business

15. New Business

16. Executive Session

17. Adjournment

For alternate formats, interpreters, or reasonable modification requests please phone at least 48 hours in advance 425-452-7810 (voice) or email counciloffice@bellevuewa.gov. For complaints regarding modifications, contact the City of Bellevue ADA, Title VI, and Equal Opportunity Officer at ADATitleVI@bellevuewa.gov.

Approval of Agenda: The time at which the agenda is approved. Councilmembers or the City Manager may also suggest adding, withdrawing or moving the order of items on the agenda at this time. A simple majority of Councilmembers present may vote to approve as written or as amended.

Oral Communications: This agenda item provides an opportunity for members of the public to address the Council on any subject except quasi-judicial matters or matters scheduled for a public hearing before the Council. The total time for oral communications is 30 minutes, and speakers must limit their presentation to 3 minutes. A maximum of three persons are permitted to speak to each side of any one topic.

Consent Calendar: Those matters of business that require action by the Council which are considered to be of a routine and non-controversial nature are placed on the consent calendar. The individual items on the consent calendar are typically approved, adopted, or enacted by one motion of the Council.

Public Hearings: Hearings held to receive public comment on important matters before the Council, allowing the public an opportunity to provide input for Council consideration in the decision-making process.

Study Session Items: Council reviews and determines the approach to be used on significant policy issues, to receive progress reports on current issues, or to receive information from the City Manager, staff, or other regional officials.

Land Use: This is the point on the agenda when land use matters, including the City Hearing Examiners' decisions and recommendations on various land use applications, as well as appeals, are taken up for Council discussion and action. Often the items taken up under this agenda item are quasi-judicial in nature.

Written Reports: Council receives updates or progress reports on initiatives, plans, and programs in written format.

Quasi-Judicial: Matters where the Council acts in their judicial capacity rather than their legislative capacity.

Quorum: Minimum number of voting members who must be present for business to be conducted. A quorum of the Bellevue City Council is four (4) members, a simple majority.

Ordinance: Ordinances are legislative acts or local laws. They are the most permanent and binding form of Council action and may be changed or repealed only by a subsequent ordinance.

Resolution: Legislation that is adopted to express the policy of the Council or to direct certain types of administrative action.

Motion: A motion is typically used to indicate majority approval of a procedural action or to authorize disposition of routine items of business on the Council agenda. It may also be used to direct staff to take certain administrative actions.

Executive Session: Private sessions that may be held by the City Council only for the purposes specified in RCW 42.30.110. These include, but are not limited to, issues concerning the buying and selling of real property, certain personnel issues, and litigation. The purpose and length of Executive Sessions is publicly announced prior to recessing into Executive Session.

CITY COUNCIL AGENDA TOPIC

2027 Recommended Budget and Strategic Plan for the Bellevue-Redmond Tourism Promotion Area

Wade Hashimoto, Chair
Bellevue Redmond Tourism Promotion Area Advisory Board

Emil A. King AICP, Department Director
Jesse Canedo, Chief Economic Development Officer
Lorie Hoffman, Arts & Creative Economy Manager
Lizzette Flores, Cultural Tourism Specialist
Community Development Department

EXECUTIVE SUMMARY

DIRECTION	The Bellevue-Redmond Tourism Promotion Area (BRTPA) Advisory Board must submit for approval a budget and strategic plan to the Bellevue City Council, in its capacity as Legislative Authority for the BRTPA. This budget and strategic plan governs the use of revenues derived from Lodging Charges, which are collected from businesses furnishing 40 or more units of taxable lodging. If approved, staff will bring back legislation authorizing expenditures consistent with the recommended budget and plan as part of the regular 2027-2028 budget process. If not approved, staff will communicate the council's rationale, and the BRTPA Advisory Board will prepare an alternative recommendation.

RECOMMENDATION

Direct staff to return with legislation as part of the 2027-2028 budget process to support expenditure consistent with the annual budget and strategic plan as recommended by the BRTPA Advisory Board.

BACKGROUND/ANALYSIS

In 2023, following the adoption of Chapter 3.100 of the Bellevue City Code (BCC), the Bellevue City Council, serving as the Legislative Authority for the BRTPA, formally established the BRTPA Advisory Board. The Advisory Board is responsible for providing recommendations to the council regarding the use of revenues generated from designated lodging charges.

In accordance with BCC 3.100.010 and the Interlocal Agreement between the cities of Bellevue and Redmond, the Advisory Board is composed of an equal number of representatives from lodging establishments located in both the Bellevue and Redmond Zones.

Upon receiving the Advisory Board's recommendations, the council may approve the proposed budget and work plan or return them to the Advisory Board with a request for revised recommendations. If the council declines to approve the proposal, it must provide the rationale for its decision. The council may not introduce any new projects into the budget or work plan that have not first been reviewed by the Advisory Board.

Collection and Remittance of Lodging Charges

The BRTPA consists of two zones, the Bellevue Zone and the Redmond Zone, each defined by the boundaries of their respective cities. Lodging Charges are collected by lodging businesses with more than 40 units in each zone and remitted to the Washington State Department of Revenue (DOR). The DOR subsequently transfers these revenues to the City of Bellevue in its role as the Legislative Authority for the BRTPA.

In accordance with the Interlocal Agreement and BCC 4.60.070, the City of Bellevue maintains separate accounts for revenues generated within each zone. Funds collected in each city must be used exclusively for tourism promotion activities benefiting that city.

Allowable Use of Revenues

As stated above, revenues collected from BRTPA Lodging Charges must be used for tourism promotion. RCW 35.101.010 defines tourism promotion as:

> "Tourism promotion" means activities and expenditures designed to increase tourism and convention business, including but not limited to advertising, publicizing, or otherwise distributing information for the purpose of attracting and welcoming tourists, and operating tourism destination marketing organizations.

BCC 4.60.060 and the Interlocal Agreement give additional guidance for the use of these revenues:

1. The general promotion of tourism and convention business within the BRTPA as may be recommended by the Advisory Board, Redmond, Bellevue or destination marketing organization or other similar organization with whom the Legislative Authority shall contract to administer the operation of the BRTPA.
2. Advertising, marketing, public relations, and communications programs designed to attract overnight visitors to, increase consumer demand to, and increase market share to the BRTPA.
3. Tourism development programs, corporate visitation, meetings, conventions, festivals, events, and programs to promote and increase local tourism resulting in overnight stays within the BRTPA.
4. Tourism and visitation research and data to inform and advance tourism to the BRTPA.

Budget Process

The annual budget and strategic plan presented for the council's consideration were developed in alignment with established guidelines and informed by input from the organizations currently contracted to administer TPA funds for the two zones as well as with input from the City of Redmond's Lodging Tax Authority Committee (LTAC), who also supports tourism in Redmond. The Advisory Board has worked for a number of months to deliver the 2027 budget presented to the council.

Overview of Annual Budget for Both Zones

As in prior years, the Bellevue and Redmond Zone budgets and strategic plans follow a consistent format and reflect the same set of allowable uses. These uses are organized into defined focus areas, or "buckets," which include Marketing and Communications; Destination Sales; Tourism Development; Festivals, Events, and Programming; Administration and Research; and Contingency and Reserves. While the structure is standardized, each zone's allocations within these categories are tailored to address its distinct needs and priorities.

	Bellevue Zone 2027 Budget	Redmond Zone 2027 Budget
Projected Collections after administrative fees	**$2,932,800**	**$847,147***
Marketing and Communication	*$1,006,100*	*$276,200*
Destination Sales	*$660,000*	*$56,146*
Tourism Development	*$779,000*	*$310,000*
Festivals and Events	*$309,500*	*$0*
Administration and Research	*$115,800*	*$258,118*
Contingency	*$62,400*	*$84,716*
Total	*$2,932,800*	*$985,180*

Each zone accounts for the 1% administrative fee retained by DOR, and the 5% administrative fee retained by the Legislative Authority.

*The Redmond zone's budget includes a $138,033 withdrawal from reserves.

Bellevue Zone Strategic Plan

In 2027, the Bellevue Zone, currently administered by Visit Bellevue, will continue advancing its strategic priorities to further strengthen Bellevue's position as an attractive tourism destination, while refining the city's destination identity to ensure it stands out in a competitive travel market. The 2027 plan introduces several Flagship Initiatives, including Signature Events, Culinary Tourism, and Outdoor Recreation Tourism. These initiatives will advance strategic priorities found in the Destination Development Plan and will guide continued development of a successful and dynamic tourism program.

Visit Bellevue's commitment to visitor mobility continues with transportation programs. BellHop continues to grow, with an expanded ADA accessible fleet, which has recently welcomed its 250,000th rider. A recently launched cruise shuttle will ensure that cruise riders will have an effortless connection to Bellevue, opening the city up to a valuable regional market.

In 2027, the Destination Stewardship program continues, with a focus on ensuring that tourism growth contributes positively to Bellevue's long term environmental, cultural and economic vitality. Visit Bellevue has partnered with a sustainability partner, Green Key Global, to offer businesses the opportunity to become certified with nationally recognized, ecofriendly credentials. These standards align with Bellevue's sustainability goals and have the benefit of making the city a more attractive destination for increasingly eco-conscious travelers and meeting planners.

Redmond Zone Strategic Plan

For the Redmond Zone, currently administered by One Redmond, efforts will focus on further developing and promoting Redmond's tourism program, guided by the goals outlined in the City of Redmond's Tourism Strategic Plan and informed by collaboration with Redmond hoteliers and the BRTPA Advisory Board. For 2027, the Redmond Zone will continue developing specialized tourism programs designed to elevate Redmond's profile by highlighting its distinctive visitor experiences. These programs are intentionally planned to align with hotel need periods, supporting stronger and more consistent visitation throughout the year.

Dog tourism continues in Redmond, with events throughout the year highlighting Redmond's newest addition to its niche tourism offerings is the introduction of Shinrin Yoku, or forest bathing. Leveraging the abundance of natural areas in and around Redmond, this program is envisioned to include both guided and self-guided experiences that highlight the city's outdoor assets.

For 2027, visitor mobility will also be a focus in the Redmond Zone. One exciting program is RedLink. Similar to BellHop, this free, on demand shuttle will give visitors and residents alike a convenient option for getting around Redmond. The Advisory Board recommended an investment in this program, which is running a pilot program through mid-2027.

Performance
The Bellevue Zone's overall occupancy goal is to welcome 2.5 million overnight visitors in 2027. The Redmond Zone's goal is to welcome 416,995 overnight visitors. Additional quantitative performance measures and goals are in Attachment A.

Next Steps
If approved, these budget numbers will be reflected in the 2027 budget process. Contracts and detailed scopes of work for Zone Administration would come to the council for approval after the 2027 budget is approved.

POLICY & FISCAL IMPACTS

Policy Impact
The TPA will provide dedicated funding to support tourism, consistent with Bellevue's 2026-2031 Economic Development Plan (Objective 2.6).

BCC 4.60.100(B): The legislative authority may approve the annual budget and business plan, or it may deny and return the budget and business plan to the advisory board for further, alternative recommendations. If the legislative authority denies and returns the budget and plan, it shall provide a rationale for the denial. The legislative authority may not add a project to the annual budget or business plan that was not previously considered by the advisory board.

BCC 4.60.100(C): After it is approved by the legislative authority, the annual budget and business plan shall govern the use of the revenue derived from the lodging charges imposed under this chapter during the calendar year for which it is approved. The legislative authority may from time to time approve amendments or modifications to the budget and plan, upon the appropriate recommendation from the advisory board.

Fiscal Impact
The proposed budget and work plan are fully supported by projected revenues. The BRTPA is anticipated to have a positive fiscal impact, with total revenues estimated at $3.78 million (approximately $2.9 million generated within Bellevue and approximately $847,000 generated within Redmond). As tourism activity continues to grow, these revenues are expected to increase correspondingly. The resulting rise in visitor spending is projected to positively influence hotel occupancy tax, sales tax, and admissions tax collections.

OPTIONS

1. Direct staff to return with legislation as part of the 2027 budget process to support expenditure consistent with the annual budget and strategic plan as recommended by the BRTPA Advisory Board.
2. Provide alternative direction to staff.

ATTACHMENTS

A. 2027 Bellevue-Redmond Tourism Promotion Area Budget and Strategic Plan

AVAILABLE IN COUNCIL LIBRARY

N/A

Bellevue-Redmond Tourism Promotion Area Draft 2027 Budget & Strategic Plan

2027 Budget

Under the interlocal agreement governing the joint establishment of the Bellevue-Redmond Tourism Promotion Area (BRTPA), the Advisory Board holds the responsibility of developing and recommending an Annual Budget to ensure the effective administration of tourism promotion funds. This budget proposal must be completed and formally submitted to the Bellevue City Council no later than July 30th each year for review, approval, and adoption.

The Advisory Board's budget recommendation is based on an evaluation of strategic tourism priorities, anticipated expenditures, and alignment with the allowable uses outlined in the interlocal agreement. Once submitted, the Bellevue City Council will assess the proposed budget to ensure fiscal responsibility and adherence to the objectives of the BRTPA, prior to final approval. The framework for this budget has been developed in partnership with current TPA administrators for the Bellevue and Redmond zones.

The 2027 budget follows the same format as the 2026 budget and remains in full compliance with the allowable uses defined in the Tourism Promotion Area (TPA) interlocal agreement. Any expenditure that falls outside of these approved uses is strictly prohibited.

Oversight

Oversight of TPA funds is vested in the Bellevue-Redmond Tourism Promotion Area (BRTPA) Advisory Board and the Bellevue City Council. This board is responsible for reviewing and recommending a budget to the Bellevue City Council, which holds the authority for final approval and adoption. The oversight authority exercised by the BRTPA Advisory Board and Bellevue City Council supersedes any advisory responsibilities of other boards providing guidance to a zone administrator. Bellevue Staff review invoices and charges monthly against allowable categories and approved budgets and strategic plans.

Administrators

Two organizations are currently contracted to administer TPA funds in 2026, and support tourism promotion efforts in their respective cities.

Bellevue Zone
Visit Bellevue, the official Destination Management Organization (DMO) for the City of Bellevue, as designated by Bellevue City Council, is responsible for promoting tourism in Bellevue.

Redmond Zone
The City of Redmond does not have a designated DMO. OneRedmond, a non-profit organization, is currently contracted to administer the Redmond Zone of the BRTPA. The City of Redmond's Tourism Strategic Plan calls for the City to explore the feasibility of establishing a dedicated DMO.

As part of their current administration contracts, both zone administrators proposed detailed draft scopes of work for 2027. The BRTPA Advisory Board used these draft scopes of work to inform their recommended budgets.

Uses

The BRTPA Advisory board budget has adhered to the allowable uses in the Interlocal Agreement and has created its own areas of focus ("buckets"). We list these below, along with the category under which they may fall, within the Interlocal Agreement. These categories are identical to the 2026 Budget. The scopes of work for each zone are attached to this document as attachments B and C, respectively.

Marketing and Communications *(Advertising, Marketing, and Public Relations)*
Expenses may include Advertising, Paid Marketing, Public Relations, Trade Shows, Content Development, social media, Collateral, and Professional Agencies.

Destination sales *(General Promotion of Tourism)*
Expenses may include Trade Shows, Sales Missions, Site Inspections, Collateral, Memberships, Marketing, and Communications.

Tourism Development *(General Promotion of Tourism)*
Expenses may include welcome center, visitor services, Tourism development grants, wayfinding & multicultural promotion.

Festivals, Events, and Programming *(Tourism Development Programs)*
Expenses may include festival grants, event sponsorships, convention & meetings sponsorships.

Administration and Research *(Tourism and Visitation Research and Data)*
Expenses may include research, consulting, data collection, & indirect allocation.

Contingency
The contingency budget will cover any unexpected costs that may arise throughout the year.

Reserves and Administrative Fees
The amounts in the reserve budget are set aside for future use or significant, unexpected events or expenses. Reserves will be held in separate accounts for the Bellevue and Redmond Zones with the Legislative Authority.

The uses described in this section may include payment of administrative costs associated with the operation and management of the BRTPA. The City of Bellevue is authorized to retain charges limited to a total of 5% that is proportional to each zone's revenue for administrative cost recovery of BRTPA management.

Currently, 1% of all revenues are being retained by Department of Revenue and are not remitted to City of Bellevue.

Zone Differences

Although both the Bellevue and Redmond zones share common budget priorities, the allocation of funds within each category will vary to reflect the distinct tourism needs of each community.

TPA Zone Fund Balances

	Bellevue Zone	Redmond Zone
2026 Starting Balance	$848,285.31	$688,154.94
2026 Projected Revenues	$2,946,900	$942,059
2026 Projected Expenses	($2,946,900)	($1,422,693)
2026 Projected Ending Balance	**$848,285.31**	**$207,520.94**

	Bellevue Zone	Redmond Zone
2027 Projected Starting Balance	$848,285.31	$207,520.94
2027 Projected Revenues	$2,932,800	$847,147
2027 Projected Expense	($2,932,800)	($985,180)
2027 Projected Ending Balance	**$848,285.31**	**$69,487.94**

2027 Bellevue Zone Budget

Projected 2027 TPA Revenue	Q1 '27	Q2 '27	Q3 '27	Q4 '27	TOTAL
Projected TPA Collections	$635,000	$745,000	$910,000	$830,000	$3,120,000
Department of Revenue Fee 1%	6350	7450	9100	8300	$31,200
Legislative Authority Fee 5%	31750	37250	45500	41500	$156,000
Total	$596,900	$700,300	$855,400	$780,200	$2,932,800
Marketing and Communication	Q1 '27	Q2 '27	Q3 '27	Q4 '27	
Expenses	$274,900	$217,400	$236,900	$276,900	$1,006,100
Destination Sales	Q1 '27	Q2 '27	Q3 '27	Q4 '27	
Expenses	$248,390	$120,417	$158,717	$132,476	$660,000
Tourism Development	Q1 '27	Q2 '27	Q3 '27	Q4 '27	
Expenses	$210,500	$198,000	$211,000	$159,500	$779,000
Festivals and events	Q1 '27	Q2 '27	Q3 '27	Q4 '27	
Expenses	$45,000	$102,000	$19,500	$143,000	$309,500
Administration and Research	Q1 '27	Q2 '27	Q3 '27	Q4 '27	
Expenses	$28,950	$28,950	$28,950	$28,950	$115,800
Contingency (5%)	Q1 '27	Q2 '27	Q3 '27	Q4 '27	
Expenses	$12,700	$14,900	$18,200	$16,600	$62,400
Total Expenses and Contingency					
	$820,440	$681,667	$673,267	$757,426	
				Total	$2,932,800

2027 Redmond Zone Budget

The Redmond zone budget includes a withdrawal of $138,033 from reserves.

Projected TPA Revenue	Q1 '26	Q2 '26	Q3 '26	Q4 '26	TOTALS
Estimated Revenue	$225,305	$225,305	$225,305	$225,305	$901,220
1% DOR Fee	2253.05	2253.05	2253.05	2253.05	$9,012
5% Legislative Authority Fee	11265.25	11265.25	11265.25	11265.25	$45,061
Totals	$211,787	$211,787	$211,787	$211,787	$847,147
Marketing and Communication*	Q1 '26	Q2 '26	Q3 '26	Q4 '26	
Expenses	$69,300	$69,300	$69,300	$68,300	$276,200
Destination Sales	Q1 '26	Q2 '26	Q3 '26	Q4 '26	
Expenses	$26,079	$13,104	$9,604	$7,359	$56,146
Tourism Development	Q1 '26	Q2 '26	Q3 '26	Q4 '26	
Expenses	$60,250	$94,500	$70,000	$85,250	$310,000
Festivals and events	Q1 '26	Q2 '26	Q3 '26	Q4 '26	
Expenses	$0	$0	$0	$0	$0
Administration and Research	Q1 '26	Q2 '26	Q3 '26	Q4 '26	
Expenses	$60,705	$76,905	$60,705	$59,803	$258,118
Contingency (10%)	Q1 '26	Q2 '26	Q3 '26	Q4 '26	
	$21,179	$21,179	$21,179	$21,179	$84,716

TPA expenses include a withdrawal of $138,033 from account reserves.

TOTAL	$985,180

***Withdrawal from Reserves**	$138,033
2025 Projected Revenue	$847,147
Total	$985,180

2027 Strategic Plan

Bellevue Zone

By the end of 2027, Visit Bellevue seeks to welcome 2.5 million overnight visitors and generate an estimated economic impact of $2.2 billion. To achieve this, 2027's strategic work will focus on five priorities:

Strengthening Bellevue's destination identity through a clear and compelling brand that differentiates the city in competitive travel markets.

Growing high-value overnight visitation by attracting visitors who generate strong economic impact through extended stays and higher spending.

Expanding visitor experiences through events, attractions, and tourism programming that increase length of stay and activate weekends and off-season travel periods.

Supporting community vibrancy by ensuring tourism contributes positively to Bellevue's neighborhoods, arts and cultural experiences, and local businesses.

Advancing destination stewardship through sustainable and accessible tourism practices that support long-term community well-being.

Additionally, 2027 will mark the establishment of Visit Bellevue's Flagship Initiatives, highlighted below:

Bellevue Signature Events
Develops and attracts major culinary, cultural, innovation, and outdoor events that drive year round- visitation.

Culinary Tourism
Highlights Bellevue's culinary profile through dining experiences, global food programming, chef-led events, and destination-focused storytelling

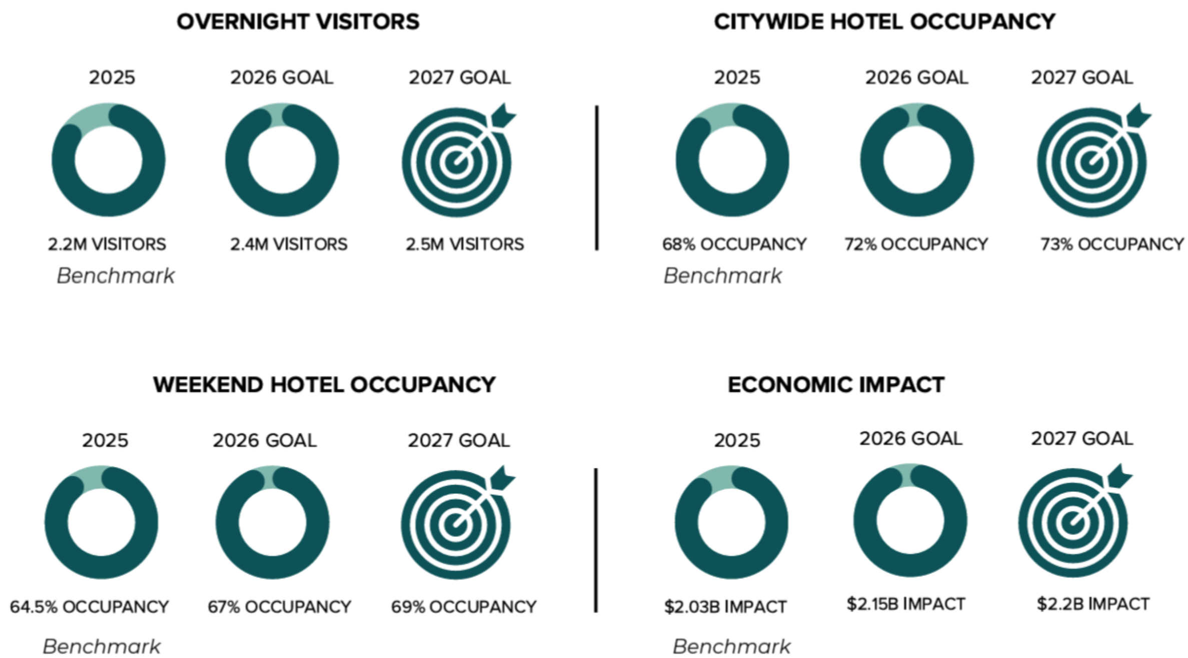
Outdoor Recreation Tourism
Promote Bellevue's natural assets through guided activities, wellness programs, and outdoor recreation campaigns

Waterfront Activation Strategy
Highlight Bellevue's waterfronts with recreation programs and enhanced waterfront visitor experiences

Arts Culture and Innovation Initiatives
Strengthens Bellevue’s identity through public art, digital experiences, cultural festivals and innovative programming

Below are the overall goals for the Bellevue zone in 2027:

2027 Overall Goals



Destination Sales

Bellevue’s destination sales program’s goal is to increase overnight business for Bellevue hotels and venues through meetings, conventions, conferences, corporate travel, and events. Overnight visits and meetings are a key driver of economic impact and visibility which benefits our entire hospitality community through increased compression, higher occupancy, and greater visitor spending. Targeting core group and event planners across priority business segments, the strategy emphasizes placing groups during Bellevue’s need periods and building a seven-day-a-week business model that layers group demand on top of existing visitor traffic to create a stronger, more consistent visitor economy.

Key goals for Destination Sales include:

Contribute **80,000 contracted room nights,** reflecting the incremental business that enhances Bellevue’s visitor economy

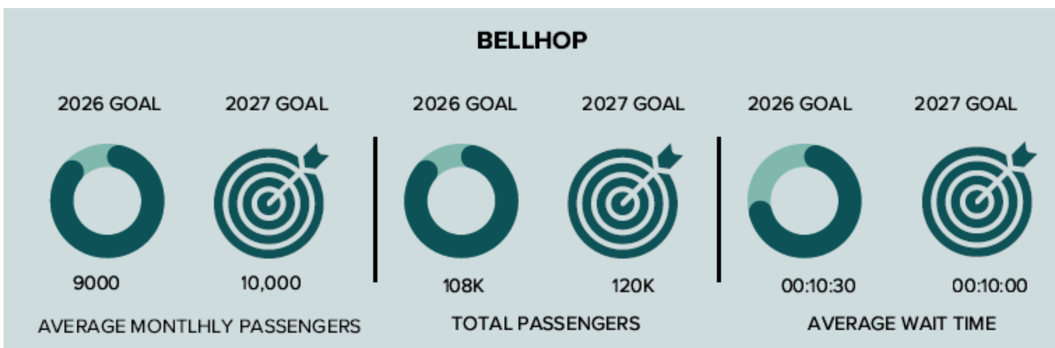
Generate **350,000 room night leads**, focusing on groups and events that wouldn’t normally be in the city, and fill our high need areas

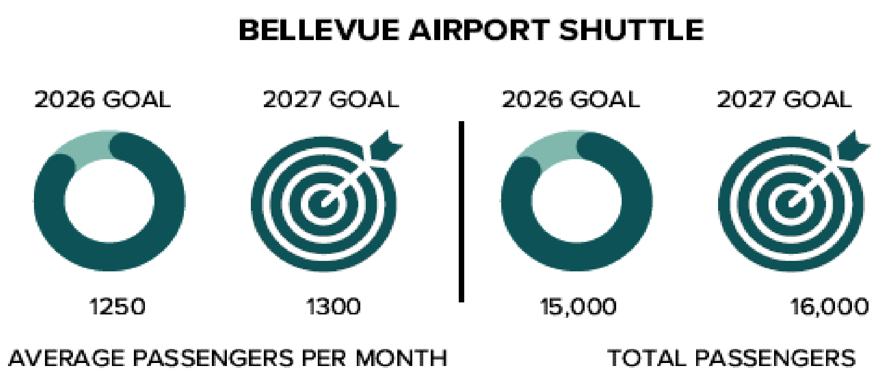
Visitor Experience

Bellevue's Visitor Experience and Tourism Development program aims to enhance the quality of visitor experience and support the growth of Bellevue as a tourism destination. Visitor Experience & Tourism Development programs are well known in our community, from Bellhop to the Mobile Welcome Center. The assets developed improve visitor experience while at the same time making Bellevue a vibrant place to live and work.

Looking ahead, Bellevue will continue to develop its airport and cruise connections. The cruise shuttle is a vital piece of visitor transportation and will provide a stress-free connection to Bellevue. The mobile welcome center has been reimagined as the Vuefinder and continues to bring visitor services directly to high traffic locations, hotels and major events.

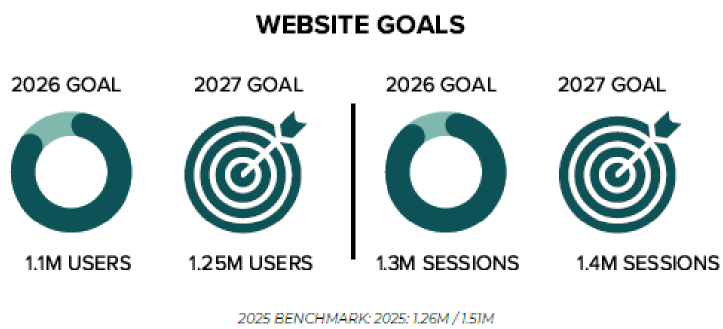
Some goals for visitor experience include:



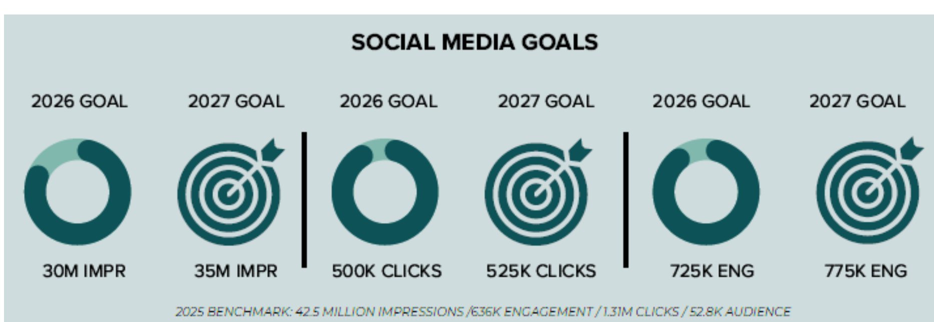


Marketing and Communications

Bellevue's marketing strategy for 2027 is focused on strengthening its brand as an urban oasis, highlighting the City's innovation, culture, culinary experiences, and outdoor access. Core Marketing programs such as paid, earned, social media, as well as international marketing programs and website redesign will collectively heighten Bellevue's profile as a visitor destination, boosting visibility and attracting visitors. Some highlights for 2027 are a refreshed Culinary Guide to Bellevue, highlighting our diverse and exciting culinary scene. This guide serves to help visitors and locals alike discover our community through food. A new international marketing campaign, targeting South Korea, will tap into this emerging market and capitalize on the recently launched direct flights from Seattle to Seoul.



*Impressions (IMPR), Cost Per Click (CPC), Engagements (ENG)



Destination Stewardship

Now in its second year, Visit Bellevue's Destination Stewardship & Community Relations department ensures the city's growth as a visitor destination aligns with community well-being, environmental sustainability, and long-term economic vitality.

Some highlights from the Destination Stewardship program include a focus on destination accessibility, which ensures that our destination is welcoming and accessible to travelers of diverse physical and non-physical disabilities. The Bellevue Cares program focuses on engaging meeting professionals and event attendees through a Helping Hands volunteer program, as well as a charitable donations initiative benefiting local nonprofits and strengthening connections across Bellevue. The sustainability program supports sustainability initiatives in partnership with various Bellevue stakeholders. All of this together is meant to ensure that while tourism expands in our community, our entire community will reap the benefits of visitation. Below are some goals for 2027:

- 11,000 Bellevue Bound listeners, up from approximately 10,000 in 2025
- 10% of Visit Bellevue group bookings participating in Bellevue Cares (program launched in 2026)
- 10 new accessibility verifications on Wheel the World platform, up from 25 in 2025
- 20 Green Key Global Sustainability verified restaurants and attractions (program launched in 2026)
- 200 Bellevue Boost program attendees, up from 160 in 2025

Redmond Zone

For the Redmond zone, efforts will focus on continuing to advance the development and promotion of Redmond's tourism program, incorporating goals outlined in the City of Redmond's Tourism Strategic Plan, with guidance from Redmond hoteliers and the BRTPA Advisory Board. The Redmond Zone Administrator must work in close collaboration with the City of Redmond's Lodging Tax Committee (LTAC) to ensure complimentary, not duplicative, efforts are taking place to drive overnight visitors in the Redmond Zone. This comprehensive initiative will continue the development of niche programming that aims to put Redmond on the map for its unique tourism offerings. The development of these programs has been planned with hotel need periods in mind.

By the end of 2027, the Redmond zone's goal is to increase overnight visitors by 3% based on 2025's annual occupancy, which translates to 416,995 room nights.

2025 Baseline

404,850 room nights

2027 Goal

416,995 room nights

The 2026 occupancy target was 425,092, representing a 5% increase of overnight visitors compared to 2025 annual occupancy. This projection incorporated the anticipated impacts of the World Cup and Cirque du Soleil's shows in the first quarter of 2026. As of the first quarter of 2026, we remain on track to meet this goal. 2027's goal is more conservative, reflecting the absence of comparable large events in Redmond and in the region.

Some strategic priorities for the Redmond zone include

- Build successful **niche tourism** programs to strengthen connection with travelers
- Leverage **tourism data analytics** to track efficacy of campaigns and results
- Build a targeted **destination sales program**
- Promote **group business** by developing branded programs to increase overnight visitors during need period
- Ongoing **collaboration** with City of Redmond and Visit Bellevue

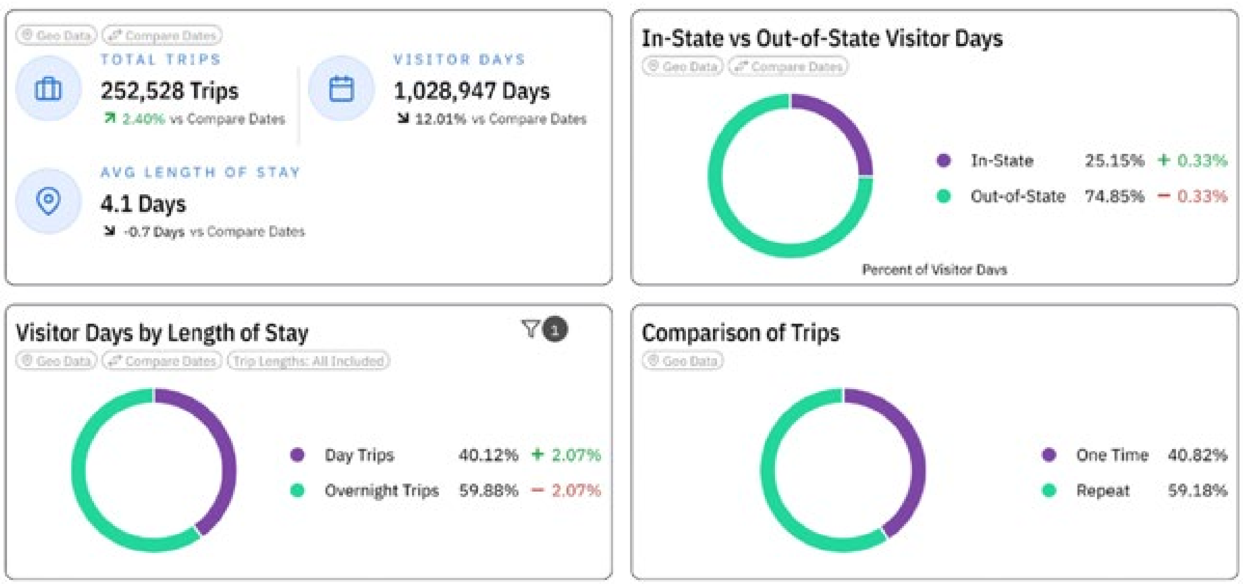
Marketing & Communications

Marketing and communications for the Redmond zone include a partnership with the City of Redmond, amplifying marketing efforts for the Redmond zone. Key performance targets for this area include improving upon the current cost-per-click benchmarks of $1.53 on Google and $0.63 on Meta. This marketing metric measures the efficacy of paid advertising, providing insight into how well advertising campaigns are performing.

Looking ahead, digital concierge services will enhance the visitor experience by providing timely, location-based information before and during a stay. Geofencing subscription services will provide valuable information on visitor location and behavior, supporting both acquisition and retention strategies intended to influence travel decisions and promote Redmond specific travel experiences.

Research & Data

Research and data are critical to measuring the success and impact of the tourism program. 2026 is the first full calendar year in which data tools will be used, providing valuable information on the efficacy of programs. Continued investment in 2027 will ensure that efforts and financial investments are made in a way that brings measurable results for Redmond. Below are some examples of the types of quality data tools employed. Understanding visitor base is another key to growing a visitor base.



Destination Sales

Destination sales will have a multi factored approach, developed with Redmond hotelier feedback in mind. The destination sales program will include sales missions and site inspections, bringing qualified planners directly to the destination to experience hotels and the Redmond firsthand. Paid marketing and sales collateral will support destination sales by ensuring that Redmond is represented with professional, compelling materials that communicate value to partners. Trade shows and exhibiting opportunities will allow Redmond to directly engage with meeting planners, tour operators, sports organizers, and group travel buyers who are actively seeking destinations. One of 2027's goals is to increase group sales leads by 50% from 2025, this would be 6 leads.

Tourism Development

Tourism development in Redmond focuses on creating, enhancing and sustaining experiences that drive overnight visitation to Redmond. One exciting development for the Redmond zone is

Redlink. Similar to Bellhop, this on demand electric shuttle will provide free rides to those in Redmond. This program is being piloted by the City of Redmond currently, with TPA investment beginning in 2027. Though the program is only in its first few months, preliminary baseline data is available, showing wait time, total passengers served, and passengers served whose ride begins or ends in a hotel (average over 2 months of data):

- 8:50 wait time
- 1,483 passengers/month average
- 198 hotel passengers

The Redmond zone will continue its development of niche tourism programs, including the popular dog tourism programming. For 2027, the target is to increase overnight visits incentivized by dog fees waived for visitors by 3%. The last full year of data is 2025, with 626 overnight stays and 5 of 9 hotels participating. A 3% increase would be 645 room nights booked. The goal is also to have 9 out of 9 hotels participating. A Shinrin Yoku, (forest bathing) program will be a focus for development in 2027. The forest bathing market is valued at $2.5 billion in 2024, with healthy projected growth. Redmond's natural green spaces provide an ideal spot for developing this segment of the wellness market. The target for 2026 is to initiate two activations during the shoulder season.

CITY COUNCIL AGENDA TOPIC

Motion to approve payment of claims and payroll for the period June 01, 2026 – June 30, 2026.

Michael Chandler, Controller
Sylvia Lock-Kirihara, Disbursement Assistant Division Manager
Finance & Asset Management Department

EXECUTIVE SUMMARY

ACTION	This motion will approve the payment of claims and payroll for the month of June 2026.

RECOMMENDATION

Move to approve the payment of claims and payroll for the month of June.

BACKGROUND/ANALYSIS

The information presented in the Fiscal Impact section covers all claims and payroll payments during the month prior to the date of the council meeting, as required by RCW 42.24.180.

All payments made during this period were found to be valid claims against the city. Details are available from the Treasury Section of the Finance & Asset Management (FAM) Department.

The city's internal controls include certification of the validity of all payments by the appropriate department prior to submission of payment. The FAM Director has delegated authority for the examination of vouchers and authorization of payments to the Treasury Manager and Accounts Payable, Procurement and Payroll staff. Centralized Accounts Payable staff review all claims payments and Payroll performs system validation and exception reviews to validate payroll records. The Business Expense Coordinator in Treasury reviews all expense reimbursement claims. In addition, the Treasury Manager performs a random sampling review of supporting documentation for claims payments to ensure validity. The FAM Department regularly reviews its processes to ensure appropriate internal controls are in place.

POLICY & FISCAL IMPACTS

Policy Impact
RCW 42.24.080 requires that all claims presented against the city by persons furnishing materials, rendering services, or performing labor must be certified by the appropriate official to ensure that the materials have been furnished, the services rendered, or the labor performed as described, and that the claims are just, due and unpaid obligations against the city, before payment can be made.

RCW 42.24.180 allows expedited processing of the payment of claims when certain conditions have been met. The statute allows the issuance of warrants or checks in payment of claims before the legislative body has acted to approve the claims when: (1) the appropriate officers have furnished official bonds; (2) the legislative body has adopted policies that implement effective internal control; (3) the legislative body has provided for review of the documentation supporting the claims within a month of issuance; and (4) that if claims are disapproved, they shall be recognized as receivables and diligently pursued. The City meets all of these conditions.

Bellevue City Code
BCC 4.40, Audit of Claims, provides that the Director of Finance and Asset Management or his/her designee will examine all claims prior to payment.

BCC 4.40.030 allows for periodic reporting of the payments to council for approval. To meet these requirements, FAM staff schedule payment of claims and payroll for monthly council approval on the Consent Calendar.

Fiscal Impact

Claims Check Numbers, including settlement of damage claims, Amounts Travel Advances and PayMode (electronic) deposits	Amounts
00431111 – 00432089 (Checks) 11021 – 11027 (Travel) 1076592 – 1076956 (PayMode)	$29,622,303.97

Direct Deposit and Payroll Check Numbers	
0089075 – 0089215	$19,396,955.16

These amounts were budgeted, and sufficient funds are available in the 2026 budget to cover these payments.

OPTIONS

1. Move to approve the payment of claims and payroll for the period of June 1, 2026 – June 30, 2026.
2. Do not approve the motion and provide alternate direction to staff.

ATTACHMENTS

N/A

AVAILABLE IN COUNCIL LIBRARY

N/A

City of Bellevue

7/21/2026

CITY COUNCIL AGENDA TOPIC

Resolution authorizing execution of an agreement between the City of Bellevue and American Traffic Solutions, Inc., doing business as Verra Mobility, for the use of automated cameras to issue notices of speeding infractions within city limits. The initial term of the agreement is through January 31, 2030, with an option to extend for two additional two-year terms.

Andrew Singelakis, Director
Chris Long, Assistant Director, Mobility Operations
Franz Loewenherz, Mobility Planning and Solutions Manager
Transportation Department

EXECUTIVE SUMMARY

ACTION	This Resolution authorizes execution of an agreement with Verra Mobility to provide automated speed enforcement camera services. Verra Mobility was selected through a competitive Request for Proposals (RFP) process and will support implementation of the city's Speed Safety Camera Program.

RECOMMENDATION

Move to adopt Resolution No. 10656

BACKGROUND/ANALYSIS

The city has operated automated traffic safety cameras since 2009. The current program includes six red-light cameras and three school speed zone cameras, with Verra Mobility holding the contract for these systems through January 31, 2030.

In December 2025, the City Council directed staff to expand the program beyond red-light and school speed zone cameras to include Speed Safety Cameras at higher crash-risk locations. These locations include areas near hospitals, parks, school walk zones, and corridors with a documented history of speed-related crashes, consistent with RCW 46.63.250(3).

To support program expansion, the city conducted a competitive Request for Proposals (RFP) process in March 2026. A selection committee comprised of Transportation and Police Department staff reviewed proposals submitted by four firms: Jenoptik Smart Mobility Solutions, Mobilis Traffic, NovoaGlobal, and Verra Mobility. Proposals were evaluated based on the criteria identified in the RFP, including camera system installation and operation, data processing and reporting capabilities, experience and references, program administration and customer service, project schedule, and cost.

Based on the evaluation of the proposals and the consensus scoring of the selection committee, Verra Mobility received the highest overall score and was identified as the firm best qualified to provide Speed Safety Camera Program services. The evaluation determined that Verra Mobility met the city's technical and operational requirements and demonstrated the experience, resources, and service capabilities necessary to successfully implement and operate the expanded program. In addition, the company has a proven record of satisfactory performance under its existing contract with the city.

POLICY & FISCAL IMPACTS

Policy Impact

Bellevue's Comprehensive Plan aims to ensure that "Moving into, around and through Bellevue is safe, reliable and predictable." (Transportation Element Vision). Further policy direction includes:

- TR-31. Monitor and implement as appropriate, emerging technologies that are intended to improve mobility, safety, efficiency and people-moving capacity on existing and planned transportation network facilities.
- TR-50. Maintain and enhance safety for all users of the street network.
- TR-56. Assess arterial speed limits and address concerns related to safety through appropriate speed limits, countermeasures and other techniques.

Fiscal Impact

Approval of the contract will authorize implementation of the Speed Safety Camera Program expansion in 2026. The contract authorizes expenditures of up to approximately $11.2 million through January 31, 2030, based on the implementation of two phases of camera deployment.

The contract is structured to provide flexibility for future program expansion. The number and location of camera deployments beyond the initial Phase 1 2026 implementation have not yet been determined and will be informed by staffing capacity, operational needs, and the evaluation of program outcomes.

Preliminary cost estimates for the contract term are as follows:

- Phase 1 only (September 14, 2026–January 31, 2030): approximately $6.9 million, with an estimated $600,000 expected in 2026.
- Phase 1 and 2 (assuming Phase 2 deployment beginning January 1, 2028): approximately $11.2 million

All contract costs will be fully funded through speed safety camera infraction fees. No additional General Fund appropriation is required. Costs beyond 2026 will be included in future budgets.

Consistent with state law, net camera revenue remaining after administrative and operating costs must be used for traffic safety purposes. These funds will support projects that reduce speeds and improve safety for people walking, bicycling, and rolling, with priority given to lower-income areas and locations with above-average crash rates. This represents a change from the city's previous practice of depositing net camera revenues into the General Fund.

OPTIONS

1. Adopt the Resolution authorizing execution of an agreement between the City of Bellevue and American Traffic Solutions, Inc., doing business as Verra Mobility, for the use of automated cameras to issue notices of speeding infractions within city limits. The initial term of the agreement is through January 31, 2030, with an option to extend for two additional two-year terms.
2. Do not adopt the Resolution and provide alternative direction to staff.

ATTACHMENTS

Proposed Resolution No. 10656

AVAILABLE IN COUNCIL LIBRARY

Contract with American Traffic Solutions, Inc., doing business as Verra Mobility

CITY OF BELLEVUE, WASHINGTON

RESOLUTION NO. 10656

A RESOLUTION authorizing execution of an agreement between the City of Bellevue and American Traffic Solutions, Inc., doing business as Verra Mobility, for the use of automated cameras to issue notices of speeding infractions within city limits. The initial term of the agreement is through January 31, 2030, with an option to extend for two additional two-year terms.

THE CITY COUNCIL OF THE CITY OF BELLEVUE, WASHINGTON, DOES RESOLVE AS FOLLOWS:

Section 1. The City Manager or designee is hereby authorized to execute an agreement between the City of Bellevue and American Traffic Solutions, Inc., doing business as Verra Mobility, for the use of automated cameras to issue notices of speeding infractions within city limits. The initial term of the agreement through January 31, 2030, with an option to extend for two additional two-year terms, a copy of which agreement shall be substantially in the form given Clerk's Receiving No. ____________.

Passed by the City Council this ______ day of _________________, 2026, and signed in authentication of its passage this _____ day of _________________, 2026.

(SEAL)

____
Mo Malakoutian, Mayor

Attest:

____
Charmaine Arredondo, City Clerk

City of Bellevue

7/21/2026

CITY COUNCIL AGENDA TOPIC

Name recommendation for the park at Main Street and 112th Avenue SE

Meredith Petit, Director
Camron Parker, Assistant Director
Betsy Anderson, Senior Planner
Susan Ulep, Parks Capital Project Coordinator
Parks & Community Services Department

EXECUTIVE SUMMARY

DIRECTION Staff seeks Council's preferred name for the park at Main Street and 112th Avenue SE and direction to return with a resolution adopting that name.

RECOMMENDATION

Consider directing staff to prepare a resolution to formally adopt the name Isan Park for the park site located at Main Street and 112th Avenue SE, as recommended by the Parks & Community Services Board.

BACKGROUND/ANALYSIS

The park site located at the southwest corner of Main Street and 112th Ave SE (Attachment A) was initially acquired by Sound Transit to support light rail staging and construction of the south tunnel portal. As part of Sound Transit's park impact mitigation requirements, the city and Sound Transit collaborated on the design of a public park space to be developed above the tunnel portal infrastructure. In September 2024, the park property was transferred to the city, and Parks & Community Services assumed full maintenance and operations responsibility.

Naming Process

Bellevue City Council Resolution No. 10151 establishes the policy for naming public parks and park and recreation facilities in Bellevue (Attachment B). The resolution directs that City Council designates the names of parks and park or recreation facilities, and that Council may seek a recommendation from the Parks & Community Services Board that is informed by public input. Resolution No. 10151 specifies that proposed names should be based on the following criteria:

1) Neighborhood or geographical identification;
2) A natural or geographical feature;
3) An historical figure or name of historical or cultural significance;
4) A corporation, non-profit organization, or an individual (living or deceased) who has made a significant land, monetary, or other contribution to the park system and who has a compelling connection to Bellevue and/or the park system; and

5) In naming parks and park and recreational facilities for individuals or historic figures, the City should consider how such name meets other City priorities, including diversity, equity, and inclusion.

Following the City's naming policy, Council directed staff at a March 4, 2025, study session to seek a name recommendation from the Parks & Community Services Board that is based on community suggestions. Public engagement for the park name began in spring 2025 and was conducted using an online survey. Information about the survey was shared on the project webpage; in a *Neighborhood News* article; and via social media posts. In addition, a postcard about the survey was mailed to neighborhood residents and available at all Bellevue community centers, the downtown library, and H-Mart; and signs were posted in and near the park.

The survey was translated into the six most spoken languages within a 1/3-mile vicinity of the park and resulted in 258 unique name suggestions, proposed by 157 respondents. Of these suggested names, approximately 30 met the criteria in the City Council naming policy. Staff researched the 30 names that were compliant with policy and narrowed the list of possible park names to nine options, which were presented to the Parks & Community Services Board for consideration in spring 2026.

Staff undertook a thorough review of the proposed names to ensure the quality of name options presented for Board consideration. This included analysis of the park's current amenities and potential future uses, including a partnership agreement to develop a proposed commemorative installation in the park to honor Bellevue's Japanese American community. While it developed independently of the park naming process, the commemoration project provided important context to inform the naming process.

Japanese American Legacy Project

A local community-based organization named Isan Bellevue operates with a mission to commemorate Japanese American heritage in Bellevue. They have worked with staff to identify sites for a Legacy Project that honors the contributions of Japanese Americans in the development and growth of the city and builds understanding of the impact of World War II incarceration on the Bellevue Japanese American community.

A Council study session presentation on May 19 provided background information about the collaboration and process to identify potential sites for the commemoration project. In 2023, the City Council allocated $250,000 (CIP Project No. P-AD-115) to support planning and conceptual design for the project. In 2024, the first stage of planning and conceptual design confirmed the park at Main Street and 112th Avenue SE as a suitable location. In December 2025, a final concept design was developed for the Japanese American Legacy Project.

The commemoration project is intended as an addition to the park's current amenities, designed to inspire education and reflection while preserving the pathways, open space, and gathering areas that currently exist. Isan Bellevue has committed to raising all funding for design and construction of the project. The project timeline depends largely on the success of the fundraising campaign, which may take up to five years.

Parks & Community Services Board Recommendation

After careful deliberation of the nine name options presented, the Board unanimously recommends the name Isan Park to City Council for consideration.

Isan means “legacy” or “heritage” in Japanese. Variations of this name in English, as well as the Japanese word, were suggested by community members who completed the naming survey. The Board noted their appreciation for the community’s name suggestions and expressed an interest in a unique name for the park that would support the Japanese American Legacy Project. While some of the proposed names reflect the park’s location on Main Street and its view of Mount Rainier, the Board observed that many of the other candidate names are common in the region or throughout the country. The Board identified Isan Park as the preferred name because of its distinctive character and connection to Bellevue’s heritage.

The recommended name of Isan Park meets criterion 3 in the city’s park naming policy as a name of “historical or cultural significance.” The recommended name honors the Japanese American community’s contributions to Bellevue, both historically and today.

POLICY & FISCAL IMPACTS

Policy Impact

Resolution No. 10151 sets forth the policy and procedure for naming public parks and recreation facilities. The City Council designates the names of public parks and park or recreation facilities and may seek a recommendation from the Parks & Community Services Board, which is based on public input from individuals and organizations.

Fiscal Impact

There is no fiscal impact associated with selecting a preferred name for the park at Main Street and 112th Avenue SE.

OPTIONS

1. Consider directing staff to prepare a resolution to formalize the name Isan Park for the park site located at Main Street and 112th Avenue SE, as recommended by the Parks & Community Services Board.
2. Do not identify a preferred name and provide alternative direction to staff.

ATTACHMENTS

A. Vicinity Map
B. Resolution No. 10151: Park Naming Policy

AVAILABLE IN COUNCIL LIBRARY

N/A

New Park at Main Street - Attachment A

Map Generated on: 02/20/2025

CITY OF BELLEVUE, WASHINGTON

RESOLUTION NO. 10151

A RESOLUTION establishing a new policy and procedure for naming public parks and park and recreation facilities, and repealing Resolution No. 8229.

WHEREAS, the City Council believes that the designation of names for public parks and park and recreation facilities, such as major public buildings and structures, should be approached with deliberation; and

WHEREAS, the City Council further believes that the setting forth by resolution of policies and procedures relating to the naming of public parks and park and recreation facilities is in the public interest; and

WHEREAS, the City Council desires to extend the opportunity for naming public parks and park and recreation facilities to individuals and figures who have made non-financial contributions to the parks systems or meets other city priorities such as diversity, equity, and inclusion; now, therefore,

THE CITY COUNCIL OF THE CITY OF BELLEVUE, WASHINGTON, DOES RESOLVE AS FOLLOWS:

Section 1. It is the policy of the City of Bellevue to choose names for parks and park and recreation facilities, such as major public buildings and structures, based upon the following criteria:

(1) Neighborhood or geographical identification (e.g., North Bellevue, Lake Hills, Overlake);

(2) A natural or geographical feature (e.g., Kelsey Creek, Mercer Slough);

(3) An historical figure or name of historical or cultural significance (e.g., Bicentennial Park, Children's Park);

(4) A corporation, non-profit organization, or an individual (living or deceased) who has made a significant land, monetary, or other contribution to the park system and who has a compelling connection to Bellevue and/or the park system; and

(5) In naming parks and park and recreational facilities for individuals or historic figures, the City should consider how such name meets other City priorities, including diversity, equity, and inclusion.

Section 2. The City Council shall designate the names of public parks and park or recreation facilities. The City Council may seek a recommendation from the Bellevue Park Board, which is based upon public input from individuals and organizations.

Section 3. Following selection of a park or park and recreation facility name by the City Council, the Parks and Community Services Department shall identify the specific park or facility by appropriate signage specifying the name.

Section 4. The City Manager, or his or her designee, shall designate the names of smaller projects associated with individual elements within a park, such as benches, trails, garden rooms, and similar features.

Section 5. Resolution No. 8229 is repealed.

Passed by the City Council this 10th day of OCTOBER, 2022, and signed in authentication of its passage this 10th day of OCTOBER, 2022.

(SEAL)

CITY OF BELLEVUE CORPORATE SEAL 1953 WASHINGTON

Lynne Robinson, Mayor

Attest:

Charmaine Arredondo, City Clerk

7/21/2026

COUNCIL AGENDA TOPIC

Transportation Needs and Funding Strategy

Andrew Singelakis, Director
Mark Poch, Deputy Director
Transportation Department

Laura Milstead, Public Information Officer
City Manager's Office

EXECUTIVE SUMMARY

INFORMATION ONLY

The Transportation Department will provide an update on capital needs to support growth as we continue the budget process for the Transportation capital plan. This will include information on the transition to a Portfolio Project Management approach to capital project delivery, and the possibility of new revenue to provide infrastructure concurrent with growth. Updates will include public engagement efforts, what to expect with the preliminary budget, and how much of a potential Transportation Benefit District would be dedicated to the Transportation Capital Improvement Program (CIP).

RECOMMENDATION

N/A

BACKGROUND/ANALYSIS

Background

At the February 26 City Council retreat, the council expressed interest in providing the capital necessary to implement new transportation infrastructure to stay ahead of planned city growth in housing, jobs, and population. The 2024 Comprehensive Plan adopted by the council calls for transformative growth over the next 20 years. Infrastructure will need to be concurrent with this growth otherwise it will be playing catch-up for decades to come.

At the April 21 Budget Workshop, the Transportation and Finance and Asset Management departments presented information to the council on capital needs, the new Portfolio Project Management (PPM) approach to capital planning, the funding gap associated with getting ahead of growth, and how a Transportation Benefit District (TBD) could be funded to address capital and growth needs. The council expressed interest in understanding transportation across modes and assurances that traffic safety would be prioritized under the new PPM framework.

Mobility in Bellevue in 2045

To fully understand Bellevue's transportation system, it is helpful to understand the City's strategic location as the central city of east King County. A significant portion of the transportation infrastructure investments in Bellevue are funded and delivered by our state and regional partners. The widening of I-405, new I-405 interchanges and express toll lanes, Light Rail 2 Line, Stride Bus Rapid Transit (starting in 2028/2029), and Eastrail are examples. Leveraging these investments by safely providing mobility to and from these facilities is critical to the city's growth strategy.

Bellevue's Comprehensive Plan, updated in October 2024, is the state mandated plan to serve as our 20-year guide for growth. The current Comprehensive Plan outlines very significant growth for Bellevue by 2044 in the areas of housing (35,000 new housing units resulting in 77,000 new residents), and jobs (70,000 new jobs). It is against this backdrop that we are planning for the transportation infrastructure needed to support this growth.

The planned growth in Bellevue will result in additional trips coming into, out of, and within the city limits by 2044. Bellevue's traffic model was used to forecast the additional new trips in 2044 that would result from all the growth by mode of transportation. The data below are expressed in "round trips", which is travel that starts and ends at the same location with one or more stops in between.

	2024		2045		2024-2045
Mode	**Round trips**	**share**	**Round trips**	**share**	**Travel Growth**
Walk	61,256	8.4%	111,188	11.8%	81.5%
Bike	3,620	0.5%	8,818	0.9%	143.6%
SOV	267,319	36.5%	301,005	32.0%	12.6%
HOV	322,837	44.1%	387,625	41.2%	20.1%
Transit & School Bus	76,704	10.5%	131,128	14.0%	71.0%
Total	**731,700**	**100%**	**939,800**	**100%**	**28%**

Travel by all modes of transportation is forecasted to increase to nearly a million round trips on an average weekday in 2044 – an increase of 28% over current conditions. The overall share of walk, bike, and transit trips are forecasted to increase, with share decreases in single occupant vehicle (SOV) and high occupant vehicle (HOV) trips. Although decreasing, SOV vehicular trips will still constitute 32% of overall round trips, with HOV forecasted at 41%.

Transportation Infrastructure Needs to Support Growth

Bellevue's Transportation Improvement Program (TIP) serves as the inventory of projects envisioned for the local transportation systems. Although a six-year plan, it is not revenue constrained and, as such, represents our best inventory of projects to meet growth over the next 20 years as outlined in Bellevue's Comprehensive Plan. Bellevue's TIP consists of projects in the Capital Improvement Program, Transportation Facilities Plan, unfunded local projects identified and scoped through planning or community efforts, and projects led by our regional partners in which the city may choose to participate.

The 2027 – 2032 TIP was recently adopted by the council and represents an important planning component under the State's Growth Management Act. The TIP is required by state law (RCW 35.77.010), which mandates that local jurisdictions annually adopt and submit to the state a six-year program of transportation improvements. In addition to representing our long term, unconstrained transportation infrastructure needs, projects must be included in the TIP to be eligible for state and federal grants.

The transportation infrastructure needs identified in the TIP are valued at approximately $1.5 billion, excluding the Grand Connection Crossing.

The Mobility Implementation Plan (MIP) is our foundational planning tool to identify where our system could be improved, and to help prioritize investments to meet the current and future needs across modes. For instance, 17 arterial intersections will exceed their congestion targets as outlined in MIP by 2044.

The MIP also tracks both arterial pedestrian and bicycle system completeness. Per the MIP, present day pedestrian and bicycle conditions in Bellevue are as follows:

<u>Arterial Pedestrian facilities:</u>

- Pedestrian facility present and meets targets = 42%
- Pedestrian facility present and does not meet targets = 30%
- No pedestrian facility at all = 28%

Please note the above data is only for Bellevue's arterial streets. Many more pedestrian facility deficiencies are found on lower volume local/neighborhood streets as well.

<u>Arterial Bicycle facilities:</u>

- Bicycle facility present and meets targets = 24%
- Bicycle facility present and does not meet targets = 12%
- No bicycle facility at all = 64%

How the Proposed Budget Addresses Needs

Bellevue has an opportunity to provide transportation infrastructure to accommodate growth under a Base budget, or a Transportation Benefit District (TBD) scenario. The TBD scenario would fund more infrastructure prior to significant growth, consistent with the Council's interest to date. The Transportation capital budget proposal will also reflect key changes to our capital planning process as outlined below.

1. <u>New capital planning framework – Portfolio Project Management</u>

Bellevue is changing the way it conducts its Transportation Capital Improvement Program (CIP), which is the funded six-year plan to build and deliver projects. The current CIP structure consists of a combination of discreet projects and 17 individual programs. The city has received feedback that the current structure can be difficult for the public and decision makers to understand and follow. With the '27-'32 budget cycle, Transportation will be updating the CIP to be consistent with other city departments, and provide a better, more understandable framework going forward. This structure is known as Portfolio Project Management (PPM), and will simplify the Transportation CIP, provide a consistent approach to programming projects, and more easily show unmet needs.

The Transportation CIP will have a single portfolio named "Transportation Mobility and Safety", that will contain five separate but complementary programs. To address city growth as adopted in the Comprehensive Plan, the five programs will work together to grow transportation infrastructure in a proactive and thoughtful way. The program areas include Pedestrian & Bicycle Mobility; Vehicular Mobility; Major Projects; Neighborhood Mobility; and Preservation and Reconstruction. (See Attachment A for illustrative examples of each program area.) Three of the five programs (Ped/Bike, Vehicle & Major) will address growth related infrastructure needs directly, while the other two programs (Neighborhood & Preservation) will ensure enhanced livability and preserve prior investments along the way.

2. Addressing long-term needs with the Transportation Benefit District

To accelerate meeting performance targets and addressing performance gaps in our multi-modal transportation system, the council will have the option of assuming and funding a Transportation Benefit District (TBD). A TBD is an independent taxing district and quasi-municipal corporation that is available to Washington state cities and counties with the sole purpose of raising dedicated revenue to fund local transportation improvements. In 2023 the council established a TBD but did not assume (take responsibility for the district and its obligations) or fund it. These additional steps would need to be accomplished with approval of the overall City budget for the TBD to provide additional capital for growth.

The recommended approach, should the council decide to move forward with a TBD, is as follows:

- Raise Bellevue's Sales Tax by 0.1%
- Enact a $20 vehicle registration fee

Both the 0.1% sales tax increase and the $20 vehicle registration fee could be added with council action only. The 0.1% sales tax and $20 vehicle registration fee are estimated to raise approximately $11 million/year and $2 million/year, respectively.

TBDs are common in the region. Approximately 19 King County cities have active TBDs, including our neighboring cities of Seattle, Kirkland, Redmond, Renton, and Mercer Island. Four other King County cities, including Bellevue, have established TBDs with no powers assumed. See Attachment B for more information.

3. Why this time is the right time for new investment

Bellevue has demonstrated growth works best when infrastructure investments are funded and concurrent with growth and development. The most recent example was Council's bold decision to fund the multi-modal arterial street network in the BelRed. A total of $300 million was invested with the help of the Federal Transportation Infrastructure Finance and Innovation Act (TIFIA) program. The resulting arterial street network was completed concurrent with development occurring in the area, and ahead of the opening of light rail. This not only provided the infrastructure to support growth in the area, it also provided certainty to developers and future residents that the arterial street network would be funded and constructed.

Public Engagement

Transportation has developed an overall public engagement strategy to inform the public about the City's planned growth, its transportation infrastructure needs, and revenue enhancements (TBD) under consideration by the council. Engagement includes public open houses, tabling at local events, and presenting to community-based organizations upon request. Public engagement also includes a survey that will be open to everyone through mid-August to inform staff and Council on respondent's feelings toward where to invest transportation capital for planned City growth. The survey asks questions such as preferred mode of travel, and the types of investments Bellevue should make if new funding is approved (more sidewalks, reduce speeding, protected bike lanes, improve driving times, etc.). These responses will be mapped back to the five program areas outlined above to provide the public's feedback on how to allocate funds between the programs. Public input will continue to be received through October.

Look Ahead

Transportation staff are currently focusing on public engagement efforts, as well as outlining Base and TBD scenarios for the Transportation CIP for the City Manager's preliminary budget. Council will receive the preliminary budget, including the proposed Transportation CIP, at the September 15 Council meeting. The preliminary budget will include the Base Transportation CIP (without new revenue from a TBD), as well as an optional TBD enhanced Transportation CIP (including 90% of new funds from a TBD – a change from the 60% outlined at the April Budget Workshop). The Base and TBD scenarios will include the actual projects programmed into the five program areas for the six-year CIP, and a 10-year plan will also be produced so the Council and the public can better understand overall project delivery further into the future. Transportation staff will be available to discuss the preliminary Transportation CIP and public engagement results at the October 6 Study Session. It is anticipated that in 2027, Transportation will update the Transportation Facilities Plan (TFP) with 20 years of projects to meet growth, to be consistent with the new PPM approach to the CIP, and to update projected funding based on the council's decision regarding the TBD.

POLICY & FISCAL IMPACTS

Policy Impact

The Transportation Element of the Bellevue Comprehensive Plan is very relevant regarding transportation infrastructure improvements as our community continues to grow and evolve. Transportation goals from the Comprehensive Plan include improving mobility options so everyone in Bellevue has a safe, comfortable, and efficient experience on their preferred mode of travel, as well as implementing and enhancing a comprehensive multimodal transportation system to serve all members of the community. Specific Polices of note include:

- TR-17 Scope, plan, design, implement, operate and maintain a complete and multimodal transportation network in accordance with the Performance Metrics, Performance Targets and Performance Management Areas as established in the Mobility Implementation Plan.
- TR-18 Ensure that the transportation network infrastructure in Bellevue provides mobility options for all modes and accommodates the mobility needs of everyone, including underserved populations.

- TR-20 Aggressively plan, manage and expand transportation investments to reduce congestion and expand mobility opportunities in a multimodal and comprehensive manner and improve the quality of the travel experience for all users.
- TR-21 Design and develop arterial improvements, including added vehicular capacity, transit facilities and non-motorized active transportation components, to serve citywide travel demand generated by the increases in density in the land use plans, in addition to citywide and regional travel demand.
- TR-22 Incorporate pedestrian and bicycle facility improvements into roadway projects to provide complete and connected active transportation networks.

Fiscal Impact

There is no fiscal impact associated with this informational update. On September 15, the city manager will present her preliminary budget which will include the Base Transportation CIP, without new revenue from a TBD, as well as an optional CIP proposal that includes TBD revenues for the council's consideration. The TBD revenue proposal, currently under development, assumes a 0.1% sales tax and a $20 vehicle license fee, both of which can be enacted by the council without voter approval. These sources would generate approximately $11 million and $2 million respectively, with 90% invested back into the Transportation system. This option would provide funding for the city to be ahead of/concurrent with the significant growth projected in the city's comprehensive plan.

OPTIONS

N/A

ATTACHMENTS

A. Program Area Examples
B. Transportation Benefit District Overview

AVAILABLE IN COUNCIL LIBRARY

N/A

Transportation Mobility & Safety Portfolio

The Transportation Department is realigning its Capital Improvement Program to make it easier to understand, establish a consistent methodology for evaluating projects, and clearly communicate unmet needs. Through a new Portfolio Project Management approach, all work will be organized under a single “Transportation Mobility and Safety” portfolio and grouped into five Program areas: Vehicle Mobility, Pedestrian and Bike Mobility, Neighborhood Mobility, Preservation and Reconstruction, and Major Projects. This updated structure will strengthen transparency, improve decision-making, and position projects more efficiently as funding opportunities arise.

Packet includes:

1. Overview of each program within the portfolio
2. Scoring criteria for project prioritization

Vehicle Mobility

Program objectives:

- Safe management of traffic flow and congestion reduction on key corridors and intersections.
- Use technology to optimize signals, manage curb activity, and support efficient travel.
- Support future-ready mobility, including connected and new vehicle technologies.

Sample projects:

- **Factoria Blvd./SE 38 St. Intersection Improvements**: Widen the west leg of the intersection to enable better signal phasing and significantly reduce congestion at Factoria Boulevard and SE 38th Street.
- **Smart Mobility:** This project implements new smart mobility strategies and supports existing smart systems to systematically reduce traffic congestion and improve safety.
- **148th Avenue SE & Kelsey Creek Center Signal:** New traffic signal to reduce congestion at Main & 148th through the improved distribution of traffic entering and exiting the Kelsey Creek Center.

Pedestrian & Bicycle Mobility

Program objectives:

- Create safe, connected walking and biking routes throughout the city.
- Fill sidewalk, crossing, and bike network gaps near schools, transit stops, and neighborhoods.
- Upgrade older pedestrian infrastructure to meet ADA and accessibility standards.
- Expand comfortable, low-stress bike and pedestrian facilities for all ages and abilities.

Sample projects:

- **Eastrail-MTSG Regional Trail Connection:** Connect these regional trails for all users by constructing a shared-use path along 118th Ave SE from the Mountains to Sound Greenway Trail at I-90 to SE 32nd Street and add an RRFB crosswalk at SE 32nd Street.
- **Eastgate Way/Richards Road Sidewalk:** Construct sidewalk on the north side of Eastgate Way from Richards Road to 139th Ave SE to fill a gap in the pedestrian network.
- **Urban Core Bike Network Phases 1-4:**. This project improves safety and connectivity by creating new protected bicycle facilities linking key corridors in the urban core including NE 1st St., NE 4th St. and Northup Way.

Neighborhood Mobility

Program objectives:

- Reduce speeding and cut-through traffic to protect neighborhood livability.
- Improve safe routes to schools, parks, and community destinations.
- Implement traffic calming and systemic safety treatments on neighborhood streets.
- Address localized safety concerns quickly with targeted, community-driven projects.

Sample projects:

- **161st Avenue SE Traffic Calming:** Add speed cushions and raised crosswalk along 161st Ave SE near Spiritridge Park.
- **Newport High School Safe Routes to School:** Add school zone flashing beacons and other safety improvements for students accessing Newport High School.
- **Local Speed Limit Reduction:** Citywide signage and pavement marking modifications to support local speed limit reductions.

Preservation and Reconstruction

Program objectives:

- Protect the city's investment in transportation infrastructure and ensure its longevity and reliability.
- Provide funding for projects that are too large or complex to be considered or funded through routine maintenance.
- Reconstruct failing or outdated infrastructure to meet current standards.
- Improve long-term reliability, safety, and sustainability of the transportation network.

Sample projects:

- **School Zone Beacon Repair:** Construct new school zone flashing beacons around multiple schools to meet current City safety standards.
- **Major Sidewalk Repair:** Additional funding to replace sidewalk panels citywide
- **112th Ave NE Street Lighting:** Replace the outdated and difficult to maintain street lighting system on 112th Ave NE between NE 12th St and NE 24th St.

Major Projects

Program objectives:

- Deliver large, multi-phase, multi-functional projects that aim to transform the City of Bellevue's transportation landscape.
- Enable transformational projects that often span multiple years and can require multiple construction contracts to complete.
- Reserve seed funding for grant applications to reduce overall project costs to the City.

Sample projects:

- **Spring Boulevard Zone 3:** Complete the NE Spring Blvd corridor by constructing the missing multimodal link between 124th Ave NE and 130th Ave NE.
- **120th Avenue NE Stage 4:** Widen and reconstruct 120th Ave NE between NE 16th St and Northup Way with new separated bicycle and pedestrian facilities.
- **Mountains to Sound Greenway Future Phases:** Construct a new 12-foot-wide pedestrian and bicycle trail, along the south side of I-90 from the pedestrian crossing near 150th Avenue SE to Lakemont Boulevard SE.

City of Bellevue | Transportation

Transportation Benefit District Overview

A Transportation Benefit District is an independent taxing district that can be formed by cities and counties in Washington. They can be used for acquiring, constructing, improving, providing, and funding transportation improvements within the area of the district. Projects may also include operations, preservation and maintenance of transportation facilities.

Chapter 36.73 RCW contains the rules and regulations for forming and operating the district. Bellevue's Transportation Benefit District is governed by Bellevue City Council, shares the same boundaries as the city, and any funds raised by the district would be used within the city.

Establish

Under Chapter 36.73 RCW, cities may establish a TBD through ordinance after holding a public hearing. The ordinance sets district boundaries and identifies improvement projects.

Bellevue City Council adopted Ordinance No. 6748 to form a Transportation Benefit District on July 17, 2023

Govern

Most TBDs share boundaries with the establishing jurisdiction and are governed by the jurisdiction's legislative body acting as a separate board. Districts spanning multiple jurisdictions require an interlocal agreement establishing shared governance.

Assume

State law allows a city to absorb its TBD when the district boundaries match city limits. After a public hearing, the council may assume the district's powers, dissolving the independent TBD entity while maintaining required reporting for the year of assumption.

Funding

Washington State law provides several revenue tools for TBDs, including vehicle license fees, sales and use taxes, bonds, impact fees, fuel taxes, and tolling.

Material

TBDs must adopt a material change policy outlining how significant project changes will be managed. At minimum, the policy must require a public hearing when revised project costs exceed the initial estimate by more than 20%.

Reporting

Districts must submit yearly financials to the State Auditor's Office and publish an annual transportation improvement report summarizing revenues, expenditures, and project status.

Dissolve

A TBD must conclude operations within 30 days of completing identified transportation improvements but may continue collecting revenue until all debt obligations are satisfied. Final dissolution must occur within 30 days after all debts are paid.

Source material adapted from MRSC's Transportation Benefit Districts guidance (2019)

City of Bellevue

7/21/2026

CITY COUNCIL AGENDA TOPIC

Multifamily Tax Exemption Catalyst Program for Housing Opportunities in Mixed-Use Areas

Bianca Siegl, Director, Office of Housing
Linda Abe, Affordable Housing Planning Manager
Hannah Bahnmiller, Senior Affordable Housing Planner
City Manager's Office

EXECUTIVE SUMMARY

DIRECTION

Staff will present analysis and recommendations regarding temporary adjustments to the city's Multifamily Tax Exemption (MFTE) program requirements in certain locations. These adjustments are designed to support the recent adoption of the Housing Opportunities in Mixed-Use Areas (HOMA) Land Use Code Amendment (LUCA).

Following discussion, staff are seeking City Council direction to prepare the Ordinance for final action at a future meeting.

RECOMMENDATION

Consider directing staff to finalize the Ordinance for final action at a future meeting.

BACKGROUND/ANALYSIS

MFTE Catalyst Program for HOMA Background

Bellevue's Multi-Family Tax Exemption (MFTE) program, consistent with allowances in state law, provides eight, twelve, and twenty-year property tax exemptions for new multifamily residential developments that provide a certain amount of on-site affordable housing.

On February 24, staff presented analysis regarding potential changes to the MFTE program alongside the HOMA LUCA. Staff determined that changes to MFTE incentives are not needed to offset the costs of mandatory requirements under HOMA and did not recommend any amendments. However, the council expressed interest in exploring a limited-term catalyst "supercharger" program within HOMA geographies, which would allow developers to double-count mandatory affordable units towards the MFTE incentive without the typical 15% required reduction in area median income (AMI) level served. A temporary loosening in MFTE program rules, although not strictly needed to offset costs, can be helpful in promoting residential development amidst difficult market conditions.

May 19 Direction

On May 19, the council received information regarding a MFTE catalyst supercharger program for non-Downtown areas of HOMA. Staff presented a recommendation for a six-year or 1,500-unit limited catalyst. Staff also provided information on a potential four-year catalyst period.

Councilmembers provided feedback and generally indicated support for the four-year catalyst program and expressed a desire to incorporate a look-back at progress and impact after two years. The council also concurred with the staff recommendation to modify code language to allow projects that pay a fee-in-lieu to participate in the MFTE program so long as they are eligible and fully satisfy the onsite affordability requirements.

The council directed staff to prepare draft legislation to establish a four-year supercharger catalyst program in non-Downtown HOMA areas and to modify code language around fee-in-lieu.

Components of the Recommended Ordinance

Three changes are included in the recommended code updates, and a complete strike-draft of the changes is included as Attachment A.

<u>4-Year Catalyst Program</u>

Amendments are proposed for a time- and geographically-limited exemption for MFTE projects from the typical 15% required reduction in AMI level served when double counting other affordable housing program units towards the MFTE requirement, as known as a supercharger.

Non-downtown HOMA areas are defined by corresponding land use districts and include Office, Neighborhood Business, Community Business, Neighborhood Mixed Use, Office and Limited Business, Office and Limited Business 2, Mixed Use: 8 Story, Mixed Use: 16 Story, Factoria 1, Factoria 3, and Eastgate TOD. Downtown land use districts are not included under this catalyst program.

The catalyst program was directed for a period of four years and for administrative simplicity would be set to expire on December 31, 2031.

<u>Use of Fee-in-Lieu</u>

Amendments are proposed to strike language that prevents projects that pay a fee-in-lieu from participating in the MFTE program. Projects would need to be eligible for the program and fully satisfy onsite requirements of application exemption.

<u>Application Timing</u>

Amendments to the MFTE code adopted on February 3 included amendments to align the MFTE and Land Use contract and covenant processes by amending MFTE language requiring execution prior to building permit issuance. These amendments were proposed acknowledging the ability of the Office of Housing Director to amend contracts or accept late MFTE applications, as provided by code.

Staff has identified the need for additional amendments to clarify the application process and exceptions.

Staff are proposing to incorporate language for MFTE applications to be received at least 60 days in advance of building permit issuance. This allows developers and staff time to review and, as applicable, approve an application and complete the execution and recordation requirements prior to building permit issuance. This revision is consistent with previous versions of the code.

As proposed, BCC 4.52.050(D) will set the general expectation that a complete application be received no less than 60 days before the first building permit is issued for an eligible project. However, the proposed text for BCC 4.52.050(E), a new subsection, will allow the Office of Housing Director to make exceptions to the general MFTE application procedure, provided certain criteria are still satisfied. Specifically, staff are proposing to clarify that projects seeking an exception do not need to meet the eligibility criteria under BCC 4.53.040(E) to have a covenant recorded before building permit. Staff are also proposing that projects seeking an exception to the application timeline submit, in addition to a complete application, a recorded covenant no less than 60 days prior to the issuance of occupancy.

Combined, these amendments clarify processes and guarantee adequate timing to complete administrative procedures under both base and exception circumstances.

Clean-up of Internal Citations
In light of recent amendments to the City's Land Use Code (LUC), staff have observed the need to revise specific citations within the MFTE Code that referenced outdated and recodified provisions to the LUC. These edits do not result in any substantive changes and are intended to better align the LUC and MFTE Code.

Next Steps
Council is asked to consider the strikethrough draft code language in Attachment A for direction. Depending on the council's direction, staff will return with the code for final adoption. As the MFTE program lies within the City's Finance Code (BCC 4.52), Planning Commission review and recommendation is not required. A public hearing is not required as no new residential target areas are identified as part of this update.

Following final adoption, staff will continue to monitor MFTE incentive usage to report out at a two-year lookback to evaluate housing production, affordability outcomes, and other financial and tax impacts.

POLICY & FISCAL IMPACTS

Policy Impact
The purpose of the MFTE Supercharger catalyst program is to encourage dense residential development following the recent upzoning of the city's mixed-use areas, with the goal of unlocking development feasibility in an otherwise prohibitive market environment. The update aligns with HO-13 in the Comprehensive Plan's Housing Element to "provide incentives to encourage residential development for a wide range of household types and income levels in mixed use areas throughout the city."

Fiscal Impact
The adoption of a catalyst MFTE "Supercharger" is expected to increase the fiscal cost of the program in the form of taxes shifted and foregone within the City of Bellevue. The direct impact to the City will vary by project, but the recommended catalyst program rules are projected to result in an additional $7.6 million of shifted and foregone taxes between 2026 and 2044 over base program participation.

OPTIONS

1. Direct staff to finalize the Ordinance for final action at a future meeting.
2. Provide alternative direction to staff.

ATTACHMENTS

A. Code Strike Draft

AVAILABLE IN COUNCIL LIBRARY

N/A

4.52.050 Application procedure – Fee.

A. The owner of property applying for exemption under this chapter shall submit an application to the director, or designee, on a form established by the director. The owner shall verify the application by oath or affirmation. The application shall contain such information as the director may deem necessary or useful, and shall include but not be limited to:

   1. A brief written description of the project, including phasing if applicable, and preliminary schematic site and floor plans of the multifamily units and the structure(s) in which they are proposed to be located;

   2. A statement from the owner acknowledging the potential tax liability when the property ceases to be eligible for exemption under this chapter; and

   3. Information describing how the owner will comply with the affordability requirements in BCC 4.52.085, 4.52.090, and/or 4.52.091.

B. At the time of application under this section, the owner shall pay to the city an initial application fee as established by the city council. In addition, at the time of application under this section, the owner shall pay to the city a fee as set by King County to cover the county assessor's administrative costs. If the director approves the application pursuant to BCC 4.52.080, the City shall forward the fee for the county assessor. If the director denies the application pursuant to BCC 4.52.080, the city shall refund the fee for the assessor's administrative cost to the owner within 30 days of the director's decision, or, in the event the owner appeals the director's decision, within 30 days of the final decision of any appeal pursuant to the provisions of BCC 4.52.115.

C. The director shall notify the owner within 30 days of the application being filed if the director determines that an application is not complete and shall identify what additional information is required before the application will be complete. Within 30 days of receiving additional information, the director shall notify the owner in writing if the director determines that the application is still not complete, and what additional information is necessary. A determination of completeness does not preclude the director from requiring additional information during the review process if more information is needed to evaluate the application according to the criteria in this chapter.

D. The deadline for a complete application shall be no less than 60 days before the first building permit is issued under Title 23 BCC for the project. ~~The director may allow an exception to this section subject to the following criteria:~~

~~1. The project meets all other requirements established in BCC 4.52.040 for project eligibility;~~

~~2. Commitment by the applicant to submit a complete application no less than 60 days prior to issuance of occupancy for the project; and~~

~~3. The application has substantial merit and value for the community as a whole.~~

E. The director may allow an exception to the timeline to receive an application as prescribed in subsection (D), subject to the following criteria:

1. With the exception of BCC 4.52.040(E), the project meets all other eligibility requirements under BCC 4.52.040;

2. The applicant submits a complete application and executes and records an MFTE Contract and MFTE Covenant, acceptable to the city attorney, no less than 60 days prior to issuance of occupancy for the project.

4.52.093 Requirements applicable to all exemptions.

For any affordable units required under this chapter, the following shall apply:

A. *Rents or Sale Price.* Affordable units shall have affordable rents as defined in BCC 4.52.020(B) or an affordable sale price as defined in BCC 4.52.020(C).

B. *Distribution of Units.* The designated affordable units shall be distributed throughout the project and intermingled with market-rate units consistent with LUC ~~20.20.128(A)(3)~~ LUC 20.15.060(B), or as otherwise amended.

C. *Mix of Units.* The designated affordable units shall consist of a mix of a number of bedrooms that is in the same proportion as the bedroom mix of market-rate units in the project consistent with LUC ~~20.20.128(A)(3)~~ 20.15.060(B), or as otherwise amended.

D. *Size of Units.* The designated affordable units shall be provided in a range of sizes comparable to the size of market-rate dwelling units in the project, consistent with LUC ~~20.20.128(A)(3)~~ 20.15.060(B).

E. *Materials and Finishings*. The materials, finishes, design, amenities, and appliances in designated affordable units must be substantially comparable to, and provide substantially the same functionality as, those in market-rate units, consistent with LUC ~~20.20.128(A)(3)~~ 20.15.060(B).

F. *Eligible Tenant Certification*. Affordable units will be reserved for occupancy by eligible households who certify that their household income does not exceed the applicable percentage of the King County median income; and who certify that they meet all qualifications for eligibility, including any requirements for recertification on income eligibility as set forth in the MFTE covenant referenced in BCC 4.52.040(E).

G. *Fractions in Unit Calculations*. When calculating the number of affordable units required for a tax exemption authorized under this chapter:

1. The number of affordable dwelling units shall not be less than one.

2. If the calculation results in a fractional number:

   a. If the fraction is one-half or greater, the number of affordable dwelling units shall be rounded up to the next higher whole number.

   b. If the fraction is less than one-half, the number of affordable dwelling units shall be rounded down to the next lower whole number; provided, that the result is not less than one.

H. *Limitation on Property Tax Exemption Valuations*. The exemption does not apply to the value of land or to the value of improvements not qualifying under this chapter, to increases in assessed valuation of land and nonqualifying improvements, or to increases made by lawful order of the King County board of equalization, Washington State Department of Revenue, State Board of Tax Appeals, or King County, to a class of property throughout the county or a specific area of the county to achieve uniformity of assessment or appraisal as required by law.

I. *Other Affordable Housing Incentive Program Coordination*. An eligible project may benefit from both the MFTE program and other incentive programs that seek to increase the quantity of affordable housing. When a project utilizes both the MFTE program and another incentive program, the project shall apply the MFTE benefit as follows:

1. *Overlap*. When a project overlaps the MFTE benefit with units that also receive incentives from another affordable housing program, and said units are used simultaneously to satisfy the requirements of both programs, the affordable rents for said units shall be at least 15 percentage points below the applicable King

County median income level, adjusted for household size, as prescribed in this chapter, provided this 15 percent reduction shall not apply to very small dwelling units described in BCC 4.52.090(A)(1). Thus, by example, when a project overlaps an MFTE unit as described in BCC 4.52.090 with another affordable housing program, said unit would have affordable rents at or below 65 percent of the King County median income, adjusted for household size; or

2. *No Overlap*. When a project does not overlap the MFTE benefit with units that also receive incentives from another affordable housing program, the affordable units required under this chapter shall be in addition to those that the project is required to designate under the other incentive programs.

3. *Illustration*.

[Insert Graphic]

Nothing in this chapter shall relieve a project of observing more restrictive criteria prescribed under another affordable housing incentive program.

4. *Exemptions*. This subsection I does not apply to projects receiving a tax exemption as follows:
    a. To projects receiving a tax exemption under BCC 4.52.085 ~~or~~;
    b. To projects receiving a tax exemption under BCC 4.52.091~~or,~~;
    c. To projects receiving a tax exemption under BCC 4.52.090 that are located within the Wilburton TOD area; and
    d. To projects receiving a tax exemption under BCC 4.52.090 that are in land use districts O, NB, CB, NMU, OLB, OLB2, MU8, MU16, F1, F3, EG-TOD as defined in LUC 20.10.020 until December 31, 2031.

~~J. To benefit from any tax exemption identified in this chapter, the project may not pay fees in lieu of any affordable housing requirements otherwise required under another affordable housing incentive program.~~

~~K.~~ J. Unless otherwise stated, nothing in this section shall relieve the owner of complying with the eligibility requirements in BCC 4.52.040.