# CITY OF BELLEVUE CITY COUNCIL

### **Summary Minutes of Regular Meeting**

November 12, 2025 Council Chambers 6:00 p.m. Bellevue, Washington

<u>PRESENT</u>: Mayor Robinson, Deputy Mayor Malakoutian and Councilmembers Bhargava,

Hamilton, Lee, Nieuwenhuis and Sumadiwirya

ABSENT: None.

#### 1. Call to Order

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

## 2. Roll Call; Flag Salute

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

(a) Transgender Awareness Week and Transgender Day of Remembrance Proclamation

Councilmember Hamilton read the proclamation declaring November 13-19, 2025, as Transgender Awareness Week and November 20 as Transgender Day of Remembrance in Bellevue. He encouraged everyone to participate in ceremonies and activities that promote understanding, visibility and respect for transgender and nonbinary people in our community.

Karena Iliakis thanked the Council for the proclamation and for honoring those in the transgender community who have lost their lives to violence.

### 3. Approval of Agenda

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

#### 4. <u>Oral Communications</u>

City Clerk Arredondo said the total time for oral communications is for a period not to exceed 30 minutes and topics must relate to City of Bellevue government. Individuals speaking to items on

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

- (a) Jessica Roe, McCullough Hill, expressed support for the Planning Commission's recommendation regarding the update to the critical areas ordinance. She expressed concern, however, regarding provisions applicable to certain parking lots that were originally constructed over wetlands. She said housing should be a top priority in transit-oriented development (TOD). She asked the Council to direct staff to draft an amendment that allows degraded, low-quality wetlands to be modified, reconfigured and replaced with no net loss of wetlands.
- (b) Anthony Avery expressed support for the City's proposed co-living legislation, especially the provision to include homeownership. He highlighted their housing projects and expressed interest in exploring TOD multifamily housing opportunities.
- (c) Phyllis White and Linda Ulrich commented regarding the critical areas ordinance. Ms. Ulrich thanked the Council for listening to residents. She expressed concern regarding severe impacts on the native habitat along Kelsey Creek. She said development is encroaching on wildlife's food and shelter resources. She expressed concern regarding the removal of native trees and the related impacts on animals and insects. Ms. White encouraged the protection of critical areas and wildlife.
- (d) Jennifer Robertson, a former Councilmember, said the City has been working on housing and affordable housing for at least a decade. She said the East Main TOD plan was part of that effort. She said she did not realize when she served on the Council that there was a provision in the code that would prevent some of the parking lots in the East Main area from being converted into housing. She asked the Council to revise the proposed critical areas ordinance to allow increased environmental benefits to offset development impacts on the parking lots, as was done for streams and buffers in the BelRed area. She said this is needed to ensure that the East Main TOD includes sufficient housing. Ms. Robertson thanked Councilmembers for their service.
- (e) Barbara Hughes, a Bridle Trails resident, expressed concern that the proposed update to the critical areas ordinance weakens environmental protections. She noted that residents strongly support tree preservation and fish habitat. She asked the Council to send the proposed regulations back to the Planning Commission for additional review. Pamela Johnston said the Growth Management Act does not require cities to grow into critical areas but instructs them to do no harm to the existing environment. She encouraged the Council to help enhance environmental protections around critical areas.

Mayor Robinson warned Alex Tsimerman to keep his sign down and to keep quiet when others are speaking.

- (f) Charlie Bauman said he is working on development options in Bellevue, mostly located in the BelRed area near light rail. He thanked staff, the Planning Commission and the Council for their thoughtful work to review and update the critical areas ordinance. He said he appreciates that the ordinance recognizes differences between types of streams in Bellevue. He said the new framework ensures that when development does occur, it will generate significant public benefit. He expressed support for the proposed update to the critical areas ordinance.
- (g) Oscar Munn, a 7th grader at Chinook Middle School, requested the development of an asphalt pump track (BMX park) in our community, similar to the one in Leavenworth. He said there are not many places in Bellevue for teenagers to ride bikes and skate. He said a pump track would be a safe, fun and healthy place for kids and teens to ride and practice new skills.
- (h) Nihal Sarao, an 8th grader at Chinook Middle School, submitted a petition of more than 100 signatures showing strong support for a pump track. He said the project would make a real difference for local youth. He said possible locations include Wilburton Park or Surrey Downs park. He said his scout troop would love the opportunity to visit City departments to learn more about local government and community service. He said he and supporters of the pump track look forward to helping the City make it a reality.

Mayor Robinson warned Mr. Tsimerman again that his sign was obstructing the audience's view and asked him to leave the meeting.

- (i) Maria Hudson advised the Council that on October 2 two individuals referenced in subpoenas took her daughter and the Bellevue Police Department failed to respond for more than three hours. Ms. Hudson said her daughter almost died from alcohol poisoning in the hands of the two individuals. She said that when police officers did arrive, they directed the medical team to leave. Ms. Hudson said she took her daughter to the Washington State Patrol office and called again for medical assistance. Ms. Hudson said the Bellevue police directed Overlake Hospital to prevent her from entering the hospital. She said they told her daughter that she was not there. Ms. Hudson said she ultimately took her daughter to Evergreen Hospital. She asked the City to investigate the agreement between the Bellevue Police Department, Bellevue School District and LifeWire. She said she has been sharing her concerns with the Council and City since 2014.
- (j) Jennifer Fischer, Executive Director of Bellevue LifeSpring, thanked the Council for recently allocating an additional \$150,000 for community food assistance. When federal SNAP (Supplemental Nutrition Assistance Program) funds were delayed earlier this month, the City funds were used to support emergency food distribution to Bellevue families. She said the City's investment helped to support 5,012 students in the Bellevue School District who are at risk of hunger every day. She thanked Bellden Café for

supporting this effort. Ms. Fischer said Amazon is contributing additional funding as well. She thanked the Council, staff and the Human Services Commission.

- 5. <u>Reports of Community Councils, Boards, and Commissions</u>: None.
- 6. <u>Report of the City Manager</u>: None.
- 7. Council Business and New Initiatives: None.
- 8. Consent Calendar
- Deputy Mayor Malakoutian moved to approve the Consent Calendar, and Councilmember Nieuwenhuis seconded the motion.
- → The motion to approve the Consent Calendar carried by a vote of 7-0, and the following item was approved:
  - (a) Council Minutes *Minutes of October 21, 2025, Regular Meeting*
  - (b) Ordinance No. 6873 authorizing execution of a grant agreement with the U.S. Department of Homeland Security FEMA to accept \$382,654.72 in Assistance to Firefighters Grant funding for Peer Support Team training; amending the 2025-2026 budget of the Operating, Grants, Donations and Special Reserves Fund; and authorizing expenditures of said grant funds.
  - (c) Resolution No. 10552 authorizing the City Manager, or designee, to accept a new, non-exclusive franchise from the Town of Beaux Arts Village for the purpose of operating water utilities within the Town's public rights-of-way.
  - (d) Ordinance No. 6874 amending Ordinance No. 5020, as subsequently amended by Ordinance No. 5472, to extend the existing boundaries of Residential Parking Permit Zone (RPZ) Zone 11; to delegate authority to the City Manager, or the City Manager's designee, to establish time-limited or time of day parking restrictions within RPZ 11; and to correct street names inaccurately or unclearly labeled in prior ordinances.
  - (e) Resolution No. 10553 to adopt the City of Bellevue's Hazard Mitigation Plan.

### 9. Public Hearing

(a) Public Hearing on the 2025-2026 Budget and 2025-2030 Capital Improvement Program Plan Mid-Biennium Update

City Manager Diane Carlson opened the public hearing and discussion regarding the midbiennium budget update. Evan Phillips, Financial Strategy and Performance Director, said staff is seeking direction to prepare the appropriate legislation for action on November 18 to adopt the budget. Staff is also asking the Council to consider spending a certain amount of 2025 Council Contingency funds for specific purposes. Mr. Phillips said it is important to meet the King County property tax deadline before the end of the month. Mr. Phillips recalled that staff provided a budget overview and discussion of rates and fees adjustments on October 28.

Mayor Robinson thanked staff for the presentation.

- Deputy Mayor Malakoutian moved to open the public hearing, and Councilmember Nieuwenhuis seconded the motion.
- $\rightarrow$  The motion carried by a vote of 7-0.

City Clerk Arredondo noted that 15 written comments were received and forwarded to the Council.

Reverend Lisa Horst Clark noted she is the lead pastor of First Congregational Church Bellevue. She said she is proud to live in Bellevue because it welcomes the world and diversity is our strength. She asked the Council to use emergency funds to create a rapid response fund on behalf of our immigrant neighbors. She commented on the ethnic diversity in Bellevue and the recent brutal immigration enforcement tactics. She said many in the community are not going out, even to school, due to fear of attack.

Reverend Kelly Spencer said she is the pastor of Newport Presbyterian Church in Bellevue. She spoke in favor of the previous speaker's request to allocate emergency funding to serve immigrants targeted by federal enforcement efforts. She expressed concern about immigrant neighbors and the organizations that offer assistance. She said people are afraid to leave their homes.

Mike Stewart, CEO of Kindering, said the organization serves more than 600 Bellevue children with developmental delays and disabilities annually. He said many families are struggling and more than one-third of Kindering families rely on Medicaid to access care. He said they never turn a family away due to financial need. Mr. Stewart said that although Kindering is not a direct recipient of the proposed emergency funding, he appreciates the City's swift action to support families affected by reductions in federal assistance. He said Kindering and others distribute diapers, baby formula, clothing and other essentials to Bellevue families. He thanked the City for its support of the Families In Transition (FIT) program, which assists families experiencing housing instability.

- → Deputy Mayor Malakoutian moved to close the public hearing, and Councilmember Nieuwenhuis seconded the motion.
- $\rightarrow$  The motion carried by a vote of 7-0.

Mayor Robinson suggested first discussing the 2025-2026 Budget and 2025-2030 Capital Improvement Program (CIP) Plan mid-biennium update before considering the use of Council Contingency funds.

Councilmember Lee said he supported the banked property tax resolution but had questions about the property tax levy ordinance. Mr. Phillips said the regular tax levy funds go into the General Fund. Approximately 40 percent of property taxes support voted levies.

Deputy Mayor Malakoutian thanked staff for their great, thorough work.

Mayor Robinson moved on to discuss the use of Council Contingency funding.

Responding to Ms. Robinson, Chief Financial Officer John Resha said the Council Contingency Fund provides \$1 million annually for the Council to designate as it wishes in response to emergencies or special opportunities. Mr. Resha said the Council has already designated the use of \$1 million of the total \$2 million for the biennium.

Toni Esparza, Assistant Director, Parks and Community Services Department, said the Council has already invested more than \$17 million toward human services in the biennium budget. She said this includes funds from the Housing Stability Program focused on increasing access to affordable housing and behavioral health services.

Responding to Mayor Robinson, Ms. Esparza said the City contributes approximately \$600,000 per year to programs with a particular benefit for immigrants and refugees.

Michael Shiosaki, Director, Parks and Community Services Department, said the greatest areas of need based on input from service providers are food assistance, immigrant and refugee legal assistance, and rent and mortgage financial assistance.

Ms. Esparza presented possible allocation options for the use of Council Contingency funding: \$500,000 divided equally between food assistance and legal assistance or \$750,000 divided equally between food and legal assistance and possibly with a third area of financial assistance. Food assistance includes gift cards, weekend meals and food during school breaks for children, and food donated by restaurants. Ms. Esparza said client demand has increased by at least 10 percent for food and providers are reporting they are seeing households that have never previously needed food assistance. Many service providers report low stock due to the level of demand.

Ms. Esparza said immigrant and refugee legal assistance includes educational clinics, assistance with preparing legal documents, preparation for court hearings, and support for domestic violence survivors. Service providers have reported a significant increase in the demand for these services. Financial assistance refers largely to rent and mortgage assistance.

Ms. Esparza said the Council has the option tonight to direct staff to amend existing contracts with providers for specific services. She said all of the agencies that receive City funding are required to serve Bellevue residents. She said the City monitors all contracts closely to ensure

good stewardship of grant funding. She said agencies are allowed to request reimbursement for services provided within the current quarter.

Councilmember Hamilton expressed support for allocating Council Contingency funding toward the proposed purposes. He said more than 40 percent of Bellevue residents were born elsewhere. He concurred with the need for legal services for immigrants and refugees. He expressed support for providing \$750,000 to be divided equally between food, legal and financial assistance.

Mayor Robinson, liaison to the Human Services Commission, said the needs in the community always exceed available funding. She suggested an allocation of \$600,000 divided equally between the three categories noted above by Mr. Hamilton.

Ms. Robinson suggested that housing security assistance not be limited to organizations that own housing. Referring to legal assistance, she requested a dedicated employee from a service provider to work specifically in Bellevue, potentially from City Hall. Ms. Esparza said the City currently contracts with two agencies that provide legal assistance, including to immigrants and refugees. Mayor Robinson suggested exploring additional options for organizations that specialize in the needs of local populations. Mr. Shiosaki said current contract agencies can subcontract with other agencies to explore options for additional services.

Councilmember Nieuwenhuis asked whether there are potential emerging issues over the coming year that could trigger the need for the use of Council Contingency funds. Mr. Resha said one factor is the volatility associated with federal funding. Also, most economists are starting to see 2026 as a high inflation year, which affects consumer confidence and spending. Mr. Resha advised keeping some of the Council Contingency funds available to address the uncertainty. Responding to Mr. Nieuwenhuis, Mr. Resha advised keeping the emergency allocation to \$500,000 to \$600,000.

Councilmember Nieuwenhuis asked whether allocating \$250,000 for the first quarter of 2026 and another amount for the second quarter would make sense. Ms. Esparza said grants for financial assistance and food assistance are expended fairly quickly and assistance is provided directly to the community. For immigrant and refugee legal assistance, the costs frequently support the staffing to provide services. Ms. Esparza said one potential issue is that the providers would not be able to commit to as much assistance if they are unsure about future funding.

Mr. Nieuwenhuis said the community trusted partners are in the best position to take advantage of additional funding. However, he asked whether this would be a good or bad time to explore additional new partners. He would like any assistance to be distributed to the community as quickly as possible. Ms. Esparza said that amending current contracts would be the quickest way to distribute funding and assistance. A drawback could be with certain agencies that have pivoted and are responding to human services needs in a way that is different from what they were doing when the original contracts were granted. Ms. Esparza said issuing a new request for proposals (RFP) could provide opportunities for new agencies to receive grants. However, that would be a longer process.

Councilmember Nieuwenhuis said he was leaning toward allocating \$500,000 divided equally into food assistance and legal assistance.

Councilmember Bhargava said many communities in Bellevue are currently facing escalating issues and the City needs to take action to support them. He suggested that the Council could allocate a certain amount now and revisit the issue early next year. Responding to Mr. Bhargava, Ms. Esparza said contract agencies must agree to use the grant funds for specific purposes. She said the City is one funder among many for service providers. Mr. Bhargava suggested that some flexibility and discretion in the use of the funds would be helpful in addressing needs.

Responding to Mr. Bhargava, Ms. Esparza said contract agencies are required to provide quarterly reports at a minimum, while some agencies report more frequently. She said Bellevue's monitoring is more strict than some jurisdictional peers. She said City staff visit agencies at least once per year to build relationships and facilitate monitoring and contract compliance.

Councilmember Bhargava expressed support for Mayor Robinson's suggestion to provide \$600,000 divided between food assistance, legal assistance and financial (primarily housing costs) assistance. He would like to allocate more now but he acknowledged it might be better to wait and reassess additional needs next year.

Councilmember Sumadiwirya thanked staff for the information. As a first-generation immigrant, she understands that immigrant communities are experiencing a great deal of fear and it is important to be an ally with those communities. Ms. Sumadiwirya said she appreciated the support for providing more human services funding.

Responding to Ms. Sumadiwirya, Ms. Esparza said that according to the website of the Washington State Department of Social and Health Services, approximately one-quarter of the state's one million SNAP (Supplemental Nutrition Assistance Program) recipients received their full benefits in early November. However, there is no guarantee for future federal benefits.

Ms. Sumadiwirya expressed support for providing an emergency allocation of \$600,000 divided into the three types of assistance. She expressed support for Mayor Robinson's suggestion that a service provider assign a dedicated legal assistance representative at City Hall or another public space in Bellevue. She asked about the potential for providing separate capacity building grants for specific purposes. Ms. Esparza said this is one-time funding and not a sustainable funding source, which makes it difficult to encourage an agency to dedicate a staff position to work more closely with the City.

Councilmember Lee said there is a great demand for human services and Bellevue is fortunate to have a number of non-profit organizations providing services and assistance. He said much of that work involves volunteers within specific communities. He said human services needs always exceed available funding. He expressed appreciation for the Human Services Commission's review of grant applications to develop recommendations for the Council's consideration.

Councilmember Lee concurred with Councilmember Nieuwenhuis' concern that emerging issues in 2026 could require funding, potentially from the Council Contingency Fund. He

acknowledged the need for food assistance, financial assistance and especially for immigrant legal assistance. He suggested allocating the full \$1 million due to the significant needs. He believes the most urgent need at this time is legal assistance.

Deputy Mayor Malakoutian thanked staff for the presentation and thanked members of the public who testified earlier in the evening. He said he was proud of the compassion demonstrated by the Council and staff. He expressed support for Mayor Robinson's proposal to provide \$600,000 divided equally between legal, food and financial assistance. He said many immigrants are excluded from federal programs. Mr. Malakoutian said he would like to allocate more money at this time. However, he concurred with the suggestions to retain some funding in the Council Contingency Fund. He suggested exploring additional resources to support human services.

Responding to Councilmember Nieuwenhuis, Mr. Resha said that if the allocated funds are not used by the end of 2026, the appropriation expires and the Council could make a decision to add the remaining dollar amounts to the 2027-2028 budget.

Deputy Mayor Malakoutian moved to direct staff to finalize the necessary legislation to adopt the 2025-2026 Budget and 2025-2030 Capital Improvement Program (CIP) Plan mid-biennium update for Council consideration and action on November 18, and to direct staff to expend \$600,000 of the 2025 Council Contingency Fund divided equally between food assistance, legal assistance and financial assistance. Councilmember Sumadiwirya seconded the motion.

Responding to Councilmember Hamilton, Ms. Esparza said the dollar amounts within each category will be spread across multiple agencies. In further response to Mr. Hamilton, Mr. Resha said the City has a number of types of reserve funds. Mr. Resha said the operating reserve contains funding to keep the City open for roughly two months following a catastrophic event. Additional reserves are used for property acquisitions, utilities needs and other purposes. Mr. Resha said reserve funds are unappropriated dollars. By contrast, contingency funds have been appropriated for use and the dollars are ready to expend.

Responding to Councilmember Bhargava, Ms. Esparza said she considers the three categories of assistance as life safety issues for residents.

Councilmember Lee suggested designating more of the \$600,000 toward legal assistance or wherever there is the greatest need.

Councilmember Nieuwenhuis suggested designating \$250,000 for legal assistance, \$250,000 for food assistance and \$100,000 for financial assistance.

Responding to Mr. Nieuwenhuis, Mr. Resha confirmed that the vote on the one-percent property tax will be a separate vote from other budget items on November 18.

Responding to Councilmember Sumadiwirya, Mr. Shiosaki said the need for services is significant for all three categories of assistance. In further response, Ms. Esparza said that

amending existing contracts reflects grants to known providers. Ms. Esparza said an agency can provide more than one category of services.

 $\rightarrow$  The motion carried by a vote of 7-0.

Mayor Robinson thanked everyone for the discussion. She said Amazon has agreed to provide a matching donation of \$250,000 to be divided between LifeSpring, Hopelink and Renewal Food Bank.

At 8:02 p.m., Mayor Robinson declared a short break. The meeting resumed at 8:18 p.m.

#### 10. Study Session Items

(a) Recommended Land Use Code Amendment revising the City's critical areas regulations to comply with the state-mandated update deadline of December 31, 2025.

City Manager Carlson introduced discussion regarding the critical areas ordinance update to align the code with state requirements.

Rebecca Horner, Director, Development Services Department, recalled that the Council provided feedback to staff in February regarding the critical areas ordinance.

Nick Whipple, Code and Policy Director, said critical areas regulations respond to requirements in the Growth Management Act to designate and protect five critical areas: 1) wetlands, 2) fish and wildlife habitat conservation areas, 3) critical aquifer recharge areas, 4) geological hazards, and 5) flood hazard areas. The proposed Land Use Code Amendment (LUCA) to amend the critical areas ordinance responds to state requirements, the study and application of best available science, and an analysis of the regulations needed based on science and changes in law.

Kirsten Mandt, Senior Planner, said the key themes from the February 25 discussion with the Council included climate, housing, flexibility, engagement, quality of life, balance and innovation.

Ms. Mandt summarized the public engagement effort with the general public, development stakeholders, agencies and tribes, and City departments. Information about the critical areas ordinance update was shared at EarthFest in April, an in-person open house in June, a virtual open house in July and through a virtual draft code session in August.

Ms. Mandt summarized the key components of the recommended LUCA. The first addresses development flexibility and modifying certain restrictions after the critical areas delineation, buffer and setback are put into place. The LUCA removes the density/intensity calculation in LUC 20.25H.045, the lot coverage reduction for parcels, and restrictions on middle housing. It also streamlines regulations related to buffer setbacks and adds protrusion allowances (e.g., decks, patios) into the setback.

Ms. Mandt said the LUCA addresses streams and wetlands with increases to some stream buffers and added flexibility for degraded and piped stream segments. Wetlands provisions align the habitat score with state standards, add mitigation timing and ratio language, and add a pathway for the potential fill of small Category IV wetlands. Ms. Mandt described code revisions related to geohazards, critical aquifer recharge areas (CARAs) and innovative mitigation subject to certain requirements. For innovative mitigation, the applicant must document why the alternative approach is warranted and the mitigation must be located in the watershed.

Negin Khanloo, Planning Commission Chair, said the commission held its public hearing on October 22 and voted to recommend adoption of the proposed LUCA without modification. Written information regarding the critical areas ordinance was provided on April 23 to the commission, which held study session discussions on May 28, June 25, July 23 and September 24. Ms. Khanloo noted that the commission did make revisions to the regulations throughout those discussions before the public hearing.

Ms. Mandt said staff recommends Council adoption of the LUCA in order to meet the December 31 deadline.

Deputy Mayor Malakoutian thanked staff for their work and acknowledged the challenges of addressing critical areas. He thanked Chair Khanloo and the commissioners for their review and recommendation. He said this work is highly technical and it shapes the future of the community. He thanked the public for engaging in the process and providing input.

Mr. Malakoutian said the proposed LUCA reflects a full range of public involvement, aims for balance, and recognizes the need for flexibility in the code.

Councilmember Bhargava thanked the commissioners for their work on this complex technical topic. He said the recommended LUCA is consistent with the Comprehensive Plan and delivers a thoughtful, balanced approach that supports housing production, manages growth and protects the environment.

Mr. Bhargava said we need to continue to find creative ways to encourage housing development. He said it is important to have an equitable approach to the process so the City is able to ensure its policy framework is scalable and consistent over time. He commented on the importance of using data and the best available science. Mr. Bhargava expressed general support for the proposed LUCA.

Councilmember Sumadiwirya said she appreciated the robust community engagement effort. She expressed support for the proposed LUCA and the balanced approach. She encouraged continued efforts to find ways to facilitate the development of housing and to identify alternative mitigation measures.

Responding to Mayor Robinson, Mr. Whipple said that flexibility to support housing is provided throughout the LUCA, including through innovative mitigation efforts. He said innovative mitigation is not limited to streams and applies to all critical areas. It will allow people to take credit for the existing area of improvements, including structures and paved areas. Mr. Whipple

said the current code is more rigid and requires a fairly significant buffer between a parking lot and a stream. The proposed LUCA provides innovative mitigation and flexibility to allow alternative approaches.

Mr. Whipple noted that the owner of the East Main property is requesting a reduction of the Category III wetland buffer to zero and permission to fill the wetland and replace it elsewhere on the site. The proposed LUCA provides a pathway to fill small Category IV wetlands.

Responding to Councilmember Sumadiwirya, Mr. Whipple said a developer or property owner would need to hire a consultant to go through a rigorous process of rating the wetland based on Washington State Department of Ecology standards. Nell Lund, Facet, provided additional details regarding the four wetland categories.

Councilmember Nieuwenhuis thanked the Planning Commission, staff and the consultants for their work. He said the proposed LUCA reflects a balanced approach and helpful flexibility. Referring to the East Main project, Mr. Nieuwenhuis questioned whether the wetland is correctly designated as Category III and opined that it appears to have limited value.

Mr. Whipple said the City has not made a determination regarding the wetland category for the East Main property. The applicant reflects that designation in their site plan but it has not been confirmed by the City.

Mr. Nieuwenhuis said a speaker earlier during oral communications proposed a revision that allows degraded, low-quality wetlands to be modified, reconfigured and replaced with no net loss of wetlands. He suggested applying this to transit-oriented development (TOD) areas. Mr. Whipple said the proposed revision to address the East Main project was received late in the planning process and did not allow time for an analysis. He acknowledged that the City of Redmond provides some flexibility on wetland fill for Category III wetlands, which Bellevue staff would like to discuss with them. Councilmember Nieuwenhuis said he would like further analysis of this issue, even if it means missing the December 31 deadline.

Chair Khanloo said the Planning Commission discussed this issue extensively and determined they did not want to make site-specific recommendations when setting broader policy and code provisions. She said the commission received emails from the Washington State Department of Fish and Wildlife and the Snoqualmie Tribe in opposition to the Planning Commission's recommendation regarding the flexibility to fill wetlands. She said the commission carefully considered the balance between enabling housing and protecting the environment.

Responding to Mayor Robinson, Councilmember Nieuwenhuis confirmed that he is suggesting greater flexibility on filling Category III wetlands if they are located in a TOD area where housing, especially affordable housing, is under development.

Responding to Councilmember Bhargava, Ms. Lund said the Washington State Department of Ecology's wetlands rating system acknowledges there are limitations in accurately and effectively rating small wetlands. As a result, the DOE and the proposed LUCA reflect the buffer

exception for wetlands of 1,000 square feet or less. Mr. Bhargava suggested further analysis of that issue.

Councilmember Nieuwenhuis thanked Chair Khanloo for her comments above.

Councilmember Lee thanked the Planning Commission for their careful consideration of complex policy issues. He acknowledged plans to restore streams in the BelRed corridor. He said, however, the wetland in the East Main area is already covered by a parking lot. He suggested environmental enhancements at other locations to balance the need for housing. He suggested taking more time for an analysis, even if it means missing the December 31 deadline.

Councilmember Hamilton thanked the Planning Commission, key stakeholders and the general public for their involvement in developing the proposed LUCA. He thanked staff for their work and the robust community outreach.

Mr. Hamilton asked his colleagues to consider asking staff to draft an ordinance for Council discussion that allows the reconfiguration and movement of Category III wetlands in TOD areas, as long as there is an overall net environmental benefit and no net loss of wetland area. He would like this to come back to the Council by February 1 in anticipation of making a decision by the end of the first quarter of 2026.

Mayor Robinson thanked Chair Khanloo and the Planning Commission for their thorough review. She said the wetland designation at the East Main site has not been determined by City staff and she is not interested in crafting legislation to address an unknown situation. However, she wondered whether there is a path for the property owner to obtain a determination after the LUCA is approved. The Council could then consider a revision later to accommodate the result of that analysis.

Mr. Whipple said that would require the Council taking action before December 31 and initiating a new work item for staff and the Planning Commission to process an amendment. He said the City would need to be prepared to defend any area where it is departing from the best available science, which would apply to this issue. Mr. Whipple said that work would likely require adjustments to the 2026 work plan.

Mayor Robinson said she felt comfortable moving forward at this time with the Planning Commission's recommendation to approve the proposed LUCA.

→ Deputy Mayor Malakoutian moved to direct staff to finalize the critical areas LUCA ordinance as recommended by the Planning Commission for Council action at a future meeting. Councilmember Nieuwenhuis seconded the motion.

Mr. Nieuwenhuis asked about the ramifications if the City misses the December 31 deadline. He asked how long it would take to process an amendment regarding wetlands.

Robert Sepler, Senior Attorney, City Attorney's Office, said there are legal repercussions if the City does not pass the critical areas update by the end of the year. The City would become

ineligible for certain state grants, loans and funding in the areas of public works, water pollution control and the financing of public facilities.

Mr. Whipple said it could take a few months for the analysis and for two more discussions with the Council before final action. He said the budget and contract for the consultant would need to be renewed as well.

Councilmember Lee asked how the East Main property owner will be affected by the Council's action. Mr. Whipple said it has been explained to staff that the amendment is important for the East Main project to move forward. He said the City asked the property owner to review the mitigation sequencing requirements to determine how they could demonstrate how they are avoiding and minimizing impacts.

Mr. Whipple clarified that the City has not received a project application but the property owner had a pre-application meeting with staff regarding the current code. He said staff is interested in seeing how the property owner's issues might change based on the proposed LUCA. He said there is ambiguity in terms of the problem that staff needs to address.

Responding to Councilmember Lee, Mr. Whipple said there is strong support in the development and broader business community for the proposed LUCA.

Deputy Mayor Malakoutian said a lot of work has gone into the proposed LUCA. Regarding the recent request related to the East Main area, the City has not determined the category of the wetland and the applicant has not reviewed and responded regarding the flexibility in the proposed code. Mr. Malakoutian questioned whether there are sufficient resources and time for the Planning Commission and staff to address that specific site. He said a new amendment would need to be vetted through the stakeholders and general public.

Councilmember Hamilton spoke in favor of moving forward now with the proposed LUCA as recommended by the Planning Commission and considering further amendments by the end of the first quarter of 2026.

Mayor Robinson said she is not comfortable asking staff to draft anything until the City has more information about the East Main site and proposed project.

Councilmember Bhargava suggested that the analysis would not apply only to the East Main property but to other TOD and housing sites as well.

 $\rightarrow$  The motion carried by a vote of 7-0.

Responding to Mayor Robinson, City Manager Carlson suggested allowing more time for staff to determine the time and resources that would be needed to conduct a full analysis of the wetlands issue and the impact on the existing work plan.

Responding to Councilmember Lee, Director Horner said staff will continue to work with the East Main property owner to better understand their project.

(b) Land Use Code Amendment to establish provisions related to co-living housing in response to recent changes to the Growth Management Act (Chapter 36.70A RCW) enacted through House Bill 1998 in 2024.

Mayor Robinson said the LUCA related to co-living housing responds to requirements in state law passed by House Bill 1998 in 2024.

Mr. Whipple said staff is asking the Council to: 1) enter a finding of necessity for the Council to retain the processing of the co-living LUCA, and 2) direct staff to schedule the public hearing for December 2. He recalled that this topic was discussed as part of the middle housing code amendments. He said the City must allow co-living housing under HB 1998.

Charlie Engel, Associate Planner, said co-living housing is defined by the state as individual, lockable rooms that include private living and sleeping areas. Residents share common kitchen facilities and the housing type provides affordable rental options without public funding for households earning up to 50 percent of the area median income (AMI). Ms. Engel described examples of co-living housing developments, which are typically located near transit service.

Co-living housing must be allowed in any areas where six or more multifamily units are permitted. Ms. Engel said co-living is not allowed when six units are built with an affordable housing bonus. She said the building code sets the room size requirements. The City's standards cannot be more strict for co-living than for other multifamily uses in the same district. The code cannot require specific unit mixes, bedroom counts or other uses in the building (e.g., commercial space). No parking is required within one-half mile of a major transit stop. The maximum parking that can be required is one-quarter of a parking space per sleeping unit, or one parking space per four sleeping units. Ms. Engel said the units are not intended for short-term rentals and sewer connection fees are capped at 50 percent.

Ms. Engel said public outreach included the creation of a project website, an information session on October 28 and the publication of a flyer summarizing the state law requirements. The state deadline for approving the co-living LUCA is December 31.

Deputy Mayor Malakoutian moved to enter a finding of necessity for the Council to process the co-living LUCA and to direct staff to schedule the public hearing. Councilmember Hamilton seconded the motion.

Responding to Deputy Mayor Malakoutian, Mr. Whipple said one company has expressed an interest in providing this type of housing in Bellevue. He said they currently also provide homeownership options through co-living housing.

- → At 10:00 p.m., DM moved to extend meeting to 10:15 p.m. Councilmember Nieuwenhuis seconded the motion.
- $\rightarrow$  The motion carried by a vote of 7-0.

Responding to Councilmember Bhargava, Ms. Engel said short-term rentals are less than 30 days.

Mayor Robinson observed that this sounds like the Apodments in Seattle. While the co-living rooms are more affordable than other options, the cost per square foot is more expensive than larger units.

Councilmember Nieuwenhuis said he would like the City to be able to apply some type of standards for the housing if allowed under state law.

Councilmember Lee expressed concern about the low parking requirements. Mr. Whipple said staff is recommending compliance with state law and nothing beyond those requirements.

Councilmember Hamilton expressed support for the motion, noting that the City must comply with state law.

- $\rightarrow$  The motion carried by a vote of 7-0.
- 11. <u>Land Use Reports:</u> None.
- 12. Other Ordinances, Resolutions and Motions: None.
- 13. Written Reports
  - (a) Report of Emergency Procurement for Public Works Contract NE 24<sup>th</sup> Street Sinkhole
  - (b) Intergovernmental Affairs Monthly Update as of October 31, 2025
- 14. <u>Unfinished Business</u>: None.
- 15. New Business: None.
- 16. Executive Session: None.
- 17. Adjournment

At 10:10 p.m., Mayor Robinson declared the meeting adjourned.

Charmaine Arredondo, CMC City Clerk

/kaw