

MEMORANDUM



City of Bellevue

DATE: May 21, 2026

TO: Mayor Malakoutian and Councilmembers

FROM: Ken Wan, Chair, Environmental Services Commission *Kenneth Wan*

SUBJECT: Environmental Services Commission Recommendation to City Council on Expanding Utility Bill Assistance Programs

As part of the Environmental Services Commission's (ESC) role, the ESC evaluated six (6) options to expand the Utility Bill Assistance (UBA) Program during meetings held on January 8, 2026, March 5, 2026, and May 21, 2026. The options were built on a policy framework considering eligible households, levels of benefit, income thresholds, participation levels, benchmarking similar programs, rate impacts, and program administration requirements.

As the Commission deliberated possible expansion, we were mindful of balancing the need to expand assistance for our most vulnerable communities while also managing the impact to all other households paying utility bills. After thoughtful discussion, the Commission recommends expanding the long-term UBA program beginning in 2027 to include all households with income up to 80% Area Median Income (AMI). This includes a two-tier benefit structure that would:

- Maintain the current 70% discount/rebate for seniors and permanently disabled households with income up to 50% AMI, and
- Provide a 35% discount/rebate for all other qualifying households with income up to 80% AMI.

Under the recommended option:

- The number of eligible households would increase from approximately 4,000 to 15,000 households.
- Program participation would increase initially to an estimated 3,800 households.
- The estimated annual program cost increase would be approximately \$2.4 million.
- The estimated impact to a typical single-family residential bill would be approximately \$2.79 per month.

Increasing the eligibility threshold to 80% AMI is consistent with similar assistance programs in neighboring jurisdictions, other assistance programs provided by the city, and the 2025 Bellevue Human Services Needs Update. The Commission supports this approach, addressing the affordability gap by reaching the maximum number of households while balancing rate impacts by reducing the level of financial assistance to 35%.

The ESC recommendation would also:

- Align income eligibility criteria for the city's short-term water, sewer, and stormwater bill assistance programs to ensure consistency across assistance programs.
- Expand the solid waste bill assistance program to include rebates for qualifying multifamily households, creating a more uniform assistance structure across all four utilities.

The Bellevue community is experiencing an increased utility burden over the coming biennium, with compounding rate pressures primarily driven by rising costs from wholesale service providers. Given this trend, it is important to address the city's affordability gap and sustain essential services for residents in financial need. The Commission's recommendation achieves this objective, aligning both long-term and short-term assistance programs across all four utilities while limiting the rate impact on a typical residential bill.

The ESC appreciates the opportunity to consider the Utility Bill Assistance Program, evaluate program expansion options, and provide this recommendation to the City Council.