

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Study Session

April 6, 2015
6:00 p.m.

Council Conference Room
Bellevue, Washington

PRESENT: Mayor Balducci and Councilmembers Chelminiak, Lee, Robinson, and Stokes

ABSENT: Deputy Mayor Wallace and Councilmember Robertson

1. Executive Session

Councilmember Chelminiak opened the meeting at 6:00 p.m., and declared recess to Executive Session for approximately 20 minutes to discuss one item of potential litigation.

The meeting resumed at 6:22 p.m., with Mayor Balducci presiding.

2. Study Session

(a) East Link Project Update

Mayor Balducci said the Council selected her and the Deputy Mayor as the lead negotiators for amending the East Link Memorandum of Understanding (MOU) with Sound Transit. The original MOU set the light rail alignment through Bellevue. That agreement included a Downtown tunnel and an agreement that the City would provide up to \$160 million toward the light rail project. The City subsequently adopted a Land Use Code Amendment to set the permitting requirements, process, and criteria, and to establish the Light Rail Permitting Citizens Advisory Committee. Sound Transit continued to design the system and is now at the point of setting a baseline budget.

Since the first MOU was adopted, Sound Transit notified the City of its desire to site a maintenance base in Bellevue's Bel-Red corridor. The Council is unanimously opposed to that decision.

Mayor Balducci said, at this point, the City needs to confirm, modify or reject the Amended MOU that she, Deputy Mayor Wallace, and City staff negotiated with Sound Transit's team over the past six months. The group has reached a proposed agreement that it believes to be fair. She noted that Deputy Mayor Wallace, who was absent, supports the agreement as well. Mayor Balducci said the next step is to hold a public hearing on the proposed Amended MOU and to take a Council vote.

Mayor Balducci said the theme of the MOU is certainty. The Amended MOU identifies the sources of the City's \$100 million contribution and clarifies that the City's potential \$60 million contingency contribution included in the initial MOU is eliminated. Ms. Balducci said the Amended MOU ensures that the City will be able to put at least 1.6 million square feet of additional development around Sound Transit's Operations and Maintenance Satellite Facility (OMSF), should it be located at the International Paper site in the Bel-Red corridor. The agreement includes plans to work with Sound Transit and Metro to find a way to site an additional 400,000 square feet of development.

Ms. Balducci said the Amended MOU provides greater certainty regarding permitting and mitigation requirements for the construction and operation of light rail. While the permitting path is essentially set in the Land Use Code Amendment, this agreement includes more specific language regarding mitigation measures.

Mayor Balducci said a great deal of work has gone into developing the proposed Amended MOU. She thanked City staff for their extensive efforts and looks forward to the Council's discussion of the proposed agreement.

Kate Berens, Deputy City Manager, said the intent tonight is to present the elements of the amended MOU, which will be the subject of a public hearing on April 13. The Amended MOU has four main parts: financial reconciliation, OMSF issues, project permitting and mitigation, and project coordination.

Ms. Berens said the City's initial \$100 million contribution, primarily to help fund the Downtown tunnel, includes property included in the 2011 MOU, private utilities credit, public utilities payment, 112th overlay credit, and a Bellevue Way HOV lane grant contribution. The next piece of the financial reconciliation is to eliminate the \$60 million contingent contribution identified in the 2011 MOU, due largely to cost savings achieved through the design of the project.

Under the Amended MOU, the City receives \$25 million from Sound Transit for East Link permitting and inspection fees and for additional City property impacts from changes to the alignment (i.e., City Hall and Lincoln Center). The City will need to expand its employee parking garage to make up for lost spaces in the City Hall visitors and Police parking garages. Expansion of the general employees garage is included in the City's budget and will likely begin later this year. The agreement also includes property exchanges between the City and Sound Transit.

Chris Salomone, Director of Planning and Community Development (PCD), described the current 90-percent design for the 130th Avenue Station. The original 300-space surface parking lot is now transferred to the City, creating the potential for transit-oriented development (TOD) and transit parking prior to the opening of East Link operations. Sound Transit will demolish existing buildings and create a construction staging area to be used for several years. The agency will provide intersection improvements at 130th and 132nd Avenues NE and turn the property

over to the City in a condition that is ready for development. Mr. Salomone said this is a good opportunity for the City to invigorate TOD prior to East Link service.

Mr. Salomone said Sound Transit selected the International Paper site as a preferred site for the OMSF in July 2014. If that location is selected following completion of the Final Environmental Impact Statement (FEIS), the Amended MOU provides a number of development scenarios to create TOD at the OMSF site in order to mitigate the impacts of the facility.

Mr. Salomone said one element of the Amended MOU is that Sound Transit will develop the Eastside Rail Corridor (i.e., BNSF right-of-way) from the Hospital Station to the northern limits of their ownership of that corridor at SR 520. At the Hospital Station, the corridor will connect to a pedestrian-bike trail along 116th Avenue NE, north of NE 8th Street. Mr. Salomone noted the City's interest in connecting that route to Kirkland's ped-bike route.

Mr. Salomone described a graphic of the original OMSF facility, which has been reduced from 23-25 acres to 23 acres. The negotiations addressed the Council's concerns about the OMSF displacing development in the Bel-Red Plan.

Mr. Salomone described Phase 1 and Phase 2 plans for the OMSF. A number of conditions in the Amended MOU regarding Phase 1 development include design elements, the allowance for future TOD, a market analysis for future TOD, and potentially negotiating a Development Agreement based on the analysis' results. This development could provide 1.1 million square feet of office space and 130,000 square feet of retail uses.

Phase 1 also includes non-motorized connections between 120th Avenue NE and the future Eastside Rail Corridor trail, and accommodates the future daylighting of the West Tributary of Kelsey Creek.

Mr. Salomone said Phase 2 is a three-part agreement with King County Metro, Sound Transit, and the City. Metro owns a bus maintenance and parking facility adjacent to 120th Avenue NE in the Bel-Red corridor. The future light rail alignment would move 120th Avenue to the east to create two new parcels for redevelopment. Sound Transit would create a wall along the eastern edge of the OMSF to accommodate additional development as well.

Mike Brennan, Director of the Development Services Department (DSD), described East Link permitting and mitigation, noting that the Amended MOU does not waive the City's permitting or mitigation requirements. The Light Rail Permitting Citizens Advisory Committee (CAC) will continue to review and provide input on permit documents.

Mr. Brennan said the MOU increases certainty for the City in terms of environmental mitigation, noise mitigation, and traffic management during construction. The Amended MOU provides specific performance criteria for timely permit review and approval and establishes a fixed fee for East Link permits. Mr. Brennan said the agreement adds efficiencies in construction inspection and establishes a collaborative construction program with the City to manage the schedule, budget, and agreed scope.

Transportation Director Dave Berg provided additional details on East Link mitigation as addressed in the Amended MOU. Sound Transit will lead all construction outreach, and the City's existing Neighborhood Traffic Safety Services (NTSS) program will take the lead in coordinating with Bellevue's neighborhoods.

Mr. Berg said the construction contractor will develop traffic control plans with Sound Transit and the City. These plans will be finalized and approved through the City's right-of-way use permit process. Sound Transit and the contractor will seek to minimize impacts to Bellevue Way SE, 112th Avenue SE road over rail portion, 110th Avenue NE tunnel portal, and the NE 20th Street and 136th Avenue NE intersection.

The Amended MOU evaluates the use of project milestones for reducing the length of road impacts and liquidated damages for delays. With regard to Bellevue Way SE, Sound Transit and its contractor shall, to the extent possible, make a good faith effort to reduce the duration of lane closures and to maintain four travel lanes, two in each direction.

Mr. Berg said the project must meet the City's usual construction noise codes which prohibit construction outside the hours of 7:00 AM to 6:00 PM, Monday through Friday; 9:00 AM to 6:00 PM on Saturday; and all day on Sundays and holidays. He said expanded hours might be authorized in residential areas for specific situations including evening haul routes to minimize traffic interruption, construction on schools or government facilities that cannot be done during the day, site stabilization prior to winter weather, and emergency work. Sound Transit has identified some larger work items for which they will request extended work hours (e.g., potentially during south tunnel portal construction).

Mr. Berg said the final timing of the installation of noise walls or alternatives will be established in the construction permits, and the walls will be installed as early as possible. For the south tunnel portal, temporary noise walls will be installed as the first order of work as a requirement of construction permits.

Ms. Berens described how the Amended MOU addresses both construction and operational noise of the light rail system. She said the City has been working with a technical consultant on noise issues for some time. She described proposed mitigation based on the types of noise source: bells and warning devices, crossovers and switches, wheel squeal, train operations, and transfer power sub-stations (TPSS). The latter are designed to be enclosed within structures or with surrounding walls to mitigate noise. Ms. Berens said wheel squeal tends to be on curves. Sound Transit learned from the Central Link system about how to mitigate that noise, as well as the noise of the actual train operation.

Ms. Berens said the City's technical analysis concluded that certain additional mitigation measures are needed:

- South Bellevue – Installation of noise walls to meet Federal Transit Administration (FTA) guidelines and additional height and length of noise walls to meet City Code and to ensure that the noise of light rail is at or below ambient noise levels.

- Lake Bellevue – A noise wall will be installed adjacent to the track in accordance with FTA guidelines and additional acoustic panels will be installed on the guideway to mitigate at or below existing ambient levels.
- Bel-Red – New residential construction along the alignment is required, under the City's existing codes, to install sound proofing.

The Amended MOU establishes a noise and vibration monitoring plan, performance standards for light rail operations, and provisions for timely compliance and retesting if a noise exceedance occurs.

Nancy LaCombe, Regional Transportation Project Manager, highlighted elements of the project and construction mitigation map for the entire alignment. She said the City will continue its community outreach including updating the City's East Link project web page following this discussion. Community briefings are available for specific groups upon request through Kate March, East Link Outreach Coordinator.

Ms. Berens said there will be three legal documents creating the Amended MOU package: Amended and Restated MOU, Amended Transit Way Agreement, and the document on the OMSF and the potential creation of TOD parcels involving the realignment of 120th Avenue NE. The documents will be online by April 8, and the public hearing before the City Council on those documents is scheduled for April 13.

Mayor Balducci thanked staff for the presentation.

Responding to Councilmember Lee, Ms. Berens said the Sound Transit Board plans to take action on the Amended MOU and other documents on April 23.

Mayor Balducci said she was pleased to have reached this point in the process, and City Council action is anticipated on April 20.

(b) Transmittal of Planning Commission's Recommendation on the Comprehensive Plan Update

City Manager Miyake welcomed the six Board and Commission representatives in attendance to the table to present their recommendations on the Comprehensive Plan Update to the Council. He said no action is requested of the Council at this time.

Dan Stroh, Planning Director, said the Comprehensive Plan Update is required by state law. He thanked the Boards and Commissions, the public, and City staff who have worked hard on this update over the past two years. Much has changed since the last plan was adopted in 2004 including population growth, increased diversity, technology, light rail, infrastructure demands, sustainability efforts, Growth Management Act requirements, and the regional planning framework.

Mr. Stroh said a key component of updating the plan has been community engagement over the past two years including Board and Commission meetings, neighborhood meetings, the Best Ideas campaign, and the use of print and online social media.

Planning Commission Chair Aaron Laing commented that a number of meetings were held away from City Hall including at Bellevue College. The Comprehensive Plan Update effort looked at how to fine tune the plan for now while also making it aspirational over the next 20 years. The Boards and Commissions look forward to integrating the Eastgate and I-90 planning effort into the Comprehensive Plan. He said the Update proposes a new Neighborhood Element and provides a new succinct vision statement for each element of the Comprehensive Plan. Mr. Laing said the Planning Commission vote in support of the recommendations was 4-0. However, the absent commissioners support the recommendations as well. He noted that the meeting in which action was taken went until midnight, and some of the commissioners were not able to stay that late.

Human Services Commission Chair James McEachran said key topics of the Update were access to public transit, housing and services for the homeless, and protecting the civil rights of residents. He said the topics of affordable housing and human services were raised by all of the Boards and Commissions. The Human Services Commission recommends that the policies should go beyond general support and provide thorough direction for the City to take an active role in promoting the production of affordable housing throughout Bellevue, especially in high-density commercial/mixed use districts. The Commission recommends increased funding for A Regional Coalition for Housing (ARCH), public housing in proximity to transit and social services, and services for aging adults.

Transportation Commission Chair Scott Lampe talked about the importance of mobility for commuting and recreation for an increasingly diverse community. He highlighted the Transportation Commission's recommendations including a multi-modal approach that will provide access to jobs, housing, services, and recreation for everyone in the community. Mr. Lampe highlighted policy recommendations related to level of service performance measures for all modes of transportation and the direction provided in the Council-adopted Transit Master Plan. The Commission recommends the development of a Transportation Master Plan that would integrate projects and policies from the Transit Master Plan, the Pedestrian-Bicycle Plan, and subarea plans.

Environmental Services Commission Chair Brad Helland said the Commission reviewed the Utilities, Environment, and Capital Facilities Elements in the Comprehensive Plan beginning in 2013. He said it was a good idea for the Boards and Commissions to meet jointly and he suggested continuing with periodic joint meetings in the future. Mr. Helland said the Commission recognizes that well-managed utilities are a foundational element for Bellevue's economy, desirable neighborhoods, and environmental stewardship. The Commission recommends policy language in four general areas: 1) managing utilities in a holistic fashion, 2) recognizing the life cycle of assets, 3) determining capital investments and maintenance activities based on appropriate customer service levels, industry standard practices, and managing risk, and 4) supporting emerging technologies.

Mr. Helland said he submitted individual comments on the Comprehensive Plan Update regarding tree canopy loss, solid waste reduction, and the City's potential to support the undergrounding of utilities by providing a limited subsidy to assist in covering costs.

Arts Commission Vice Chair Trudi Jackson said the Commission sees the arts and the City's support of the arts as an important component of community livability. The Commission found that the majority of the arts-related policies reflect the community's goals including policies on public art, art performances throughout the community, and the support of artists and arts groups. The Commission recommends that the Update address the arts as a medium to create understanding and respect between the diversity of cultures as well. Other priorities include working locally and regionally to identify and provide arts facilities and lifelong arts education for all ages and skill levels. Ms. Jackson said the Commission feels strongly that supporting neighborhood public art helps to build a sense of community and to engage residents in the artistic process.

Parks and Community Services Board Chair Sherry Grindeland said the Board wants to see the development of parks and trails as the Downtown, Bel-Red corridor, and Eastgate areas develop and redevelop. The Board supports street trees and other vegetation along roads, sidewalks, and trails to enhance residents' outdoor experiences. She noted the role of parks in bringing together the diverse community, especially children. Ms. Grindeland said the Board recommends enhanced signage and wayfinding for parks facilities. The Board wants parks to be seen as a way to celebrate and preserve the local heritage. She said the Board wants to commit the City to continuing to monitor community recreation and services needs. Ms. Grindeland expressed the Commission's gratitude for all the Council does to support parks.

Mr. Stroh noted the tentative schedule going forward for four Council discussions organized by Comprehensive Plan Elements. Council action on the Update is anticipated on June 15.

Councilmember Lee said it was great to have representatives of the Boards and Commissions at this meeting. He thinks it would be interesting for the Environmental Services Commission to look at energy savings, technology, and green issues within the context of utilities operations. He said that affordable housing is very important. He agreed with the need for arts facilities and engagement in the arts by all ages. He requested more information on what the Human Services Commission means by the support of civil rights. He expressed an interest in more information on how economic development is addressed in Comprehensive Plan. He would like the plan to highlight the combination of economic vitality and strong neighborhoods.

Councilmember Stokes encouraged each Board and Commission to have at least one meeting per year away from City Hall and out in the community. He observed that the Planning Commission's vision statement fits well with the Council's recently adopted vision statement. He supports the need to look at housing issues and suggested that the City needs to draft a housing strategy. He is pleased to see the arts and cultural activities considered at the same level as other areas (i.e. transportation, human services, planning). Councilmember Stokes thanked all of the Board and Commission members for their public service.

Councilmember Robinson thanked the Boards and Commissions for their hard work. She expressed support for the new Neighborhood Element. She presented two questions for staff: Who makes sure that the Council's actions are consistent with the Comprehensive Plan? Why did the City send the draft Comprehensive Plan Update to the Puget Sound Regional Council (PSRC) and the State Department of Commerce before the Council's review?

With regard to the first question, Mr. Stroh said there are certain actions, especially related to land use, for which the Council meeting agenda memos must reflect a finding of consistency with the Comprehensive Plan. However, there are other actions left to the Council's discretion about how they fit with the Comprehensive Plan.

Paul Inghram, Comprehensive Planning Manager, said state law requires that the Department of Commerce receive a copy of the Comprehensive Plan Update at least 60 days prior to the City being able to take action.

Councilmember Chelminiak thanked everyone for their good work and said he looks forward to more in-depth discussions. He concurred that it is important that the Transportation Element address multi-modal elements versus strictly focusing on measures like intersection congestion. He noted that the Council has acknowledged a number of times in recent years about the need for an overall housing strategy and more affordable housing. Mr. Chelminiak credited Councilmember Robinson for her reminders about the need to discuss affordable housing. He commented on the importance of maintaining Bellevue as the City in a Park.

Mayor Balducci thanked everyone for their good, thoughtful work. She is pleased that members of the Boards and Commissions held joint small group discussions. She looks forward to future discussions about the Comprehensive Plan Elements. She acknowledged that housing is a critical topic for the region and the community.

Councilmember Lee asked about the undergrounding of utilities. Mr. Laing said the Comprehensive Plan is a framework looking approximately 20 years into the future. He said the Planning Commission received good feedback from the community in support of undergrounding. Mr. Laing said the plan is a policy-level document and it is not intended to be specific about whether or how the undergrounding of utilities might occur. While there is community support, there are financial and technical issues to be considered.

Mr. Laing complimented Mr. Inghram on the high quality of the materials received throughout the Update process.

Mr. Laing thanked Councilmember Stokes for his involvement as Council liaison to the Planning Commission, which helped the Commission focus its discussions.

(c) Bellevue Storm and Surface Water System Plan

[Item moved to Regular Session.]

At 7:58 p.m., Mayor Balducci declared recess to Regular Session.

Myrna L. Basich, MMC
City Clerk

/kaw