

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Extended Study Session

February 22, 2016
6:00 p.m.

Conference Room 1E-113
Bellevue, Washington

PRESENT: Mayor Stokes, Deputy Mayor Chelminiak, and Councilmembers Lee, Robertson, Robinson, Slatter, and Wallace

ABSENT: None.

1. Executive Session

At 6:00 p.m., Deputy Mayor Chelminiak called the meeting to order and declared recess to Executive Session for approximately 20 minutes to discuss one item of pending litigation.

The meeting resumed at 6:25 p.m., with Mayor Stokes presiding.

2. Approval of Agenda

→ Deputy Mayor Chelminiak moved to approve the agenda, and Councilmember Robertson seconded the motion.

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

3. Oral Communications

- (a) Loretta Lopez, Vice President of the Bridle Trails Community Club, said that, despite Puget Sound Energy's determination that there is a need to construct a new 230kV transmission line throughout the Eastside, residents believe they have the right and obligation to question whether that is true. She said PSE has refused to provide information on the Energize Eastside project that has been requested several times by residents. Residents have volunteered considerable time to study and monitor this issue and would like answers to their questions. Ms. Lopez said the City of Newcastle recently issued a six-month moratorium on applications related to electrical utility facilities, which is allowed under the State Growth Management Act. She asked the Council to adopt a similar moratorium.

- (b) Don Marsh, President of the Coalition of Eastside Neighborhoods for Sensible Energy (CENSE), provided copies of a *Load Flow Modeling for Energize Eastside* report prepared by Richard Lauckhart, former Vice President of Power Planning for Puget Sound Energy, and Roger Schiffman, an industry expert in load flow studies. Mr. Lauckhart and Mr. Schiffman obtained a license to use the same analysis software used by PSE, and they obtained the same base case data from the Western Electricity Coordinating Council. Their analysis determined that PSE's assumptions for the Energize Eastside project would exceed the capacity of the 11 transmission lines that cross the Cascade Mountains. Mr. Marsh said those lines would become overloaded, while the lines on the Eastside would not. The analysis determined that the Eastside has sufficient infrastructure for the next 20-40 years before any risk develops. Mr. Marsh said a new analysis from EQL Energy demonstrates that PSE and the Environmental Impact Statement (EIS) consultants have made significant errors in their analysis of alternative technologies. He said solutions are currently available that would be more economical than transmission lines. Mr. Marsh said EQL's report would be released within the next week. He asked the City to require an evaluation of PSE's proposal by the State Energy Facility Site Evaluation Council.
- (c) Marty Nizlek provided a presentation regarding Lake Sammamish water level issues and the King County Willowmoor Project. He submitted printed copies of the presentation.
- (d) Alex Zimmerman, President of StandUP-America, expressed concern that the Council meetings start late on certain Mondays due to Executive Sessions. He reiterated his request that the City Manager hold monthly meetings with the public.
- (e) Bill Hirt expressed concerns about Sound Transit's upcoming Phase 3 ballot measure. He recalled that, during the February 8 Council meeting, Ric Ilgenfritz of Sound Transit said ST3 will benefit the entire region and therefore every area should pay, despite where the funds are spent. He said Sound Transit missed opportunities years ago to add fourth lanes to the I-90 bridge and to provide bus rapid transit (BRT) using the center lanes. He said BRT service would be more effective and less expensive than light rail. Mr. Hirt said the vast majority of Eastside residents will not have access to East Link light rail and traffic congestion on the bridge will increase. Mr. Hirt said Eastside residents will not benefit from the hundreds of millions of dollars they have already contributed to the \$3.6 billion East Link project. He spoke against the ST3 proposed light rail project between Kirkland and Issaquah. Mr. Hirt said it would be more economical than light rail to provide BRT on I-90 and increased regional Park and Ride capacity.
- (f) Jens Nedrud, Senior Project Manager, Puget Sound Energy, responded to Don Marsh's earlier comments regarding the Energize Eastside project. Mr. Nedrud said the study presented by Mr. Marsh does not address federal reliability planning standards. He said it confuses operating activities with planning requirements. Mr. Nedrud said PSE's load flow studies have been independently verified to demonstrate what is needed to meet federal standards. He said the theories underlying the Lauckhart and Schiffman study have been rejected by the Federal Energy Regulatory Commission. He said Lauckhart's assertions about energy to Canada are false.

- (g) Nancy Rogers, land use attorney representing Aegis Living, noted two of the company's executives in the audience. She referred to the letter emailed to the Council on Friday regarding the Planning and Land Use Code Work Program. She recalled that, since late last year, Aegis has been seeking an increase in the FAR (floor-area ratio) for assisted living uses in the BR-MO district. The company's goal is to provide assisted living and memory care as well as affordable housing. Ms. Rogers thanked the Council for its support throughout this process, and commended staff on their hard work on this issue. She expressed support for City staff's recommended solution provided in the meeting packet, which is a Code amendment that authorizes development agreements to approve FAR increases for assisted living uses in exchange for providing affordable housing or a fee in lieu. Ms. Rogers encouraged the Council to consider staff's recommendation for the Lincoln Square skybridge as well.
- (h) Aileen Wu, Parents Against Marijuana Near Schools (PAMNS), stated her understanding that an interim marijuana cooperative ordinance will be drafted for the City of Bellevue in the next few months. She questioned which department or commission will present a recommendation to the City Council. She asked whether direction has been provided to the City Attorney about the ordinance, and she questioned the timeline for completing the ordinance. She asked the Council to ensure transparency as the City addresses this issue. Ms. Wu provided her comments in writing.

4. Study Session

- (a) Council Business and New Initiatives

There was no discussion.

- (b) Review of Energize Eastside Phase I Draft Environmental Impact Statement (DEIS) with regard to City Council Scoping Comments

City Manager Brad Miyake introduced discussion regarding how the Energize Eastside Phase I Draft Environmental Impact Statement (DEIS) responded to the Council's Scoping Comment Letter of June 8, 2015. The Council previously submitted comments regarding the scope of the Phase I DEIS to ensure that the study adequately considered sufficient, feasible and reasonable alternatives to Puget Sound Energy's project. The Phase I DEIS was issued on January 28, 2016 and is currently available for public comment.

Deputy City Manager Kate Berens said the DEIS comment period ends at midnight on March 14. The City of Bellevue is the lead agency for the preparation of the EIS, and Land Use Director Carol Helland is the State Environmental Policy Act (SEPA)-responsible official for that activity. Other cities impacted by the Energize Eastside project are involved in the EIS process as well. Ms. Berens clarified that the issuance of permits is what triggers the need for the EIS review.

Ms. Berens said SEPA rules recommend initiating the EIS review early in the permit process. The City of Bellevue, PSE, and the partner cities established a plan for a two-phased approach to

the EIS. The EIS will allow the City to take a permit action when PSE applies for a permit to construct the Energize Eastside or other project. The purpose of the two-phased approach is to increase transparency and public engagement around the questions about the need for the project. The focus of the Phase I DEIS is to describe the need for the project as presented by PSE and to consider possible project alternatives.

Mr. Berens said the comments received during the Phase I comment period, which ends March 14, will all be addressed in the Final EIS (FEIS). The comments and responses will be published in June. This will be followed by the scoping process and public comment period for the Phase II DEIS, which will provide a more detailed analysis of the project alternatives and, if identified, PSE's preferred project. All of this work will be consolidated into one Final EIS report.

Ms. Berens said Bellevue and the partner cities worked together to review the Phase I DEIS. The City Council's role is that of a stakeholder providing comments reflecting the City's interests. The Council's comment letter does not direct the SEPA-responsible official to take any specific actions. Ms. Berens recalled the Council's discussion last June while developing the comment letter about encouraging transparency. She said staff recommends that the Council not submit formal comments regarding the Phase I DEIS. Given the Council's interest in transparency, staff recommends that the Council's next step should be to provide scoping comments regarding the Phase II DEIS process. If the Council chooses to provide comment on the Phase I DEIS, Ms. Berens said there will be additional opportunities for Council discussion before the March 14 public comment period deadline.

Nicholas Matz, Senior Planner, said the Council's purpose in submitting the scoping comment letter last year was to help ensure that the EIS adequately considers sufficient, feasible and reasonable alternatives for the Puget Sound Energy project. He clarified that the EIS will not be used to reject or validate the need for the project. Rather, the EIS is intended to identify alternatives that could attain or approximate PSE's objectives at a lower environmental cost and disclose potential significant adverse environmental impacts associated with all of the identified alternatives.

Mr. Matz said the Council's June 2015 letter provided detailed framing questions to address alternatives. That letter requested a more detailed statement about: 1) the purpose and need of the project, 2) other potential solutions to the demonstrated need, including alternative infrastructure solutions, 3) alternatives to a wired solution, including alternatives using advances in new technologies, and 4) alternative project alignments.

Mr. Matz said the agenda memo in the meeting packet summarizes the Council's questions and input and provides staff's comments on how the DEIS addressed the Council's issues. He said staff has concluded that the Phase I DEIS is responsive to the Council's comments and that it considers the breadth of reasonable alternatives suggested by the Council in its June 8, 2015 scoping comment letter.

Mr. Matz highlighted the information provided in the agenda memo detailing how the DEIS addressed the Council's questions regarding the statement of purpose and need for the project, prioritizing the alignment, collocation with existing and proposed infrastructure, energy demand and use forecast methodologies, the impacts of undergrounding, pole design, combined/hybrid

alternatives, other regional alternatives, the potential for AC/DC conversion technologies, and financial impacts to ratepayers.

Mr. Matz said the consultant team provided comments on the independent examination of PSE's analysis, industry standards, federal regulations, and the benefits of proven transmission line technology. In terms of prioritizing the alignment, the DEIS examined the impacts of all of the alternatives on land uses. It identified the use of existing utility corridors or properties already owned by PSE to limit impacts and minimize the conversion of other land uses.

The DEIS studied options for the collocation of utility and public infrastructure in the same corridor and examined the potential environmental health and public safety impacts of the options, especially from potential seismic events. The collocation impacts are examined in detail in the Environmental Health and Public Safety chapters of the DEIS. The Earth chapter addresses seismic and construction impacts.

The DEIS analyzed energy demand and use forecast methodologies, and detailed how the alternative provided capacity to meet PSE's identified need and objectives. With regard to the option of undergrounding the transmission line, the DEIS explored the impacts to the environment along the full alignment, including submerged routes (i.e., lake locations).

Mr. Matz said the DEIS addressed pole design in response to the Council's scoping comment letter. The report acknowledges that significant view impacts are expected if a new corridor is developed. However, visual impacts could be mitigated by collocating new lines in existing corridors, depending on the trade-offs for the affected communities.

The DEIS addressed combined or hybrid alternatives that should be identified and explored for Alternative 2: Integrated Resource Approach. The study also looked at specific regional alternatives including the Seattle City Light transmission line (Maple Valley-SnoKing 230kV) and Bonneville Power Administration (BPA) Maple Valley-Sammamish 230kV line. The DEIS determined that AC/DC conversion technology would marginally increase the capacity of the lines. However, it would have adverse impacts to the reliability and operating characteristics of PSE's system.

Mr. Matz recalled that the Council raised questions about the financial impacts on ratepayers and property owners. In examining the feasibility of alternatives, the DEIS looked at potential practical barriers to implementation and the potential financial impact to ratepayers. The DEIS found that research did not support a conclusion that property values would be adversely affected by the transmission line project. He said chapter 11 of the DEIS addresses property values, views, and visual resources.

Mr. Matz reiterated staff's conclusion that the Phase I DEIS review and report meets the scope as set forth in the Council's June 2015 scoping comment letter.

Mayor Stokes suggested that the Council discussion first focus on staff's recommendation that the Council not submit a formal comment letter on the Phase I DEIS, and that the Council prepare a scoping comment letter for the Phase II DEIS. As time allows, Mr. Stokes said the

Council could move to discuss general issues about how the DEIS responded to the Council's initial Phase I scoping letter.

Councilmember Robertson noted Mr. Matz's comment that the DEIS is not used to reject or validate the need for the proposed project, but is intended to identify alternatives that attain or approximate PSE's objectives. She observed that the Council's scoping comment letter recommended that the DEIS address the purpose and need for the project. Ms. Robertson questioned how the DEIS met that request.

Mr. Matz acknowledged that the Council's letter requested a more detailed statement about purpose and need. However, the DEIS does not address the need for a project. Councilmember Robertson said she expected the DEIS to analyze the need for the project.

Councilmember Robertson suggested not ruling out the possibility of providing comments on the Phase I DEIS if the Council still sees issues that need more attention.

Ms. Berens said staff is trying to keep a separation between the City's role as lead agency for the EIS process as well as a stakeholder providing input and comments. Staff from all of the partner cities reviewed the consultant's work on the DEIS to ensure accuracy, completeness and understandability. If the Council is interested in another layer of detail or information, Ms. Berens suggested that those comments and questions would be appropriate for the Phase II DEIS scoping comment letter.

With regard to the DEIS addressing the need for the project, Ms. Berens said staff interpreted the comment in the Council's letter as a request for even more transparency in the process and in the sharing of information with the public. She said the DEIS does address PSE's identified need and the project criteria considered by PSE to determine whether an alternative meets its needs. However, she acknowledged that it does not provide an independent calculation and analysis of the need for the project.

Councilmember Robertson recalled that, at the time of the scoping letter, the Council was encouraging PSE to be more transparent. She said the Coalition of Eastside Neighborhoods for Sensible Energy (CENSE) has been requesting specific information from PSE to conduct its own needs analysis. Ms. Robertson suggested that transparency would be enhanced if PSE would release that information. Mr. Matz noted that the City's consultant was able to access the specific information.

Councilmember Lee questioned how the DEIS addresses concerns that a sufficient number of alternatives have been considered. He requested clarification of the Council's role and options.

Ms. Berens said the Council may provide comments and input in the same way as any other member of the public. However, this is different than most of the Council's work because the Council does not control this process and does not make final decisions.

With regard to alternatives, Ms. Berens said staff can provide additional details on the study of alternatives in the DEIS. However, the alternatives that the Council encouraged the DEIS to address were studied in this phase. For the Phase II DEIS, Ms. Berens said Puget Sound Energy

will forward the project it would like to be permitted, and the SEPA-responsible official can look at other alternatives that still appear to be reasonable. PSE selects the project it intends to build. SEPA regulations require study of the no-action alternative but do not require the study of other alternatives.

Responding to Councilmember Lee, Mr. Matz said the Phase I DEIS looked at a broad range of alternatives. The Phase II DEIS narrows the list of alternatives and provides the ability to suggest additional issues or details for further analysis.

City Manager Miyake read Councilmember Robinson's comments because she had lost her voice for the evening. She questioned whether the proximity of the proposed Energize Eastside alignment to the Olympic pipeline would preclude the ability to underground the route. Ms. Berens said staff will return with a detailed response to that complex issue.

Continuing, Mr. Miyake said Ms. Robinson would like the scoping letter to question the potential for mitigating impacts to residents if the project moves forward as currently proposed. Ms. Berens said that would be an appropriate issue to raise in the Phase II DEIS scoping comment letter. She said staff will work with the Council on that issue, which likely will involve impacts related to pole heights, vegetation, and other factors. Mr. Matz said the Phase II DEIS is the appropriate place to be specific about impacts and mitigation measures.

Mr. Miyake said Ms. Robinson would like to take a look at proven alternatives that are being used in other parts of the country.

Councilmember Slatter observed that, in the comments provided by communities and other stakeholders, there is a request that the DEIS further elucidate the need for the project. She questioned whether the Phase II DEIS scoping letter could ask for further detail on the need.

Ms. Berens said the responses to the comments on the Phase I DEIS will be published before the Phase II DEIS scoping process. The purpose and need of the project was addressed in Phase I. Any comments during Phase I about the issue of the need for the project will be published prior to the Phase II scoping process.

Ms. Slatter expressed concern that the community continues to have questions and lacks confidence in PSE's transparency. Ms. Berens acknowledged that this is frustrating for the public. However, the transmission line is a private project, and the City and the public do not control the final decisions.

Councilmember Slatter observed that this is an important point in history in terms of renewable energy, conservation, and other energy technologies. However, she understands that PSE has been planning for this project for a very long time.

Responding to Councilmember Slatter, Ms. Berens said the DEIS evaluated alternatives based on PSE's defined needs and eliminated a number of those alternatives. Ms. Berens said PSE makes the final decision about the project it wants to submit for permits. In further response, Ms. Berens said impacts and mitigation will be analyzed for all alternatives studied in the Phase II

DEIS. Permits are the tool for cities to use to address mitigation after a project application has been submitted.

Councilmember Wallace said that discussions about the Energize Eastside project remind him of discussions about East Link light rail planning. He observed that light rail is not needed, yet it was justified as a need. He questioned whether there is a legal standard for defining “need.” In the case of Puget Sound Energy, there apparently is a federal body dictating that there is a need for the Energize Eastside project.

Mr. Matz said there is a need for reliable power to service growth in the community. The EIS process is a way to study alternatives and their impacts to reach the most appropriate solution. PSE has identified the Energize Eastside project as one solution for meeting the need. Mr. Matz said a fundamental issue of the State Growth Management Act and the Comprehensive Plan’s Utilities Element is to ensure that reliable power will continue to be delivered.

Mr. Wallace noted that Sound Transit was required to establish a need for the light rail project. He questioned whether PSE had a similar requirement for establishing the need for its project. Ms. Berens said there is a requirement that PSE describe the need, but there is no independent legal threshold to validate or disprove the need. Mr. Matz said PSE must comply with a number of federal and industry standards.

Councilmember Wallace observed that an attempt to challenge the need for the project would result in excessive legal fees with a low likelihood of prevailing against PSE. He questioned whether there are cases in which a jurisdiction was successful in challenging a declared need. Ms. Berens said staff would research that issue.

Referring to splitting the DEIS into two phases, Mr. Wallace opined that it would have been beneficial to study impacts and mitigation in comparing alternatives during Phase I before narrowing the list of alternatives for Phase II. Mr. Matz said a significant amount of time was spent considering mitigation during the Phase I review.

Ms. Berens acknowledged the Council’s interest in the process of evaluating alternatives in Phase I versus Phase II. She said staff will bring back additional information to clarify which alternatives were studied and how the process works. She said the decision to divide the EIS work into Phase I and Phase II was made by the cities involved in the EIS. The intent was to facilitate greater transparency and public engagement, and to keep the amount of information to a manageable level for the public by phasing the work.

With regard to whether to provide formal comments on the Phase I DEIS, Councilmember Wallace observed that it is difficult to try to separate the two roles of EIS lead agency and general stakeholder in this major project. He suggested that the City, as a stakeholder, should be able to exercise its right to offer comments in the same manner as any other jurisdiction involved in the EIS process. He said the City should not feel shackled because it is the lead SEPA agency. Mr. Wallace suggested it would be a healthy exercise to develop a position on the options.

Ms. Berens suggested further discussion during a future meeting of the alternatives that were studied, whether the Council would like to make comments on the alternatives or other issues,

and whether those comments would be made on the Phase I DEIS or as part of the Phase II DEIS scoping letter.

Deputy Mayor Chelminiak noted the issue of whether the Council as a whole would like to provide formal comments on the project alternatives. He suggested that interested Councilmembers submit their input to staff if they would like to comment on the Phase I DEIS. He is leaning toward not wanting to comment. However, if others draft comments that he could support, it would be worthwhile to do so. Mr. Chelminiak noted that anyone can write individual comment letters as members of the public.

Mayor Stokes questioned what would be accomplished by submitting a comment letter on the Phase I DEIS. Ms. Berens said public input will generate a response in the Final EIS. She said comments typically address topics or alternatives that a member of the public believes is missing from the environmental analysis. In further response to Mr. Stokes, Ms. Berens said comments would not change the DEIS. However, responses to the comments are published.

Mayor Stokes observed that the Council would like to think about the issues in anticipation of further discussions with staff in the near future.

Councilmember Robertson said she would like information on whether other City Councils plan to provide formal comments on the Phase I DEIS. She noted the potential for a related quasi-judicial matter in the future for the City Council, and questioned whether other City Councils have that potential as well.

Ms. Robertson said there are members of the community who would like the City to stop the Phase I work and go through the appeal period before moving forward with the Phase II work. Her understanding is that the Council does not have the authority to direct the process.

Ms. Berens confirmed her understanding. She said it is unlikely that cities could require two separate EIS reviews because there is currently no governmental action being taken. The reason for the EIS is that the cities will eventually need to decide on a permit application submitted by PSE. Under SEPA rules, there is no action that would allow Bellevue and other cities to require that PSE agree to pause the process and allow the Phase I DEIS to go through the appeal process.

Mayor Stokes thanked staff for the presentation and said he looks forward to further discussion.

At approximately 8:03 p.m., Mayor Stokes declared a short break.

The meeting resumed at 8:12 p.m.

(c) Regional Issues

- (1) Update regarding Sammamish River Transition Zone and Proposed Willowmoor Project

City Manager Miyake introduced staff's presentation on the Sammamish River transition zone and the Willowmoor floodplain restoration project.

Joyce Nichols, Director of Intergovernmental Relations, said this agenda item is informational and no Council action is requested at this time.

Alison Bennett, Utilities Policy Program Manager, said Lake Sammamish property owners began to experience increased lake levels approximately 10-15 years ago. The water submerged and damaged docks and caused wave damage to the shorelines.

Ms. Bennett said the issues began after the Chinook salmon was listed under the Endangered Species Act in 1999. King County, in consultation with the U.S. Corps of Engineers and other parties, changed its maintenance practices within the Sammamish River transition zone in an attempt to improve salmon habitat. Vegetation maintenance was reduced from annually to every two years, and an unintended consequence of this change was that water was less able to flow out of the lake during storm events.

After the problem became clear, King County began working with Lake Sammamish residents to develop a new maintenance plan. Ms. Bennett said the City will continue to engage with residents as King County evaluates its options for the project.

Mark Isaacson, Director of the Water and Lands Resources Division, King County Flood Control District, said conditions were very different when the U.S. Corps of Engineers created the Sammamish River transition zone in 1965. Today there is increased drainage from the creeks. The river is also relatively flat, which slows the flow of water. The Lake Sammamish flood reduction plan created in 2011 implemented increased mowing, trimming of buffer vegetation, removal of cuttings and clippings, sediment and debris removal, and downstream aquatic weeds removal. The plan partially restored small boat navigability and identified the need for the Willowmoor project.

Mr. Isaacson said King County worked with community stakeholders to develop the study goals for the Willowmoor project that address flood control, habitat enhancement, and maintenance. He said these have not yet been adopted by the King County Flood Control District. He noted the need to reduce maintenance costs while continuing to manage the vegetation. King County worked with a Stakeholder Advisory Committee from June 2013 to March 2015 to address issues and concerns.

Mr. Isaacson said five channel reconfiguration alternatives were considered for the transition zone. Of these, two were eliminated. The remaining three alternatives are to continue existing maintenance, create a split-flow channel, or to widen the channel. Mr. Isaacson said the alternatives do not fully address all concerns around the lake because the short transition zone limits the ability to drain the lake under today's conditions. He said the split channel alternative provides the greatest benefit to lakeside residents in terms of controlling water levels. Widening the channel is less expensive. Mr. Isaacson said it is possible that additional options will be considered as well.

Mr. Isaacson said the King County Flood Control District previously funded the project through 30-percent design and added \$4 million to its 2016 budget for the project. Additional funding includes grants and partnerships, and it is possible that project implementation will be phased. Mr. Isaacson said the County has been asked by residents to consider an adjustable weir, which could provide the opportunity to release water in storm events. The County anticipates construction of the Willowmoor project in 2019. He said the County will continue its current maintenance activities.

Mayor Stokes thanked staff for the presentation. He noted that he serves on the King County Flood Control District Advisory Committee and said he is pleased to see the project moving forward.

Responding to Councilmember Slatter, Mr. Isaacson said the maintenance efforts will continue on an annual basis. He said dredging will likely be needed again at some point. He said the resource agencies that permit the work are interested in an alternative that has less of an impact in the transition zone based on maintenance practices. The current five-year permit ends this year, and the original plan was that an additional channel would have been completed by now.

Ms. Slatter stated her interest in ensuring that the maintenance is beneficial to lake levels, and that the benefit can be measured.

In further response to Ms. Slatter, Mr. Isaacson said the ultimate project will require permitting through the U.S. Corp of Engineers, which is a fairly complicated process. Ms. Slatter questioned whether the weir, which is a high priority for residents, will be installed for the final project, regardless of which project is implemented. Mr. Isaacson said the weir could be considered as part of any of the alternatives.

Councilmember Robertson said she appreciates King County's efforts with the City to perform the maintenance on a more regular basis. She questioned whether the maintenance regimen will qualify for the U.S. Corps of Engineers recertification. Mr. Isaacson said the recertification is not related to the transition zone's conveyance of water. The certification falls under an emergency response program that is activated when levies fail. He said it is not quite a certification but a matter of enrolling in the program. Participating in the plan would require looking at the entire 14 miles of the river system and developing a maintenance regimen, which would likely involve removing some of the habitat improvements completed by the City of Redmond.

Mr. Isaacson said the County does not see a significant benefit in enrolling in the program. However, it could certainly give that policy direction to pursue that with the Corps. He said County staff do not believe it would affect the flow of the channel. The current regulatory environment is significantly different than when work on the river was completed in 1965. He said the effect of enrolling in the program would be to have emergency response money available to the Flood Control District in the event of a levy failure. He said that is critically important for the Green River. However, this section of the Sammamish River has not caused damages from flooding.

Councilmember Robertson observed that while there has not been damages along the river, there have been damages around Lake Sammamish related to the high lake levels. She questioned whether the Flood Control District will be looking at the 14 miles of the watershed basin plan for the outflow.

Mr. Isaacson said the Willowmoor project study is confined to the transition zone. In 1965, the Corps estimated that Bear Creek would flow at only 300 cubic feet per second during a major storm. Recent storms are experiencing 700 cubic feet per second. At this time, the County is not asking the City of Redmond to change how it handles stormwater flows into the creek. However, the County recognizes the effect of the Bear Creek flow and the potential benefit of directing the flow to other locations along the transition zone. Mr. Isaacson said the split channel alternative provides a good solution for this issue. However, it might not be adequate if Bear Creek output continues to increase.

Councilmember Robertson said a citizen questioned whether the Corps conducts a Section 408 review as part of its permitting process. Mr. Isaacson said he could get back to the Council with information on that topic.

Ms. Robertson asked City staff whether the Council is expected to take a position on the preferred project alternative.

Ms. Nichols said staff anticipates continuing to work with County staff. When the County reaches a recommended alternative, City staff will share that with the Council and request direction about whether the Council would like to take a formal position.

Ms. Robertson requested that the City consider providing input into the process before a preferred alternative is selected.

Mayor Stokes concurred that a thoughtful discussion of alternatives would be beneficial in helping the County as it studies and evaluates the alternatives.

Responding to Ms. Robertson, Mr. Isaacson said a summary of the community engagement process and stakeholder input has been provided to the Flood Control District. Staff would like to start focusing on alternatives this year and would like to minimize design costs, to the extent possible, by narrowing the set of options.

Deputy Mayor Chelminiak observed that the split channel alternative has higher initial costs (\$9.8 million) but lower ongoing annual maintenance costs. Widening the existing channel is less expensive at \$8.1 million but has slightly higher annual costs. He questioned which option meets the criteria of improving salmon habitat and moving the most water downstream.

Mr. Isaacson said the split channel option accomplishes those goals. It meets the County's design objectives for lakeside flooding and provides habitat improvements as well. Widening the channel would provide some benefit, but early analysis indicates that it does not meet the design targets for lakeside residents.

Deputy Mayor Chelminiak said Bellevue's interests are to protect habitat and to move as much water as possible downstream without causing any problems or damage along the river. He said this has been a record-setting year for rain. He questioned whether the County will provide assistance to residents this year, perhaps in the form of an expedited effort to move more water downstream. Mr. Isaacson said that is not possible under the County's current permits, except in response to an emergency related to obstructions in the transition zone. He said the County's current maintenance efforts have done a reasonable job of reducing the water flows to maintain lake levels under the 25-foot ordinary high water mark. However, current efforts are not sufficient to manage the problems.

Mr. Chelminiak noted that the City of Bellevue provides a significant contribution to the Flood Control District. He requested proactive steps to the extent possible to facilitate moving more water downstream.

Mayor Stokes thanked Mr. Isaacson for the presentation.

(2) State and Federal Legislative Updates

[Information provided in meeting packet.]

(3) Monthly Council Summary Briefings on King County Regional Committees and the Puget Sound Regional Council (PSRC)

[Information provided in meeting packet.]

- (d) Initiation of Planning and Land Use Code Work Program items, including private requests from Aegis, Kemper Development Company, and Overlake Hospital for Code Amendments consistent with City Objectives.

City Manager Miyake recalled that the Council adopted a work program last year for a list of planning and Land Use Code initiatives. Since that time, a number of new initiatives have emerged. Late last year, Aegis Living proposed an increase in the allowed FAR (floor-area ratio) for its assisted living facility project. Two additional proposals have been proposed more recently and will be described by staff.

Mike Brennan, Director of the Development Services Department, recalled that staff was before the Council on February 1 to discuss the request from Aegis Living for a Code amendment that would increase the FAR in the Medical Office district, if affordable housing is added as a component of the project. Staff indicated at that time that there were additional pending requests for land use and planning work. The Council asked staff to bring all of those items back with recommendations.

Mr. Brennan noted that there is ongoing staff work to find ways to be more agile and efficient in processing planning initiatives and Land Use Code amendments going forward.

Planning Director Dan Stroh said an ambitious planning and land use work plan was adopted last October. However, staff appreciates the ability to be agile and to respond to emerging proposals. He said the agenda memo in the meeting packet summarizes certain ways that staff is working on identifying efficiencies, including with the Planning Commission, to move the work program forward. However, it is important to maintain a focus on the adopted plan and the Council's overall priorities.

Mr. Stroh said one new activity that will affect staff resources is the Master Plan update with Bellevue College. This is consistent with the Council's priorities related to higher education and affordable/student housing. A second project that has been of interest to the Council for some time is the redevelopment of the Newport Hills shopping center. The site has been auctioned by a private party, and a Comprehensive Plan Amendment proposal has been filed for a portion for the site. This will require staff work and time as well.

Mr. Stroh said those two work items do not require Council initiation. However, there are three proposals that do require Council direction and approval. The first is the request from Aegis Living, which provides the potential for a near-term step forward in the affordable housing strategy. The project provides needed assisted living facilities as well as resources for affordable housing. Mr. Stroh said the initiative is potentially broader than just the Medical Office district. It makes sense to offer a density bonus for assisted living, in exchange for an affordable housing component, in other areas of the community as well.

Staff recommends that the Council initiate action on the Aegis Living request. Mr. Stroh noted that all of staff's recommendations are presented in the agenda memo provided in the meeting packet. If the Council approves initiating the proposed Code amendments, staff suggests separate motions for each item.

Mr. Stroh said staff recommends that the Council initiate a Code amendment that would enable a density bonus in multifamily districts that are governed by FAR for density, when combined with on-site affordable housing or a fee in lieu. This would be implemented through a development agreement for a specific project. Staff requests Council direction to approve the Code amendment and to authorize staff to begin negotiations of the development agreement.

The second proposal is from Kemper Development Company to connect Lincoln Square One with Lincoln Square Two via a skybridge at the west end of the Pedestrian Corridor. Mr. Stroh said the project is consistent with plans for the Grand Connection from Meydenbauer Bay to the Wilburton area. The applicant requests an expedited process to coordinate with the construction of Lincoln Square Two that is currently underway. Staff recommends that the Council initiate the Code amendment work, and that the Council serve as the hearing body for the proposal.

Mr. Stroh said the third proposal relates to Overlake Hospital Medical Center's update of its Master Plan, which requests certain changes within the Medical Institutional district. Staff recommends that the Council initiate a Code amendment to facilitate Overlake's update of its Master Plan.

Land Use Director Carol Helland said the City is working with Overlake Hospital Medical Center on its pre-development application. Staff will have more details later and is requesting the

latitude to initiate the Code amendment with the Planning Commission. The requested amendment is consistent with the Comprehensive Plan and reflects relatively minor changes.

Councilmember Lee said he appreciates staff's work. Responding to Mr. Lee, Ms. Helland said Overlake Hospital Medical Center is moving forward with its fundraising and planning to expand the facility. Mr. Lee expressed support for initiating the Code amendment process.

Mr. Lee noted the success of the Lincoln Square One project and expressed support for the proposal to link that portion of the development with the new construction currently underway. He observed that the project provides a benefit, even without the Grand Connection.

Ms. Helland said the proposed project differs from the existing pedestrian bridges, which were focused on crossing auto-oriented streets. The proposed skybridge does not cross an auto-oriented street, and it is important to ensure that the western treatment of the Pedestrian Corridor optimizes the public realm and what the City wishes to accomplish with the Grand Connection. Ms. Helland said staff sees this as an opportunity to implement the objectives of both Kemper Development Company and the City. Mr. Lee observed that connecting the two properties is adequate justification for considering the skybridge.

Mayor Stokes suggested that the Council discuss the three proposals separately.

Councilmember Robertson noted that the Kemper Development Company proposal and the Overlake Hospital Medical Center proposal are both located on the west side of the BelRed Subarea, and Aegis is in the BR-MO (BelRed-Medical Office) zone. She recalled that other property owners in the BR-MO zone have requested Code amendments over the past two years. She asked how the two projects will integrate with the planned review of the overall BelRed Subarea.

Mr. Stroh said staff has started to work on the broader BelRed Subarea review and potential update, which will be brought to the Council during the second quarter of this year. Staff recommends that the Aegis Living Code amendment apply to any district in Bellevue that has FAR governing residential densities. This includes all of the BelRed area and the Downtown. If the Council adopts the Eastgate/I-90 Corridor improvements in the future, the amendment would apply there as well. Mr. Stroh said the Hospital district is outside of the BelRed Subarea. However, development in either area affects the other area.

Councilmember Robertson said the attorney for Aegis inquired about the Code amendment process. Ms. Robertson said the process recommended by staff is to send it through the Planning Commission. However, she sees the negotiation of the development agreement as the primary driver of the process as opposed to who holds the public hearing. She questioned whether the Commission or Council process would be quicker.

Mr. Stroh said staff understands Aegis' desire to expedite the process. However, staff is operating under the Council's general preference for allowing the Planning Commission to act as the hearing body for the Land Use Code amendment, except in rare circumstances. He said staff's plan would be to move forward with negotiating the development agreement while the

Code amendment process is underway. Responding to Councilmember Robertson, Mr. Stroh confirmed that the hearing on the development agreement itself will be held before the Council. Ms. Robertson expressed support for moving forward as proposed by staff.

Councilmember Lee acknowledged the need for assisted living facilities and he supports the affordable housing incentive.

Councilmember Robinson said she is pleased with Aegis' responsiveness to the Council's interests related to its request and supports their proposal. However, she was somewhat hesitant about adopting the process citywide without a clear understanding about the possible implications.

Mr. Stroh said the Land Use Code would have a section providing a mechanism for calculating densities through the option of a development agreement. He said there is an existing Code provision that allows developments to count senior housing units as one-half units with regard to the number of total units within a particular zone. However, that does not allow changes to building heights or the mass of the building, which is accomplished through FAR designations.

Ms. Robinson asked why the request is limited to assisted living facilities versus also including senior independent-living facilities. Mr. Stroh said staff could explore that option if directed by the Council. Staff's approach was to keep the Code amendment more limited at this time to avoid potential unanticipated consequences related to a broader application. Councilmember Robinson expressed support for moving forward with the requested amendment for the Aegis Living project.

Mr. Brennan noted that development agreements require Council approval. He said staff envisioned using this tool as a pilot approach. However, the Council could consider expanding the scope of the approach in the future.

Councilmember Wallace expressed support for staff's recommendation regarding the Aegis Living proposal.

Deputy Mayor Chelminiak spoke in favor of limiting the Code amendment to assisted living facilities for now. However, a broader look at senior housing would be appropriate in the future. He said the development agreement mechanism for granting a higher FAR meets an important need within the community. He expressed support for staff's solution to the issue.

→ Deputy Mayor Chelminiak moved that the Council authorize the initiation of a Code amendment that would enable a density bonus in multifamily districts for assisted living facilities, consistent with the proposal provided in the Council's desk packet; and that the issue be forwarded to the Planning Commission for review. Councilmember Lee seconded the motion.

Mayor Stokes expressed support for the proposal which advances the City's goals with regard to senior and affordable housing. With regard to whether the Council or the Planning Commission handles the process, he favors moving forward as expeditiously as possible.

Mr. Stroh said staff's recommendation is based on the Council's general preference for sending Land Use Code amendments through the Planning Commission process. However, staff recommended that the Council process the Kemper Development Company proposal in a timely manner because the project is already under construction and because it is consistent with the Council's goals related to the Grand Connection.

Deputy Mayor Chelminiak observed that the development agreement falls under the Council's role rather than the Planning Commission's function. He expressed concern that keeping the Aegis Code amendment with the Council might actually result in a delay.

Councilmember Robinson expressed support for Aegis facilities. However, this type of facility, at a cost of \$3,000 to \$6,000 per month, is not a viable option for every senior adult. She was reluctant to broaden the Code amendment to apply citywide, especially without first addressing an overall housing strategy for the community.

→ Councilmember Robinson moved to amend the motion to authorize initiating the Land Use Code amendment for Aegis Living's current project and to revisit the issue later during discussions of the City's housing strategy.

Ms. Helland said staff's original intent was consistent with Ms. Robinson's suggestion.

Responding to Mayor Stokes, Mr. Stroh said the Council could choose to narrow the Code amendment and development agreement option to the BR-MO district if desired. Mr. Stokes expressed support for considering Councilmember Robinson's suggestion.

Mr. Stokes said the motion to amend dies due to the lack of a second.

Councilmember Robertson observed that, if the motion is approved as presented, no assisted living units would be developed without first entering into a development agreement with the City. However, she said she shares Ms. Robinson's concerns about broadening the amendment to apply citywide.

Ms. Robertson said the Council will have the opportunity to modify the ultimate Code amendment before taking action. She spoke in favor of moving forward with the motion as presented for now.

Mayor Stokes clarified that the motion on the floor is the main motion by Deputy Mayor Chelminiak.

Councilmember Lee said he does not want to delay the Aegis process.

Councilmember Slatter questioned the projected maximum number of assisted living units that would be allowed under a Code amendment. Mr. Stroh said staff will continue to analyze the need for assisted living units. He said preliminary work has been completed to date. He reiterated that the proposed amendment applies only to multifamily zones governed by FAR, which does not include all multifamily areas.

Councilmember Wallace concurred with Councilmember Lee's concern that the Aegis process not be delayed pending a broader discussion about housing policies. Mr. Wallace expressed support for facilitating a needed project to move forward.

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

Mayor Stokes invited additional comments on the Kemper Development Company proposal.

Deputy Mayor Chelminiak noted that this is a pedestrian skybridge over a pedestrian area versus a skybridge over a street. He is in favor of moving forward expeditiously. However, he encouraged a careful review of the original Code amendment for skybridges in considering the new proposal.

Councilmember Robertson concurred with moving forward in a timely manner.

→ Deputy Mayor Chelminiak moved to initiate and expedite a Land Use Code amendment for a pedestrian bridge at the western end of the Pedestrian Corridor, and to designate the City Council as the hearing body, as described in the agenda memo in the meeting packet. Councilmember Robertson seconded the motion.

Councilmember Wallace expressed support for the motion. He said it is important to achieve the best bridge design for connecting to the Pedestrian Corridor. However, it is equally important to appropriately integrate the skybridge with both Lincoln Square One and Lincoln Square Two. He thanked staff for their collaborative work on this proposal. Councilmember Robertson concurred.

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

Mayor Stokes moved to the Overlake Hospital Medical Center proposal.

→ Councilmember Lee moved to initiate a Land Use Code amendment to the Medical Institutional District, as needed to enable appropriate changes to the Overlake Hospital Medical Center master plan. Councilmember Wallace seconded the motion.

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

- (e) Discussion of proposed Ordinance amending Bellevue City Code (BCC) Chapter 11.23 relating to the City's Parking Code.

City Manager Miyake said staff is seeking Council direction regarding proposed changes to the City's Parking Code.

Mark Poch, Assistant Director of Traffic Management in the Transportation Department, said parking regulations are important in terms of traffic safety and the effect on commerce. The Parking Code was adopted in the early 1990s, and the only significant update occurred in 2000. He said tonight's discussion would focus on: 1) parking fine amounts, 2) streamlining the Parking Code, and 3) establishing new parking rules. Council action is anticipated on March 7.

Mr. Poch introduced Darek Jarzynski, Senior Transportation Engineer and Rebecca Rodni, Neighborhood Programs/Safety Services.

Mr. Poch said that, of approximately 3,250 parking tickets annually, 750 are for overtime parking and 2,500 are safety related citations. He noted the importance of turnover in the use of parking spaces to support local businesses. Fines range from \$23 to \$40. Mr. Poch said the District Court prefers a more consistent fine structure for all parking violations.

Staff proposes adopting a \$40 fine for all parking infractions beginning May 1, 2016. He highlighted a table comparing parking fines to other jurisdictions. The \$40 level is lower than fines in Seattle, King County and Kent but consistent with fines in Redmond and Tacoma.

Mr. Poch said the Parking Code update in 2000 included a provision to adjust fines every two years based on inflation. The City consistently made those adjustments until 2008 but has not adjusted the fines since the recession. Mr. Poch said the fines are embedded in the Code, and a Code amendment is required for each adjustment. Staff recommends removing that Code requirement, moving the list of infractions and fines to a table, and placing the routine adjustments under the authority of the Transportation Department Director.

Mr. Poch acknowledged that suspending adjustments to the fines beyond 2008 was not technically allowed in the Code. Staff suggests adding brief language in the Code authorizing the City Manager to suspend inflationary adjustments when warranted by certain circumstances.

Mr. Poch described the new proposed parking rules. State law provides for the impoundment of vehicles with expired tabs for more than 45 days, but does not allow the option for instead issuing a ticket. Staff suggests adopting a Code that will allow the Police to issue a ticket and/or warning, which is consistent with the approach in Kent, Seattle, and Tacoma.

Mr. Poch said the City consistently receives complaints about vehicles blocking access to their mail boxes. Staff proposes restricting vehicles from parking within 10 feet of a mailbox from 8:00 a.m. to 6:00 p.m. in mail delivery days. This practice is followed in Auburn, Kent, King County, Lake Stevens, and Woodinville. This proposal is supported by the U.S. Postal Service, the Police Department, and the Transportation Department.

Mr. Poch said certain infractions do not have established penalties in state law (i.e., parking at bus stops, vehicles for sale in the right-of-way, and repairing vehicles in the ROW) and they are currently enforced in Bellevue with a \$29 fine. Staff recommends establishing a fine of \$40 in the Bellevue City Code for these infractions.

Mr. Poch said the City issues permits for residents in Residential Parking Zones (RPZs), which are sometimes sold or counterfeited. Staff recommends following Seattle's practice of imposing a \$250 penalty for the illegal production, sale, or purchase of a permit, and for the possession of a counterfeit permit.

Responding to Deputy Mayor Chelminiak, Mr. Poch said Parking Code amendments are not subject to approval by the East Bellevue Community Council within its jurisdictional boundary.

Mayor Stokes noted a Council consensus to bring the Code amendments back for Council action on March 7.

5. Continued Oral Communications: None.

Mayor Stokes declared the meeting adjourned at 9:42 p.m.

Kyle Stannert
Acting City Clerk

/kaw