

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Regular Meeting

October 12, 2020
6:00 p.m.

Virtual Meeting
Bellevue, Washington

PRESENT: Mayor Robinson, Deputy Mayor Nieuwenhuis, and Councilmembers Barksdale, Lee, Robertson, Stokes, and Zahn

ABSENT: None.

1. Call to Order

The meeting was called to order at 6:08 p.m., with Mayor Robinson presiding.

Mayor Robinson noted that it was Indigenous Peoples day. She asked Councilmember Zahn to read a post she shared on social media in honor of the day. Ms. Zahn read, "Today we celebrate the people who first called this land home. We remember the struggles and tragedies they endured. We honor their place in and contributions to the shared story of America."

2. Roll Call

City Clerk Charmaine Arredondo called the roll. All Councilmembers were present and participating remotely. Councilmember Lee led the flag salute.

(a) Affordable Housing Week Proclamation

Councilmember Stokes read the proclamation declaring the week of October 12 to October 16, 2020, as Affordable Housing Week in Bellevue. The City endorses the goals, objectives, and purposes of Affordable Housing Week and is committed to ensuring that all people in the community live with dignity in safe and affordable homes.

3. Approval of Agenda

Deputy Mayor Nieuwenhuis noted that Leo Flor, Director of the King County Department of Community and Human Services, would be joining the meeting to provide information during Agenda Item 12(i).

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

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

4. Oral Communications

- (a) Rachel Krinsky, Executive Director for LifeWire, noted that she is the co-chair of the King County Alliance for Human Services. She spoke in opposition to proposed Resolution No. 9826 and urged the Council to instead allow King County to impose the new housing sales tax to support the Health Through Housing proposal before the King County Council. She said the King County Alliance includes members from a number of different organizations that support residents across the county on a wide variety of issues. She said that allowing King County to impose the tax would enable it to bond more funding to address housing and housing services needs.
- (b) Kevin Wallace said he has been involved in producing workforce housing in Seattle, including rent-restricted housing under the multifamily tax exemption (MFTE) program. He acknowledged how difficult it is to provide housing at the 60-percent AMI (area median income) level. He said Bellevue has been successful in creating housing at the 80-percent AMI level. Mr. Wallace opined that it would not be possible to reach households with lower incomes unless a funding source is provided. With 15,000 new Amazon jobs coming to Bellevue, as well as other employers, there is a need to produce housing at a faster rate. Mr. Wallace said that when he served on the City Council, he did not think the City could realistically achieve Scenario 3 of the Affordable Housing Strategy. However, the housing sales tax would help the City achieve those goals. He said Bellevue has probably the highest need for affordable housing in the region, and King County will still receive a significant amount of funding from the new tax. Mr. Wallace urged the Council to adopt Resolution No. 9826 in order for the City to retain control over the tax revenues.
- (c) Will Toaspern spoke on behalf of Solid Ground, an anti-poverty community action agency serving families and individuals throughout King County. He thanked the City for its ongoing support of the organization's housing stability budget, which provides services to individuals in Bellevue and throughout the county. He urged the Council to not approve Resolution No. 9826 and expressed concern that it will take funding away from the County's Health through Housing initiative.

5. Reports of Community Councils, Boards, and Commissions: None.

6. Report of the City Manager

- (a) Status Report on the Neighborhood Area Planning (NAP) Program: Great Neighborhoods in Northwest Bellevue and Northeast Bellevue

City Manager Brad Miyake introduced staff's update regarding the Neighborhood Area Planning (NAP) program and the Great Neighborhoods initiatives in Northwest Bellevue and in Northeast Bellevue. He noted that this topic was last before the Council on June 1.

Nicholas Matz, Senior Planner, said the neighborhood plans provide guidance for how the neighborhood will grow and evolve. He highlighted the three phases of the schedule for the current planning effort: 1) capacity building, 2) plan development, and 3) plan adoption. The process is in the beginning of the plan development phase. Staff anticipates presenting a draft neighborhood plan to the Planning Commission in mid-2021. Council adoption of the plan is slated for early 2022.

Mr. Matz described the capacity building strategies of the neighborhood planning effort including EngagingBellevue.com, cultural outreach assistants, Otter.ai (access for hearing impaired) community workshops, and social media. He noted that additional strategies are described in the meeting packet materials. He said a community scavenger hunt is underway throughout October to expand public outreach. Mr. Matz noted the role of schools in engaging in the NAP process, including working relationships with the principals of Interlake, Sherwood Forest, and Ardmore schools.

Mr. Matz highlighted the public outreach and capacity building activities involved in the planning process, including a community forum in June and a number of values conversations with the public. The project recently completed two successful vision statement workshops, and staff will continue to provide the virtual coffee chats to engage the community. The neighborhood profile work will extend through November and the project team will begin drafting the plan early next year. Mr. Matz said the City will distribute door hangers at residences in November to publicize the planning effort.

Mr. Matz thanked Elizabeth de Regt and Brooke Brode for their work with the NAP program.

Councilmember Lee expressed support for the robust outreach and capacity building efforts already underway. He encouraged involving youth and students. He asked how the Council fits into the planning effort and expressed an interest in participating in the process. He suggested inviting the Council to the workshops and community conversations. Mr. Lee thanked staff for their work.

Councilmember Zahn thanked staff for their work and expressed support for the cultural outreach program. Mr. Matz noted that the languages chosen for the program were based on the most-widely spoken languages in the northwest and northeast neighborhoods after English (i.e., Mandarin, Spanish, Korean, and Indian Hindi, Punjabi, and Urdu). Ms. Zahn said she was glad to see the Otter.ai program for the hearing impaired. She encouraged the City to leverage opportunities during the capacity building and plan development activities. She encouraged reaching out to renters. Mr. Matz confirmed that staff is reaching out to a variety of residents and is not working only with property and business owners.

Responding to Councilmember Zahn, Mr. Matz said that the NAP process for the next two neighborhoods, Crossroads and Newport Hills, will begin later in, and overlap with, the current Northwest and Northeast planning process.

Mayor Robinson thanked staff for the presentation.

7. Council Business and New Initiatives

(a) Appointments to Arts Commission and Library Advisory Board

Mayor Robinson introduced appointments to the Arts Commission and the Library Advisory Board.

Councilmember Stokes recommended the appointment of Monik Martinez to the Arts Commission for a four-year term ending May 31, 2024. Ms. Martinez works with students in the Bellevue School District and has been active in arts and equity activities within the district. Mr. Stokes noted her experience within the Hispanic community and the community at large. He said she would bring a fresh perspective to the commission.

Mr. Stokes recommended the appointment of Judy Gowdy for the second Arts Commission vacancy to serve a partial term expiring on May 31, 2022. He said Ms. Gowdy has a long history of serving on boards and volunteering, including a term as president of the Imagine Housing Board. Ms. Gowdy is an interior designer and brings experience that will benefit the commission and the community.

Councilmember Robertson nominated James Rusk to serve on the Library Advisory Board for a term expiring May 31, 2024. She noted that Mr. Rusk is a military veteran who works in the area of executive protection and crisis management, and he is an avid library user. Ms. Robertson said Mr. Rusk has been working with organizations over the past several months to address pandemic-related impacts, including security issues.

→ Councilmember Stokes moved to appoint Monik Martinez and Judy Gowdy to the Arts Commission and to appoint James Rusk to the Library Advisory Board. Councilmember Robertson seconded the motion.

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

8. Consent Calendar

→ Deputy Mayor Nieuwenhuis moved to approve the Consent Calendar, and Councilmember Stokes seconded the motion.

→ The motion to approve the Consent Calendar carried by a vote of 7-0, and the following items were approved:

- (a) Council Minutes
Minutes of September 28, 2020 Regular Meeting
- (b) Ordinance No. 6529 relating to speed limits; amending Chapter 11.32 of the Bellevue City Code (BCC) to add a new Section 11.32.015 to establish a speed limit of 20 miles per hour (mph) on all streets in the Surrey Downs neighborhood.
- (c) Resolution No. 9825 authorizing execution of an amendment to the Professional Services Agreement with Pacifica Law Group, LLP, outside counsel for the City, in the amount of \$115,000, plus all applicable taxes, for legal services related to the claim for relocation benefits brought by the former tenant of the property located at 1445 120th Avenue NE which was acquired for both Sound Transit East Link and City transportation projects.

9. Public Hearing: None.

10. Study Session

- (a) Watermain Replacement Program - Informational Briefing

City Manager Miyake introduced discussion regarding the watermain replacement program. He welcomed Nav Otal, Utilities Department Director, and Linda De Boldt, Assistant Director.

Director Otal said the watermain replacement program represents a \$1.2 billion water system with 24 reservoirs, 22 pump stations, 610 miles of pipe, and 5,800 fire hydrants. She highlighted a map of the water infrastructure system, which extends to Clyde Hill, the Points Communities, and to a small section of Kirkland. The pipe network was built 50 to 70 years ago and is becoming more prone to failures. Ms. Otal said the replacement costs will steadily increase over the next 75 years.

Ms. Otal presented a map depicting the watermain breaks that occurred in 2016 through 2019. She said the breaks are costly to repair and the incidents often involve property damage claims in addition to the repair costs. Incidents of watermain breaks can cause injury to people, a loss of water supply to customers, damage to roadway structures, clogged streams and sewer pipes, and construction impacts. Ms. Otal recalled the West Lake Sammamish Parkway watermain break and roadway repair in 2012 and the pipe break at Lake Hills Boulevard in August 2020.

Assistant Director De Boldt said the goals of the watermain replacement program are: 1) the replacement of five miles of pipe per year, 2) focus on asbestos cement (AC) pipe first, 3) seismic mitigation, and 4) improved fire flow. The factors used to determine the priorities for pipe replacement projects include size, age and condition of the pipe; break history (severity and frequency); and the current probability and potential consequences of a failure. Additional considerations are coordinating with other City projects, state and local governments, private developers, and franchise utilities.

Ms. De Boldt described a graph depicting project expenditures and the miles of pipe replaced over the past 10 years. She said the costs of watermain replacement have increased from \$2 million per year to approximately \$10 million per year.

Ms. Otal highlighted the financial strategies to fund the \$80 million watermain replacement program. She said the R&R (Repair and Replacement) Fund is intended to cover future watermain replacement costs. She described a graph reflecting the water infrastructure funding strategy since 1995, when the R&R Fund was initially established. Key utilities projects include AMI (smart water meters), Pike's Peak Reservoir, West Lake Sammamish Parkway watermain, Cherry Crest pump station, and the NE 8th Street/136th Avenue NE inlet station. Ms. Otal said the City is positioned to meet the challenge of actively replacing watermains through a fiscally responsible schedule of replacing five miles of pipe per year.

Mayor Robinson thanked staff for the presentation.

Councilmember Lee, liaison to the Environmental Services Commission, thanked staff for their work. He said it is important to be preparing for the future and he suggested enhanced public education regarding utilities projects and infrastructure. He asked whether the City has insurance to cover the watermain breaks and related claims for damages. Ms. De Boldt said the City is self-insured.

Responding to Councilmember Barksdale, Ms. Otal said the cause of the West Lake Sammamish Parkway watermain failure is unclear, and there was no indication that it was at risk. She said the Lake Hills Boulevard failure was not anticipated and was caused by the soil conditions. Ms. De Boldt said there are times when leaks are detected and the pipe is repaired or replaced before a catastrophic failure occurs. She described the use of acoustic testing, primarily for AC pipe, that uses sound waves to determine whether the wall of the pipe is narrowing.

Mr. Barksdale asked whether the new replacement pipes have technology to monitor and detect problems. Ms. Otal confirmed that staff is interested in exploring the use of technology for detecting potential problems and how that might be implemented through the smart meter program.

Councilmember Robertson said she knows that many of the pipe failures affect AC pipes. Responding to Ms. Robertson, Ms. De Boldt said the City needs to replace a remaining 240 miles of AC pipe. She said that, at the rate of five miles per year, it will take approximately 50 years to replace all of the AC pipe, which is 40 percent of the total pipe network. In further response to Ms. Robertson, Ms. De Boldt said the City also experiences breaks in older ductile iron pipes and cast iron pipes.

Ms. Robertson suggested establishing a resource page on the City's website with an explanation about the Utilities Department programs and investments. She said a number of people in the community, including on social media, have questions about utility rates and services.

Councilmember Stokes said he previously served as the Council liaison to the Environmental Services Commission. He concurred with the suggestion to enhance public education regarding

the Utilities Department. Responding to Mr. Stokes, Ms. Otal confirmed that replacing more pipe annually would increase the program's costs. Mr. Stokes expressed support for the program.

Deputy Mayor Nieuwenhuis, a former liaison to the ESC, commended staff's ability to manage infrastructure investments while minimizing the impact on utility rates. He said that many cities do not take as careful an approach to reinvesting in their infrastructure.

Responding to Mr. Nieuwenhuis, Ms. Otal said that with AC pipes, most of the failures occur with the small diameter pipes (four inches to six inches). In further response, Ms. Otal said if a break occurs, staff conducts acoustic testing in the area to determine whether there are additional risks. She noted that some of the City's pipes have 25 or more years left in their life cycle. Ms. De Boldt said staff also uses information received from field crews, who track the history of breaks and other incidents.

Deputy Mayor Nieuwenhuis thanked staff for the presentation.

Councilmember Zahn said she appreciates all that staff is doing to plan and manage the watermain program. She observed that extreme weather events can contribute to infrastructure failure and damage.

Responding to Ms. Zahn, Ms. De Boldt said the West Lake Sammamish Parkway project is underway and the Transportation Department is working on the roadway and bike lanes. At the same time, the Utilities Department is replacing many blocks of AC main piping with earthquake-resistant pipe.

Mayor Robinson referred to the water infrastructure funding strategy and asked staff to comment on the financial impacts of the COVID-19 pandemic. Ms. Otal said staff anticipates a shortfall of approximately \$8 million in the City's 2020 budget and has been working since March to address the decrease in revenues. She said it is difficult to predict the long-term impacts of the pandemic until the economy fully reopens.

Mayor Robinson commented that the infrastructure investments and watermain replacements will avoid bigger, more expensive problems. She thanked staff for working so effectively and juggling the competing needs.

(b) Eastside Arts Audience Survey

City Manager Miyake opened discussion regarding the Eastside Arts Audience Survey. He said City staff worked with Eastside partners to survey arts audiences' perceptions and experiences since the beginning of the pandemic. The report will be used to help develop strategies and tools to support the sustainability of local and regional arts organizations.

Jesse Canedo, Chief Economic Development Officer, said the survey was intended to address how arts organizations are adapting to the conditions of the pandemic. He noted two themes of the presentation: 1) arts and cultural activities that tie directly to residents' livability,

attractiveness to businesses and their employees, and tourism, and 2) Bellevue continues to be a regional leader in the arts.

Scott MacDonald, Arts Manager, said the pandemic has hit the arts especially hard, including theatre, cultural festivals, performing arts, museums, and educational programs. He said that some organizations have been able to transition to online programming, but most have not. Mr. MacDonald said City staff met with more than 25 organizations early in the pandemic and determined there is no single solution for all of the groups. He said that many of the organizations have limited tools to respond effectively to the pandemic. He said the City saw the opportunity for a customer-driven approach by surveying the community to determine how they might continue to engage in arts activities.

Mr. MacDonald said the survey was developed in partnership with the Eastside Arts and Culture Coalition (EACC) and the cities of Issaquah, Kirkland, Redmond, and Renton. The survey was offered in eight languages and received 1,074 responses. Inspired by the commitment that diversity is our strength, staff reached out to the broadest cross-section of the community, including diverse arts and culture groups. Mr. MacDonald said arts organizations in Seattle and the region are severely impacted as well, and Bellevue has the largest market share among Eastside audiences.

Mr. MacDonald commented on the pandemic's impacts on the arts including feelings of loss and depression and the loss of creativity in themselves and/or their children. He said there has been significant gratitude for the arts programs that have been able to transition to online programming. Of the survey respondents, 57 percent indicated that they want a readily available vaccine before returning to normal arts events and venues, and 74 percent expressed an interest in outdoor events with additional precautions. Opportunities for arts organizations include expanding and refining online events, marketing, and expanding audiences. The City's role can include removing barriers, cross-marketing, providing arts grants, and developing regional solutions. An example of removing barriers is the Old Bellevue street dining program in response to the pandemic restrictions.

Next steps are to adapt City-led arts and cultural programs in response to the survey and community input, distribute the findings, assess future solutions, and work with the City's partners on follow-up surveys to assess changing needs.

Mayor Robinson noted the busy agenda and asked Councilmembers to forward their comments and questions to staff.

11. Land Use: None.

12. Other Ordinances, Resolutions, and Motions

- (a) Ordinance No. 6530 imposing an interim official control tolling time limitations for certain active Temporary Use Permits and suspending the restriction for application of certain successive Temporary Use Permits; providing for severability; and establishing an effective date.

City Manager Miyake said Ordinance No. 6530 imposes an interim official control (IOC) tolling time limitations for certain active temporary use permits and suspending the restrictions for applying for certain successive temporary use permits.

Trisna Tanus, Legal Planner, said a temporary use permit allows a use on an interim basis without requiring full compliance with the Land Use Code. The permit may apply to private property or to the public right-of-way, and the permit is valid for 90 days. Ms. Tanus said staff is asking the Council to adopt the IOC ordinance to help mitigate the impacts of the pandemic. In late July, the governor paused all reopening phases of the Safe Start Washington plan due to the continued increase in the number of COVID-19 cases.

Ms. Tanus said that businesses and services are using temporary use permits to modify their operations during the pandemic. Examples include outdoor dining and shopping as well as drive-in movies in parking lots. Potential temporary use permits could be applied to allow educational institutions to add more portable structures for classrooms to allow distancing and to allow health care entities to provide drive-in or drive-through medical services.

Liz Stead, Land Use Director, said the objectives of the proposed IOC are to respond to positive feedback about the permits and to continue to mitigate the impacts of the pandemic and the limitations of the Safe Start Washington plan. The IOC allows applications for successive permits for continuity and expands certain temporary uses related to classrooms, medical services, and other activities. Ms. Stead noted the goal to minimize the underutilization of properties, suspension of activities, and business closures.

The IOC addresses the tolling of time for the effective duration of active permits related to the pandemic and Safe Start Washington. The time begins on the first day after the completion of all phases of the Safe Start plan. The IOC suspends restrictions on successive permit applications. However, the restriction will resume 30 days after the completion of all phases of the Safe Start plan. The decision criteria used to consider modifications to the temporary use permit regulations focused on protecting public health and safety, avoiding uses that are incompatible with existing land uses in the immediate vicinity, adequate parking for the temporary use, specifying the hours of operation, and avoiding adverse noise or light impacts.

Ms. Stead said the desired outcomes are to enable current businesses to operate within approved conditions, communicate with existing permit holders and potential applications, and to streamline the reapplication process. She said a public hearing is required within 60 days of the Council's adoption of the IOC. The Council may extend the IOC for additional six-month periods and an additional public hearing is required with each extension.

Mayor Robinson thanked staff for the presentation.

Councilmember Lee expressed support for responding to the needs of local businesses. However, he cautioned against allowing a temporary use to cause long-term, potentially negative impacts, especially in a residential area. Ms. Stead said conditions are placed on permit approvals, and a

permit can be terminated if the conditions are violated. She said there have not been any temporary use permits issued to businesses in residential areas.

Councilmember Zahn expressed support for the temporary use provisions and encouraged staff to continue to explore similar opportunities for streamlining to help local businesses.

Councilmember Robertson thanked staff for their work and noted the Council's commitment to helping local businesses. She thanked Councilmember Lee for his question about temporary uses in residential areas.

Ms. Robertson asked staff to address, when this comes back for the public hearing, whether there have been any complaints or issues related to the temporary use permit regulations. She expressed support for staff's recommended approach.

→ Deputy Mayor Nieuwenhuis moved to adopt Ordinance No. 6530, and Councilmember Robertson seconded the motion.

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

- (b) Ordinance No. 6531 amending the Bellevue City Code to adopt certain State Building Code updates and local amendments thereto; amending Chapter 23.05 relating to construction code administration; repealing Chapter 23.10 in its entirety and replacing it with a new Chapter 23.10 reflecting amendments to state building codes; repealing Chapter 23.12 in its entirety and replacing it with a new Chapter 23.12 reflecting amendments to state residential codes; amending Chapter 23.13 to reflect amendments to the state existing building code; amending Chapter 23.16 to reflect amendments to swimming pool enclosures; repealing Chapter 23.50 in its entirety and replacing it with a new Chapter 23.50 reflecting amendments to state mechanical and related codes; amending Chapter 23.60 reflecting amendments to state plumbing codes; amending Chapter 23.85 reflecting amendments to state building codes; providing for severability; and establishing an effective date.

City Manager Miyake introduced a series of ordinances adopting construction code updates for the Council's consideration.

Mike Brennan, Director of the Development Services Department (DSD), said staff is seeking Council action to adopt the building and fire code updates.

Gregg Schrader, Building Official, highlighted the list of codes affected by the update, including the building code, fire code, residential code, mechanical and fuel gas codes, plumbing code, electrical code, and abatement and housing codes. He described the phased implementation of the code revisions. Phase 1 goes into effect on October 29, 2020 and includes revisions related to fire inspection fees, elevator maintenance standards, and the 2017 National Electric Code. Phase 2 implements the updated international building and fire codes beginning on February 1, 2021. Mr. Schrader noted the list of proposed ordinances to adopt the code amendments.

Kevin Carolan, Acting Fire Marshal, recalled the Council's last discussion of this topic with Fire Marshal Ken Carlson. In response to Councilmember Robertson's previous comments, Mr. Carolan described a proposed amendment to the 2018 International Fire Code adoption ordinance to prohibit mobile fueling services for motor vehicles. He noted that mobile fueling is a relatively new industry.

→ Deputy Mayor Nieuwenhuis moved to adopt Ordinance No. 6531, and Councilmember Stokes seconded the motion.

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

(c) Ordinance No. 6532 repealing Chapter 23.11 of the Bellevue City Code and adopting a new Chapter 23.11 of the Bellevue City Code in order to adopt the 2018 International Fire Code with amendments; providing for severability; and establishing an effective date.

→ Deputy Mayor Nieuwenhuis moved to adopt Ordinance No. 6532, and Councilmember Stokes seconded the motion.

Councilmember Robertson said she asked staff to prepare the amendment to ban mobile fueling because it seemed there were other Councilmembers who were also concerned. She expressed concern about the prospect of trucks throughout community carrying fuel. She noted the environmental mitigation measures required at gas stations. She expressed concern regarding widespread pollution to storm and surface water. Ms. Robertson suggested that the issue could be reconsidered the next time the Fire Code is updated.

→ Councilmember Robertson moved to amend Ordinance No. 6532 as stated in proposed Amendment 1, which bans mobile fueling except for specific purposes. Councilmember Lee seconded the motion.

Councilmember Zahn recalled her previous concerns about safety and said she appreciated Councilmember Robertson's proposed amendment to ban mobile fueling.

Councilmember Lee expressed support for the amendment and concurred that mobile fueling raises a number of concerns.

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

→ The motion to adopt Ordinance No. 6532, as amended, carried by a vote of 7-0.

(d) Ordinance No. 6533 amending Chapter 23.10 to adopt Building Code local amendments; amending the Bellevue City Code, Chapter 23.30, to adopt certain State Electrical Code updates and local amendments thereto; providing for severability; and establishing an effective date.

- Deputy Mayor Nieuwenhuis moved to adopt Ordinance No. 6533, and Councilmember Stokes seconded the motion.
- The motion carried by a vote of 7-0.
 - (e) Ordinance No. 6534 amending Ordinance 6292 and Chapter 23.11 of the City of Bellevue Fire Code; repealing and replacing sections 23.11.113 and 23.11.510; repealing section 23.11.917; adding new sections 23.11.607.9 and 23.11.919; providing for severability; and establishing an effective date.
- Deputy Mayor Nieuwenhuis moved to adopt Ordinance No. 6534, and Councilmember Stokes seconded the motion.
- The motion carried by a vote of 7-0.
 - (f) Ordinance No. 6535 amending the Bellevue City Code to incorporate the Uniform Housing Code, with conformance and consistency amendments, as chapter 23.22 in the Bellevue City Code; providing for severability; and establishing an effective date.
- Deputy Mayor Nieuwenhuis moved to adopt Ordinance No. 6535, and Councilmember Stokes seconded the motion.
- The motion carried by a vote of 7-0.
 - (g) Ordinance No. 6536 amending the Bellevue City Code to incorporate the Uniform Code for the Abatement of Dangerous Buildings, with conformance and consistency amendments, as chapter 23.20 in the Bellevue City Code; providing for severability; and establishing an effective date.
- Deputy Mayor Nieuwenhuis moved to adopt Ordinance No. 6536, and Councilmember Stokes seconded the motion.
- The motion carried by a vote of 7-0.
 - (h) Ordinance No. 6537: 1) authorizing execution of an amendment to the interagency agreement with the Washington State Department of Commerce to accept \$2,179,500 in additional Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) funding for costs incurred due to the COVID-19 public health emergency; 2) amending the 2019-2020 Operating Grants and Donations Fund to increase the appropriation by \$2,179,500; 3) amending the 2019-2020 Human Services Fund to increase the appropriation by \$1,079,500; and 4) authorizing the use of CARES Act funding.

City Manager Miyake introduced the update regarding the Coronavirus Aid, Relief, and Economic Security (CARES) Act Interagency Agreement amendment.

Toni Esparza, Assistant Director, Parks and Community Services, said additional CARES funding has been allocated to the City. She said staff is seeking Council direction to authorize the execution of an interagency agreement to accept \$2,179,500; amend the Human Services Fund to increase the appropriation by \$1,079,500; and to authorize the use of CARES Act funding. On September 1, 2020, the State of Washington announced several amendments to the Coronavirus Relief Fund (CRF) including to extend the end date of the contract with local jurisdictions to November 30, 2020, and to increase the funding allocation by \$126 million (above the original \$300 million allocation) to local jurisdictions with populations below 500,000.

Ms. Esparza said staff recommends the following allocation of the additional \$2,179,500 in CARES funding for Bellevue: 1) \$625,000 for City operational costs forecasted through November 30, 2020 in response to the COVID-19 pandemic; 2) \$475,000 for cultural and economic development, and 3) \$1,079,500 for human services (i.e., food, rent assistance, and shelters).

Jesse Canedo, Chief Economic Development Officer, said that the \$475,000 allocation to cultural and economic development includes \$375,000 to fund an additional 75 relief grants targeted to individuals or organizations in priority sectors (small businesses, recreation, restaurants, and arts organizations) and \$100,000 in community organization sustainability grants. The relief grant program authorized by the Council in August received 296 applications.

Ms. Esparza said human services agencies continue to face significant unbudgeted expenses related to the pandemic. She noted the increased demand for services, the costs of implementing COVID-19 safety procedures, and the decline in donations to many nonprofit organizations. She said the \$1,079,500 to be disbursed as grants will be given to human services agencies currently under contract with the City. Agencies must provide documentation of the costs they have incurred due to the COVID-19 public health emergency that have not and will not be covered through another funding source. Ms. Esparza said staff is seeking Council approval of Ordinance No. 6537.

Mayor Robinson thanked staff for the presentation.

Deputy Mayor Nieuwenhuis thanked Deputy City Manager Nathan McCommon, Ms. Esparza, and Mr. Canedo for their work with the CARES Act funding. Mr. Nieuwenhuis asked how quickly the relief grants will be available to the recipients. Mr. Canedo said the majority of the grants are expected to be processed by the end of October. Responding to Mr. Nieuwenhuis, Mr. Canedo said staff is available to assist with the application process, as are the City's contractors at Business Impact Northwest.

Ms. Esparza noted that it will take one to two weeks longer to process human services grant applications and distribution.

Responding to Councilmember Lee, Ms. Esparza said the human services agencies must provide documentation of the costs they have incurred due to the COVID-19 public health emergency that have not and will not be covered through another funding source. She said agencies are

depleting their reserves, especially as fundraising events and donations have been negatively impacted. Mr. Lee said that while he supports funding to human services agencies, he would like to see more money going directly to individuals and certain types of businesses as well. He encouraged continued outreach to underrepresented populations.

Mayor Robinson concurred that nonprofits are struggling and they have not been able to hold their regular fundraising events. She said she is grateful for the federal funding. She said that, as a small business owner, she understands the uncertainty around finances. She thanked staff for their work.

Mayor Robinson said she would like to consider allowing agencies not currently under contract with the City to apply for funding.

Councilmember Zahn said she would support the consideration of new agencies if more funding becomes available. She is pleased to be able to provide funding for both businesses and human services. She thanked staff for working to find the balance in meeting the needs across the community.

Councilmember Stokes said that nonprofit organizations do need help in paying expenses that have already been incurred. He expressed support for staff's recommended use of the additional CARES Act funding.

Councilmember Lee expressed his support for staff's proposal and reiterated his interest in providing more assistance directly to individuals. He thanked staff for their work and said he is pleased with the number of grants that have been and will be provided.

Mayor Robinson noted that human services agencies are overextended and depleting their reserves. She said that reimbursing them for costs incurred due to the pandemic will enable them to continue providing services directly to individuals.

→ Deputy Mayor Nieuwenhuis moved to adopt Ordinance No. 6537, and Councilmember Stokes seconded the motion.

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

- (i) Resolution No. 9826 imposing an additional sales and use tax of one-tenth of one percent for housing and related services as authorized in RCW 82.14.530, and providing for severability and establishing an effective date.

City Manager Brad Miyake said Resolution No. 9826 imposes an additional sales and use tax of one-tenth of one percent for housing and related services, as authorized in RCW 82.14.530. He introduced Leo Flor, Director of the King County Department of Community and Human Services (DCHS), to provide information regarding the sales tax increase.

Mr. Flor noted the memo in the meeting packet from King County Executive Dow Constantine regarding the County's proposal for the new sales tax to support housing and related services. He

thanked Bellevue for their leadership in the region's response to the economic and social impacts of the COVID-19 pandemic. He said the Health Through Housing proposal currently before the King County Council will house 2,000 chronically homeless households, which includes youths and families, within two years. The new tax provides the scale to bond for \$400 million, which is possible by keeping a countywide sales tax that would currently fund approximately \$60 million annually.

Mr. Flor said the County's approach is to house people immediately. He said the region was able to do so in response to the current pandemic, including housing people in hotel rooms. He said the hospitality sector is the most negatively impacted business sector. He noted discussions about using other underused facilities for temporary housing. Mr. Flor expressed concerns about what will happen when the eviction ban ends at the end of the year. He said that thousands of households have not been able to pay their rent for months. He noted the urgency of being prepared to house people next year, not in four years.

Mr. Flor noted the University of Washington study that demonstrated the significant effectiveness of this type of intervention. He said the County does not take lightly that it is imposing a new tax during an economic downturn. The County proposes that working with the City of Bellevue would have a broader regional impact than Bellevue choosing to impose the tax itself under the authority granted by state law. If the City chooses to not impose the tax, the County may impose the tax on all county residents. If the County imposes the tax before the City does, the County will determine how the revenue is spent.

Mayor Robinson thanked Mr. Flor for the briefing.

Deputy Mayor Nieuwenhuis thanked Mr. Flor for the information. Mr. Nieuwenhuis asked how Bellevue fits into the County's proposal and whether any projects have been identified for Bellevue. Mr. Flor said that no projects in Bellevue have been identified, and County and City staff have not discussed the topic. He noted that community and City support are critical to the success of individual projects. Responding to Mr. Nieuwenhuis, Mr. Flor said the hotel in Renton was designated as a shelter after existing shelters became overcrowded in the midst of the pandemic. Mr. Flor commented on the goal of keeping people in their community if they become homeless.

Responding to Councilmember Zahn, Mr. Flor said the new law does not indicate an end date on the sales tax. Mr. Flor said the proposal is to pool regional funds and to be able to use up to half of the tax proceeds for bonding expenses. He confirmed that supportive services will be provided with housing.

Ms. Zahn noted that Congregations for the Homeless (CFH) is involved with shelters, supportive housing, and low-income housing. Even though no sites have been identified in Bellevue, when she thinks about supportive housing needs and the work that the City is already doing, she would like to understand how much of that money would serve the City's own strategies.

Mr. Flor said the proceeds of the tax may be used for housing and housing related services and for behavioral health services, but it cannot be used for shelters. He acknowledged that a

weakness in the regional system is that when we do muster the funding to create units, we do not have the ongoing, sustained regional-level sources to operate them.

Responding to Councilmember Robertson, Mr. Flor said the implementation plan that will guide the annual expenditures of the levy will need to go before the King County Council and the Regional Policy Committee. He said there have been discussions about general guidance and initial parameters and goals to consider including in the proposed implementation plan.

In further response to Ms. Robertson, Mr. Flor said King County representatives have been meeting with other regional entities including the Sound Cities Association (SCA). He noted that existing plans, for example with ARCH (A Regional Coalition for Housing), should be considered by King County and the cities. In further response to Councilmember Robertson, Mr. Flor said Bellevue does not have a seat on the Regional Homelessness Authority governing board. Mr. Flor clarified that the revenues from the new tax can only be used for housing and housing services. He said housing is not within the purview of the Regional Homelessness Authority, which is focused on shelter and other emergency services.

Responding to Councilmember Stokes, Mr. Flor confirmed that a portion of the tax revenues will be used for behavioral health and other support services. Mr. Stokes said he wished there was more time to consider the proposal. Responding to Mr. Stokes, Mr. Flor said the King County Council anticipates taking action on the tax on October 13. Mr. Flor reiterated that homelessness will increase significantly next year.

Mayor Robinson introduced the next presentation from City staff.

Mac Cummins, Director of the Community Development Department, said the purpose of tonight's agenda item is to discuss whether the City should take the sales tax for housing and housing services, or whether it should let King County impose the tax and control the use of the revenues. He said House Bill 1590 contemplates the collection of a one-tenth of one percent sales tax for specific purposes related to affordable housing. The tax goes into effect on January 1, 2021.

Mr. Cummins said the tax revenues allowed under House Bill 1590 are to be used for constructing and preserving affordable housing for specific populations, constructing mental and behavioral health facilities, and funding the operations and maintenance of the housing units or supportive services. He said the target population for the housing services are households with 60 percent area median income (AMI) or below. He said an 80 percent AMI unit for a family of four rents for approximately \$2,200 per month. At the 50 percent AMI level, a family of four could pay \$1,400 per month. The specific populations targeted in House Bill 1590 are individuals with behavioral health disabilities, veterans, senior citizens, individuals experiencing homelessness or at risk of becoming homeless, persons with disabilities, and domestic violence victims.

The tax authorized by House Bill 1590 will yield approximately \$9 million annually in Bellevue, and the City could bond or borrow against that revenue stream. If fifty percent were bonded against the revenue stream, the yield would be roughly \$75 million. If the Council adopts the

resolution tonight, the Council will be able to make decisions and to control the expenditure of the revenues. If the City chooses to not impose the tax, the County will collect the tax and some of the money would come back to the City. However, the City would not have control over the decisions.

Mr. Cummins noted the Council's recent discussions regarding affordable housing and related needs. He said there are actions in the Affordable Housing Strategy intended to achieve deeper affordability levels. He noted that housing units developed using the MFTE (Multifamily Tax Exemption) program are perhaps more likely to be priced at the 80 percent AMI level. Action A-1 of the Affordable Housing Strategy focuses on preserving existing housing, including apartments, hotels, and other facilities. He referenced the preservation of affordable housing at Highland Village in recent years. Mr. Cummins said a dedicated revenue stream would enable the City to be more aggressive in implementing Action A-1.

Action C-1 involves the use of faith-based, public surplus, and nonprofit-owned properties for affordable housing. Mr. Cummins noted that a dedicated revenue stream would allow for the creation of units for lower income levels. Examples of partnerships with faith-based organizations are Andrew's Glen at St. Margaret's Episcopal Church and 30 Bellevue at St. Luke's Lutheran Church. The construction cost of housing at Andrew's Glen, which primarily serves veterans, was \$275,000 per unit in 2009. The cost of 30 Bellevue housing was approximately \$360,000 per unit.

Mr. Cummins commented regarding the potential layering of implementation tools. The current provisions in the Land Use Code primarily focus on the 80 percent AMI affordability level. He recalled the previous week's discussion regarding the MFTE program, which provides a tax exemption in exchange for a commitment to provide a certain amount of affordable housing within a development. Mr. Cummins noted previous discussion with the Council about whether the MFTE program is more realistic for 80 percent AMI units.

Mr. Cummins said that if the City chooses to impose the tax, the City would use the funds to help those most in need. He said the effort would involve both the construction and preservation of units. He said the City has successfully collaborated in similar projects. The City could consider funding some of the ongoing operations of regional facilities.

Mr. Cummins said the key question for the Council in considering the proposed resolution is how it would like the tax revenues to be spent, and whether the City should impose its own tax and retain control over the use of the revenues. Should the Council choose to have the City impose the tax and retain the spending authority, the City will continue to coordinate and partner with other cities and regional agencies, including King County, going forward.

Mayor Robinson said she represents the Sound Cities Association (SCA) on King County's affordable housing committee. She noted that most affordable housing is at the 80 percent AMI level. She encouraged prioritizing efforts to serve households with incomes at 30 percent AMI or below. She asked how the region should address behavioral health needs and housing that recognizes the human dignity of each person and saves lives. She asked how to best prevent

homelessness and how to continue to partner with King County, ARCH, and other cities and agencies.

Mayor Robinson said she has been frustrated by the challenge of housing 350 students in the Bellevue School District who are experiencing homelessness. She said children need stable housing in order to learn and thrive. She expressed concern that opportunities to provide housing for students were missed. She said the 30 Bellevue development brought in individuals from other areas while homeless Bellevue students have been displaced to areas outside of Bellevue.

Ms. Robinson noted that an organization is considering purchasing a hotel in the Airfield Park/Eastgate area. She said King County denied the Bellevue School District's request for funding to use the facility to house homeless students and families and to provide support services. She said local governments must help this population.

Mayor Robinson spoke to the importance of preventing homelessness, noting that it is more cost effective to keep people in their homes than to try to help them rebuild from homelessness. She said there is an urgent need for housing at all income levels. She observed that 70 percent of the individuals experiencing homelessness in Bellevue could afford to pay \$300 per month for a small unit. She said the City's responsibility is to implement the Affordable Housing Strategy to address supportive housing needs, move quickly, and to partner with King County, ARCH, and others.

Responding to Councilmember Robertson, Mr. Cummins confirmed that if the City decides to impose the tax before King County has the opportunity, the City could later decide to contribute funding toward King County's plan after it is in place and/or could decide to allow the collection of the tax to transfer to King County. In further response, Mr. Cummins said the City will retain decision authority over the use of the funds if it imposes the tax itself.

Ms. Robertson opined that the Council should approve the resolution and impose the tax. She said there is no harm in doing so because the City will continue to have the option to partner with King County and others to meet housing needs. Councilmember Robertson noted her support for Mayor Robinson's previous comments.

Councilmember Stokes concurred that this is not permanent decision and things can change in the future. He asked staff to comment on how the City might be able to incorporate elements of King County's plan into the City's broader strategy. He asked about the restrictions on the use of the new tax revenue. He asked what Bellevue would do with the funding if it chooses to impose the tax.

Mr. Cummins said the money must be spent on the creation or preservation of affordable units for households at 60-percent AMI or below for certain populations (e.g., domestic violence survivors, veterans, disabled, homeless or at risk of homelessness). If the City retains control of the tax and expenditures, staff and the Council will discuss the range of measures that could be taken with King County and others. Mr. Cummins acknowledged that the need for affordable housing at lower AMI levels is increasing in Bellevue. He said the revenue stream could be used to implement a number of actions in the Affordable Housing Strategy.

In further response to Mr. Stokes, Mr. Cummins said the use of the tax revenues is restricted to housing and housing services expenditures. Mr. Cummins said the plan supports a number of housing types. However, he acknowledged that it has been difficult to achieve housing in Bellevue below the 80-percent AMI level. Mr. Cummins said there are a number of priorities and actions in the Affordable Housing Strategy that are focused on providing housing at deeper affordability levels. He reiterated that the City can continue to partner with King County regardless of how the tax is handled.

- Deputy Mayor Nieuwenhuis moved to extend the meeting to 10:30 p.m., and Councilmember Robertson seconded the motion.
- The motion carried by a vote of 7-0.

Deputy Mayor Nieuwenhuis noted that a number of cities (i.e., Covington, Issaquah, Kent, Renton, and Snoqualmie) have decided to impose the tax themselves and he questioned their rationale. Mr. Cummins said he was not certain about all of the reasons. However, all cities have expressed an interest in ongoing collaboration with King County as well as an interest in local control over the tax collections. Mr. Cummins confirmed that if Bellevue adopts the tax tonight, King County cannot add an additional tax.

Councilmember Zahn said the legislation addresses homelessness and being at risk of becoming homeless. Noting the focus on Actions A-1 and C-1 from the Affordable Housing Strategy, Ms. Zahn said she would like to also pursue affordable housing, including with deeper affordability, at the 130th Avenue transit-oriented development (TOD) site. Mr. Cummins confirmed that deeper affordability and serving specific populations at the TOD site were not necessarily contemplated in the past. However, the funding could be used for certain activities related to TOD housing.

Ms. Zahn suggested the City should also continue to look for opportunities for leveraging funds with ARCH. She said the first quarter 2020 report for ARCH indicates that 25 percent of the units serve households at the 30-percent AMI level and below, while 66 percent of the units serve households at 30-percent to 60-percent AMI. Ms. Zahn suggested directing funding toward the need for housing below 30-percent AMI. She noted that many people have been unable to pay their rent for the past eight months, and it will be very difficult to repay landlords when the eviction ban is lifted.

Councilmember Zahn said she wants the funds to be directed toward specific projects. She appreciates that the King County proposal involves bonding as well as the goal to provide housing for 2,000 people within two years. If the City imposes the tax itself, she wants to be sure that the City is able to move forward with the same speed as King County in order to help the most people in the shortest period of time.

Responding to Ms. Zahn, Mr. Cummins said Bellevue has always played a primary role with ARCH. He noted that Bellevue funds have contributed to projects in other jurisdictions on the Eastside because the projects are good for the overall region. Mr. Cummins said staff concurs

with the Council's desire to be more nimble and more aggressive. He said that adopting the tax would provide a major revenue stream to pursue the City's objectives. He said the tax would go into effect on January 1, 2021.

Councilmember Barksdale asked what position the City and King County are in to not just build or preserve housing, but to also own and/or operate housing. Mr. Cummins said the City has not previously taken an owner or operator role in public housing.

Mr. Flor said the amount of tax credit available at the 60-percent AMI level is strictly limited. As a result, in order to build, you have to subsidize a much higher level of the capital costs, which lowers operations funding. Mr. Flor said it is important to be able to deliver behavioral health and other services to support the housing residents. He said one of the County's key strategies is to determine how to blend multiple resources at the regional level to best leverage all of the resources, including funding from the veterans and human services levy, mental health and drug dependency sales tax, and the Medicaid program.

Councilmember Lee said he would typically be the last person to support a tax increase. However, he acknowledged the critical need for housing. He noted the many accomplishments in the region through ARCH. He expressed support for being nimble and moving quickly. He said the need for housing and services exceeds the City's available resources, and the tax would help to achieve the Council's housing goals. Councilmember Lee spoke in favor of the City imposing the tax and retaining local authority over the use of the revenues. He expressed support for using the funding to move the City's Affordable Housing Strategy forward. He encouraged continuing to collaborate in regional efforts as well. He suggested that the City can move more quickly and be more nimble by retaining local control.

Mayor Robinson said she is proud of the City's response to the COVID-19 pandemic, including rental assistance for residents. She said the funding benefits both residents and landlords. She said that nonprofit agencies and major employers in Bellevue have contributed money toward rental assistance as well.

Ms. Robinson noted two organizations currently providing supportive housing services: Low Income Housing Institute (LIHI) in Bellevue and Attain Housing (Kirkland/Bellevue border). She said Imagine Housing provides supportive services as well.

Mayor Robinson expressed support for directing efforts toward affordable housing preservation. She said there are many apartment buildings within walking distance to transit, and many of them have larger rooms and more bedrooms for families. She noted the success of preserving Highland Village as affordable housing instead of allowing it to be sold and developed into higher priced condos or townhomes. She believes that preserving older multifamily developments retains Bellevue's character, is good for the environment, and is a cost-effective way to provide affordable housing. She suggested that layered incentives could help to provide deeper affordability units.

Ms. Robinson suggested setting an annual date for expending the revenues. Any funds that have not been spent by the City by that date could be turned over to King County to support their efforts.

Councilmember Robertson concurred that there are many needs in Bellevue and the City needs the resources. She noted that King County will impose the tax if the City does not. Approving Resolution No. 9826 will retain local control over the expenditure of the revenues. Ms. Robertson said she shares Mayor Robinson's concerns regarding Bellevue School District students experiencing homelessness who have been displaced to areas outside of Bellevue.

Ms. Robertson said there is a 98-unit support housing project planned in the Eastgate area by Horizon Housing and Plymouth Housing. That project will have coordinated entry for all and could potentially prevent the Congregations for the Homeless (CFH) shelter and/or The Sophia Way shelter from sending their clients there for supportive housing when they are ready to move out of the shelters. She expressed concern about that plan, noting that the City needs to be able to take care of Bellevue residents.

Councilmember Robertson said the City has demonstrated a strong capacity for being cost effective in the development of capital projects and other projects. She recalled the road project in the BelRed corridor that the City rebid and was able to complete at half the cost of the original Sound Transit bid. She believes that City staff are capable of ensuring that the revenues collected in Bellevue can be spent efficiently and effectively and can be leveraged for enhanced outcomes. Councilmember Robertson said that scenario 3 in the Affordable Housing Strategy indicates that the City could achieve 1,000 units at 60-percent AMI or below at a cost of \$9 million per biennium. She observed that the City could do a lot by collecting the new tax and leveraging the funds. She said there is no harm in adopting the tax because it will not interfere in the ability to partner with King County.

Councilmember Stokes said he likes the concept of being nimble. He thanked Mr. Flor for the presentation and said he is impressed with King County's plan. Mr. Stokes commented on the importance of regional cooperation and suggested focusing on the overall objectives. He said Bellevue and the region will continue to experience an increasing demand for affordable housing.

Mr. Stokes expressed support for adopting the resolution and imposing the tax to provide control and flexibility for the City. However, he does not want Bellevue to be perceived as being selfish or not interested in continued regional efforts. He expressed support for focusing on how the City will utilize the funds for the greatest benefit. He said the tax is an opportunity for the City to make significant progress with its Affordable Housing Strategy. Mr. Stokes said that, in talking with individuals in the private sector, there is an understanding that this is a complex issue and everyone needs to work together.

Deputy Mayor Nieuwenhuis thanked everyone for their work and thanked the public for their input to the Council. He acknowledged that it is odd to be talking about a tax increase given the current economy. However, if the City does not impose the tax and retain local control, the County will impose the tax. He concurred with his colleagues' commitment to continuing to

partner with King County and others in the region. He expressed support for the resolution, noting that City staff will be able to develop proposals for implementing the actions in the Affordable Housing Strategy. However, that will not exclude the City from collaborating with King County. Mr. Nieuwenhuis encouraged using the funding as quickly as possible to make an important impact.

Councilmember Zahn said that regional collaboration is very important. She sees the tax revenues as potential seed money for participating in partnerships. She noted the efforts by major employers, including Microsoft, and ARCH. She wants to ensure that the City leverages the money to the maximum extent, including through bonding. She would like to be able to provide housing at the deepest affordability level possible.

Ms. Zahn said the question to consider is how the revenue stream will be spent and maximized. Her understanding is that, due to the urgency of deciding whether to adopt the tax, King County has not yet provided information about their plan. She suggested amending the resolution to include a condition that the City might be willing to transfer its tax authority to the County in the future to fund a common initiative or program. She suggested that the City set some intentionality around looking at a future partnership and memorandum of understanding (MOU). Mayor Robinson asked Ms. Zahn to draft language to reflect her suggestion.

Councilmember Barksdale said he appreciated his colleagues' comments. He concurred that it is important to continue making it a priority to secure deeper affordability in housing units. He observed that King County is perhaps in the best position to provide behavioral health services and to operate affordable housing units. Councilmember Barksdale suggested approving Resolution No. 9826 but not spending any of the funding until the City and County both develop their implementation plans for the use of the revenues. Mr. Barksdale asked whether there is any risk to passing the resolution.

Mr. Flor said he would not be comfortable characterizing any risk for the City. However, looking at the 2021 projections, there are still more than 30 cities that will move forward with King County's regional plan. If Bellevue imposes its own tax, the remaining countywide revenues are reduced to approximately \$50 million per year, which would negatively impact the County's ability to bond for the desired \$400 million.

→ Councilmember Robertson moved to extend the meeting to 10:45 p.m., and Councilmember Zahn seconded the motion.

→ The motion carried by a vote of 6-1, with Councilmember Lee dissenting.

Mayor Robinson acknowledged the Council's interest in continuing to partner with King County. She asked staff to follow up regarding how continued partnership might look.

Ms. Robinson noted that she serves on the Mental Illness and Drug Dependency (MIDD) Advisory Committee, and the MIDD behavioral health sales tax helps to fund housing support services. She said that only a small portion of the sales tax collections in Bellevue are returned to the City. Ms. Robinson said that, when she sees the work underway by agencies in East King

County and the private funding they are able to secure to support the services they provide, she feels confident that the agencies can expand their operations given additional funding. Mayor Robinson said it is important that the City continue to be a team player in the region and continue to support the needs of the County and other cities.

Mr. Cummins confirmed staff's understanding that if the City adopts the tax resolution, the City will continue to partner with King County and others in the region. He said that many of the City's initiatives have benefited from county funding. He said staff would continue to collaborate with King County as both governments develop their priorities and implementation plans.

Councilmember Robertson reiterated her support for the resolution and suggested that the Council continue to discuss partnership opportunities going forward.

Mayor Robinson asked Councilmember Zahn whether she wanted to suggest additional language for the resolution based on her earlier comments.

City Manager Miyake asked City Attorney Kathy Gerla to comment regarding the resolution. Ms. Gerla said the set of issues around what the City could and could not do in terms of conditioning a tax could be complicated. That is not to say that it could not be done. However, Ms. Gerla said she would be hesitant to condition a tax without fully analyzing the legal limitations and the City's authority.

Councilmember Zahn said she appreciated the input from the City Attorney. Ms. Zahn expressed support for the resolution, noting that she wants to be sure that the City continues to partner with King County, ARCH, and others in implementing their plans. She encouraged the City to make a commitment to being able to respond quickly to opportunities for preserving housing as well.

Councilmember Zahn noted the benefit of being able to bond up to fifty percent of the tax revenue stream. She opined that if the City imposes the tax, the revenues will not necessarily buy a lot of property however.

Councilmember Stokes expressed support for approving the resolution and moving forward as quickly as possible. He said the City can review King County's plan as it is developed. He thanked Mr. Flor for the presentation and discussion. Mr. Stokes said he is comfortable with retaining local control while continuing to partner with King County. He believes the tax provides a meaningful opportunity to aggressively address housing and support services, especially for households below the 60-percent AMI level. He said the Council wants to do what is best for Bellevue and the region.

Councilmember Barksdale reiterated his interest in creating deeper affordability and suggested developing a clear path for partnerships.

Councilmember Lee expressed support for the resolution and for continuing to collaborate with King County and others to address housing needs. He said the City is committed to helping both Bellevue and the region.

Mayor Robinson recapped the common themes that she would like staff to address with the Council as soon as possible: 1) a desire for rapid action, 2) how to continue collaborating with regional partners, and 3) creating a plan that focuses on serving households at the 30-percent AMI level or below, which is the specific purpose of House Bill 1590.

City Manager Miyake said he will work with staff to bring the topic back as soon as possible.

Councilmember Zahn noted public comments submitted to the Council in support of the King County proposal and encouraged staff to reach out to those parties and service providers for additional input.

Mayor Robinson asked staff to bring back information on bonding the tax revenues.

→ Deputy Mayor Nieuwenhuis moved to approve Resolution No. 9826, and Councilmember Stokes seconded the motion.

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

13. Unfinished Business: None.

14. New Business: None.

15. Executive Session: None.

16. Adjournment

At 10:37 p.m., Mayor Robinson declared the meeting adjourned.

Charmaine Arredondo, CMC
City Clerk

/kaw