#### CITY OF BELLEVUE BELLEVUE PLANNING COMMISSION STUDY SESSION MINUTES

| November 4, 2020<br>6:30 p.m.  | Bellevue City Hall<br>City Council Conference Room 1E-113   |                      |  |
|--|---|----------------------|--|
| COMMISSIONERS PRESENT:   | Chair Moolgavkar, <u>Vice Chair Malakoutian,</u><br>Commissioners <mark>Bhargava,</mark> Brown, Ferris, Morisseau   | Deleted: Bhargave    |  |
| COMMISSIONERS ABSENT:  | Commissioner deVadoss   | Deleted: Malakoutian |  |
| STAFF PRESENT:   | Thara Johnson, Emil King, Mac Cummins, Department of<br>Community Development; Mike Brennan, Trisna Tanus,<br>Department of Development Services; Matt McFarland,<br>City Attorney's Office |                      |  |
| COUNCIL LIAISON:   | Councilmember Barksdale   |                      |  |
| GUEST SPEAKERS:  | None  |                      |  |
| RECORDING SECRETARY:   | Gerry Lindsay   |                      |  |
| 1. CALL TO ORDER<br>(6:32 p.m.)  |   |                      |  |
| The meeting was called to order at 6   | 5:32 p.m. by Chair Morisseau who presided.  |                      |  |
| 2. ROLL CALL<br>(6:33 p.m.)  |   |                      |  |
| Upon the call of the roll, all Commissioners were present with the exception of Commissioner deVadoss who was excused. |   |                      |  |
| 3. ORAL AND WRITTEN CC (6:34 p.m.)   | OMMUNICATIONS   |                      |  |
| Comprehensive Planning Manager   | Thara Johnson noted the receipt of one additional letter of   |                      |  |

Comprehensive Planning Manager Thara Johnson noted the receipt of one additional letter of support for the affordable housing C1 strategy Comprehensive Plan amendment. She said to date some 100 public comment letters had been received.

# 4. INTRODUCTIONS/WELCOMING REMARKS/ACCOMPLISHMENTS (6:35 p.m.)

Department of Planning and Community Development Assistant Director Emil King said the staff view the annual retreat as a great opportunity to both reflect on the <u>past</u> year and look at the next twelve months. Building and strengthening relationships is an essential part of working together. The long-term success of the city rests in large part on the work the Commission does to set a vision for the city and put in place policies to guide the process. By working together, Bellevue can truly be a livable, inspiring, vibrant and equitable community.

Bellevue Planning Commission November 4, 2020 Page 1

1

Deleted: past

Councilmember Barksdale welcomed everyone and thanked the Commissioners for their time and service, and the staff for their diligence in helping think through the difficult challenges and policy questions. He also welcomed new Commissioner Brown. He noted that he served on the Commission for five years prior to being elected to the Council.

Chair Moolgavkar introduced herself, noting that she has been on the Commission for just under two years. She added her welcome to the Commissioners and particularly Commissioner Brown. She said 2021 looked to be both fun and interesting. Much has been accomplished in 2020. The Commission was the first city body, aside from the City Council, to get oral communications back online during the zoom meetings during the pandemic. The Commission continues to take its transparency and public work seriously.

Vice Chair Malakoutian said he has been on the Commission for just over three years. He voiced his thanks to both staff and Commissioners for being part of an amazing group and accomplishing great things.

Commissioner Bhargava said with the addition of Commissioner Brown he was no longer the newest member of the Commission. He said he has been on the Commission for six months and has learned a lot and enjoyed the experience.

Commissioner Brown said she appreciated the opportunity to serve on the Commission. She said she looked forward to participating in the discussions. She said professionally she is an immigration attorney.

Commissioner Ferris said she has been on the Commission for a year and a half and always learns something new at every meeting. She said she has really appreciated the respect and camaraderie of the group, even where there are disagreements and different viewpoints.

Commissioner Morisseau said she has been on the Commission for five years. She welcomed Commissioner Brown. She said she remembered how overwhelming it was when she was first appointed but found among the Commissioners a warm welcome and gentle guidance. She said she would do her best to help guide the new Commissioners as well. She added her appreciation for the work the Commission and staff do together. The work accomplished by the Commission could not be done without the legwork done by the staff. It is fortunate that Bellevue is a community that has citizens that are very engaged and who contribute to a very robust conversation.

Planning and Community Development Director Mac Cummins added his welcome to the new Commissioners. He said there are three major divisions of the Community Development Department: planning, economic development, and neighborhood services. Cultural programming, Bellevue Essentials, a host of different neighborhood liaison programs, environmental stewardship and affordable housing are also run out the department.

Department of Development Services Director Mike Brennan said his department implements much of the work done by the Commission, including land use actions, implementing permits, conducting inspections and managing the development review process. In addition, the department handles code and policy development that deals with Land Use Code amendments. He said he has been with the city for 33 years and has seen many changes.

Mr. King said as assistant director of the Department of Community Development he leads up the planning division. Within the division there is comprehensive planning and strategic planning

Bellevue Planning Commission November 4, 2020 Page 2 Deleted: Commissioner Deleted: the such as Bel-Red, Wilburton and Downtown. He said the affordable housing work and environmental stewardship are both part of his division. He said he has been with the city for a bit over 20 years during which no two years have been alike. There are always new challenges and new people to interact with.

Assistant City Attorney Matt McFarland said he has been assigned to work with the Planning Commission for about four years. He said the majority of his daytime work involves representing the Department of Development Services. The Commission really is ground zero for land use work in the city. While the pandemic knocked things down in 2020, 2021 is shaping up to be a very busy year for the Commission relative to land use issues.

Legal planner Trisna Tanus said she is the consulting attorney for the Department of Development Services and currently leads the policy division. The division focuses on projects based on Council priorities and related to regulations that are administered and implemented by the Department of Development Services. Staff in the department work closely with their colleagues in the land use division and counterparts in the Department of Community Development. The work includes working on all code amendments relating to land use regulations.

Comprehensive Planning Manager Thara Johnson said she serves as staff liaison to the Commission. She said she has been with the city for six months and has enjoyed getting to know the Commissioners and the staff via a remote environment. It has been amazing to watch the Commission adapt to holding its meeting virtually. The work the Commissioners, staff and Councilmember Barksdale have put into making sure all deadline are met has been appreciated. She concurred that 2021 is shaping up to be very busy.

With regard to the Commission's accomplishments during 2020, Chair Moolgavkar said the work to adapt to an online environment and to succeed in moving the agenda forward, particularly the Comprehensive Plan amendments, is something to be proud of.

## 5. ZOOM VIRTUAL CHALLENGE (6:57 p.m.)

Ms. Johnson commented that the Commission's annual retreat is an informal event that allows the Commissioners to interact and get to know each other better. Unfortunately, the virtual environment does not allow for meeting in person. She introduced a few interesting exercises and games aimed at having the Commissioners and staff get to know each other better.

First, each person was asked to share two truths and a lie and asked everyone to guess which was the lie.

Vice Chair Malakoutian said he played football on the Seahawks court and scored a touchdown; can speak three languages; and co-authored an online textbook. After guesses were made, he said he scored a touchdown in a charity football game at Century Link Field, and co-authored an online engineering textbook, but speaks only one and a half languages, namely Farsi and English.

Mr. King said he loves to work outside in his yards on weekends; musicals are his favorite type of live entertainment; and once ran 50 miles and bought a mattress at IKEA in a single day. After guesses were made, he admitted that working outside in his yard is not his favorite thing to do.

Bellevue Planning Commission November 4, 2020 Page 3

1

Deleted: Commissioner

Commissioner Ferris said she is an identical twin; was the most outstanding graduate in her class at the University of Oregon; and that she met her husband in Rome, Italy. After guesses were made, admitted that she did not meet her husband in Rome.

Councilmember Barksdale said he plays musical instruments; has popped a wheelie on his motorcycle; and used to work in the intelligence community. After guesses were made, said the lie was that he has not popped a wheelie on his motorcycle.

Mr. Cummins said he hates to cook; has performed at the Hollywood Bowl in Los Angeles; and that he finished an ironman triathlon. After guesses were made, he said that he has in fact finished an ironman triathlon six times.

Commissioner Brown said she loves the Seattle Sounders; graduated from both Harvard and Yale; and was a cheerleader in high school. After guesses were made, she admitted that she was never a cheerleader in high school.

Ms. Tanus said it took ten years of dating before she and her husband finally decided to get married; that she swears allegiance to both the Huskies and the Cougars; and that she loves adventures, especially those that involve <u>heights</u>. After guesses, she said she does not like heights.

Commissioner Bhargava said he lived in South Africa for six months; is one of five siblings; and produced a documentary on urban waste management. After guesses, he said he only has one brother.

Commissioner Morisseau said she was a member of the national volleyball team in Haiti; her father served as the interpreter for several presidents in Haiti; and that she has a master's degree in engineering. After guesses, said she has a degree in structural engineering, but not a master's degree.

Mr. Brennan said he grew up in Wenatchee, Washington; was a downhill ski racer in high school; and summated Mt. Rainier twice. After guesses, he said he skied in high school but was not a downhill racer.

Chair Moolgavkar said she has run one and a half marathons; has lived in three states; and is a double graduate of the University of Washington. After guesses, she said she actually has lived in six states.

Mr. McFarland said he has no feeling in his right big toe; his favorite food is raw oysters; and his favorite animal is owls. After guesses, he said he lost his big toe riding a big wheel without any shoes as a child, thought it was sewed back on but it has no feeling. He said the lie was that in fact his favorite animal is the octopus.

Ms. Johnson said she has lived on two continents; played the piano for 12 years; and that she loves snow. After guesses, she said she lived in Africa for a few years but grew up in Toronto and hates snow.

6. Approaches to Equity in Planning (7:25 p.m.)

Ms. Johnson noted that the Commission previously expressed an interest in addressing issues of

Bellevue Planning Commission November 4, 2020 Page 4 Deleted: hiking

diversity and equity. She noted that the city has a very strong commitment to diversity and equity that is outlined in the adopted diversity plan. By way of background, she reminded the Commissioners that the number of Bellevue residents who speak a language other than English at home has grown dramatically over the last three decades and is now about 40 percent of the population. The Bellevue School District indicates there are some 87 different languages spoken at home by their students. Thirty-three percent of Bellevue residents were born in Washington state, while 34 percent are foreign born. Of the foreign born residents, 66 percent are from Asia, 16 percent are from Europe, 10 percent are from Latin American and only four percent are from other parts of North America.

Title VI forms a significant part of the city's diversity plan. It speaks to prohibiting any kind of discrimination by any program that receives federal assistance. The city implements Title VI in a variety of different ways, including interpretation assistance in a number of different languages. There is a clear methodology on the city's website that provides information to the public if they feel that any aspect of Title VI has not been complied with. A very specific procedure is followed to investigate and to provide future action and follow-up with the community.

Ms. Johnson said the city's adopted diversity plan has been in effect for several years. It is based on a series of guiding principles around access, equity, inclusion, opportunity and understanding cultural competence. Every city department is required to comply with and implement the Diversity Advantage Plan. For the planning division, an equity lens is applied at the start of every large policy or planning initiative as part of formulating an approach to developing the framework. Some things focused on in developing a framework include groups that may be positively or negatively impacted; issues of equity in terms of inclusion and access for to ascertain if certain groups might see disproportionate outcomes; and the incorporation of strategies and actions necessary to create opportunity to reduce disparities.

One way to address equity is through the approach to community engagement. The lessons learned from each initiative are applied to future initiatives, making the process iterative. Four cultural outreach assistants, all of whom speak languages other than English, have been hired by the city to assist in the Great Neighborhoods initiatives, which are currently focused on Northeast and Northwest Bellevue. Their interactions with the public are paying dividends, including 22 survey responses in Chinese and 19 in Korean. The assistants have also been setting up different opportunities to present to smaller communities, all of which currently must be done virtually, and they will actively participate in future initiatives. Materials are translated into different languages, including survey materials. The surveys include optional demographic questions which helps to inform whether or not the approaches used are working. There has also been an increased focus on youth outreach; an intern from the high school is currently working with the department on how to improve participation by the youth.

Ms. Johnson asked for comment about the tools and approaches to equity that should be considered, and how the Commission should integrate issues of equity into the Planning Commission process.

Commissioner Morisseau said she did not see included how the vision for equity and inclusion shows up at the policy level. She said she was specifically interested in knowing how the principles will be incorporated into the work to update the Comprehensive Plan. Ms. Johnson said there are numerous ongoing conversations on a regional level relating to equity. One of the key components of the Puget Sound Regional Council's recently adopted Vision 2050 is equity and how to incorporate the issue into different aspects and different policies. Incorporating equity will be a requirement in moving forward with the Comprehensive Plan update, including

into the different elements. Additionally, other ongoing discussions include <u>incorporating equity</u> <u>into the King County Countywide Planning Policies</u>. The city's Comprehensive Plan must reflect compliance with both Vision 2050 and the Countywide Planning Policies. A subcommittee is currently focusing on equity relative to the Countywide Planning Policies. In the coming years, changes will be made to the Comprehensive Plan relating to equity.

Commissioner Ferris commented that from a financial perspective it is very difficult to do affordable housing. Because there is so little funding and because the way the models work, developers are forced to produce very small units. Affordable housing units are primarily for families that are trying to survive in the community and from a policy perspective consideration needs to be given to how to achieve larger living units so that true families can live in Bellevue and take advantage of the great school system and other amenities and be part of the fabric of the community. Policies around enabling larger units for families are needed.

Commissioner Brown said diversity and equity is about more than just place of origin or people of color. There are a number of different types of diversity and equity. Accommodating and looking at all of the different aspects to create a rich and diverse community is very important to the work of the Commission.

Commissioner Ferris said she is just at the beginning of a learning curve relative to the journey to understand diversity, equity and inclusion. She said she recognizes that it is not enough just to have policies or situations in which the city allows people to participate. There must be a proactive way of bringing people in and making sure they are supported. People need to be invited to participate.

Commissioner Morisseau commented that inclusion is about being invited to the table, but said it is also about feeling one's voice and input is heard. If the Commission is serious about inclusion, consideration should be given to the way in which the meetings are hosted and where meetings are held. Not everyone can make it to a meeting at 6:30 p.m., especially if they have children who need their help with homework, or if they have two jobs. She added that not everyone is comfortable with coming into City Hall. She said in her native Haiti where people have little trust in the government, people will not be walking into a city hall. With the demographics of the community changing, that cultural aspect needs to be taken into account by holding meetings in the community as well as at City Hall.

Commissioner Bhargava said one dimension of equity should be the measures taken to enable participation. He said specific consideration needs to be given to the more vulnerable populations, those who do not feel comfortable coming into or speaking up in certain settings. He agreed that holding meetings in places that offer more accessibility would be a good idea. Diversity and inclusion can be impacted by the biases that everyone carries, which makes it almost impossible to have a bias-free conversation. The Commission should stop at identified points in the process to make sure it has evaluated for bias in the decision-making process.

Councilmember Barksdale said he would break the comments made into two categories: process/engagement and policies. He said he was aware of feedback loops to measure outcomes and the equity lens, and he suggested there should be opportunities to speak to the ways in which the Commission is fostering a more equitable community through planning, perhaps on an annual basis, and ways speak to equity more explicitly in the Comprehensive Plan process and other discussions that involve policies.

Commissioner Morisseau said if there is to be a serious and committed approach to the work of

Bellevue Planning Commission November 4, 2020 Page 6 Deleted: housing in terms of

diversity, equity and inclusion (DEI), it will need to start with the Commission. It will need to be asked whether or not everyone is speaking the same DEI language, if there are shared DEI values, and whether those values reflect the values in the community. Having a common language will be key to talking about DEI. Additionally, any attempt to be serious about DEI will need to involve being proactive, which may require the Commission to educate the population about who the Commission is, what it does in the community, and how that impacts their lives.

Mr. Cummins shared for the benefit of the new Commissioners that the city leadership team is a moniker that the department directors use. There are 16 members of the team, including the city manager and the two deputy city managers. They help co-lead the city along a number of lines. The leadership team has over the last six to eight months had a robust discussion about the progress made relative to the Diversity Advantage Plan. Much is internal to the city organization, though some of it is external. He agreed that for many, City Hall can look pretty cold and not necessarily inviting, particularly for those who do not speak English. It is necessary to check in at the front counter; those who do not check in have someone follow them. Consideration is being given by the leadership team to leveraging the resources available at mini City Hall at Crossroads, which includes translation services in many languages. The thinking is that people should be made to feel more comfortable participating in the public process. The engagement folks have been asked to think about and identify best practices to reach communities. Bellevue's demographics have changed and continue to change, and there is a clear need to plan for a multicultural community that has different needs. Staff intends to do a better job of working with the Commission to view things through a social construct rather than merely through raw metrics.

Commissioner Morisseau noted that one of the challenges with DEI work is that municipalities and corporations have systems in place that can get in the way of what really is important. It is necessary to open minded about possibly needing to change the systems.

Mr. Cummins said there is a three-part series about local government, planning and regulations that is specific to issues of race and inclusion called Race: The Power of Illusion. He said he had all of his staff watch the series as part of ongoing training within the department. Assuming everyone is on the same footing is not a good assumption.

Councilmember Barksdale suggested that DEI resources should also be made available to developers relative to planning and development. Mr. Brennan said that issue is being looked at very carefully. He agreed with the need to look at the systems that have been used for many years, many of which may unknowingly create barriers. A lot of work has been done to make information accessible via different languages, all in line with reducing the level of intimidation people face to accessing city services relative to development or redevelopment of properties. There is still a long way to go and there is clearly much more that can be done, but attention is being given to how to engage people and to invite them in to become welcomed customers.

Commissioner Ferris suggested that one additional step is needed in addition to making sure people are invited and welcomed, and that is to reach out to those people in the community who do not have a voice to share what their lives are like and what can be done to have them feel a part of the community.

\*\*BREAK\*\*

7. PLANNING COMMISSION ROLE & GUIDING PRINCIPLES (8:06 p.m.)

Ms. Johnson said the primary function of the Commission is to make formal recommendations to the City Council on amendments to the Comprehensive Plan, the Land Use Code and the Development Code. The Commission evaluates proposed changes to Comprehensive Plan policies and zoning regulations, and takes into account the vision established for the city, and the impact of the proposed changes on how the city intends to grow over the next 20 to 30 years. Typically, once a recommendation is forwarded to the Council, the Commission Chair is included in making the presentation to the Council.

Ms. Johnson sought from the Commissioners comment on what they believe is working well for the Commission, the timing for policy discussions, and opportunities for improvement and collaboration.

Commissioner Ferris commented that having discussions online has proven to be more inclusive and easier for the public to be able to weigh in online. It is far more difficult to get the public to show up in person. She proposed exploring the opportunity to have both the Commission and the public participate on an online basis going forward.

Chair Moolgavkar said she had not been pleased with the amount of time the Commission had to review the affordable housing C1 issue approved by the Commission on October 28. She said she intended to mention that fact to the Council when making the presentation in a couple of weeks. In light of Covid, there should have been some way found to be flexible with the schedule.

Chair Moolgavkar agreed with the comment of Commissioner Ferris regarding having the zoom option and said she hoped moving forward a hybrid approach can be found.

Commissioner Morisseau suggested that even a hybrid approach would help provide opportunity to improve collaboration with other Commissions and the East Bellevue Community Council.

Commissioner Morisseau said she really appreciates the work staff does in providing the Commission with the background information needed to make good decisions. She said the Commission is very data driven but there needs to be a balance found between a data approach and an academic approach.

### 8. LOOKING FORWARD: Strategic Initiatives (8:18 p.m.)

Mr. Cummins said it was hard to believe it had been a whole year since the Commission last met for a retreat and to talk about what the year ahead looked like. He said it was probably safe to say no one predicted what has actually happened. He said while Bellevue is not totally encapsulated and immune to outside forces, it is not seeing what is being experienced nationally in terms of unemployment. That is in large measure because of the tech industry and the continuing boom it is experiencing. The amount of commercial square footages that are in the pipeline can only be referred to as hyper-growth; even in the middle of the pandemic, the city is continuing to issue permits at an increased rate.

Mr. Cummins said he and Mr. Brennan really only have to deliver two things related to planning and growth: everything, right now. Bellevue is transitioning from a suburban community that wanted to grow into an urban place into a real city. The issues being <u>faced are all big city issues</u>. One question about the future is whether labor will follow capital or if capital will follow labor.

Bellevue Planning Commission November 4, 2020 Page 8

Deleted: faces

In thinking about planning physical places for the future, it is important to consider if people will move to where the jobs are, or if they live where they want to and work from there. If the latter is true, the focus will need to be on creating a community with the types of places the workers will want to be. It should not just be assumed that companies choosing to locate in Bellevue will result in office buildings filling up. A lot of work is being done around leveraging public investment in placemaking, things like the Grand Connection and Meydenbauer Bay Park, as a way of creating public spaces three to ten years in advance of when they are really going to be needed.

Mr. Cummins said the city has a robust public/private joint venture program. While the Commission has been focusing on the Grand Connection design guidelines, a parallel effort has been underway by the economic development group partnering with the Bellevue Downtown Association on how to drive more people to the Grand Connection route. During the summer of 2019, the route was activated with lanterns and street designs as well as outdoor music. Along Eastrail, improvements are being looked at. The Wilburton area planning work is about to get under way and work is being done with partners on what pop-up urbanism might look like in that area.

One significant issue being tracked that will turn into work for the Commission is related to planning for the hyper growth. Work is being done between departments to determine what improvements are needed in the immediate future. While growth in the commercial sector is occurring, there has not been a corresponding rate of growth in housing. More employees are being imported than housing units are being built for them. That is putting a strain on the cost of housing. The issue will involve the Commission in terms of policy choices and what might happen if the development market is allowed to pick and chooses to bring only housing online and not housing. The jobs/housing imbalance is being tracked and will be brought before the Commission as a fairly significant issue for the major Comprehensive Plan update, the Wilburton upzoning initiative, the Bel-Red look back and other studies.

Mr. Cummins said the biggest planning issues facing the city are also the biggest economic development issues and neighborhood issues. They are all about building the community everyone wants to have for the future. In the coming 12 to 18 months there will be a lot of significant policy choices the city will need to make, and the Commission will play an integral role in them all.

Commissioner Morisseau asked if the city is looking into allowing developers to build condominiums as a means of addressing the growth crisis. Mr. Cummins said the issue that led to a significant slowdown of condominium development was a national trend involving liability litigation. Developers chose not to be in the business and focused elsewhere. The work to address a fix to the problem has been addressed at the state level. With the liability issues addressed, the market will likely want to produce those types of units. Currently, about 90 percent of those who work in the city live outside the city. Bellevue also exports workers to other cities for work. The Council has specifically asked the departments to take steps that will improve those numbers, in part to reduce stress on the transportation system.

Commissioner Ferris reiterated the need for family housing in the city, not just single or dual occupancy units.

Mr. Brennan city Bellevue is a city of significant opportunity, but with that comes challenges. The city has grown at a hyper speed over the last six years, a growth cycle that has no comparison to any growth cycle in the past. The jobs/housing imbalance issue is a big concern

and to that end the department is working to facilitate the development of a mix of housing, office and retail that will make the vision of the city come to life. The work done in the past by the Commission has set the stage for growth, including the work that was focused on Downtown livability that resulted in office towers of up to 600 feet of height. There is a clear desire to see continued strong economic development, and at the same time a desire to make Bellevue a very attractive place to be. As of the third quarter of 2020, more than 4.6 million square feet of development was either under construction or permitted to start construction. Another 4.7 million square feet of development is currently in the pipeline. While it may be that not all of the projects will ultimately come to life depending on market factors, the amount of development activity even during the pandemic has been constant. The city has fortunately been able to offer its services online and through paperless permitting solutions.

Mr. Brennan said some of the work that will come before the Commission shortly will be elements of the city's adopted affordable housing initiative, including the issue of zero lot line housing on real property. The builders have been asking for the approach to help deal with the condominium laws and the associated liabilities. There has been a recent notable uptick in the number of condominium projects and likely there are a lot more to come. The projects that are being seen are of very high quality and they will ultimately be assets to the city; they include open space, plazas and active uses on the pedestrian levels. They also involve a good mix of uses that will make the Downtown and the Spring District very lively and successful places for businesses and residents. The work the Commission does is extremely important to the future vitality of the city.

Commissioner Bhargava commented that there is a lot of uncertainty around the impacts of working from home and other issues related to the pandemic. Mr. Brennan said the future of development and how it has been impacted has led to the need to better understand what the office needs will be if the new standard practice is people working from home, and how that might impact the configuration of housing where office space is needed within housing units. It could be that nearby rentable work space will be a solution. The market drives the risk to the development community. There is not clear picture as yet of how things will play out, but the city is talking with its partners in the development community and is paying attention to the discussions that are going on nationally. For the near term at least, development has not slowed in Bellevue.

Mr. Cummins said the city's newly adopted economic development plan specifically contemplates looking at diversifying the city's economic base and spending more time being deliberate about convention and visitor/tourism retail business, which are industry clusters the city has not been as focused on in the past.

### 9. EMPLOYMENT TRENDS AND IMPACTS FROM COVID (8:39 p.m.)

Mr. King shared with the Commissioners a chart showing the pre-Covid work from home data listed by occupation. He pointed out that the highest numbers were for white collar workers in management, business, finance and computer engineering and science. The occupations for which it is difficult to do the work from home had the lowest percentages, including things like natural resources, service and retail. He said during times of pandemics, certain people are better able to carry on with their jobs, while others have a far more difficult time. Referencing current data for the three-county metro area from October 2020, he shared with the Commissioners a chart showing the percent of households that had at least one member doing work from home that would normally be done in person. The data showed that household incomes of \$200,000

and over have a far higher rate, over 80 percent, of working from home. At the lower end where household incomes are \$25,000 or less, there is only about a ten percent ability to work from home. Those who are the most vulnerable, those with the lowest incomes, are most at risk, and that permeates into human services needs, affordable housing needs and other economic development needs.

With regard to economic trends, Mr. King said the city hit a high unemployment rate of above ten percent in April. That has been falling since then and currently stands at about six percent. It is still true, however, that the lower wage earners and those not able to work from home are still being hit the hardest and are the biggest focus of the city's efforts.

From a tourism standpoint, Mr. King said the biggest thing to keep an eye on is occupancy rates at hotels. The numbers fell from the 80 percent range a year ago to significantly low numbers in 2020. While there has been some recovery, full recovery will be slow going forward. The number of visitors to Bellevue has also significantly decreased since Covid-19.

The office market remains fairly strong in Bellevue and it is projected to remain that way. The office vacancy rate in Bellevue generally was around six percent, and in the Downtown it was around three percent. Many of the offices do not currently have people working in them, but they are still leased and being paid for. Those small businesses that rely on having people actually working in the buildings have been negatively impacted. The announcements from Amazon and Facebook are huge for the city and they will keep the city moving and meeting its growth targets.

Mr. King said development activity remains active. The city's permitting staff have seen little change from the time the pandemic began. They are still reviewing projects, some of which are very large and complex.

Commissioner Morisseau said she hoped the city would keep tabs on the unemployment numbers in December once the supplemental aid from the CARES Act goes away.

Commissioner Brown said she is a small business owner whose staff are primarily working from home. She said she is continuing to pay rent. Many are wondering about the longer-term impacts. She said she misses the face-to-face interactions of being with other humans and breathing the same air, but recognizes that there are other needs. She said the question is whether or not there will be a long-term impact on the amount of office space needed. Things are not turning around and it will be necessary to keep an open mind about how long the pandemic will last, and about shifts to new normals about what is acceptable about working from home.

### 10. CLOSING REMARKS

Chair Moolgavkar thanked everyone for their participation. She said she appreciated the time and dedication put forth by both the Commissioners and the staff. She said 2021 looks to be challenging for all concerned.

On behalf of the staff, Ms. Johnson thanked the Commissioners and Councilmember Barksdale for their time, input, dedication and passion.

#### 11. ADJOURNMENT

A motion to adjourn was made by Commissioner Brown. The motion was seconded by Commissioner Morisseau and the motion carried unanimously.

Chair Moolgavkar adjourned the meeting at 8:53 p.m.