

CITY OF BELLEVUE  
CITY COUNCIL

Summary Minutes of Regular Meeting

February 22, 2021  
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 6:02 p.m., with Mayor Robinson presiding.

Mayor Robinson announced that Sandy Nunnelee, Executive Assistant to the Council, would be retiring after 21 years with the City. She thanked her for her hard work and support of the Council.

Ms. Robinson noted that the March 1 Council meeting is cancelled. The Council will hold a three-day retreat on February 25-27.

2. Roll Call; Flag Salute

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

(a) Black History Month Proclamation

Councilmember Barksdale read the proclamation recognizing February as Black History Month in Bellevue. He encouraged the public to view the virtual adaptation of the American History Traveling Museum: The Unspoken Truths, available until March 31, 2021 through the City's web site.

(b) Week of the Lunar New Year Proclamation

Councilmember Zahn read the proclamation recognizing the week of February 21-28 as the Week of the Lunar New Year in Bellevue. She encouraged residents to join in the celebration of

the Year of the Ox while wishing good fortune, health, and happiness to all residents, workers and visitors.

3.     Approval of Agenda

→     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: None.

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

6.     Report of the City Manager

      (a)     COVID-19 Vaccination Update

City Manager Brad Miyake introduced staff's update regarding the Fire Department's mobile vaccination teams.

Fire Chief Jay Hagen noted that approximately five percent of the country's population has received a vaccination. He said the Fire Department's mobile teams have completed the first round of vaccinations over a period of 22 days for 800 individuals living in adult family homes and four senior living facilities. The Fire Department initially contacted all 138 adult family homes in Bellevue to determine whether they had a viable vaccination plan. Approximately 50 of the homes had made arrangements, primarily through the federal pharmacy program, and the Fire Department provided mobile vaccinations for the remaining adult family homes.

Chief Hagen noted the goal of completing all second dose vaccinations by mid-March. The Fire Department plans to provide vaccinations at three additional senior living facilities over the next month. Approximately two-thirds of residents and one-third of staff members have been vaccinated in the facilities. The Fire Department has partnered with several organizations to identify and assist medically vulnerable populations. Chief Hagen said they look forward to continued efforts with King County as more vaccine becomes available.

Mr. Miyake said this is Engineer's Week and noted that Councilmember Lee and Councilmember Zahn are engineers. Mr. Miyake thanked the City staff who are engineers for their good work.

Mayor Robinson said she is proud of the Fire Department's assistance in providing mobile vaccinations and reaching the most vulnerable individuals in the community. She encouraged groups and individuals who are eligible for vaccination but have not been able to obtain appointments to contact her regarding community organizations and other options for receiving vaccinations.

7. Council Business and New Initiatives: None.

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) Minutes of February 1, 2021 Council Regular Meeting.
- (b) Motion to award Bid No 21011 to award Bid No. 21011, BelRed Preservation (Bel-Red Road Overlay - 124th Avenue NE to NE 30th Street) (CIP Plan Nos. PW-M-1, PW-R-156, CD-22, PW-M-19 and PW-R-199) to Watson Asphalt Paving Co. as the lowest responsible and responsive bidder, in the amount of \$3,885,275.75, plus all applicable taxes. This project is partially funded by the Neighborhood Safety, Connectivity and Congestion Levy (CIP Plan No. PW-R-199).
- (c) Resolution No. 9899 authorizing execution of an amendment to the agreement with Hyo Sung Kim (dba Pepper Tree Café) for the lease of space at City Hall to extend the agreement by one additional year and allow for a temporary suspension of rent obligations.
- (d) Resolution No. 9900 authorizing a second amendment to a contract with Itron, Inc., for equipment and services in the development and implementation of an Advanced Metering Infrastructure (AMI) system, in order to revise the original installation schedule to accommodate cellular communication hardware availability.
- (e) Resolution No. 9901 amending Resolution 9874 to cancel the March 1, 2021 public hearing date and setting a new time and place for a public hearing to consider the release of a portion of an existing water easement located at 15027 NE Bel Red Road, which has been declared surplus to the City's needs and is no longer required for providing continued public utility service.

9. Public Hearing: None.

10. Study Session

- (a) Briefing on Sound Transit's Project Realignment Process

City Manager Brad Miyake introduced Sound Transit's update regarding high-capacity transit projects and the agency's response to the economic impacts of the COVID-19 pandemic and increasing project costs.

Joyce Nichols, Director of Intergovernmental Relations, noted the decline in transit usage over the past year due to the pandemic.

Peter Rogoff, Sound Transit Chief Executive Officer (CEO), said that Sound Transit initially suspended 80 percent of its construction activity due to the pandemic. However, construction has resumed and all light rail projects are on schedule: Northgate, Hilltop Tacoma, East Link, Lynnwood, Federal Way, Downtown Redmond, Operations and Maintenance Facility East (OMFE) in Bellevue, and Puyallup Station Garage. Mr. Rogoff noted that the Hilltop Tacoma project is the only project over budget. The projects will triple the light rail network from 22 miles to 62 miles. In addition, 28 new light rail stations, including 10 East Link stations, will open by 2024.

Mr. Rogoff said Sound Transit staff has been working with City staff to ensure an affordable housing component in the mixed-use development in the BelRed corridor. The development will include 500 housing units, including 280 designated affordable housing units, through a partnership with the Bridge Housing Group. Mr. Rogoff thanked Nancy LaCombe for her work and wished her well as she retires from the City. He said the new South Bellevue parking garage will open in September. Mr. Rogoff thanked King County Councilmember and Sound Transit Board Member Claudia Balducci, a former Bellevue mayor, for her advocacy to open the parking facility early. He noted that Sound Transit will maintain its 550 bus route with the introduction of light rail.

Mr. Rogoff provided an overview of the I-405 bus rapid transit (BRT) project from Burien to Lynnwood. The project covers a 37-mile corridor and provides 11 BRT stations across eight cities, three new or expanded parking facilities, one transit center, and connections to light rail in Bellevue, Lynnwood and Tukwila.

Mr. Rogoff said Sound Transit's current 25-year capital program extends through 2041. He noted that property values continue to increase despite the pandemic, contributing to increased project costs, and revenues have declined. He said a loss of \$6.1 billion in revenues is anticipated through 2041, and costs are projected to increase by \$12.3 billion. Mr. Rogoff said that some of the shortfall is offset by \$6.9 billion in new debt, grants, and other revenue, leaving an overall affordability gap of \$11.5 billion. Sound Transit has lowered costs through reductions in project scope or by suspending or canceling certain projects. The agency is raising new revenues by issuing new debt and seeking additional state and federal funding. Sound Transit is delaying or phasing projects to spread the costs over time and to keep the overall agency debt within current legal limits. Mr. Rogoff said Sound Transit staff is working with the U.S. Department of Transportation and hopes to receive additional funding through President Biden's Build Back Better plan.

Mr. Rogoff noted public outreach activities planned through May to seek feedback regarding the realignment of resources. The Sound Transit Board anticipates adopting the realignment plan in July. Light rail service to the Northgate station is projected to begin in August.

Mayor Robinson thanked Mr. Rogoff for the presentation.

Councilmember Zahn said she looks forward to the opening of the South Bellevue Park and Ride and appreciates King County Councilmember Balducci's involvement in that issue. She encouraged Sound Transit to continue moving forward with the implementation of BRT. Ms. Zahn noted concerns about the reliability of escalators at certain transit stations.

Mr. Rogoff acknowledged that there have been problems with escalators, particularly at the University of Washington station. He said Sound Transit is looking at higher quality, more robust options. However, he said there are few manufacturers and vendors for those systems.

Ms. Zahn encouraged Sound Transit to explore procurement options, including design-build, and value engineering alternatives to reduce project costs. Mr. Rogoff said that certain segments of the East Link project, as well as the Federal Way extension, involve design-build contracts.

Councilmember Robertson observed that some of the increased project costs are due to stakeholders' requests to expand the project scopes. She recalled that the City and Sound Transit worked through value engineering and funding issues for the East Link project, particularly to fund the downtown tunnel. She asked whether Sound Transit has entered into funding agreements with other local governments to address cost savings and cost sharing. She encouraged Sound Transit to preserve subarea equity and asked how it will be incorporated into Sound Transit's realignment decisions in terms of delaying or phasing projects. She expressed strong support for BRT implementation.

Mr. Rogoff said there are a number of ways to expand the capacity to deliver projects through third party funding. He noted that certain jurisdictions may choose to provide funding to expedite the implementation of certain project elements. Mr. Rogoff said subarea equity dictates that the tax dollars collected in a specific subarea should be spent on investments that benefit the people in that subarea. Sound Transit's realignment plan will require that no subarea is lending so much money to another subarea as to endanger the projects within its own subarea.

Responding to Deputy Mayor Nieuwenhuis, Mr. Rogoff confirmed that ridership patterns have changed through the pandemic. However, Mr. Rogoff said Sound Transit anticipates that transit ridership will recover and people will be eager to get out again and return to the office after the pandemic.

Councilmember Stokes recalled the City's effective partnership with Sound Transit to plan the East Link alignment through Bellevue and to fund the downtown tunnel. He expressed strong support for BRT along I-405. Responding to Mr. Stokes, Mr. Rogoff said Sound Transit is hopeful that the federal Build Back Better plan will help move infrastructure, green industry, and climate-friendly investments forward.

Responding to Councilmember Lee, Mr. Rogoff said there has been extensive testing involving international experts of the light rail components on the I-90 bridge. Mr. Rogoff said the installation has gone well in partnership with the Washington State Department of Transportation (WSDOT). Mr. Lee expressed support for BRT along I-405 from Lynnwood to Burien. He said Bellevue is focused on smart mobility and is interested in working with Sound Transit to develop

more and better technologies. Mr. Lee said that new technologies provide jobs as well. Mr. Rogoff noted the need to analyze real-time information to understand how to make transit as easy and convenient as possible. He spoke to the importance of reliability and providing real-time information to riders about delays or other issues that affect transit service.

Responding to Councilmember Barksdale, Mr. Rogoff said that increasing fares is one of the last areas that would be considered to compensate for lost revenues during the pandemic. Mr. Rogoff said Sound Transit generates most of its revenue through the sales tax, motor vehicle excise tax (MVET), property tax, and federal grants. He acknowledged that Sound Transit could do a better job of marketing its ORCA LIFT reduced fare program.

Mayor Robinson suggested partnering with human services agencies to provide information about the ORCA LIFT program. Mr. Rogoff said Sound Transit does work with social services providers and welcomes new opportunities to publicize the program.

Ms. Robinson said the City will continue to advocate for guaranteed transportation to support jobs and growth. Mr. Rogoff said it will be important to have public confidence that light rail trains are clean and safe.

(b) Update on Eastrail Projects, Timing, and Fundraising

Joyce Nichols, Director of Intergovernmental Relations, said the Eastrail is a 42-mile trail connecting Woodinville, Redmond, Kirkland, Bellevue, and Renton. She recognized Lacey Jane Wolfe, Transportation Policy Advisor, for her extensive work with Sound Transit, Eastrail, King County Regional Transit Committee, and the Puget Sound Regional Council on a number of initiatives and projects.

Warren Jimenez, Director, King County Parks, introduced Katherine Hollis of Eastrail Partners, which is a partnership between King County and other Eastrail stakeholders to support requests for state and federal funding. The group has played a role in achieving a total of \$2 million in grants from REI and Facebook in support of the Northup Way connector to the SR 520 trail. Mr. Jimenez noted ongoing work on the NE 8<sup>th</sup> Street overcrossing and the desire to commemorate Bellevue's Japanese-American community in the design elements. He said King County is partnering with the City and the Eastside Heritage Center, as well as volunteer members of the commemoration project steering committee. He thanked King County Council Chair Claudia Balducci for successfully advocating for additional investments in the overcrossing.

Katherine Hollis, representing Eastrail Partners, said the organization is a group of the diverse communities, governments, private sector entities, and nonprofit organizations to implement the vision for the Eastrail and to improve access to open space and transit options. She described the group's work with elected officials and staff as well as Eastrail Partners' focus on legislative priorities to identify opportunities for federal and state funding.

Ms. Hollis described the Northup Way project funded by public and private investments, including \$1 million each from REI and Facebook. She said Eastrail Partners worked with donors to highlight Eastrail's investment needs in Bellevue and to learn about their priorities.

Ms. Hollis said REI and Facebook expressed an interest in contributing funding to the Northup Way connector. The total project cost is estimated at \$2.5 million, and King County Council Chair Balducci was able to secure the remaining funding needed. The Eastrail goes through the Spring District and is near a light rail station.

Curt Warber, King County Parks, said a new paved trail south of I-90, from Renton to Coal Creek Parkway in Bellevue, is anticipated to open this spring. The NE 8<sup>th</sup> Street overcrossing is scheduled to go to bid in April with construction to begin late summer. The Wilburton Trestle will go to bid by the end of the year. Mr. Warber said that Bellevue has been strong partner with the support of the Council and the work of City staff. Construction on the new I-405 crossing will begin in 2021 with plans to open in 2023.

The design for the NE 8<sup>th</sup> Street overcrossing is complete and will go to bid in April. Staff is finalizing permitting and the property acquisitions needed for the project. The bridge is slated to open to the public before Sound Transit light rail service begins in 2023. Mr. Warber presented an artistic representation of the bridge, which will incorporate artwork and other elements related to the community's Japanese-American heritage. The bridge will be lighted at night.

The design for the Wilburton trestle will be 90-percent complete in April, and staff anticipates that the project will go out for bid by the end of this year. Construction is slated to begin in 2022 and the trestle is expected to open in 2023. The trestle will connect to a new bridge crossing over I-405 and into Bellevue. Mr. Warber highlighted key elements of the trestle including viewpoints and interpretive signage, night lighting, design elements referencing the railroad history, and distinctive railing, benches, and signage. The project meets the shared expectations for an exceptional new landmark and a trail destination.

Mayor Robinson thanked staff for the presentation.

Councilmember Stokes said this is an exciting project of regional cooperation and public-private partnership. He said the trail will be a big part of the Grand Connection and will enhance pedestrian and bicycle mobility.

Councilmember Lee said the project demonstrates the value of partnerships. He thanked Eastrail Partners for all of their work and fundraising for the project. He said the Eastrail will bring people together as it connects cities and communities as well as the past with the present. He expressed support for incorporating Bellevue's Japanese-American heritage into the design of the NE 8<sup>th</sup> Street overcrossing.

Deputy Mayor Nieuwenhuis thanked Ms. Hollis and Mr. Warber for the presentation. He thanked former and current Councilmembers, including King County Council Chair Balducci, for their role in initiating support for the project. Mr. Nieuwenhuis said the Eastrail will provide a commuting option and a great link to Bellevue's Grand Connection project. He referenced the comment about the trestle being an iconic feature and asked whether brighter lighting could be used without disturbing nearby residents.

Responding to Mr. Nieuwenhuis, Mr. Warber said the trestle will have a patterned, high-grip surface for cyclists, pedestrians, and wheelchairs. Mr. Warber said there are plans to light the trestle for users. However, there is not currently a plan for lighting to increase the visibility from below. He said the NE 8<sup>th</sup> Street overcrossing will have brighter lighting at night.

Councilmember Barksdale commended the environmental and other public benefits of the Eastrail, noting that it will provide wonderful views of Bellevue's skyline. He looks forward to cycling on the trail in the future.

Councilmember Robertson thanked King County for being such a good partner, and voters for their support of the King County Parks levy that makes the Eastrail project possible. She said the trail provides transportation, recreation, and placemaking benefits, and private entities will provide amenities for the users of the Eastrail. Ms. Robertson asked for an image depicting the design of the I-405 overcrossing. Mr. Warber said he would follow up and send images. In further response, Mr. Warber said there will be a maximum of six feet of plantings on each side of the trail. The trestle will be approximately 30 feet wide, which he feels will be generous and comfortable for users. Councilmember Robertson thanked Councilmember Stokes for his involvement and representation of Bellevue in this effort.

Councilmember Zahn thanked Councilmember Stokes and praised the successful partnership related to the Eastrail project. Ms. Zahn said this will be a multimodal trail for recreation and commuter use. She expressed support for the historical design elements to be incorporated into the Wilburton trestle and the NE 8<sup>th</sup> Street overcrossing. She encouraged a wide trestle to accommodate a variety of users. She expressed support for providing fiber optic infrastructure along the Eastrail.

Responding to Ms. Zahn, Ms. Hollis said the I-90 bridge is one of the unfunded projects but an important connection. Ms. Hollis said it is important to think about equity in access and connecting South King County residents and workers to the Eastrail. She said the project team is pursuing state and federal funding for the I-90 project. She noted that State Representative Vandana Slatter has been a champion for the Eastrail project. Councilmember Zahn suggested a joint letter to state legislators from cities along the entire corridor to ensure equal access.

Mayor Robinson said Eastrail Partners has been extremely effective in maintaining momentum and raising money for the project, which is a gift to the community. She noted that the project elements are consistent with the Council's vision of embracing the future while respecting our past. She said the trestle was built in 1904 and the level of Lake Washington was not lowered until 12 years later. At that time, the water covered the Mercer Slough and extended to the Factoria area. Mayor Robinson said the Lake Hills Connector was not built until the 1970s. She encouraged providing that history in the trestle's interpretive signage.

Referring to the I-90 bridge, Ms. Robinson said that many in the community want to preserve the graffiti. She noted that the Eastrail will serve T-Mobile employees in the Factoria area and wondered whether they might partner to support the bridge.

(c) Regional Issues

Director Nichols provided an update regarding the state legislature. She said the legislature just passed another cutoff in the legislative process, and bills must be passed out of the fiscal committees in their respective chambers to continue to move forward. The only bills exempt from this cutoff are ones that are deemed necessary to implement the budget. Ms. Nichols said the legislative process will adjust its focus from committees to the chamber floors until the next cutoff on March 9. Bills must be approved and moved out of either the House or the Senate to remain viable. She said staff is working to compile a list of the dead versus ongoing bills by the end of the week.

Ms. Nichols described how the proposed legislation corresponds to the City's priorities. Two bills related to economic recovery after the pandemic were signed by the governor. Senate Bill 5061 prevents a \$1.7 billion automatic increase in the unemployment insurance tax that was slated to go into effect in April. Ms. Nichols said this is important for businesses and others who are responsible for paying unemployment insurance taxes. The second bill was House Bill 1368, which appropriates \$2.2 billion in funding from the federal government to address pandemic relief. Ms. Nichols noted a list in the meeting packet of potential uses for the funds. It will help primarily with child care costs, rent and food assistance, medical and health care assistance, education, behavioral health services, COVID testing and vaccine distribution, and grants for businesses.

Ms. Nichols said that another Council priority is tax increment financing (TIF), which is an economic development tool that captures some of the appreciated value of the tax that arises because property values are increased. The mechanism generates funding for infrastructure benefits in a designated area. TIF is not currently allowed under state law due to the constitutional provision regarding the gifting of public funds. The two bills related to TIF are House Bill 1189 and Senate Bill 5211. Both are waiting for a vote in their respective chambers. Ms. Nichols noted that the bills are very similar.

In the area of transportation investments, both the House and the Senate have released their framework for a new revenue package for statewide transportation funding. The packages use different tools to fund the long list of infrastructure projects, mostly roads, throughout the state. Ms. Nichols said the City has been working with lobbyists representing stakeholders that support Bellevue's priority projects.

Ms. Nichols said there are a number of problematic bills and one of those is Senate Bill 5232. The legislation would remove the authority that was granted in 2019 for the Washington State Department of Transportation (WSDOT) to bond the toll revenues from I-405 and SR 167 to provide project revenue for both corridors. Ms. Nichols noted that toll revenues have decreased significantly during the pandemic because people have lost their jobs or are working from home. This jeopardizes the ability to issue bonds to fund projects. Ms. Nichols said the bill has passed out of the Senate Transportation Committee and is considered a work in progress. It is also necessary to implement the budget. She noted an effort to include language that would guide how the funds will be used when traffic volumes increase. The loss of toll revenue has resulted in

the loss of funding for the north end of the I-405 corridor. Ms. Nichols noted the concern about the impact on the list of projects if funds are identified to backfill toll revenue.

In the area of affordable housing, homelessness, and human services, Ms. Nichols recalled that House Bill 1590, which authorizes a sales tax for housing and related services, was adopted in 2020. She said it is important to ensure that the intent of House Bill 1590 is clarified in House Bill 1070 this session. She said the City is seeking confirmation that the funds may be used to provide for the acquisition of an existing building that could be used for affordable housing, homelessness, and supportive services. She said staff continues to monitor that bill. There are many bills addressing housing, homelessness, and human services that continue to be modified.

Ms. Nichols said there are numerous bills addressing social and criminal justice reform, which is another Council priority. Several bills address use of force standards for law enforcement. She noted that most cities opposed House Bill 1202, which creates a civil cause of action for a person injured by a law enforcement officer. The bill has been linked to House Bill 1310, which includes language that would provide a law enforcement officer with a defense against those types of actions if the officer is substantially compliant with the training that he or she received. Ms. Nichols said the bill has a \$4.3 million per year fiscal note, and there are questions about whether that could be funded. A clause in the bill states that it is null and void if funding is not attached.

The low carbon fuel standard bill, Senate Bill 5126, is still moving through the legislature. The bill would set conditions and limits on facilities and fuel suppliers that would support the State's goal to reduce greenhouse gas emissions. The governor's cap-and-invest bill has been amended and has been deemed necessary to implement the budget. The revised version of that bill dedicates approximately \$650 million to transportation projects.

Ms. Nichols said staff will continue to monitor the legislative process. She said there will be opportunities for Councilmembers to meet with legislators, especially in the area of transportation, over the remainder of the legislative session. Given the nature of virtual meetings and the lack of opportunities to visit the state legislature and have hallway conversations with legislators, Ms. Nichols said it can be challenging to schedule a meeting on their calendars. However, legislators are receptive to calls from elected officials and the City's lobbyists.

At 8:23 p.m., Mayor Robinson declared a short break. The meeting resumed at 8:30 p.m.

(d) Cultural and Economic Development Q4 2020 and Year-end Update

City Manager Miyake opened staff's presentation of the fourth quarter 2020 Cultural and Economic Development update.

Jesse Canedo, Chief Economic Development Officer, recalled that the Council adopted the updated Economic Development Plan on November 2, 2020. He noted ongoing partnerships with the business community throughout the pandemic. He highlighted the direct strategy focus areas in the Economic Development Plan: 1) capacity building and partnerships, 2) small business and entrepreneurship, 3) workforce, 4) retail, 5) creative economy, and 6) tourism.

Philippa Marsh, Economic Development Manager, highlighted key activities in 2020 including the Startup425 small business assistance program, outdoor dining program, and the Bellevue Downtown Association (BDA) Heart of Bellevue program. She said Bellevue has weathered the pandemic better than some of its peer cities. She noted that Governor Inslee recently signed House Bill 1368, which appropriates \$2.2 billion in federal funding, including \$240 million for business assistance grants. The bill also provides \$50 million in child care assistance and \$91 million for income assistance. The latter includes \$65 million for relief to the state's immigrant population.

Ms. Marsh said the City was involved in a Korean delegation prior to the pandemic. She thanked Mayor Robinson for her participation in the virtual Scottish delegation held in December. While staff was not able to engage in business attraction activities due to the pandemic, the City increased its efforts in business retention and expansion with both small and major employers. More than 200 business received assistance through the City's programs in 2020.

Ms. Marsh said Bellevue's unemployment rate is relatively low compared to its peer cities of Everett, Seattle, and Tacoma. While commercial vacancy is increasing nationwide, long-term confidence in Bellevue has not diminished. A decrease in the cost of office space has created opportunities for certain businesses to enter the Bellevue market. Ms. Marsh said staff is working with arts and cultural organizations about potential opportunities in Bellevue. She said staff has ongoing contact with commercial brokers, and they remain optimistic about the future of the Eastside office market. There was a 5.3 percent increase in retail spending in January, and the Eastside rental vacancy rate is 2.7 percent. The tourism industry continues to struggle but early 2021 reflects a growing confidence in both leisure and business travel.

Ms. Marsh said the Seattle-Tacoma metro area is now ranked #10 in the top metro area economies in the United States based on gross domestic product (GDP) growth. King County ranks sixth in the nation among counties. Ms. Marsh noted that new restaurants are opening in Bellevue, and companies are expanding and/or acquiring other companies.

In the area of business retention and expansion. Ms. Marsh recalled the renovation of the T-Mobile headquarters as well as the expansion of Facebook and Amazon into Bellevue in 2020. The City's business relief grant program distributed 112 grants of \$5,000 each to small businesses, which retained 336 jobs in the community. Of those businesses, 64 percent are female owned, 66 percent are minority owned, and 41 percent are immigrant/refugee owned. The City will continue to provide technical assistance to businesses to help them access federal Paycheck Protection Program (PPP) loans.

Mr. Canedo said the workforce development section was added to the Economic Development Plan in the recent update. He said the pandemic has exacerbated the shortage of qualified workers, and workforce development is more important than ever for Bellevue and the region. Mr. Canedo said there will be a regional analysis of child care needs and options. He noted that workforce development includes training programs at Bellevue College and other organizations. He said staff is exploring ways to start providing a foundational service to help residents and workers in Bellevue who are looking for training and development opportunities. During the

second half of 2020, Bellevue led a coalition of Eastside cities in applying for a grant from the Economic Development Administration of the U.S. Department of Commerce.

Mr. Canedo said the creative economy is another strategic component of the Economic Development Plan. Much of staff's work will focus on the BelRed Arts District and the tourism sector. Mr. Canedo said a consultant report will be completed later this year to address community engagement and to better understand the needs of the creative economy. He noted a focus on public art, including creative wraps on utility boxes. The City is working with large employers to identify opportunities for murals that can set the tone for the Arts District.

Ms. Marsh said City staff has been working with the BDA and major downtown stakeholders to focus on placemaking and managing public spaces in the downtown. The team is also working to identify external funding sources and partnerships that can help support and enhance the implementation of the Economic Development Plan.

Mr. Canedo said the City will continue its efforts with small business support, workforce development, and placemaking work in 2021. A business survey and a citywide retail strategy study will be conducted this year as well. The latter will start later this year and the results of the study will be published in 2022.

Mayor Robinson thanked staff for the update.

Councilmember Lee thanked staff for their work through this difficult time. He commended their efforts with the business community to ensure that Bellevue is open for business. He noted that equity and inclusion were not addressed in the presentation. He asked whether there is anything the City can do to prepare for the next business survey. He encouraged enhanced partnerships with regional groups including the Greater Seattle Partners, Puget Sound Regional Council (PSRC), and others. He noted common priorities around workforce development, tourism, retail, and small businesses, and suggested that Bellevue complement other work in the region.

Mr. Canedo said that racial equity and inclusion are an underlying lens for all of the work in the Economic Development Plan. Many of the individual programs and projects incorporate equity, including workforce development for people of color and individuals in lower income jobs. Mr. Canedo said there is more to be learned about child care needs and how the City might be able to address barriers. He noted the City's ongoing work with Old Bellevue/Main Street businesses. Mr. Canedo said the City is engaging with regional partners and neighboring cities to better assess retail activity and recovery.

Ms. Marsh thanked Councilmember Lee and Mayor Robinson for participating with the Greater Seattle Partners recovery task forces. Those groups are looking through an equitable and inclusive lens at how the region can align and accelerate economic recovery efforts.

Councilmember Barksdale thanked staff for their diligence in applying an equity lens throughout the economic development program. He said it was good to see the distribution of small business grants to a diverse group of business owners.

Mr. Barksdale asked if there is a timeline for focusing beyond the Downtown and the BelRed subareas to Crossroads and Factoria. He asked how neighborhood child care centers would impact access to and the affordability of child care. Ms. Marsh said she spoke with two child care agencies earlier in the day. They will be sharing data with the City regarding the number of child care facilities and related issues in the near future.

Mr. Canedo said the City is working first with the Downtown and BelRed areas based on the strong partnerships that already exist. He noted plans to use the experience and information to expand the City's focus to other areas of the community. He said a goal of the retail study is to engage with more retailers and businesses in the Crossroads and Factoria areas in 2022 and 2023. In further response to Mr. Barksdale, Mr. Canedo said staff will work with more restaurants throughout Bellevue this year to support the outdoor dining program.

Deputy Mayor Nieuwenhuis asked whether the results of the business survey and the retail study will be able to separate the downtown responses from the rest of the city. Mr. Canedo confirmed that it will be possible to disaggregate the data based on geographic areas of Bellevue. Responding to Mr. Nieuwenhuis, Mr. Canedo confirmed that staff is working with the leadership of the 5G innovation lab.

Councilmember Zahn thanked staff for the presentation and for their work to implement the updated Economic Development Plan. She thanked staff for the extensive outreach to businesses during the pandemic. She encouraged an equity lens in addressing the creative economy. She concurred with Councilmember Barksdale's interest in the Crossroads and Factoria areas and suggested extending efforts to assist small businesses in Lake Hills and Newport Hills as well. Referring to the small business grants, Ms. Zahn wondered whether more businesses could be helped by working with additional organizations focused on underserved communities.

Responding to Ms. Zahn, Mr. Canedo said the timeline for studying an Eco District has not been set. Economic development staff will work with environmental stewardship program staff, as well as developers and others, to explore the concept. Ms. Zahn suggested that the Eco District would contribute to green jobs.

Responding to Ms. Zahn, Ms. Marsh said the Eastside Refugee and Immigrant Coalition has been talking about creating a welcome back center on the Eastside for some time. Ms. Marsh said Bellevue College is piloting the effort using Highline College's successful model.

Councilmember Zahn encouraged staff to involve the Bellevue School District in workforce development efforts.

Community Development Director Mac Cummins noted the City's focus on stabilizing neighborhood shopping centers. He said the City instituted a new mixed-use zoning district to incentivize neighborhood services and uses. The citywide retail study will assess strengths and opportunities for improvements, and the data will help inform future decisions regarding placemaking opportunities.

Councilmember Robertson said she appreciates her colleagues' support of economic development in terms of services, business success, and jobs. She noted her support for workforce development and neighborhood business vitality. She commented on the importance of child care in order for people to return to work.

Ms. Robertson said she has heard that approximately 1,000 students disenrolled from Bellevue public schools last year and many more are planning to if schools do not reopen soon. She suggested including the topic of child care in the business survey due to its link to the ability of parents to work. She said it is important to study the impacts of the pandemic on schools. She noted that the number of women in the workforce has declined due to the pandemic. She encouraged working with the Bellevue School District to address these issues. She noted that one of the reasons families live in Bellevue is the excellent schools. She said it is important to understand whether all of this will have an impact on the success of the community.

Ms. Robertson recalled past discussions about conducting a curbside management study. She suggested that it would be useful in conjunction with the retail study. She said it will be important to study the BelRed Arts District as part of the 2009 BelRed Plan Look Back in the near future. Mr. Canedo confirmed that the issues of child care and schools will be included in the business survey.

Councilmember Stokes expressed support for working on the BelRed Arts District. He expressed concern that a number of arts organizations have left the area due to high property values and rental costs. He commended staff's work with the small business community. He encouraged an emphasis on businesses and commercial activity in the Eastgate and Lake Hills areas to enhance economic vitality. He encouraged looking at child care as it relates to businesses and the overall health and welfare of the community.

Mayor Robinson asked about the metric of success in the area of workforce development. Referring to the business survey, Ms. Robinson said she would be interested in knowing what percentage of employees in Bellevue are able to live in Bellevue, and what the barriers are to living in Bellevue. She noted that long commutes decrease work production and overall quality of life.

Responding to Ms. Robinson, Mr. Canedo said the Seattle-Tacoma metro area economy moved from 11<sup>th</sup> place to 10<sup>th</sup> place, which was previously held by Atlanta. He confirmed that the business survey includes questions about the workforce commute. He said the most recent information indicated that 80-90 percent of the people who work in Bellevue do not live in Bellevue. Responding to Ms. Robinson regarding the metric for workforce development success, Mr. Canedo said staff is developing a number of metrics with its partners.

Mr. Cummins concurred with Mayor Robinson's concern regarding long commutes. He acknowledged that employers are concerned about where all of the new employees will live as they take jobs in Bellevue. He said economic development staff and planning staff are working together to address the imbalance of jobs and housing. Mayor Robinson said she would like the survey to ask about the reasons for not living in Bellevue (e.g., affordability, choice, etc.).

Councilmember Lee thanked staff for their work with the small business grants and the diversity of the recipients. He noted that tax increment financing (TIF), which is under consideration by the state legislature, contributes to economic development. He concurred with Councilmember Robertson's interest in the curbside management study. He noted the importance of addressing transportation and mobility.

Mayor Robinson thanked everyone for the presentation and robust discussion.

11. Land Use: None.
12. Other Ordinances, Resolutions, and Motions: None.
13. Unfinished Business: None.
14. New Business: None.
15. Executive Session: None.
16. Adjournment

At 9:40 p.m., Mayor Robinson declared the meeting adjourned.

Charmaine Arredondo, CMC  
City Clerk

/kaw