

CITY OF BELLEVUE  
CITY COUNCIL

Summary Minutes of Regular Meeting

July 12, 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 6:00 p.m., with Mayor Robinson presiding.

2. Roll Call; Flag Salute

City Clerk Charmaine Arredondo called the roll. All Councilmembers were present and participating remotely. Deputy Mayor Nieuwenhuis led the flag salute.

3. Approval of Agenda

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

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

4. Oral Communications

(a) Judy Gowdy expressed support for anything that can be done to help individuals experiencing homelessness and to provide affordable housing. She is pleased to see that the Eastgate project will have supportive services on site. She encouraged the Council to support the project.

(b) Cynthia Cole commented on Ordinance Nos. 6585 and 6586, which are consistent with newly approved state legislation. The new law requires that certain transitional and shelter housing be allowed in residential zones and in zones that allow hotels and motels. She commended the City's history of being proactive in balancing the needs of residents and the needs of those experiencing homelessness. She encouraged the City to not go beyond the specific requirements in HB 1220 and to require a conditional use permit

(CUP) for every change in the Land Use Code required by HB 1220. Ms. Cole said that requiring a CUP for a project ensures there will be public engagement. She said that every neighborhood in Bellevue should have an opportunity to provide input.

- (c) Kurt Lutterman said he lives in the Cougar Mountain area of Bellevue and he is a strong supporter of providing a wide range of housing options. He said he has been homeless in the past. He encouraged the Council to support the supplemental request from Congregations for the Homeless (CFH) and the other partners in the Eastgate housing and supportive services project. He thanked the Council for their work.
  - (d) Marilyn McGuire, a resident of northeast Bellevue, said housing has been discussed for months through the ongoing Great Neighborhoods planning effort. She said additional topics include the impacts of increased density, neighborhood life and character, and whether the affordable housing in Bellevue is truly affordable. She said the Northeast and Northwest Bellevue subareas have been engaged in neighborhood planning over the past year. She expressed concern that no one mentioned some of the housing issues on tonight's agenda. She said residents are committed to addressing the issue of housing growth. She said the decision on housing density is the first step but it is not a complete plan. Ms. McGuire expressed concern about the impacts on infrastructure. She said Bellevue should avoid the mistakes made in Seattle in terms of public safety and crime. She encouraged the Council to ensure that the public is engaged in addressing housing.
  - (e) Patience Malaba, Director of Government Relations and Policy, Housing Development Consortium, spoke on behalf of the Eastside Housing Roundtable to express support for the proposed supplemental funding recommendation for the Eastgate housing and supportive services project. She encouraged the Council to move forward as quickly as possible to ensure that the financing commitments and the requirements for Congregations for the Homeless are met. Ms. Malaba said the Eastgate housing campus will help the entire community by bringing people inside. She thanked Councilmembers for their leadership and for considering additional funding options.
5. Reports of Community Councils, Boards, and Commissions: None.
  6. Report of the City Manager: None.
  7. Council Business and New Initiatives: None.
  8. Consent Calendar
    - Deputy Mayor Nieuwenhuis moved to approve the Consent Calendar, and Councilmember Lee 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 June 21, 2021 Regular Meeting
  - (b) Motion to award Bid No. 21045, SE 38th Street at Factoria Boulevard Street Improvements (CIP Plan No. PW-R-198) to Watson Asphalt Paving Company, Inc. as the lowest responsible and responsive bidder, in the amount of \$106,986.00, plus all applicable taxes. This project is funded by the Neighborhood Congestion Management Levy (CIP Plan No. PW-R-198).
  - (c) Resolution No. 9963 authorizing execution of an agreement with Hughes Fire Equipment, Inc. to purchase one fire engine for the Bellevue Fire Department's new Fire Station 10, in an amount not to exceed \$863,659, plus all applicable taxes.
  - (d) Resolution No. 9964 authorizing the execution of a three-year Professional Services Agreement with Innovative Data Acquisition, LLC dba (IDAX), in an amount not to exceed \$275,000, plus all applicable taxes, to support traffic analysis such as speed/volume studies. The City routinely needs professional services to conduct traffic studies that aid in project and program evaluation, support the regional traffic model, and support grant applications.
  - (e) Resolution No. 9965 authorizing the execution of a three-year General Services Agreement for On-Call Fence and Safety Railing Repair with Combined Construction Inc. in an amount not to exceed \$300,000, including all applicable taxes.
  - (f) Ordinance No. 6583: 1) amending the 2021-2022 General Capital Investment Program (CIP) Fund to increase the appropriation by \$750,000; and, 2) amending the 2021-2027 CIP Plan to increase the budget for the Bridge and Pavement Preservation (Overlay) Program (CIP Plan No. PW-M-1) by \$750,000 to support the construction of the pavement overlay project on NE Bel-Red Road between 124th Avenue NE and approximately NE 30th Street.
  - (g) Resolution No. 9962 authorizing execution of a three-year contract with PPC Solutions, Inc. for uniformed security guard services at various park sites, with an option to renew for two additional one-year terms, for a total contract amount not to exceed \$900,000, plus all applicable taxes.
9. Public Hearings: None.
10. Study Session
- (a) Affordable Housing Capital Funding Requests

City Manager Brad Miyake introduced discussion regarding capital funding requests for three projects: Eastside Men's Shelter, Eastgate Supportive Housing, and Illahee Apartments.

Mayor Robinson said she would be present for the discussions regarding the Eastgate permanent supportive housing and men's homeless shelter. However, she will recuse herself and temporarily leave the meeting before Council action on the Illahee Apartments funding request.

Emil King, Assistant Director, Community Development Department, highlighted the three funding requests totaling \$8 million: 1) Eastgate Supportive Housing, Plymouth Housing (\$400,000), 2) Eastside men's shelter, Congregations for the Homeless (\$3.6 million), and 3) Illahee Apartments housing preservation project, King County Housing Authority (\$4 million). Mr. King said the City currently has \$12.4 million available for housing and related uses, which excludes HB 1590 sales tax revenues. The available revenue includes \$7 million in Capital Investment Program (CIP) affordable housing contingency funds, \$3.4 million from in-lieu fees for BelRed affordable housing, \$800,000 in HB 1406 sales tax revenues and \$1.2 million in other items (including housing loan repayments).

Mr. King said the funding requests advance several of the objectives in the City's Affordable Housing Strategy and in the Comprehensive Plan, including: 1) work toward an Eastside solution for a permanent men's shelter, 2) create more deeply affordable housing, 3) increase development on land owned by public agencies, 4) expand state, county, local government and private partnerships, and 5) partner with others to preserve affordable multifamily housing.

Lindsay Masters, Executive Manager, ARCH (A Regional Coalition for Housing), said the Eastgate master development plan includes the Eastside men's shelter, Eastgate supportive housing, and Polaris at Eastgate workforce housing. The emergency shelter will provide 100 beds and is the result of years of work by Congregations for the Homeless (CFH) to site and develop a permanent shelter. The conditional use permit (CUP) process is underway, and \$13.4 million have been committed from State, County and local funds as well as the CFH capital campaign.

Ms. Masters said the Polaris development will provide 360 units of workforce housing at 50-60 percent of the household area median income (AMI). CFH selected Inland Group as its master development partner. More than half of the units will have two or three bedrooms. A total of \$137 million in public and private funding has been committed to the project (including bonds, tax credit equity, and \$8 million from King County).

The Eastgate permanent supportive housing project will provide 95 housing units for individuals currently experiencing homelessness. Plymouth Housing is the master development partner and will work with CFH and The Sophia Way to serve men and women referred from Eastside shelters that need supportive housing. A total of \$28.5 million have been committed from State, County, and local government funds as well as private Low Income Housing Tax Credit equity.

Ms. Masters provided additional details regarding the funding request for the Eastside men's shelter, noting recent cost increases totaling \$5.7 million (\$3.6 million requested from City, \$2.1 million requested from State/County). The project cost increase is due to significant cost increases in building materials, higher labor rates, new energy code requirements, schedule delays, and Good Neighbor Agreement requests. The requested funding of \$3.6 million is critical

to the successful completion of the permanent 100-bed shelter and supports the Good Neighbor Agreement enhancements.

Mayor Robinson thanked staff for the presentation and asked Councilmembers to provide input regarding the funding request.

Councilmember Barksdale expressed support for the funding request.

Responding to Councilmember Robertson, Ms. Masters said the Eastside men's shelter does not receive any funding that requires it to be in the Coordinated Entry for All program. Councilmember Robertson expressed support for the funding request.

Councilmember Zahn expressed support for the funding request. Responding to Ms. Zahn, Mike Brennan, Director of the Development Services Department (DSD), said the project decision is an administrative decision. The code states that if there is an underlying land use decision or environmental/SEPA (State Environmental Policy Act) decision required to allow a project to proceed, then that process needs to run its course to approval, allowing the public engagement to occur before construction begins and before a clearing and grading permit can be released. Mr. Brennan said the intent of the code language is to not presume an outcome before the required public process is completed. He said the City is working closely with CFH through the CUP process, as well as with the Good Neighbor Advisory Committee.

Deputy Mayor Nieuwenhuis expressed support for moving forward to fund the request. He thanked everyone on the Good Neighbor Advisory Committee for their time and efforts. He thanked staff for their work on the project.

Councilmember Stokes said the Council has been working on this project for a number of years. He expressed strong support for approving the funding request.

Councilmember Lee expressed support for the funding request and thanked staff and the public for their work and involvement. He said he is happy to see this important and needed housing project moving forward. He wondered whether there are tax incentives that could be used for the men's shelter project. He thanked ARCH for its ongoing work in the region. Ms. Masters said the shelter will likely have a tax-exempt status for certain taxes. She said the project team will continue working to identify possible budget reductions.

Mayor Robinson thanked Councilmembers for their support of the funding request. She thanked staff and the City's partners for their efforts related to the shelter and housing projects. She expressed an interest in learning whether there are tax incentives or exemptions that could be applied to similar projects.

- Deputy Mayor Nieuwenhuis moved to direct staff to return with appropriate legislation to award \$3.6 million to the Eastside Men's Shelter project, for final action at an upcoming Council meeting. Councilmember Robertson seconded the motion.
- The motion carried by a vote of 7-0.

Ms. Masters described the Eastgate supportive housing funding request for \$3.1 million (\$2.7 million requested from State/County, \$400,000 requested from City). She noted significant increases in the cost of materials, drywall contractor rates, plumbing rates, HVAC wage increases, energy code requirements, security features, and stormwater detention system modifications. The project provides 95 permanent supportive housing units for individuals experiencing homelessness who are referred by Eastside shelters.

Councilmember Stokes said this will be the first permanent supportive housing on the Eastside. He observed that providing supportive services greatly increases an individual's success in achieving stability. He said he looks forward to the ground-breaking for the project.

Deputy Mayor Nieuwenhuis expressed support for the funding request.

Councilmember Zahn concurred. She asked about the long-term sustainability of the building. She encouraged a focus on workforce development and supporting the population to be helped by the housing services. Responding to Ms. Zahn, Ms. Masters said the facility will have case management and 24-hour, on-site staffing for residents.

Councilmember Lee thanked ARCH and other City partners for their extensive efforts to produce needed housing. He wants to ensure that the City is able to achieve its vision and goals in a sustainable way.

Councilmember Barksdale expressed support for the supplemental funding request.

Councilmember Robertson concurred. She said this is an important project and she is pleased that Plymouth Housing is involved in this first permanent supportive housing project on the Eastside. She suggested establishing a checklist or set of agreements to ensure that every supportive housing project in Bellevue helps to move individuals from homelessness to housing stability. She suggested a grant agreement that lists the expectations and conditions for the next supportive housing project. Ms. Robertson noted the critical need for behavioral health services as well.

Responding to Mayor Robinson, Councilmember Robertson said she would like to see the terms of the agreement and the conditions of the grant agreement, and to see how accountability, the safety and security plan, Good Neighbor Agreement, and other elements will be incorporated into the grant funding expectations. In further response, Ms. Robertson confirmed that she would like that information before voting on the funding request.

Mr. King said staff met with Councilmember Robertson that afternoon to understand the type of information she would like to review. Mr. King offered to list some of the provisions in the draft funding agreement to satisfy Councilmember Robertson's request and to elaborate more on how operational provisions are put in place and reviewed over time. Mayor Robinson asked staff to provide the information in the Council meeting packet.

Mayor Robinson thanked everyone for their comments. She said she has served on the Mental Illness and Drug Dependency (MIDD) Advisory Committee for the past six years. She said it does not matter how much money is invested in helping a person if they do not first have housing stability. She suggested considering a requirement in the future that services are provided on site or within one day for housing residents. She expressed support for the funding request.

- Deputy Mayor Nieuwenhuis moved to direct staff to return with appropriate legislation to award \$3.1 million to the Eastgate Supportive Housing project, for final action at an upcoming Council meeting. Councilmember Lee seconded the motion.
- The motion carried by a vote of 7-0.

At approximately 7:05 p.m., Mayor Robinson recused herself from the next topic and temporarily disconnected from the meeting.

Mr. King described the acquisition request related to the Illahee Apartments project near Highland Park and Community Center. The apartments are just outside of the one-half mile walkshed for the future light rail station and are also served by bus rapid transit (BRT) on NE 8<sup>th</sup> Street. The Illahee development has 24 one-bedroom apartments and 12 two-bedroom apartments. The property was marketed for sale as a redevelopment opportunity but was ultimately purchased by the King County Housing Authority to preserve housing and prevent the displacement of current residents.

Ms. Masters said the vacant units are currently prioritized for families experiencing homelessness referred by the Bellevue School District and Youth Eastside Services (YES). The units will be converted to public housing supported by a federal operating subsidy. No residents will be required to relocate.

The ARCH Board reviewed this funding request outside of its normal annual review cycle. Ms. Masters noted the \$4 million commitment from Amazon and \$2.8 million from the King County Housing Authority and others. She said \$4 million is requested from the City of Bellevue, for a total acquisition cost of \$10.8 million. The Illahee Apartments project preserves affordable homes, provides an immediate housing opportunity for homeless families, and creates long-term deeply affordable housing with a permanent federal operating subsidy.

Councilmember Lee said he supports the project. However, he was unsure about funding the full \$4 million given that there are many competing priorities for the City.

City Manager Miyake said the sources of funding were outlined at the beginning of the presentation and adequate resources are available for affordable housing projects. He noted that the funds do not include HB 1590 or HB 1403 revenues.

Councilmember Robertson expressed strong support for the project funding request. She asked whether the King County Housing Authority will operate the apartments and which household AMI levels are targeted for the housing units. Ms. Masters confirmed that the property will be

owned and operated by KCHA. She said that most of the household incomes are 30 percent AMI or below.

Responding to Ms. Robertson, Ms. Masters confirmed that certain renovations, including for long-term capital needs, are required for the acquisition of the property and will be completed by the operators, potentially with the assistance of other grant funding.

Councilmember Stokes said this is similar to preserving the affordable housing at the Highland Village Apartments. He said he appreciated Councilmember Robertson's questions. He thanked Ms. Masters for her work and commended the partnerships required to complete important housing projects. Mr. Stokes opined that \$4 million is a relatively small amount given the impact it will achieve.

Councilmember Barksdale expressed support for the funding request. He is happy that residents will not be displaced from housing.

Councilmember Zahn expressed support for the housing preservation project, noting that it prioritizes families. She thanked the community funding partners working to provide affordable housing projects. She asked about the AMI level required for housing involving a fee in lieu. She encouraged the City to organize the use of funding sources in a way that optimizes funding for targeted AMI levels. Mr. King said that BelRed projects that provide on-site affordable housing typically produce 80-percent AMI units. He acknowledged that this could be an opportunity to achieve some 30-percent AMI units in the BelRed area.

In further response to Ms. Zahn, Mr. King said that following Council direction tonight regarding the funding requests, staff will determine the best funding sources for specific projects to maintain the most flexibility for the City.

Deputy Mayor Nieuwenhuis expressed strong support for the project and funding request. He thanked King County for moving so quickly to preserve the affordable housing at the Illahee Apartments. He thanked Amazon for their partnership with the City. Responding to Mr. Nieuwenhuis, Ms. Masters said that, during this period of time when there is greater flexibility outside of the federal regulations that will come with public housing subsidies, the City is prioritizing apartment vacancies for families. In further response to Mr. Nieuwenhuis, Ms. Masters said she felt confident about King County's ability to provide the projected funding.

- Councilmember Robertson moved to direct staff to return with appropriate legislation to award \$4 million to the Illahee Apartments Preservation project, for final action at an upcoming Council meeting. Councilmember Lee seconded the motion.
- The motion carried by a vote of 6-0.

(b) Transportation Capital Investment Program (CIP) Update

City Manager Miyake introduced staff's update regarding the Transportation Capital Investment Program (CIP).



Ron Kessack, Assistant Director, Transportation Department, described the department's adjustments during the pandemic and their efforts to continue to provide essential services. He said staff had to adjust their procedures for advertising projects for design and construction and conducting public bid openings to comply with state law. The City and other cities and agencies established an interagency network to collaborate on issues as they arose during the pandemic. Mr. Kessack noted that the lower traffic volumes during the pandemic assisted construction efforts and helped to reduce costs.

Mr. Kessack recalled the adoption of the 2021-2027 CIP Plan last December. The Transportation CIP totals \$234 million, or 35 percent of the total capital budget. The federal TIFIA (Transportation Infrastructure Finance and Innovation Act) loan of \$100 million is a substantial portion of that funding.

Mr. Kessack commented on the status of TIFIA loan projects. Completed projects include Spring Boulevard Zones 1 and 2 and 124<sup>th</sup> Avenue NE (Spring Boulevard to Ichigo Way). Two projects are ready to be advertised for bids: Spring Boulevard Zone 4 and 124<sup>th</sup> Avenue NE (NE 12<sup>th</sup> Street to Spring Boulevard). Construction is slated to begin in 2022 for two projects: 124<sup>th</sup> Avenue NE (Ichigo Way to Northup Way) and 130<sup>th</sup> Avenue NE (BelRed Road to NE 20<sup>th</sup> Street).

Mr. Kessack said the City applied to refinance the TIFIA loans based on favorable interest rates. Staff attended a conference held by the U.S. Department of Transportation's Build America Bureau to learn about refinancing options, and all application materials have been submitted. He said the Council will be asked to fund the legal review of the TIFIA loan, which is required by the federal government, and to approve the ordinance to refinance the loan. The refinancing will save the City millions of dollars over the life of the TIFIA loan.

Mr. Kessack highlighted additional major capital projects including the Mountains to Sound Greenway Trail Phase 1 through the Factoria area, Newport Way bike and pedestrian improvements, West Lake Sammamish Parkway Phase 2 improvements, NE 12<sup>th</sup> Street multi-purpose path, several overlay projects, citywide pedestrian and bike improvements, and major maintenance projects to replace two separate rockeries, one on Newport Way and one on SE 40<sup>th</sup> Street.

John Murphy, Senior Planner, provided an update regarding the projects in the 2016 Neighborhood Safety, Connectivity and Congestion levy package, which covers six key program areas: 1) neighborhood congestion reduction, 2) sidewalk and trail maintenance, 3) safety and traffic management technology, 4) new sidewalks, trails and paths, 5) neighborhood safety, and 6) bicycle facilities. Mr. Murphy said that 51 levy projects totaling \$22 million have been completed with investments in every neighborhood subarea of Bellevue.

Mr. Murphy highlighted a number of levy projects: 1) 108<sup>th</sup> Avenue NE Complete Streets project, 2) mini roundabouts at 100<sup>th</sup> Avenue NE, 138<sup>th</sup> Avenue SE, and 164<sup>th</sup> Avenue SE, 3) neighborhood congestion reduction projects in five locations, 4) 112<sup>th</sup> Avenue NE improvements (currently in construction), 5) 105<sup>th</sup> Avenue SE sidewalk, 6) crosswalk

improvements on Kamber Road, Forest Drive, and 160<sup>th</sup> Avenue SE, and 7) the East Bellevue Demonstration Greenway project (including bicycle pavement markings, traffic circles, wayfinding).

Mr. Murphy said the City recently received a Safe Routes to School grant for a project in Northwest Bellevue that is connected to a larger sidewalk project along the 100<sup>th</sup> Avenue corridor near Chinook Middle School and Clyde Hill Elementary School.

Mr. Murphy said there are many more levy projects to be completed. He noted staff's efforts to keep the community informed through mailers, an annual progress report, and on-site project signage.

Mr. Kessack thanked staff, contractors and the public for their flexibility and cooperation throughout the pandemic. He thanked Bellevue businesses for their patience with the busy construction activity.

Mayor Robinson thanked staff for the thorough presentation.

Councilmember Robertson commended staff's management of transportation programs and projects. She thanked Bellevue voters for supporting the neighborhood transportation levy and the Fire Facilities levy.

Councilmember Zahn thanked staff for their work in support of ongoing projects throughout the pandemic. She recalled enjoying discussions with the community about residents' priorities when the neighborhood transportation levy was proposed and approved. She asked whether the City conducts surveys later after the projects have been in place for a certain amount of time.

Ms. Zahn acknowledged that roundabouts improve safety because they slow traffic. She asked whether the Council will receive a report describing the City's investments in Vision Zero concepts and practices across the broader CIP plan.

Mr. Kessack said staff does go back out to the community following major capital projects to solicit feedback regarding construction and other impacts. He noted that the Vision Zero program is still relatively new. He said the City designs projects with safety as a top priority. He concurred with the suggestion to consider Vision Zero concepts for many capital projects as program elements are implemented. Responding to Councilmember Zahn, Mr. Kessack said that repayment of the TIFIA loan will begin in 2024.

Deputy Mayor Nieuwenhuis thanked staff for the comprehensive presentation. Responding to Mr. Nieuwenhuis, Mr. Kessack said the reduction in traffic volumes during the pandemic helped to reduce traffic control and labor costs. The lower traffic volumes also helped concrete trucks and other large construction equipment to navigate the downtown. Mr. Kessack said it will be interesting to see the extent to which workers return to office buildings and how that will affect traffic patterns.

Deputy Mayor Nieuwenhuis said he sees cyclists fairly frequently on 164<sup>th</sup> Avenue. He asked about the rationale for locating the East Bellevue Demonstration Greenway project on 165<sup>th</sup> Avenue. He said he hears increasingly from neighbors about the need for pedestrian and bike improvements on 164<sup>th</sup> Avenue.

Mr. Murphy said the East Bellevue project does not preclude any future investments, specifically on 164<sup>th</sup> Avenue. He said that City staff has heard similar input from the community about wanting improvements on 164<sup>th</sup> Avenue. He said the East Bellevue Demonstration Greenway builds on the Healthy Streets pilot project and is intended for individuals of all ages and abilities.

Councilmember Stokes thanked staff for the presentation and for their work. He noted the positive impacts of the neighborhood transportation levy projects throughout Bellevue. He highlighted the significant benefit of the TIFIA loan to complete a number of transportation projects. Mr. Stokes thanked the community for all of their support.

Councilmember Lee thanked staff for their work and noted the importance of transportation on a daily basis. He asked about the impacts of development in the BelRed corridor on Northeast Bellevue and about transportation impacts during the pandemic. Responding to Mr. Lee, Mr. Kessack confirmed that there were lower traffic volumes during the pandemic. Mr. Kessack said it will be interesting to see the changes to work and commute patterns when more companies return to the office this fall. Mr. Lee thanked staff for their work with the community.

Councilmember Barksdale thanked staff for the presentation and said he looks forward to the bicycle infrastructure improvements. Responding to Mr. Barksdale, Mr. Kessack said the activation of the right-of-way potentially involves multiple departments and staff. Mr. Kessack said Bellevue has a number of opportunities for enhancements in unimproved rights-of-way to create pocket parks and other gathering spaces. Mr. Barksdale suggested testing different ideas and amenities to see what appeals to people.

Mayor Robinson said Congressman Adam Smith has been a strong advocate of refinancing the TIFIA loan. Ms. Robinson thanked the community for their advocacy of the sidewalk on Newport Way and of improvements along West Lake Sammamish Parkway. She said both projects were strongly supported by the community. She thanked staff for their work to secure Safe Routes to Schools grant funding.

Ms. Robinson encouraged the installation of more scramble intersections that allow pedestrians to cross in all directions and suggested one at the northeast corner of Downtown Park. She noted the new bike path in the Crossroads area and suggested that the City explore whether there are rights-of-way or unimproved properties that could be used to create safe routes for cyclists.

Mr. Kessack confirmed that there will be more scramble intersections in Bellevue. He said he would follow up to provide the specific locations under consideration. He said staff would explore Mayor Robinson's second suggestion about creating safe routes off the beaten path for bikes. Mr. Kessack said that separating bikes and pedestrians from vehicles is one of the Vision Zero principles.

Mayor Robinson noted that she would be willing to ride a longer distance to use a safer bike route.

At 8:22 p.m., Mayor Robinson declared a recess. The meeting resumed at 8:30 p.m.

11. Land Use

- (a) Ordinance No. 6584 approving with conditions the rezone application Permit File No. 21-100101-LQ (100 Bellevue Way SE Rezone) ; rezone of a split-zoned .87-acre parcel located at 100 Bellevue Way SE from Downtown Mixed Use (DT-MU) and Office (O) to Downtown Mixed Use (DT-MU).

City Manager Miyake said that Ordinance No. 6584 approves with conditions the rezone application for a split-zoned, 0.87-acre site at 100 Bellevue Way SE.

City Attorney Kathy Gerla said the rezone application requests a change in map designation from Downtown Mixed Use (DT-MU) and Office (O) to Downtown Mixed Use (DT-MU) for the entire site. The rezone is consistent with the Comprehensive Plan Amendment (CPA) approved by the Council in late 2020. Ms. Gerla said this is a Process III quasi-judicial proceeding. The Hearing Examiner held a public hearing and recommended approval of the application, with one condition. There have been no appeals filed regarding the Hearing Examiner's decision.

Ms. Gerla recalled that staff provided a presentation regarding the rezone during the Council's June 21 meeting. She said the Council may approve the Hearing Examiner's recommendation, approve with additional or different conditions, remand the matter to the Hearing Examiner for a hearing on a specific issue, or deny the application.

Responding to Ms. Gerla, Mayor Robinson asked Councilmembers to disclose any ex parte communications. All indicated they had no ex parte contacts. Mayor Robinson said she also did not have any ex parte communications.

→ Deputy Mayor Nieuwenhuis moved to adopt Ordinance No. 6584, and Councilmember Stokes seconded the motion.

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

12. Other Ordinances, Resolution, and Motions

- (a) Council Consideration of whether to take an Official Position regarding King County Proposition No. 1, Regular Property Tax Levy for Children, Youth, Families and Communities

City Clerk Charmaine Arredondo said the Council has the opportunity to take a position on King County Proposition No. 1, Regular Property Tax Levy for Children, Youth, Families and Communities [*Best Starts for Kids*]. State law prohibits the use of public resources for the promotion of or opposition to a ballot measure. However, there is a clause that allows the

Council to take a position in an open public meeting. In order to do so, the agenda for the meeting must include the title and number of the ballot proposition. Members of the Council and the public must be afforded an approximately equal opportunity to express an opposing view.

Ms. Arredondo said that following the presentation by King County staff, the co-chair of the pro-levy campaign will provide oral comments. She said the City was unable to locate a campaign committee opposed to the measure. The public will have up to 15 minutes total with up to five speakers on either side of the issue, with a maximum of three minutes per person. Ms. Arredondo said the Council may choose to take action in support of the levy or may choose to take no action.

Mayor Robinson introduced Sheila Capestany, Division Director, King County Department of Community and Human Services, to provide a factual report regarding the proposed levy renewal proposal.

Ms. Capestany said that one purpose of the proposed levy is to maintain the current levy strategies to invest early (prenatal to age 5), sustain the gain (ages 5-24), create communities of opportunity, and to prevent youth and family homelessness. The proposed prenatal to age 5 investments include public health services for new parents and babies, home-based services for new families, developmental health services, peer support, and child care consultations. Investments for ages 5-24 include youth development programs (e.g., mentoring, leadership, healthy relationships), school partnerships, family and community connections, transitions to adulthood (e.g., education, employment), and putting an end to the school-to-prison pipeline.

The second purpose of the replacement levy is to build on current levy strategies to deepen investments in children, youth and young adults (e.g., out-of-school programs, school-based health centers, and transitions to adulthood). New investments include a child care subsidy program, child care worker wage enhancement project, and capital projects for organizations serving children and youth.

Ms. Capestany said the ballot measure proposes a six-year property tax replacement levy, with an average annual cost of \$114 for a \$600,000 home.

Mayor Robinson introduced Dila Perera to speak on behalf of the pro campaign for the Best Starts for Kids replacement levy.

Dila Perera, Executive Director of Open Arms Perinatal Services, said the current levy has amplified her organization's impact and community outreach to widen the safety net, especially during the pandemic. She highlighted the many programs and services that are funded by the levy to help children, youth and their families. She said the program has been very effective in using early investments and early intervention strategies that have helped thousands of youth stay in school and to address personal challenges. Ms. Perera said the levy supports vulnerable families by providing hope and healthy outcomes.

Ms. Perera commented on the critical need for mental health services and the increase in youth depression and other behavioral health concerns that have arisen during the pandemic. She

highlighted the services provided by Hopelink, Friends of Youth, and Youth Eastside Services (YES). She asked the Council to take action to express support for the levy proposition.

Responding to Mayor Robinson, City Clerk Arredondo confirmed that no con campaign committee was identified and no members of the public signed up to speak in favor or in opposition of the ballot measure.

Councilmember Barksdale said he was impressed with all of the programs and services that are funded through the levy. He asked whether any of the agencies support access to child care facilities in neighborhoods.

Ms. Capestany said the levy includes funding for child care subsidies. King County also has the Puget Sound Taxpayer Accountability Account (PSTAA), which contains a large investment in child care facilities.

Councilmember Stokes thanked Ms. Capestany for her work and collaboration with cities. Mr. Stokes noted a previous update to the Council regarding the levy and expressed support for the ballot proposition.

Councilmember Robertson expressed support for the levy. Responding to Ms. Robertson, Ms. Capestany said there is a three-percent annual growth cap on the levy. Ms. Robertson asked whether any of the funding provides services to children who have experienced learning loss and/or mental health challenges due to the pandemic. Ms. Capestany said the current levy includes programs that support youth mental health and wellness. She noted a youth-based initiative that emerged during the pandemic, and will continue with the levy, called Community Wellbeing that focused on mental health programs, including peer support.

Ms. Robertson thanked the organizations that help babies and new mothers and noted the importance of early investments. Ms. Capestany said the levy provides funding for services for pregnant women and young mothers, including mental health services.

Councilmember Zahn thanked Ms. Capestany for the presentation and commended the wide range of targeted and proactive services and programs funded by the levy. Ms. Zahn asked about mental health services for the parents of students. Ms. Capestany said the funding primarily supports the youth. However, there are parent engagement and family connections activities. She concurred that mental health issues related to the pandemic will continue to emerge.

Responding to Ms. Zahn, Ms. Capestany noted efforts to facilitate the availability of child care services with a sensitivity to cultural and language differences.

Ms. Zahn said that as a member of the King County Board of Health, she has learned that one of the best preventions for youth violence is more community centers, programs and other facilities with extracurricular activities.

Mayor Robinson observed that all investments in children have a positive impact on the entire community.

- Deputy Mayor Nieuwenhuis moved to adopt Resolution No. 9966 supporting the King County Proposition No. 1 Regular Property Tax Levy for Children, Youth, Families and Communities. Councilmember Lee seconded the motion.
- The motion carried by a vote of 7-0.
- (b) Ordinance No. 6585 imposing an interim official control to amend sections 20.10.440, 20.25A.050, 20.25D.070, 20.25F.010, 20.25L.020, and 20.25P.050 of the Land Use Code (LUC) to allow permanent supportive housing and transitional housing in all land use districts where residential dwellings and/or hotels and motels are allowed, and to allow Homeless Services Uses in all land use districts where hotels and motels are allowed; amending the definition of Homeless Services Uses in LUC 20.20.455 for conformance and consistency with state law; providing for severability; and establishing an effective date.

Mayor Robinson said the next two ordinances for Council action result from new state laws regarding housing, emergency shelters, and residential occupancy.

City Manager Miyake said that newly adopted state legislation (HB 1220) requires cities to permit permanent supportive and transitional housing in all land use districts where residential dwellings and hotels are permitted and to permit emergency housing and emergency shelters in all land use districts where hotels are permitted. The law goes into effect on July 25 and the proposed Interim Official Control (IOC) ordinance is needed to conform with state law. The Council received a presentation regarding the IOC on June 28.

Mike Brennan, Director of the Development Services Department (DSD), said that if the Council adopts the ordinance tonight, a public hearing is required within 60 days. The public hearing for this ordinance has been tentatively scheduled for August 2. Mr. Brennan said staff is seeking Council direction regarding the IOC ordinance.

Matt McFarland, Assistant City Attorney, highlighted the provisions of HB 1220. He noted that, following the adoption of the IOC, permanent regulations will be developed with the Council through the Land Use Code Amendment (LUCA) process.

Caleb Miller, Senior Planner, DSD, said that permanent supportive housing includes services intended to keep tenants permanently housed. Transitional housing helps to move individuals into independent housing, typically over a two-year period. Emergency housing and shelters are intended to address the basic daily needs of residents who are experiencing homelessness.

Mr. Miller highlighted the components of the IOC. Footnotes will be added to the land use tables regarding the permitting of permanent supportive and transitional housing where residential and hotel/motel uses are allowed and the permitting of emergency homeless services uses where hotel/motels are allowed, except for Neighborhood Mixed Use (NMU) and Office and Limited Business-Open Space (OLB-OS) districts. The definition of homeless services uses has been

updated in Land Use Code section 20.20.455(C) for consistency with state law. Mr. Miller noted that emergency housing and shelters are included in the definition.

Mr. Miller said the IOC may be renewed after six months for another six months, and a public hearing would be required.

Responding to Councilmember Lee, Mr. McFarland said the State has essentially preempted the local regulation of the four uses as reflected in HB 1220. Mr. McFarland said that if the City chose to not comply with the new state law, the code could be subject to a legal challenge.

Councilmember Robertson spoke in favor of complying with state law and maintaining eligibility for grants, and expressed support for the IOC. Responding to Ms. Robertson, Mr. McFarland said there is nothing in the IOC that goes beyond state law. However, as the Council develops permanent regulations, the land use process could generate a distinct regulatory scheme for supportive housing and transitional housing.

Ms. Robertson asked whether there are any areas where hotels are allowed but none exist, and whether the City would want to consider changing the zoning in those areas. She would like staff to study that issue as the Council and staff develop the permanent regulations.

Deputy Mayor Nieuwenhuis spoke in favor of moving forward with the IOC, which complies with the minimum state law requirements. He asked what the City can do to maintain some measure of control and to establish Bellevue-specific regulations.

Councilmember Stokes said there is a purpose behind the state legislation, which he believes can help the City support transitional housing and shelters and to move forward with implementing affordable housing strategies and policies. He suggested a positive perspective rather than focusing on the fact that there is a state mandate. He noted that he prefers to comply with state law.

Mayor Robinson said she sees the value of having the opportunity to create these resources. She said a number of populations are currently not being served in Bellevue including young adults, families, and people with pets. She noted the need for more shelter capacity and access to supportive services. She would like the Planning Commission to address the need for services in its policy review. Mayor Robinson said she would like the City to do what it can to guarantee that the facilities provide the services needed to actually help people.

Councilmember Lee encouraged further study and discussion, as well as public input, before adopting the ordinance.

Responding to Mayor Robinson, Mr. Brennan said the next step would be a public hearing on the IOC. Council can use that input and tonight's discussion to provide direction to the Planning Commission for review. There will be opportunities for public comment before the commission, including a public hearing before the matter goes back to the Council.



In further response to Mayor Robinson, Mr. Brennan encouraged Councilmembers to contact him and other staff with additional questions and input.

- Deputy Mayor Nieuwenhuis moved to adopt Ordinance No. 6585, and Councilmember Stokes seconded the motion.
- The motion carried by a vote of 6-1, with Councilmember Lee dissenting.
- (c) Ordinance No. 6586 imposing an interim official control to amend sections 20.20.120, 20.20.700, and 20.50.020 of the Land Use Code (LUC) to remove limitations on the number of unrelated persons that may occupy a dwelling unit, and amend LUC 20.50.044 and LUC 20.50.046 for clarification and consistency; providing for severability; and establishing an effective date.

City Manager Miyake said that Ordinance No. 6586 removes the residential occupancy limits from the Land Use Code pursuant to SB 5235 that was signed into law in May and goes into effect on July 25. The IOC is needed to conform with state law while the City develops permanent regulations. Mr. Miyake said the Council was previously briefed on this topic on June 28.

Mr. Brennan said the required public hearing is tentatively scheduled for August 2, pending Council action on the ordinance tonight. As with the previous IOC, the Planning Commission will study the issue and make recommendations for permanent regulations.

Trisna Tanus, Consulting Attorney, said SB 5235 prohibits cities from regulating the number of unrelated occupants in a dwelling. Land Use Code section 20.50.020 currently defines “family” as an unlimited number of related people, with a maximum of four unrelated adults.

Caleb Miller, Senior Planner, noted that, under the current Land Use Code, a maximum of four unrelated adults may occupy an accessory dwelling unit (ADU) and rooming houses are allowed a maximum of five tenants at any one time. The IOC amends the definition of “family” to be consistent with state law, amends the definition of “single housekeeping unit” to remove the requirement for a single lease, and removes the limits applied to ADUs and rooming houses.

Mr. Miller said a public hearing is required within 60 days of the adoption of the IOC. The IOC is in effect for six months and may be extended for an additional six months. Permanent regulations will be developed through the LUCA process with the Planning Commission and the Council. Mr. Miller said staff recommends the adoption of Ordinance No. 6586.

Mayor Robinson said the IOC will ensure that the City complies with state law. She said there will be numerous opportunities for public comment as the Council, Planning Commission and staff develop permanent regulations.

Councilmember Lee said he understands that there will be a public process. However, he expressed concern about adopting the IOC ordinance before the public hearing in August. He

said he objects to the state mandate. He expressed concern that the previous vote undermines the City's authority.

Mayor Robinson stated her understanding of Mr. Lee's comments. Ms. Robinson acknowledged that there was a reason the Council adopted its own policies in the past with the City's desired limitations. However, the freedom to impose certain requirements is being removed by the state mandate. Ms. Robinson suggested that there might be a way to protect the neighborhoods in an approach that would be supported by residents. She said the Planning Commission, Council and staff will have the opportunity to explore possible exceptions or caveats to state law as the City develops the permanent regulations. Mayor Robinson said that approving the ordinance allows the Council to move to the next steps of holding the public hearing and sending the matter to the Planning Commission.

Councilmember Lee said he is concerned about how the Council approaches this and potentially puts itself at a disadvantage.

Responding to Councilmember Robertson, Mr. Brennan confirmed that there are occupancy limits for commercial buildings based on the building and fire codes. He said that level of specificity does not exist for single-family residential areas. However, occupancy levels may be reviewed if overcrowding causes public health or safety concerns. Ms. Robertson asked whether the City could amend the Fire Code to limit residential occupancy limits. Mr. Brennan said that would involve amending the State Building Code, which requires a state process. Ms. Robertson said she would be interested in exploring that issue in the future.

→ Deputy Mayor Nieuwenhuis moved to adopt Ordinance No. 6586, and Councilmember Robertson seconded the motion.

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

13. Unfinished Business: None.

14. New Business: None.

15. Executive Session: None.

16. Adjournment

At 9:44 p.m., Mayor Robinson declared the meeting adjourned.

Charmaine Arredondo, CMC  
City Clerk

/kaw