

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Regular Meeting

April 24, 2023
6:00 p.m.

Council Chambers
Bellevue, Washington

PRESENT: Mayor Robinson¹ and Councilmembers Barksdale, Lee, Robertson, Stokes and Zahn

ABSENT: Deputy Mayor Nieuwenhuis

1. Call to Order

The meeting was called to order at 6:02 p.m., with Councilmember Stokes presiding. He requested a motion approving the remote participation of Mayor Robinson.

→ Councilmember Lee moved to allow Mayor Robinson to participate remotely during tonight's meeting. Councilmember Robertson seconded the motion.

→ The motion carried by a vote of 5-0.

Councilmember Stokes noted that Mayor Robinson would not preside over the meeting because she is participating remotely.

→ Councilmember Robertson moved to appoint Councilmember Stokes to serve as temporary presiding officer for tonight's meeting. Councilmember Zahn seconded the motion.

→ The motion carried by a vote of 6-0.

2. Roll Call; Flag Salute

City Clerk Charmaine Arredondo called the roll and all Councilmembers except Deputy Mayor Nieuwenhuis were present. Councilmember Robertson led the flag salute.

- (a) National Week of Action for Missing and Murdered Indigenous Women and Girls Proclamation

¹ Mayor Robinson participated remotely.

Mayor Robinson read the proclamation recognizing May 1-7, 2023, as the National Week of Action for Missing and Murdered Indigenous Women and Girls in Bellevue. Noting the disproportionate rates of violence against this population, Ms. Robinson encouraged everyone to participate in events, explore available resources, and to organize awareness activities in their communities.

Cecile Hansen, Chair of the Duwamish Tribal Council, thanked Councilmembers for the proclamation and for their support.

(b) Mike Brennan Commendation

Councilmember Stokes said the Council would miss Mike Brennan, who has worked for the City for 36 years, including 15 years as the Director of the Development Services Department (DSD).

Councilmember Lee read the commendation honoring Mr. Brennan's principled leadership, wisdom and excellence throughout his employment with the City. Mr. Brennan guided a number of significant projects including the Downtown Livability Initiative, East Link planning, Energize Eastside planning and the BelRed Subarea Plan/Rezone.

Councilmember Robertson said Mr. Brennan epitomizes the excellence of services provided by the City. Ms. Robertson noted that Mr. Brennan served twice as Deputy City Manager and has provided ongoing, critical leadership within the City organization. Ms. Robertson said she appreciated Mr. Brennan for being kind, professional, unflappable and knowledgeable. She thanked him for making Bellevue better and wished him a good retirement.

Councilmember Zahn observed that Mr. Brennan leads every day with integrity and leads by example. She said she is confident that the department will continue to be in good hands with his legacy. Ms. Zahn thanked him for his enduring contributions to the City and wished him well.

Councilmember Lee recalled that he had many conversations with Mr. Brennan throughout his career. Mr. Lee commended Mr. Brennan's effectiveness in managing through development cycles, implementing online permitting, and continuing to improve customer service.

Mayor Robinson said she has appreciated working with Mr. Brennan for many years as a partner, resource and trusted staff member. She commended his leadership in implementing online permitting, which became especially critical during the pandemic. Ms. Robinson wished Mr. Brennan a happy retirement and thanked him for all of his contributions.

Councilmember Barksdale thanked Mr. Brennan for his responsiveness and interest in other opinions and ideas. Mr. Barksdale said he has always appreciated how approachable, engaging and knowledgeable Mr. Brennan has been with the Council.

Councilmember Stokes praised Mr. Brennan for being innovative, inclusive, a dedicated public servant and a great all-around guy. Mr. Stokes wished Mr. Brennan well and said it has been a pleasure working with him.

City Manager Brad Miyake said Mr. Brennan understands the value of meaningful relationships and, as a result, is widely respected within and outside of this organization. Mr. Miyake said Mr. Brennan is known as a man with high ethical standards and professionalism. Mr. Miyake praised Mr. Brennan's strategic thinking skills and leadership of major initiatives. Mr. Miyake said Mr. Brennan has been a great colleague and adviser.

Mr. Brennan thanked everyone for their comments. He said it has been amazing to be part of the evolution of the community over 36 years and to be able to work with so many great people. He thanked his family for their support throughout his career. He thanked the Council for placing their trust in him. He thanked the community for their engagement and interest in planning and projects. He thanked DSD staff for their integrity and dedication and acknowledged the difficult and ever-changing environment of development services operations. Mr. Brennan thanked the City Manager's Office and the Leadership Team for their collaboration and leadership. He thanked Mr. Miyake for his guidance and friendship.

3. Approval of Agenda

→ Councilmember Robertson moved to approve the agenda, and Councilmember Zahn seconded the motion.

→ The motion carried by a vote of 6-0.

4. Oral Communications

City Clerk Arredondo reminded the public that election-related topics may not be discussed during oral communications, including promoting or opposing a ballot measure or candidate.

(a) Barbara Braun noted her interest in many of the City's activities including the Comprehensive Plan update, housing plans, tree codes and Wilburton area planning. She expressed concern that there is an insufficient focus on the content needed to achieve sustainable goals for reducing greenhouse gas emissions. She suggested the Council require that all planning documents explicitly outline how greenhouse gas emissions will be reduced by 50 percent by 2030 in our buildings and transportation facilities. She said all new construction should comply with the Sustainable Bellevue vision and goals. Ms. Braun spoke in favor of stricter tree codes and a special zoning district for parklands, forest and open space.

(b) Nicole Myers spoke in favor of the proposed micro-housing code amendments. She expressed concern regarding potential parking impacts in Residential Parking Zone (RPZ) 9. She said there is one parcel zoned as office space that could also have micro-apartments that would be eligible for RPZ permits. She asked the City to consider revising the RPZ program to reflect the increasing density expected in neighborhoods. She previously lived in an area of Seattle where it was very difficult to finding parking despite the RPZ program. She suggested that RPZ permits be issued in proportion to the amount of curb space in front of a property.

- (c) Dana Kendrick commented regarding the historic Swanson property near the Newcastle Golf Club. She said the property serves as a major connection and wildlife corridor between two large urban greenspaces. She said her generation is losing hope that governments will do what is right to preserve the natural environment. She urged the Council to acquire and preserve the property.
- (d) Joe Kunzler thanked the Council for the recent autism awareness proclamation. He said he wanted to add his voice to others who object to Alex Zimmerman's continued mistreatment of the Council. Mr. Kunzler said he stands with the Council. He expressed support for light rail, which he would like to see open by the end of this year.
- (e) Suhani Agarwal said she and her family have been dismayed by the indiscriminate felling of trees. She encouraged the City to strengthen its tree codes, especially related to more mature trees. She commented on the impact of tree removals to the overall health of the environment. She thanked the Council for listening to the community.
- (f) Shams Pirbhai said he has lived in Bellevue for 40 years and has owned a small business in Bellevue for the past 13 years. However, he is being forced to move due to redevelopment. When he went to lease a new space, the landlord said the certificate of occupancy showed that the location was zoned for commercial use. Mr. Pirbhai said that when he applied for a tenant improvement permit, he was given a bill totaling \$127,000 for traffic impact fees. He said his total budget for improvements is \$200,000. He asked the City to bill the property owner instead of himself as a tenant. He said the landlord apparently already paid the impact fee. He referenced permit number 22-119044 and asked for help from the Council.

Responding to Mayor Robinson, City Manager Miyake said staff would look into the issue and provide an update.

- (g) Chuck Doland expressed concern regarding the cost and lack of availability of housing. He noted his involvement since the 1970s in a number of civic projects, including the Downtown Park. He served several terms as the president of the West Bellevue Community Club and participated in subarea planning. He opined that allowing development without parking facilities is short sighted, and he noted the need for ground-level accommodations for disabled individuals. He expressed concern regarding spillover parking into the neighborhoods around the downtown. He said the RPZ program is not well understood and is not enforced. He said it should be financed by developers and businesses.
- (h) B.J. Molac expressed concern regarding the situation at a house on SE 44th Way. He said the house was rented approximately a month ago and there are camper trailers and cars parked along the street and on the lawn. One camper is parked blocking the walkway up the hill. Mr. Molac said there have been numerous contacts with Code Compliance staff and there are numerous violations. He said the City code makes it almost impossible to enforce the regulations. He expressed concern about public safety. He stated his

understanding that the property owner has been contacted. Mr. Molac said he did not understand why the City is not enforcing the parking issues.

Diane Carlson, Deputy City Manager, confirmed that the City has received many comments from neighbors in the area. She said both staff and the Bellevue Police Department are actively involved and they are doing their best to expedite the hearing process. She said they have been in contact with the property owner.

- (i) Clifford Cawthon, Advocacy and Policy Manager, Habitat for Humanity Seattle, King County and Kittitas County, said they have been working with the strategy team for the implementation of the affordable housing plan and following staff's efforts on the Comprehensive Plan periodic update. He commended staff for their work with the community. He encouraged the City to continue to look for opportunities to leverage increased density for affordable housing. He asked the City to support affordability tools that will allow Habitat for Humanity to build more affordable housing.
- (j) Sally Lawrence, representing Save Coal Creek, said the appeal hearing was completed earlier in the day. The appeal was in response to the City's determination that an Environmental Impact Statement (EIS) review is not required for the proposed Isola development on Lakemont Boulevard. She said the City's report indicates that there are mitigation measures to address the environmental impacts of the development. She said the appeal is based on the group's objection to that determination and its long-term consequences. Ms. Lawrence said the Hearing Examiner report is anticipated to be released in mid-June. She said the proposed housing development will interrupt an existing wildlife corridor, degrade the peace and quiet of the Coal Creek trail, and pave over the small amount of coal mining history left in South Bellevue. She said Save Coal Creek has been working to raise awareness about the proposed project and has received more than 5,500 signatures on their online petition opposing the housing development. She said 42 percent of the signatures represent Bellevue residents and 58 percent are from surrounding communities. She asked the City to work with King County to purchase the property.
- (k) Alex Zimmerman said the Bellevue City Council is the only local government that limits the total time for oral communications during its meetings. He said he has lived in Bellevue for more than 35 years. He said Bellevue is the first city in America in which White people are the minority. He expressed concern about immigrants who do not have knowledge of American history.

5. Reports of Community Councils, Boards, and Commissions

(a) Recommendation for Appointment to Transportation Commission

Councilmember Zahn recommended the appointment of Drew Magill to the Transportation Commission to serve a partial term expiring on May 31, 2024. Ms. Zahn noted Mr. Magill's experience in economic development, finance, business, engineering and human services. He has lived in Europe in areas with good multimodal transportation systems. Ms. Zahn said Mr.

Magill's skills will complement the experience of the current members of the Transportation Commission.

→ Councilmember Zahn moved to appoint Drew Magill to the Transportation Commission to serve a partial term expiring on May 31, 2024. Councilmember Lee seconded the motion.

→ The motion carried by a vote of 6-0.

6. Report of the City Manager: None.

7. Council Business and New Initiatives: None.

8. Consent Calendar

Councilmember Robertson recused herself from voting on the Consent Calendar citing Resolution No. 10249 and left the room. While she does not believe she has a conflict, she noted that her law firm represents the King County Flood Control Zone District.

→ Councilmember Zahn moved to approve the Consent Calendar, and Councilmember Lee seconded the motion.

→ The motion to approve the Consent Calendar carried by a vote of 5-0, and the following items were approved:

- (a) Council Minutes
Minutes of March 17, 2023 Special Meeting
Minutes of April 3, 2023 Regular Meeting
- (b) Resolution No. 10248 authorizing an agreement with Terra Dynamics, Inc. for construction of a new neighborhood park in Bridle Trails as the lowest responsive bidder in the amount of \$2,100,000, plus all applicable taxes.
- (c) Resolution No. 10249 authorizing execution of an interlocal agreement with the King County Flood Control Zone District (Flood District) to accept up to \$6,814,000 of grant funding for the reimbursement of project costs associated with the City of Bellevue's Factoria Boulevard Storm Conveyance Improvement Project.

Councilmember Robertson returned to her seat on the dais.

9. Public Hearings: None.

10. Study Session Items

- (a) Recommended Land Use Code Amendment (LUCA) to Remove Barriers to Micro-Apartments.

City Manager Brad Miyake recalled that the Council directed the Planning Commission and staff to work on regulations for micro-apartments as part of the Next Right Work related to the affordable housing work plan. The topic was last before the Council in October 2022 and went before the Planning Commission in March 2023.

Liz Stead, Interim Co-Director, Development Services Department (DSD), said staff is seeking direction to prepare the micro-apartments LUCA ordinance for final Council action at a future meeting.

Mathieu Menard, Senior Planner, said micro-apartments are currently allowed under the Land Use Code but have not been developed. Removing barriers to micro-apartments is consistent with Affordable Housing Strategy B, which calls for creating a variety of housing types, including lower priced options near jobs, transit, shopping and services. Mr. Menard said the action responds to the 2022 Housing Needs Assessment, which identified the need for housing at 50 percent to 80 percent of the area median income (AMI).

On October 10, 2022, the Council provided direction regarding topics for review by the Planning Commission. The commission explored options for shared kitchens and/or bathrooms, or congregate style housing. However, the commission recommended requiring that a bathroom and kitchen be included for each housing unit. Mr. Menard said there was discussion about setting a minimum unit size. The current code sets the minimum unit size of 190 square feet. However, the commission did not feel that was sufficient to promote both livability and safety. Mr. Menard said parking impacts are expected to be minimal. He recalled an interest in considerations for accessibility. The current code requires buildings with more than four units to be accessible to those with some mobility challenges or vision impairments but who are not in a wheelchair. Under the building code, a certain percentage of housing units must be accessible to individuals in wheelchairs.

Mr. Menard recalled that staff proposed applying the ordinance to micro-apartments in all mixed use areas and/or in areas with frequent transit service. He said many of the micro units in Seattle have been sold to affordable housing providers. He said Bellevue's multifamily tax exemption (MFTE) program requires deeper affordability (45 percent AMI) for units smaller than 300 square feet while units larger than 300 square feet are priced at approximately 80 percent AMI.

The LUCA will create a definition of micro-apartments to establish a maximum size of 320 square feet for the units to differentiate them from standard studio apartments. A kitchen and bathroom will be required in each housing unit. Micro-apartments are targeted in mixed use areas within one-half mile of transit with service four or more times per hour or within one-quarter mile of transit with service two or more times per hour. Mr. Menard said that guideline was recommended by the Planning Commission. He said two commissioners preferred allowing micro-apartments in all mixed-use areas.

Mr. Menard said stakeholder input indicated that developers need flexibility and the ability to maximize building envelopes to achieve as many housing units as possible on a parcel. Mechanisms to remove barriers to creating housing include reducing the minimum parking requirement (one parking space per four units), increasing bike parking requirements, allowing greater density in mixed use districts that are currently limited by dwelling units per acre instead of by floor area ratio, and exempting the developments from the multifamily requirement for a play area.

Mr. Menard said the public engagement effort followed Process IV requirements for legal noticing and holding a public hearing. Direct engagement included individual conversations with developers, architects and property managers. A virtual community information session was held on January 19 and additional online information includes the City's web site and the January neighborhood newsletter.

Mohammad Malakoutian, representing the Planning Commission, thanked staff for their work on the LUCA. He thanked the public for providing input during the January 25 study session and the March 8 public hearing. He said the commission's discussion included the topics of affordability, integrating micro-apartments into developments with other apartment sizes, and the potential impacts of the parking requirements. Mr. Malakoutian said the commission heard public support for the LUCA as well as concerns about accessibility and location. He said the commission supports the proposed LUCA, modified to restrict micro-apartments to mixed use areas served by frequent transit.

Mr. Menard requested direction to staff to bring the LUCA ordinance back for final action at a future meeting.

Councilmember Stokes said it is good to see this initiative moving forward.

Councilmember Barksdale thanked the Planning Commission and staff for their work and expressed support for micro-apartments. He asked whether there are any requirements for providing open space for residents to gather.

Mr. Menard said the commission discussed the idea of requiring open space or shared space. Based on input from the community, staff determined that such a requirement could be a barrier to the development of micro-apartments. The commission emphasized the importance for the City to provide adequate open space for public use as density increases. However, they did not make any specific recommendations on that issue.

Councilmember Barksdale expressed support for prioritizing the development of park space near more intense residential development.

Mayor Robinson said she first raised this issue in 2014. She thanked the Council, Planning Commission and staff for moving this initiative forward in a very thoughtful way. While micro-apartments are not for everyone, there is a need for this type of housing. Ms. Robinson said she would like to explore ways to make some of the housing units more affordable by layering with

the MFTE program or a voucher program. She said that micro-apartments in Bellevue will not be affordable to minimum wage workers. To accommodate and encourage bicyclists, Mayor Robinson suggested large hooks on apartment doors for hanging bikes. She noted that the units will typically have convenient access to pedestrian and bike facilities. She expressed support for the recommended LUCA.

Responding to Councilmember Lee, Mr. Menard said the micro-apartments will range from 190 square feet to 320 square feet. Last year in Seattle, the average rent for a micro-apartment (small efficiency dwelling unit) was \$1,331, which is just under the 60 percent AMI level for King County. He said there will also be units below market rates. Mr. Menard said the units tend to serve young workers, individuals in transition, and households earning 30 percent AMI. He noted that Bellevue College students might be interested in micro-apartments as well.

Mr. Lee asked whether staff met with individual property owners of smaller units. Mr. Menard said staff spoke with several development entities and toured micro units in Seattle. He said most of the micro-apartments will be built by small developers and most of the projects will be financed by local banks.

Responding to Councilmember Lee regarding concerns about spillover parking into neighborhoods, Mr. Menard said the LUCA tries to balance parking needs with affordability. He said the City used King County's multifamily development parking calculator in its analysis. The formula indicated that there could likely be a slightly higher need for parking than what the LUCA requires. However, Mr. Menard said spillover parking is not expected to be a problem.

Councilmember Lee encouraged the City to consider providing outdoor amenities and public spaces for micro-apartment developments.

Councilmember Zahn expressed support for the proposed LUCA. She would like to consider expanding the geographic scope of the LUCA in the future. She concurred with Councilmember Lee's suggestion about public spaces. She wondered whether it would be possible to include a provision that if there are no public open spaces nearby, the development would need to provide a certain amount of open or public space. Ms. Zahn asked about opportunities to provide shared bicycles and cars at micro-apartments.

Ms. Zahn recalled that the HB 1590 tax revenues can be used to support housing for households earning 0-60 percent AMI. She asked whether those funds could be used to provide a subsidy for micro units. She asked whether ownership micro-apartments would be available.

Mr. Menard said micro-apartments are currently allowed. However, the proposed LUCA is intended to remove barriers and encourage micro-apartment development. He said there has not been any discussion about a second phase. However, the Council may choose to expand the scope. Mr. Menard said that introducing public space/open space requirements might not be feasible. In further response to Ms. Zahn, Mr. Menard said bicycle storage is required to be weatherproof and secure, and is typically inside new buildings. Mr. Menard concurred with Councilmember Zahn's suggestion for shared bikes and cars at micro-apartments. He noted, however, that it is not the type of issue that is typically dictated in the Land Use Code.

Responding to Councilmember Zahn, Mr. Menard said he believed that HB 1590 revenues could be used for subsidies or vouchers. However, he said staff could follow up with more information.

In further response to Ms. Zahn, Ms. Stead said staff anticipates that micro-apartments will be developed as new developments versus building conversions. However, there is one project with a recent request to convert to micro units.

Mr. Menard said there is nothing that would preclude the units from being condos or coops. However, the micro-apartments he researched were all rental units.

Councilmember Robertson, liaison to the Planning Commission, said she attended the public hearing and the commission had a robust discussion about many of the same issues being raised tonight.

Responding to Ms. Robertson, Mr. Malakoutian said that commissioners were interested in open spaces and play areas. However, he acknowledged that they felt somewhat constrained by the targeted direction provided by the Council.

Councilmember Robertson said she would comment on three topics already mentioned: open space, parking and affordability. She suggested building in some type of requirement for open space. She expressed support for Councilmember Zahn's suggested approach to require open space or public space within the development if there is no open space within a certain distance.

Ms. Robertson said it is possible that certain micro-apartments will have no parking. She concurred with Ms. Myers who spoke earlier during oral communications about how RPZs would be affected by micro-apartments. Ms. Robertson said the code does not allow the City to require more parking in a situation where there is no on-street parking.

Councilmember Robertson noted that MFTE units are targeted for 45 percent AMI households, and the micro-apartments will serve households earning 60-80 percent AMI without subsidy. She said the MFTE program limits the unit size to 300 square feet. She suggested amending the MFTE program to increase the maximum unit size to 320 square feet to be consistent with the micro-apartment LUCA.

Councilmember Robertson said she wants the opportunity in the future for further discussion before taking action on the LUCA ordinance. She said she was interested in seeing amendments related to open space and parking, as well as an amendment to the MFTE program to change the maximum unit size to 320 square feet.

Ms. Stead said staff will explore the impacts related to potential open space requirements. However, she said requiring open space and parking makes it more challenging to provide affordable housing.

Ms. Robertson noted that the MFTE program is in the Bellevue City Code and the Council may amend it relatively easily.

Mayor Robinson said she is eager to move forward with the LUCA ordinance. She concurred with the suggestions from her colleagues. However, she said she did not want to delay the process. She noted her ongoing interest in reaching deeper affordability levels in housing. She suggested moving forward and reviewing the program in one or two years.

Councilmember Stokes encouraged moving forward as quickly as possible.

Ms. Stead stated her understanding of the Council's requests. She noted requests to look at potential options for an open space requirement, parking and proximity to RPZs and on-street parking and revising the MFTE program to increase the maximum unit size to 320 square feet.

Councilmember Zahn commented on the importance of open space. Responding to Ms. Zahn, Ms. Stead said staff would follow up with more analysis of the maximum unit size issue. She said staff will research what was considered when the maximum unit size was set at 300 square feet.

Councilmember Lee said he appreciated the thoughtful discussion. He expressed concern that open space requirements could discourage micro-apartment development and he suggested that the City provide open space.

Mr. Menard said developers report that any time you are taking a portion of the lot in the buildable area away from the developer, it makes the housing units less feasible. He said that adding even one parking space can make the buildout and the development much more complicated due to additional requirements.

Responding to Councilmember Lee, Mr. Menard said the micro-apartment buildings staff toured in Seattle were 4-7 stories tall and had 50-80 units.

Mayor Robinson expressed an interest in reviewing the MFTE program and its applicability to micro-apartments.

Responding to Mayor Robinson, Mr. Malakoutian said the Planning Commission discussed the parking and open space issues at some length. He said the commission ultimately recommended one parking space per four housing units to balance the need for parking with the significant cost of parking facilities.

Mayor Robinson said she would like to move this forward as soon as possible, and she is willing to consider revisions to the MFTE program in the near future as well.

Councilmember Robertson noted that affordable housing is defined as units for households earning 80 percent AMI or below. She observed that, as written, the proposed LUCA requires no parking because a market-rate micro-unit serves 60-80 percent AMI. If affordable housing is defined as 80 percent AMI, the Council would be approving something with zero parking, which she is reluctant to support. She suggested that micro-units should serve 45 percent AMI households to be consistent with the MFTE program.

Councilmember Stokes reiterated his support and encouraged moving forward as quickly as possible. Ms. Stead said the staff work that would take the most time would be outreach regarding the impact of open space and/or parking requirements on developers.

Mr. Menard said that past input from developers indicates that one required parking space is too many. He said staff will contact developers for further engagement regarding parking and open space requirements.

Mayor Robinson said the parking requirement is low because it applies to housing near frequent transit service. While that would not be feasible in all areas of Bellevue, it is an intentional approach to remove barriers to affordable housing. She expressed support for the proposed revisions to the MFTE program.

Councilmember Robertson reiterated her suggestion to match the LUCA with the MFTE program. She expressed concern that the reduced parking requirement for 80 percent AMI micro-apartments is not consistent with the 45 percent AMI level used in the MFTE program.

- Councilmember Robertson moved to direct staff to bring back the micro-apartments LUCA ordinance, with information to ensure that the affordability level and parking standards are consistent with the MFTE program, and to bring back more information and potential amendments regarding open space, as discussed tonight. Councilmember Lee seconded the motion.
- The motion carried by a vote of 6-0.

At 8:18 p.m., Councilmember Stokes declared a short break. The meeting resumed at 8:30 p.m.

(b) Affordable Housing Strategy Implementation Update

City Manager Miyake introduced staff's periodic update regarding the implementation of the Affordable Housing Strategy.

Emil King, Assistant Director, Community Development Department, noted that this is an informational briefing and no action is requested.

Linda Abe, Affordable Housing Planning Manager, recalled that when the Affordable Housing Strategy was adopted in 2017, the target was to create 2,500 affordable units/beds over a 10-year period. She said 2,185 new or preserved affordable housing units have been provided to date and 787 new units are in the development pipeline.

Ms. Abe provided an update on the Housing Stability Program. In 2022, the City released two requests for proposal (RFPs): 1) affordable and supportive housing capital, operations and maintenance funding, and 2) behavioral health and housing-related services. For behavioral health and housing-related services, the Council awarded \$1.55 million to 16 applicants. Ms.

Abe said the capital, operations and maintenance applications have been reviewed and staff's recommendations will be discussed with the Council on May 8.

James Chow, Senior Planner, said the Comprehensive Plan periodic update is underway and the Draft Environmental Impact Statement (DEIS) is set to be released by the end of April. The EIS studies growth centers and introduces strategies to increase housing capacity and choices. There is also a discussion of homelessness and human services and about exploring various housing approaches across the community.

Mr. Chow said staff is analyzing, in the Comprehensive Plan DEIS review, additional housing capacity beyond the growth target of 35,000 new units by 2044. He said the City's 2022 Housing Needs Assessment and the State/County housing allocations to cities will provide both a local and regional approach to determining housing needs. He noted that the state legislative session just ended and there could be new laws that will impact the City's growth strategy and approaches to affordability.

Mr. Chow said the implementation of Action C-1, Phase 2, adds affordable housing capacity on qualifying faith-owned properties, beyond the 50 percent bonus provided in Phase 1. The Planning Commission has completed its review and recommendation regarding Phase 2 for the Council's consideration. Mr. Chow said faith-based property owners are taking steps to develop affordable housing.

Mr. Chow provided an update on the MFTE program, which provides a 12-year tax exemption in exchange for lower affordability for 20 percent of the units. Two new applications were received since the last update in October 2022, which brings the total number of MFTE affordable housing units in the pipeline to 275 units.

Councilmember Robertson said she is pleased to see that the number of affordable housing units added or preserved have already exceeded the 10-year target. She suggested encouraging multifamily developers to apply for grants using HB 1590 funds to buy down deeper affordability. She said the cost of construction is lower per square foot for private developers than for nonprofit or government entities.

Ms. Robertson noted that HB 1110 regarding single-family zoning, HB 1337 regarding accessory dwelling units (ADUs), and HB 1042 related to existing building retrofits were all approved by the state legislature and are expected to be signed by the governor. She asked how the new laws will be incorporated into the Comprehensive Plan periodic update.

Mr. King said staff will review the final form of the bills to determine how they relate to the existing code and to comprehensive planning. He said staff will look for existing elements that are consistent with HB 1110, including the City's efforts related to missing middle housing. He noted that HB 1110 includes flexibility that Bellevue might want to consider.

Councilmember Zahn said she appreciated the work of the Housing Stability Program. She suggested exploring the potential uses of HB 1590 revenues as soon as possible.

Councilmember Zahn suggested that shelter beds not be counted as affordable housing because they are emergency beds and not housing units. She observed that there are no housing units in the development pipeline serving households earning 0-30 percent AMI.

Mr. King said that when the Council sets its new housing targets this fall, shelter beds can be separated from other housing units for tracking purposes.

Responding to Ms. Zahn, Mr. King said Mary's Place is on NE 12th Street in the old Silver Cloud Inn. Mr. King said the City emphasizes the need for 0-30 percent AMI housing in its RFPs. He said HB 1590 funding can be used for projects providing housing for households earning up to 60 percent AMI.

Mayor Robinson thanked staff for the update. She said there has been a lot of hard work to achieve the housing target, and it helped to have a number of preservation units already in Bellevue. Ms. Robinson opined that preservation units should continue to be counted toward the housing target because older apartments in Bellevue would inevitably be redeveloped into more expensive housing.

Councilmember Lee said that affordable housing means different things to different people. He said the housing targets should be able to meet the demand. He said information should be provided to the public to increase understanding and foster support for housing solutions for different populations (e.g., senior adults, young professionals). He looks forward to setting new targets this fall.

Responding to Mr. Lee, Mr. King said staff is looking at both the State/County housing allocations to cities and the City's 2022 Housing Needs Assessment in developing the next targets. He said staff will evaluate the performance of individual tools and consult with the Council about any other tools they would like to add.

Councilmember Barksdale spoke in favor of setting housing targets by AMI level.

Councilmember Stokes commended the thoughtful and aggressive program recommended by staff. He suggested the Council needs to come to some agreement about how to assist the homeless. He said, for example, there is a difference between a renter who becomes homeless when the landlord decides to sell the property and individuals who are currently unhoused. He thinks the two categories should be acknowledged and addressed individually. He recalled that the City's partnership with others was able to preserve the Highland Village apartments. He expressed concern that housing efforts are missing people who are living outside and are in critical need of help. He suggested that housing targets should be based on demand. He said the City should focus first on housing those who are unhoused.

Mr. King said staff would follow up with more information. Mr. Stokes said he would like to know the actual number of people who are experiencing homelessness and to focus on helping them.

Councilmember Zahn asked for an update regarding the lease for Mary's Place. Ms. Abe said she believed the lease was renewed. She said she would follow up to confirm the status.

(c) Comprehensive Plan Periodic Update and Wilburton Vision Implementation

Mr. Miyake introduced discussion regarding the Comprehensive Plan 2044 Periodic Update and the Wilburton Vision implementation initiative.

Mr. King said the Comprehensive Plan update is a fairly complicated process and a true One City effort of staff and consultants across a number of departments. He said tonight's briefing is informational. He said the Draft Environmental Impact Statement (DEIS) will be released in the next couple of weeks.

Mr. King highlighted the timeline depicting the milestones for both the Wilburton Vision implementation and the Comprehensive Plan Periodic Update. In 2022, staff focused on engaging the community about the vision for the city and reaffirming the Wilburton Vision. The DEIS will have a 45-day comment period, ending in early June. He said staff will work with the Planning Commission to identify a recommended preferred alternative for Council consideration in July.

Thara Johnson, Comprehensive Planning Manager, recalled that staff developed growth concepts with the Council last July, which were used as the basis for the scoping of the EIS completed last September. She said the DEIS will be released this week. Staff plans to hold two community meetings and will work with the Planning Commission in May and June to prepare the recommendation to be submitted to the Council in July.

Ms. Johnson said the alternatives include no action and three action alternatives. Staff is using an approach called informed build-out, which means that the methodology within the DEIS includes an analysis of all potential development on redevelopable properties. She said staff is studying the impacts of land use changes within the three action alternatives.

Ms. Johnson highlighted the input from the community to date. There are recurring concerns about the amount and location of growth, need for housing at different affordability levels, removal of trees and the tree canopy, and transportation and traffic issues. Additional concerns include air quality and greenhouse gas emissions, changing market conditions, equity and inclusion, and state legislation.

Ms. Johnson recalled direction from the Council last July to move forward to analyze additional capacity alternatives through the EIS process. The DEIS provides opportunities related to market flexibility and legislative flexibility and provides the opportunity to study additional growth in the Wilburton and BelRed areas. She said the DEIS alternatives comply with the Countywide Planning Policies in Vision 2050 and address different housing types at different affordability levels.

Ms. Johnson presented maps comparing the three action alternatives in terms of the type and level of development (e.g., urban core, mixed use, frequent transit, neighborhood centers and

neighborhood residential). Alternative 1 expands the urban core slightly and adds mixed use centers. Alternative 2 adds neighborhood centers and frequent transit. For this alternative, staff is looking at adding capacity within neighborhood centers and in areas served by transit. Alternative 3 adds capacity around neighborhood centers.

Ms. Johnson said the three alternatives have different approaches to affordable housing. Alternative 1 assumes mandatory inclusionary affordable housing. Alternative 2 involves incentives and Alternative 3 includes mandatory inclusionary, voluntary, and incentive approaches.

Ms. Johnson presented a comparison of the number of housing units and jobs anticipated for each alternative. Alternative 3 has the highest capacity for jobs and housing. She said the Wilburton area is anticipated to accommodate 15-18 percent of the overall citywide housing capacity.

Janet Shull, Strategic Planning Manager, said the Wilburton work is being processed concurrently with the Comprehensive Plan update. She presented additional maps of the three alternatives, which stated the number of housing units and jobs to be generated under each land use code alternative. Building heights could go as high as 45 stories in certain areas. Ms. Shull presented maps depicting midrise, highrise 1 (up to 16 stories), highrise 2 (up to 25 stories) and highrise 3 (up to 45 stories) areas under the three alternatives.

Ms. Shull said Alternative 1 is the most closely aligned with the Citizen Advisory Committee (CAC) vision that was prepared in 2018. Alternative 2 was a response to Council direction to look for ways to accommodate additional affordable housing. Alternative 3 shows a different way to achieve roughly the same amount of potential housing capacity.

Ms. Shull said staff presented the Wilburton policy topics to the Planning Commission in March 2022 based on the Wilburton transit-oriented development (TOD) vision: land use, economic development, environment, housing, parks and open space, transportation, urban design, arts and culture and implementation. She said the Planning Commission will review draft policies under those topic areas in late May. Staff anticipates returning in November to present the Planning Commission's recommendation for Wilburton policies.

Key policy moves related to the development of the Wilburton area include: 1) integrating the Grand Connection, Eastrail and open spaces with future development, 2) innovations in environmental sustainability, 3) expanding housing diversity and affordability, 4) creating a walkable, bikeable and transit-rich environment, and 5) supporting unique economic opportunities.

Ms. Shull said the City received 100 responses to the Wilburton Vision survey on the Engaging Bellevue web site. Additional outreach involved walking tours, small business canvassing, presentations to community groups, and meetings with property owners.

Ms. Johnson said the City held three housing forums that attracted approximately 150 attendees. She said 11 presentations and focus group discussions were held and a statistically valid survey

of residents' attitudes toward growth and housing priorities was conducted. She said staff met with both staff and residents at Mary's Place. Ms. Johnson said she had a good conversation with the Bellevue School District's family connection staff. Staff also talked to Bellevue College students and held a focus group in the Spring District.

Ms. Johnson highlighted the survey results and encouraged everyone to access the survey results dashboard. Top development priorities identified in the survey were home ownership opportunities for different income levels, preserving and enhancing the tree canopy, and the ability to walk to a meeting place (e.g., coffee shop, library). Ms. Johnson said 67 percent of Bellevue residents support new housing development throughout the community and 54 percent of residents support new housing development in their neighborhood. She noted public support for aging in place, environmental sustainability, and community connections.

Councilmember Barksdale thanked staff for the presentation. He recalled past discussions about encouraging community connections through the implementation of the Wilburton Vision. He said this is an opportunity for a key policy move to create the area's identity.

Mr. Barksdale asked about the amenity incentive system for the Wilburton area. He encouraged reaching out to both residents and non-residents to address the issues and impacts related to planning.

Ms. Shull thanked Mr. Barksdale for highlighting the objective of facilitating community connections. She said staff will address the amenity incentive system when the process moves to the Land Use Code Amendment (LUCA) phase. She said staff is integrating the policy work with the LUCA work going forward.

Responding to Councilmember Barksdale, Ms. Shull confirmed that there is a great deal of interest and support by the City and the community for small family-owned businesses in the Wilburton area.

Councilmember Lee said the Wilburton area is an important connection between the east side of I-405, including the BelRed corridor and Spring District, and the downtown core. He said he is looking forward to completing the LUCA by the end of the year. He said the Wilburton area is easily accessible by car or transit. He encouraged a focus on sustainability, housing, diversity and transportation.

Councilmember Stokes said he liked staff's approach and he thanked them for their extensive community outreach.

Mayor Robinson said the Wilburton area provides an opportunity to create a truly walkable community with access to transit (i.e., light rail and bus).

Responding to Ms. Robinson, Ms. Johnson said the preferred alternative could be a hybrid one combining elements of the three alternatives.

Mayor Robinson asked whether planners still assume one office unit per employee, given the current surplus of office space. Mr. King acknowledged that working patterns have changed. He suggested thinking about the EIS as the environmental umbrella under which the Council can consider different hybrid approaches.

Councilmember Zahn thanked staff for their work and noted that she sat in on some of the discussions related to the community engagement process. She noted the robust transit services in the Wilburton area, especially after light rail opens. She expressed support for creating amenities. She encouraged inclusive economic opportunities.

Responding to Ms. Zahn, Ms. Johnson said they are working closely with the Diversity, Equity and Inclusion group to review policies, including through an equity lens.

Councilmember Robertson thanked staff for the presentation.

(d) Intergovernmental Affairs
[Written information only. No presentation.]

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

At 10:00 p.m., Councilmember Stokes declared the meeting adjourned.

Charmaine Arredondo, CMC
City Clerk

/kaw