

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Regular Meeting

May 22, 2023
6:00 p.m.

Council Chambers
Bellevue, Washington

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

ABSENT: None.

1. Call to Order

The meeting was called to order at 6:02 p.m., with Deputy Mayor Nieuwenhuis presiding. He noted that Mayor Robinson was participating remotely.

2. Roll Call; Flag Salute

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

(a) Mental Health Awareness Month Proclamation

Councilmember Zahn read the proclamation recognizing May 2023 as Mental Health Awareness Month in Bellevue. The month has been observed since 1949. She encouraged an increased understanding of mental illness and support for mental health care and services.

Girish Joshi, representing the National Alliance on Mental Illness Eastside (NAMI Eastside), thanked the Council for the proclamation and for their ongoing leadership in supporting mental health services for individuals and families. He noted upcoming events and encouraged everyone to look out for each other.

(b) Jewish American Heritage Month Proclamation

Deputy Mayor Nieuwenhuis read the proclamation recognizing May 2023 as Jewish American Heritage Month in Bellevue and encouraged everyone to learn more about the contributions of the Jewish community and to work together to end antisemitism.

¹ Mayor Robinson participated remotely.

Regina Sassoon Friedland, representing the American Jewish Committee (AJC), thanked the Council for this important and meaningful proclamation. She recalled that, in 2006, President George W. Bush declared May as Jewish American Heritage Month. She said this is an opportunity to recognize the contributions of Jews since they first arrived in New Amsterdam in 1654. She said Jewish Americans continue to serve in the military and as public officials, diplomats, Nobel Prize winners, Supreme Court justices, leaders of corporations, entertainers, scientists and human rights advocates.

(c) National Safe Boating and Paddling Week Proclamation

Councilmember Robertson shared a story of her daughter rescuing two 12-year-old boys in the lake and emphasized the importance of wearing life jackets. She read the proclamation declaring the week of May 20-26, 2023, as National Safe Boating and Paddling Week in Bellevue and urged everyone to practice safe boating practices.

Dale Vodicka, Vice Division Commander of the U.S. Coast Guard Auxiliary Division 2, thanked the Council for the proclamation. He reminded everyone that while the weather is getting warm, the water is still very cold. A representative of America's Boating Club of Bellevue (Bellevue Sail and Power Squadron) described classes open to the public and noted a life jacket loaner program coming up in June.

(d) Motorcycle Safety Awareness Month Proclamation

Councilmember Barksdale read the proclamation recognizing May 2023 as Motorcycle Safety Awareness Month in Bellevue and urged everyone to learn more about safely sharing the road with all transportation types. In 2022, there were 1,955 motorcycle accidents in Washington, including 125 fatalities. Mr. Barksdale recalled the loss of Police Officer Jordan Jackson on November 21, 2022 while on motorcycle patrol in Bellevue. To find quick tips for car and truck drivers to increase road safety for motorcyclists, visit msf-usa.org.

3. Approval of Agenda

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

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

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) Jane Morton, a retired teacher and education coordinator for the Eastside Heritage Center, thanked the Council for its longtime support and said she was speaking in support of Save Coal Creek. One of the most popular school field trips is the mining area off Lakemont Boulevard at Coal Creek Park and Cougar Mountain Regional Park. She said

there are no housing developments next to the park. Ms. Morton noted the importance of the area for wildlife and historic preservation and encouraged the City to preserve the area as a park.

- (b) Alex Tsimerman expressed concern about increased development, the influx of technology companies to Bellevue, and the impact on housing costs. He said there is a need for more education about American history.
- (c) Patrick Sathyanathan, a resident of Bellevue since 2006, expressed concern about the Bellevue Police Department. He recalled that he has shared his concerns with the Council during previous meetings. He said his water was turned off while he was on vacation, which he thinks is due to his inquiries about the police.
- (d) Sonja Forster, speaking on behalf of the Associated General Contractors (AGC) Washington chapter, thanked the Council for its consideration of apprenticeship utilization requirements. She said the state apprenticeship system needs to be reformed if it is to be available to all contractors. She said AGC looks forward to a day when the state-registered apprenticeship pool is more diverse and meets Bellevue's intent to support diversity, equity and inclusion (DEI) goals. She said the Port of Seattle recently released a report showing that exclusionary project labor agreements (PLAs), also known as community workforce agreements, cause a dramatic decrease in apprentice diversity compared to non-PLA projects. The agreements lowered the number of apprentices of color by 31.7 percent and reduced the number of female apprentices by nearly eight percent.
- (e) Timothy Rockwell said he is a person of color with a certified minority business enterprise. He spoke in opposition to Ordinance No. 6741, which he said is not equitable or inclusive and is redundant, especially related to the electrical industry. He said state legislation requires apprenticeship programs for the commercial electrical industry. He acknowledged that training and expanding the construction workforce is important. However, he said expanding and creating small businesses' training agents is equally important. He expressed concern that Ordinance No. 6741 will negatively impact minority-owned and small businesses and make it more difficult for someone to start a new business. Mr. Rockwell said he started his business with \$6,000 and one van when he was 22 years old. He is now 37 years old and has 10 employees, including apprentices, who perform public works contracts. He said if Ordinance No. 6741 had been in place in the past, he would not have been able to start his business.
- (f) Amber McGinnis, representing the Laborers International Union of North America (LIUNA) Local 252, said she is a journey level worker and an instructor for a pre-apprenticeship program called ANEW (Apprentice and Non-traditional Employment for Women). She spoke in favor of moving forward with legislation that requires apprenticeship utilization for major municipal projects. She thanked Councilmembers and City staff for their hard work on this issue. She shared her story of becoming an apprentice as a single mom to support her four children.

- (g) Yichuan Zhao said Imagine Housing is a mission-driven organization to create permanent affordable housing on the Eastside. He expressed support for the continued implementation of Action C-1 from the City's Affordable Housing Strategy and the Land Use Code Amendment (LUCA) proposed under Agenda Item 10(a). He noted the urgent need for housing to serve households earning 0-50 percent of the area median income (AMI). He said one of the barriers to the development of affordable housing is the scarcity of land that is appropriately zoned and located. Mr. Zhao said Action C-1 provides a pathway for eligible sites to be rezoned to a higher density, which will increase the number of sites that can be feasibly developed into affordable housing. He thanked City staff, the Planning Commission and the City Council for looking at new and creative ways to address affordable housing needs.
- (h) Chad Vaculin spoke on behalf of the Housing Development Consortium, which convenes the Eastside Affordable Housing Coalition. He thanked the Council, Planning Commission and staff for their ongoing efforts to increase the supply of affordable housing. He expressed support for the Planning Commission's recommendation related to the LUCA presented under Agenda Item 10(a). He said providing the opportunity for multifamily housing on faith-based properties allows affordable housing projects to be financially viable.
- (i) Joe Kunzler thanked the Council for the proclamation regarding Jewish American Heritage Month. He expressed concern about antisemitic and anti-American public comments during Council meetings. He noted that the speaker is a candidate for office and suggested that the comments sounded somewhat like a campaign speech. He said the Public Disclosure Commission is considering tighter rules on Thursday regarding campaigning during public comment periods.
5. Reports of Community Councils, Boards, and Commissions: None.
6. Report of the City Manager: None.
7. Council Business and New Initiatives

Councilmember Stokes recommended the appointment of Eileen Chou and Elizabeth Kronoff to the Parks and Community Services Board.

- Councilmember Stokes moved to appoint Eileen Chou to the Parks and Community Services Board to serve a partial term expiring on May 31, 2024. Councilmember Robertson seconded the motion.
- The motion carried by a vote of 7-0.
- Councilmember Stokes moved to appoint Elizabeth Kronoff to the Parks and Community Services Board to serve a partial term expiring on May 31, 2025. Councilmember Robertson seconded the motion.

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

Deputy Mayor Nieuwenhuis noted a remote participation request from Mayor Robinson.

→ Councilmember Robertson moved to approve the remote participation of Mayor Robinson during the June 5, 2023, Regular Meeting. Councilmember Stokes seconded the motion.

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

8. Consent Calendar

→ Councilmember Robertson 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 May 1, 2023 Regular Meeting
- (b) Motion to approve payment of claims and payroll for the period April 1, 2023 - April 30, 2023.
- (c) Ordinance No. 6738 related to the administration of the Bellevue-Redmond Tourism Promotion Area (BRTPA); establishing a BRTPA advisory board; amending the Bellevue City Code to include a new Chapter 3.100 to be known as the “Bellevue-Redmond Tourism Promotion Area Advisory Board;” amending the Bellevue City Code to include a new Chapter 4.60 to be known as the “Bellevue-Redmond Tourism Promotion Area;” providing for severability; and providing an effective date.
- (d) Resolution No. 10254 authorizing execution of a professional services agreement with The Berger Partnership, P.S., in the amount of \$1,700,706.80, plus all applicable taxes, for architectural and engineering services to inform phased development strategies, including the next phase of implementation of the Meydenbauer Bay Park Master Plan.
- (e) Resolution No. 10255 authorizing execution of a ten-year lease agreement with Terranomics Crossroads Associates for a new Mini City Hall space. The current Mini City Hall lease expires on November 30.
- (f) Resolution No. 10256 authorizing execution of an amendment to the Agreement for Professional Services with Pacifica Law Group LLP, outside counsel retained to assist the City in addressing and investigating the events surrounding the January 17, 2022 landslide and to represent the City in the various lawsuits and

claims that have originated as a result of the landslide, in an amount not to exceed \$1,125,000, exclusive of any applicable taxes.

- (g) Resolution No. 10257 authorizing the City Manager to execute the documents necessary to facilitate the sale of real property located in Sammamish, Washington, owned by LifeWire, a Washington nonprofit corporation, and which previously received Housing Trust Funds, so that the proceeds from the sale may be applied to a new housing project located in Bellevue in order to provide increased affordable housing for and improved services to domestic violence survivors and their children.

9. Public Hearings

- (a) Public Hearing and action on Ordinance No. 6739 amending Ordinance No. 828 to release a portion of a public utility easement located at 14121 NE 20th Street which has been declared surplus to the City's needs and is no longer required for providing continued public utility service; the release of this portion of an easement being deemed in the best interest of the public.

City Manager Brad Miyake introduced the public hearing regarding Ordinance No. 6739 amending Ordinance No. 828 to release a public utility easement at 14121 NE 20th Street. He recalled that the Council approved a resolution on May 1, 2023, declaring the easement as surplus to the City's needs.

Loren Matlick, Real Property Manager, said the property is located near 140th Avenue NE and NE 20th Street, adjacent to Highland Park, and is being redeveloped to produce an apartment building with 397 units. He said 20 percent of the units will be affordable at 80-percent AMI through the Multifamily Tax Exemption (MFTE) Program. On February 13, 2023, the City released a water easement as part of the project. The developer has requested the release of this public utility easement as well. There is currently no utility equipment in the easement and new service will be provided by facilities within the public right-of-way.

- Councilmember Robertson moved to open the public hearing, and Councilmember Stokes seconded the motion.
- The motion carried by a vote of 7-0.

City Clerk Arredondo said the Council did not receive any written comments regarding the proposed release of the easement.

No one came forward to comment.

- Councilmember Robertson moved to close the public hearing, and Councilmember Stokes seconded the motion.
- The motion carried by a vote of 7-0.

→ Councilmember Robertson moved to adopt Ordinance No. 6739, and Councilmember Stokes seconded the motion.

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

10. Study Session Items

- (a) Recommended Land Use Code Amendment (LUCA) to establish criteria and procedures in the Land Use Code (LUC) for certain properties owned by religious organizations and located in single family Land Use Districts to be rezoned to allow permanently affordable multifamily housing; and companion Ordinance rezoning eligible parcels to include one of four affordable housing suffixes, pursuant to the Action C-1, Phase 2 Comprehensive Plan Amendment (CPA). File No. 23-100486-AD.

City Manager Miyake introduced discussion regarding the proposed Land Use Code Amendment (LUCA) regulating the development of multifamily housing on certain properties owned by religious organizations.

Rebecca Horner, Director, Development Services Department (DSD), said staff is seeking direction to finalize the LUCA ordinance and companion rezone ordinance for final action at a future meeting.

Kristina Gallant, Code and Policy Senior Planner, said the recommended LUCA supports recommendations from the 2017 Affordable Housing Strategy and implements Comprehensive Plan Housing Element Policy HO-36. The purpose of Action C-1 from the strategy plan is to increase the development potential on suitable land owned by public agencies, faith-based organizations and nonprofit housing entities for affordable housing. Ms. Gallant said that many congregations have seen a decrease in membership and have properties that are larger than many churches need.

Ms. Gallant recalled that Phase 1 of Action C-1 was implemented in 2019 through 2021. New state legislation adopted in 2019 requires cities to grant a bonus to any nonprofit or religious organization developing affordable housing. The law applies to both multifamily and single-family districts. In 2020, the Comprehensive Plan provided bonuses and incentives to increase the supply of permanently affordable housing. In 2021, the City established a 50 percent density bonus requiring no additional review for eligible organizations. The density bonus LUCA provided additional flexibility for some duplexes and triplexes in single-family districts. Throughout the process, staff heard from stakeholders, the Planning Commission and the City Council that there could be missed opportunities for certain single-family properties that would be good candidates for multifamily housing due to strong access to transit and services. The Council subsequently directed staff to move forward with Phase 2 of Action C-1 to focus on those properties.

In December 2022, the Council adopted Comprehensive Plan Policy HO-36 to allow properties in single-family districts to reclassify to multifamily when they met the following criteria: 1) all of the units will provide permanently affordable housing, 2) property is owned or controlled by a religious organization, 3) property is located near high-capacity transportation infrastructure and services, and 4) property is located near other multifamily residential or commercial districts.

Ms. Gallant said the recommended LUCA to implement Policy HO-36 introduces the Affordable Housing suffix and provides eligibility criteria and applicable procedures. The goals of the AH suffix are to provide an option for multifamily affordable housing on eligible properties, clarify the criteria and procedures, and to ensure the housing units are permanently affordable. The AH suffix works as an overlay that is added to the existing single-family land use designation. The AH-1 designation applies to the R-10 land use district, AH-2 applies to the R-15 land use district, AH-3 applies to the R-20 land use district and AH-4 applies to the R-30 land use district. The AH suffix indicates what can be built when all housing units qualify as affordable.

Ms. Gallant highlighted the rezone eligibility criteria: 1) property owned or controlled by religious organization, 2) located in a single-family district on an arterial street or with frequent transit service, and 3) located within 500 feet of multifamily or commercial land use district. She said the City is sponsoring a rezone for the initial set of eligible properties, which will be presented for Council action along with the LUCA. She presented a map of the 36 eligible sites have been identified.

Ms. Gallant said religious facilities are currently defined in the Land Use Code as conditional uses. If redevelopment occurs, the conditional use permit (CUP) must be amended. However, amendment of the CUP will involve a shorter, administrative process than the standard CUP process.

Ms. Gallant described the public engagement activities since December. The consideration of the LUCA follows Process IV requirements regarding Planning Commission meetings, legal noticing and the public hearing. The commission held its hearing in April. Staff sent letters to the eligible sites and have had conversations with individual religious organizations and affordable housing developers. A public information session was held on January 31, 2023 and information is provided online.

Carolynn Ferris, Planning Commission Chair, said the commission held study session discussions on February 8 and March 8, and the public hearing was held on April 12. She said the vast majority of public comment was supportive of the draft LUCA. However, some people expressed concern about parking impacts. The commission recommends adoption of the LUCA as amended with regard to location eligibility criteria and the AH suffix designation criteria. The draft LUCA originally stated that an eligible site must be located on an arterial with access to rapid transit service. That criteria was amended to require that an eligible site be on an arterial or served by frequent transit service.

Ms. Ferris said that several churches are eager to provide affordable housing. However, funding and capacity building are needed for the nonprofit partners. She said the Planning Commission found that the LUCA meets the decision criteria of LUC 20.30J.135 and is consistent with the

Comprehensive Plan, enhances the public safety and welfare, and is not contrary to the best interests of citizens and property owners. She said the commission unanimously recommended approval of the LUCA.

Ms. Gallant said staff is seeking direction to finalize the LUCA ordinance and companion rezone ordinance for Council action during a future meeting.

Mayor Robinson thanked Chair Ferris and the Planning Commission for their hard work and expressed support for the recommendation. She said she is excited about the opportunities for more affordable housing in neighborhoods near schools and amenities. She asked staff to review the transition areas now that HB 1110 has been adopted by the state legislature. She expressed support for option 1.

Councilmember Lee expressed support for the intent of the LUCA. He asked about the definition of a religious organization and asked what would happen if the property ownership changes.

Ms. Gallant said the definition of a religious organization requires that the organization has federal recognition based on its nonprofit status and religious mission. If future organizations form and buy land, new properties could meet the eligibility criteria for a rezone. The AH suffix would remain on the property after it was sold. However, the density bonus could be used only if all housing units are permanently affordable.

Councilmember Robertson, liaison to the Planning Commission, thanked the commissioners, noting that they had thoughtful discussions and unanimously supported the LUCA. Ms. Robertson expressed support for the LUCA. She noted Jubilee Reach's request regarding the use of the transition zone.

Ms. Gallant said the Jubilee Reach request was received immediately before the Planning Commission's public hearing. The commissioners chose to not include the request in their recommendation to the Council. Ms. Gallant said the State Environmental Policy Act (SEPA) analysis did not anticipate going into the transition area standards. She said staff would want to review the analysis to understand whether additional environmental review is needed. She suggested that it might be better for Jubilee Reach to pursue its request as part of the Comprehensive Plan periodic update.

Councilmember Stokes said Jubilee Reach requested an increase in building height to provide significantly more housing units. He would like staff to review the proposal for Council consideration. He thanked staff for moving this LUCA forward so quickly.

Councilmember Zahn thanked staff and the Planning Commission for their work. She expressed support for the City-sponsored rezone for the initial properties. She encouraged looking at the specific characteristics of each parcel. She said the Jubilee Reach request preserves more trees and provides more housing units by increasing the building height.

Ms. Zahn asked whether a Phase 3 is anticipated to address the transition zone and to potentially allow increased heights. She wondered whether Jubilee Reach could be handled separately to meet their needs.

Responding to Councilmember Zahn, Ms. Gallant said the project on the Holy Cross property is moving forward with a planned unit development (PUD) and is currently under review.

Regarding the Jubilee Reach request, Ms. Gallant said the existing code offers an additional story of height for multifamily affordable housing projects located outside of transition areas. She said the transition area is within 300 feet of single-family districts and there is a maximum building height within those areas. Ms. Gallant said Jubilee Reach is seeking to remove that limitation within the transition area. She suggested that the Comprehensive Plan periodic update process is an opportunity to study how transition areas are working as housing development is contemplated throughout Bellevue. Councilmember Zahn noted that the Jubilee Reach proposal would preserve more trees.

Councilmember Barksdale expressed support for moving the LUCA forward and suggested engaging with Jubilee Reach to discuss further consideration of their proposal in the future.

Deputy Mayor Nieuwenhuis expressed support for moving forward and said he was interested in learning more about the Jubilee Reach request. He noted that the vast majority of eligible properties are in East Bellevue and he asked what percentage of those properties is expected to move forward to develop housing. He noted one location with six eligible properties within three blocks of each other.

Ms. Gallant said it is difficult to predict the level of participation in the program. Responding to Mr. Nieuwenhuis, Ms. Gallant said staff's view is that the projects will be community assets. She said projects will go through the City's standard review and permitting processes.

Councilmember Lee said he supported moving forward.

Councilmember Stokes concurred and thanked everyone for their work.

Councilmember Zahn said she was ready to move forward. She wants the City to continue to reach out to organizations that might be interested in providing housing.

Responding to Ms. Zahn about how all of the housing initiatives will be addressed in the Comprehensive Plan periodic update, Ms. Gallant said staff would follow up with more information.

Mayor Robinson reiterated that she supports option 1 and would like to move forward. She expressed support for further consideration of the transition areas and for addressing the Jubilee Reach proposal through the Comprehensive Plan periodic update.

Councilmember Robertson expressed support for moving forward with the recommended LUCA, which she said could result in more than 5,000 affordable housing units.

- Councilmember Robertson moved to direct staff to finalize the LUCA ordinance and companion rezone ordinance for final action during a future Council meeting. Councilmember Stokes seconded the motion.
- The motion carried by a vote of 7-0.

At 7:45 p.m., Deputy Mayor Nieuwenhuis declared a short break. The meeting resumed at 7:55 p.m.

(b) 2023 State Legislative Session Wrap-Up

City Manager Miyake introduced staff's update regarding the 2023 state legislative session.

Genesee Adkins, Chief of External Affairs, highlighted the state's 2023-2025 operating budget, noting that the majority of the funding is directed toward K-12 education, higher education, social services and other programs. The budget appropriates \$69.8 billion, a net increase of \$2.4 billion leaving \$3.6 billion in reserves. The budget does not include any new tax increases. Ms. Adkins noted funding for local government efforts to address climate change, training capacity at the Basic Law Enforcement Academy, and a number of services and programs to address homelessness and housing.

The state's 2023-25 capital budget appropriated \$9 billion, and \$95.4 million in bond capacity is reserved for the 2024 supplemental budget. The budget reflects significant investments in affordable housing, behavioral and mental health facilities, clean energy and climate adaptation, and water quality and stormwater grants.

The 2023-2025 transportation budget provides \$13.5 billion for the state's transportation system. The final transportation budget honors the delivery schedule for many major projects that were funded through the 2015 Connecting Washington package. It also schedules some projects from the 2022 Move Ahead Washington package over the next six years. Ms. Adkins said that Climate Commitment Act revenues are invested in carbon-reducing efforts including the Safe Routes to School program and pedestrian and bike safety programs.

Ms. Adkins said the proposed strategic land acquisition bank for 0-50 percent AMI housing was not included in the 2023-2025 budget. She noted a number of housing-related bills that were approved to address middle housing types, accessory dwelling units and the consolidation of local permit review processes. Senate Bill 5466 regarding transit-oriented development (TOD) and House Bill 1628 regarding the use of REET (real estate excise tax) revenues to fund affordable housing were not approved by the state legislature.

Lacey Jane Wolfe, Assistant Director of Intergovernmental Relations, said the state legislature allocated \$300,000 in 2023-2025 and \$6.6 million beyond 2029 for the Mountains to Sound Greenway Trail in Bellevue and \$6 million for the Eastrail Wilburton Trestle. Funding was not provided for the I-90 steel bridge design, however. Funding was restored for design and right-of-

way work for the SR 520/124th Avenue NE interchange project. However, the budget does not include construction funding.

Ms. Wolfe said the state's operating budget allocates \$500,000 to expand the Mini City Hall and community service center at Crossroads Mall. The capital budget allocates \$1.03 million to replace Pump Station 12 and the force main at Lake Sammamish.

Ms. Wolfe highlighted additional items including SB 5120 regarding crisis relief centers, HB 1181 regarding climate change in comprehensive planning, HB 1085 restricting certain plastics, HB 1033 regarding compostable product usage and HB 1329 prohibiting utility shutoffs for non-payment during extreme heat. Ms. Wolfe said Bellevue was an early supporter of HB 1033 and Mayor Robinson and other representatives were invited to the bill signing. SB 5770, which would have raised the cap on annual property tax increases, was not approved by the legislature.

Ms. Wolfe said the legislature convened for a special session to adopt SB 5536 (i.e., Blake resolution) regarding the possession and public use of controlled substances and classifying both as a gross misdemeanor. The law established a consistent statewide policy instead of having different policies adopted by local governments.

Ms. Wolfe recalled that the Council's legislative agenda supported making a change to state law regarding vehicular pursuits. SB 5352 lowers the evidentiary threshold for engagement in vehicular pursuits from probable cause to reasonable suspicion for specific crimes (e.g., sex offense, violent offense, vehicular assault and domestic violence assault). The law requires training on the risk assessment analysis for law enforcement officers.

Ms. Adkins said she and staff are working with the City Attorney's Office and department directors to determine the net impact of new state legislation on the City's operations and programs. Next steps include identifying new and different funding opportunities, collaborating with partners and stakeholders, thanking and updating state legislators and adopting the Council's 2024 State Legislative Agenda this fall.

Ms. Adkins thanked state lawmakers in the 41st and 48th districts for their advocacy on behalf of Bellevue.

Deputy Mayor Nieuwenhuis thanked staff for the presentation. He said he was pleased to see the public safety legislation. However, he expressed concern that local governments are preempted from regulating drug paraphernalia. He noted references in SB 5536 regarding opioid treatment programs and mobile and fixed site medication units. He asked whether that refers to safe injection sites and noted that the legislation refers to "essential public facilities." Mr. Nieuwenhuis said the bill refers to the maximum capacity for opioid treatment programs in Bellevue. He noted a change in which the public health department will no longer be required to hold public hearings related to treatment centers and can instead provide public notice.

Mr. Nieuwenhuis said he was pleased with the passage of SB 5352 regarding vehicular pursuits. However, he was hoping it would go further in providing more discretion for law enforcement.

He said it will be interesting to see whether the law has an impact on stolen vehicles and other drivers who refuse to stop for law enforcement.

Councilmember Barksdale expressed concern about criminalizing substance use disorder. He expressed an interest in how the Blake legislation will affect law enforcement. He hopes officers will not be looking for situations to enforce but will instead have an attitude of helping individuals and referring them to services. He said he would be interested in considering community drug courts. He said the Redmond community court has reported a positive impact.

Councilmember Robertson said it was good to see the increase in mental health funding. She said SB 5536 includes funding for treatment. She concurred with Deputy Mayor Nieuwenhuis' interest in a clarification about safe injection sites. She said the Bellevue City Code uses the term "safe consumption sites" and she asked whether that refers to all forms of a drug.

Ms. Robertson said that some sections of SB 5536 are effective July 1 and others go into effect at later dates. She concurred with Councilmember Barksdale's interest in community drug courts. She suggested using some of the opioid settlement money for addiction treatment and noted her opposition to safe injection sites. She said it is important to have criminal penalties, however, and noted that substance users are often committing other crimes to support their addiction.

Councilmember Zahn thanked staff and state lawmakers for their work and advocacy on behalf of Bellevue. She agreed with the need to identify more funding opportunities. She suggested assistance to residents who might find it difficult to afford the development of an ADU. She concurred with the suggestion to consider community drug courts. She stated her understanding that King County funds the Redmond community court and perhaps another court in South King County. She asked whether county funding might be available to Bellevue.

Ms. Zahn agreed with Councilmember Barksdale's concern about sending police officers out looking for incidents of drug possession and/or public use.

Responding to Councilmember Zahn, Ms. Adkins said that a number of the programs related to clean energy are not necessarily intended for municipalities to apply directly for funding. Ms. Adkins said Public Works Trust Fund loan funds are a potential source for financing related to clean energy projects.

Briahna Murray, Gordon Thomas Honeywell, said the state's operating and capital budgets invested more than \$1 billion in housing-related funding, which includes \$400 million in the Housing Trust Fund and for many other capital investments. The operating budget also includes funds for wraparound services and housing vouchers. Ms. Murray acknowledged that while \$400 million is a record high for the Housing Trust Fund, there were advocates who were disappointed that the state legislature did not exceed that level.

Councilmember Stokes complimented staff on their work. He noted the need to refine certain public safety policies, including those addressing theft. He expressed concern about the lack of funding for the I-90 steel bridge. Ms. Adkins said the bridge is an important project and the City

is actively working with King County and other partners to identify local, regional and federal funding sources.

Councilmember Lee thanked staff and Ms. Murray for their expertise and hard work. He acknowledged the challenge ahead to integrate the changes in state law into the City's policies and regulations. He encouraged staff and Ms. Murray to use Councilmembers to assist in their lobbying.

Mayor Robinson thanked state legislators for their work on behalf of Bellevue and thanked staff and Ms. Murray for their extensive efforts and success. She raised a few questions and indicated that staff could follow up later. She said she is curious about the impact of SB 5536 and the relationship to the City's existing policies and funding. Referring to SB 5120 regarding crisis relief centers, Ms. Robinson asked whether it is possible for the City to access funds for a center in Bellevue. She is interested in the amount of rental housing assistance allowed using HB 1406 revenues. She asked for more details about the Eastrail Wilburton trestle.

- (c) Intergovernmental Affairs [*Written information only. No presentation.*]

11. Land Use

- (a) Final Action on Ordinance No. 6740 approving the rezone application Permit File No. 22-127108-LQ; rezone of a 3.17-acre site located at 15400 SE 30th Place from Office (O) to Office Limited Business 2 (OLB-2).

City Attorney Kathy Gerla introduced final Council action on Ordinance No. 6740 approving the rezone of property at 15400 SE 30th Place from Office (O) to Office Limited Business 2 (OLB-2). The rezone is consistent with a Comprehensive Plan Amendment (CPA) adopted by the Council in 2017. This is a Process III quasi-judicial matter in which the Hearing Examiner has held an evidentiary hearing and recommended approval of the application with one condition.

Ms. Gerla recalled that staff provided an overview of the project during the Council's May 8 meeting. She said this is a closed record proceeding and the Council must make its decision based on the record before the Hearing Examiner. She highlighted the rezone decision criteria from Land Use Code 20.30A.140, noting that all criteria must be met: 1) rezone must be consistent with the Comprehensive Plan, 2) rezone bears a substantial relation to the public health, safety or welfare, 3) rezone is warranted in order to achieve consistency with the Comprehensive Plan or based on the need for more property in the proposed land use district, 4) rezone will not be materially detrimental to uses or property in the immediate vicinity of subject property, and 5) rezone has merit and value for the community as a whole.

Ms. Gerla said the Council's alternatives are to approve the application as recommended, approve with modifications, remand the matter to the Hearing Examiner for an additional hearing limited to specific issues identified by the Council, or to deny the application. Ms. Gerla recommended that Councilmembers disclose any ex parte contacts regarding the rezone application.

Responding to Deputy Mayor Nieuwenhuis, all Councilmembers indicated they had not had any ex parte communications.

- Councilmember Robertson moved to adopt Ordinance No. 6740, and Councilmember Stokes seconded the motion.
- The motion carried by a vote of 7-0.

12. Other Ordinances, Resolution, and Motions

- (a) Ordinance No. 6741 amending Bellevue City Code Chapter 4.28 to establish apprenticeship utilization requirements for certain city public works projects, providing and establishing an effective date.

City Manager Miyake noted that this item was last before the Council on April 17. At that time, staff provided the Council with the results of additional community outreach. The Council directed staff to return after the end of the state legislative session to determine the outcome of proposed state legislation regarding apprenticeship programs.

City Attorney Gerla said the Council directed staff to draft an ordinance consistent with state law without the state's enforcement provisions involving financial incentives and penalties.

Karen Phu, Assistant City Attorney, said that the adoption of Ordinance No. 6741 will amend Bellevue City Code (BCC) Chapter 4.28 to establish apprenticeship utilization requirements for certain public works projects. She recalled that the topic was introduced during the February 14, 2022 Council meeting and the budget adopted in November 2022 included funding for the implementation and management of an apprenticeship program. Additional Council discussions were held on February 27, 2023 and April 17, 2023.

The governor signed HB 1050 on May 9 approving state legislation regarding the application of state apprenticeship utilization requirements to municipalities. The legislation goes into effect on July 1, 2024. Ms. Phu said municipal public works contracts that meet or exceed certain monetary thresholds will be required to have at least 15 percent of labor hours performed by apprentices. The final version of the bill has an initial threshold of \$2 million. The threshold will step down to \$1.5 million in 2026 and \$1 million in 2028, and the law requires that financial incentives and penalties be included in contracts. Ms. Phu said the bill requires the Department of Labor and Industries and the Municipal Research and Services Center (MRSC) to provide technical assistance to municipalities regarding compliance with state law.

Ms. Phu said staff's proposed ordinance will apply to public works contracts advertised for bid after September 1, 2023. The threshold for requiring the use of apprentices will initially be \$2 million and will step down to \$1.5 million on July 1, 2026 and \$1 million on July 1, 2028. The ordinance includes waiver and reduction criteria and provides that the Director of the Finance and Asset Management (FAM) Department will be responsible for the administration, monitoring and reporting to the Council and the state. Ms. Phu said the debarment enforcement mechanism has been removed from the earlier version of the ordinance due to Council direction.

Ms. Phu compared the provisions of HB 1050 with proposed Ordinance No. 6741. The City's ordinance indicates an effective date of September 1, 2023 instead of July 1, 2024 as reflected in the new state law. The ordinance includes supplemental waiver criteria, which HB 1050 allows cities to adopt, and does not include any enforcement mechanisms at this time.

Ms. Phu said that if the ordinance is adopted by the Council, staff will move forward with preparing for implementation and working with contractors. Staff will engage with the Department of Labor and Industries and MRSC for guidance on enforcement provisions and return to the Council with recommendations before HB 1050 goes into effect on July 1, 2024.

Deputy Mayor Nieuwenhuis thanked staff for the update and expressed enthusiasm to see this item moving forward. He said he appreciated Councilmember Barksdale for leading on this issue. He noted early advocacy for an apprenticeship program by Mayor Robinson and Councilmember Zahn as well.

Councilmember Barksdale thanked staff for all of their work and thanked his colleagues for their support.

Mayor Robinson said she was pleased to see this item moving forward and she appreciated Councilmember Barksdale's efforts leading to the proposed ordinance.

Councilmember Zahn thanked staff and Councilmember Barksdale for their efforts. Ms. Zahn suggested, as the City considers enforcement provisions in the future, that there be an effort toward consistency with other local governments. She said the apprenticeship utilization requirements will help to develop a skilled workforce in the building trades. Ms. Zahn stated her understanding that the federal bipartisan infrastructure law provides grants for workforce development efforts.

Councilmember Robertson thanked staff for their work and for their comparison of the proposed ordinance with HB 1050. She noted that HB 1050 requires a one-time report on the impacts to small businesses, veteran owned businesses, and women and minority owned businesses. However, the City will monitor the impacts annually. Ms. Robertson expressed concern that the apprenticeship utilization requirements could reduce opportunities for those businesses.

Councilmember Lee concurred with Councilmember Robertson's comments about tracking the impact on small businesses. Mr. Lee noted his longtime interest in economic and workforce development and support for small businesses.

Councilmember Stokes thanked everyone for their work and said he is pleased to see the initiative moving forward. He said there will be long-term benefits for the City and the workforce.

→ Councilmember Barksdale moved to adopt Ordinance No. 6741, and Councilmember Stokes seconded the motion.

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

13. Unfinished Business: None.

14. New Business: None.

15. Executive Session: None.

16. Adjournment

At 9:10 p.m., Deputy Mayor Nieuwenhuis declared the meeting adjourned.

Charmaine Arredondo, CMC
City Clerk

/kaw