

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Regular Meeting

January 8, 2024
6:00 p.m.

Council Chambers
Bellevue, Washington

PRESENT: Mayor Robinson, Deputy Mayor Malakoutian and Councilmembers Hamilton, Lee, Nieuwenhuis, Stokes and Zahn

ABSENT: None.

1. Call to Order

The meeting was called to order at 6:00 p.m., with Mayor Robinson presiding.

2. Roll Call; Flag Salute

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

(a) Martin Luther King, Jr. Day Proclamation

Mayor Robinson said the City is hosting its annual Martin Luther King, Jr. Day celebration and health fair in partnership with the Bellevue Alumnae Chapter of the Delta Sigma Theta sorority. She noted that the theme of this year's event is health equity and she recommended a book called Social Injustice and Mental Health by Ruth Shim and Sarah Vinson that addresses the topic.

Deputy Mayor Malakoutian read the proclamation recognizing January 15, 2024, as Martin Luther King, Jr. Day in Bellevue and urged all residents to attend the health fair and celebration at Crossroads Mall and other community activities.

Eva Edwards, President of the Bellevue Alumnae Chapter of Delta Sigma Theta, and Rivian Smith, Chapter Auditor, accepted the proclamation. Ms. Smith said she was a charter member of the Bellevue chapter, which was formed on January 28, 1989. She said the chapter is inspired by Martin Luther King, Jr.'s call to service in the community.

(b) Korean American Day Proclamation

Councilmember Hamilton read the proclamation recognizing January 13, 2024, as Korean American Day in Bellevue and encouraged everyone to attend regional celebrations and activities to honor the contributions and cultural influences of Korean Americans.

Representatives of the Washington State Korean American Day Celebration Foundation thanked the Council for the proclamation and invited everyone to their celebration on January 13.

3. Approval of Agenda

→ Deputy Mayor Malakoutian 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 said the total time for oral communications is for a period not to exceed 30 minutes and topics must relate to City of Bellevue government. Persons speaking to items on the agenda will be called first and if time remains, others will be called. The presiding officer is authorized to give preference to individuals who have not spoken to the Council within the past 60 days or who are speaking to items that will come before the Council in the upcoming 60 days.

- (a) Jonny Lu described his work with a Bellevue-based startup called Lithos Carbon that focuses on carbon removal projects. He said startups are an integral part of Bellevue's economic health. He said his company was recently featured by NPR and Bloomberg because they were able to win the largest climate carbon removal contract. He said they have been using the Startup425 CoWorking space and are looking for a permanent office in Bellevue. He said many offices are unaffordable, outdated or too large for their team of six employees. He commented on the need for office space for small companies in Downtown Bellevue. He said he would like to see incentives for developers to build both affordable spaces and spaces that cater to a variety of company sizes.
- (b) Matthew Rehr said he is a physician, an engineer and a writer. He proposed that Bellevue create the position of a City Poet Laureate. He said the position would fill the spoken and written word art gap in Bellevue and welcome all of the storytellers in business, nonprofit organizations, neighborhoods and all sectors of the community.
- (c) Alex Tsimerman commented regarding Agenda Item 6(a) and the upcoming change from 5:00 p.m. to noon for signing up to speak during oral communications. He expressed concern that only 30 minutes is allowed for oral communications and suggested that allowing people to sign up earlier will increase the number of people wanting to speak.
- (d) Pamela Johnston spoke about citizenship and noted an article she submitted to the Council regarding incrementalism. She said people are more willing to embrace changes in the community when there is more time for them to learn and adjust to the planned changes.

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

6. Report of the City Manager

Acting City Manager Diane Carlson noted the potential for wind and winter weather in the coming week and reminded the public to check the City's website for up-to-date road conditions and information on other services.

(a) Oral Communication Registration Timing and Board/Commission Video Recording

City Clerk Arredondo recalled that staff originally implemented electronic registration for oral communications and public hearings in 2019. Individuals could begin signing up for oral communications at 5:00 p.m. on the day of the Council meeting. Based on feedback from community members and research into other jurisdictions, the electronic form for signing up to speak during Council meetings will open at 12:00 p.m. beginning with the first meeting in February. Following a pilot period, the rule will be expanded to the Boards and Commissions to ensure consistency for the public. Ms. Arredondo said pre-registration is not a requirement to speak and individuals may raise their hands to speak during oral communications at the meeting, if time allows.

Ms. Arredondo said the City Clerk's Office partnered with the Information Technology Department and support staff for the Boards and Commissions in 2023 to facilitate the video recording of Board and Commission meetings. The meetings will be recorded in Zoom and will begin this month, and staff will strive to post the recordings within 48 hours of each meeting.

(b) Proposed Change to Council Meeting Day and Frequency of Meetings

Ms. Arredondo recalled that City Manager Miyake introduced a proposal to the Council during the 2023 retreat to consider adjusting the Council meeting day to Tuesday and changing the frequency of meetings. The proposal was not advanced last year due to a conflict of a sitting Councilmember at the time. However, that conflict no longer exists. She said staff will bring back the topic for a study session because the changes would require revisions to the code and the Council Rules. She said internal processes to prepare for Council meetings would be adjusted as well.

7. Council Business and New Initiatives: None.

8. Consent Calendar

→ Deputy Mayor Malakoutian moved to approve the Consent Calendar, and Councilmember Stokes seconded the motion.

→ The motion to approve the Consent Calendar carried by a vote of 7-0, and the following items were approved:

(a) Council Minutes
December 11, 2023 Regular Meeting

- (b) Resolution No. 10334 authorizing the execution of an optional two-year extension of the current three-year agreement between the City of Bellevue and Diamond Parking Services to provide on-street parking enforcement in downtown Bellevue for the amount of \$374,865.24.
 - (c) Resolution No. 10335 authorizing the execution of a four-year Professional Services Agreement with Puget Sound Executive Services (PSES) to provide Uniformed Police for flagging, traffic control and security services that are required on Transportation CIP projects, in the amount not to exceed \$750,000, plus all applicable taxes, with an option to extend the contract for an additional year and \$250,000, plus all applicable taxes, with the same terms and conditions.
 - (d) Resolution No. 10336 authorizing execution of a purchase agreement with TriVan Truck Body for the purchase of two Utilities Water Operations and Maintenance (O&M) trucks, in an amount not to exceed \$473,581.16, plus all applicable taxes
 - (e) Resolution No. 10337 authorizing execution of a five-year Interlocal Agreement for Waterfowl Management Program for 2024-2028.
9. Public Hearing: None.
10. Study Session
- (a) Third Quarter 2023 Update on Economic Development Activities

Acting City Manager Carlson introduced staff's update regarding economic development activities.

Jesse Canedo, Assistant Director, Community Development Department, said tonight's update is intended for information only. No action is requested of the Council. However, staff welcomes questions and feedback.

Corbin Hart, Business Development Manager, highlighted the agenda for the presentation.

Mr. Canedo recalled the six focus areas of the 2020 Economic Development Plan: 1) retail, 2) small business and entrepreneurship, 3) tourism, 4) capacity building and partnerships, 5) workforce development, and 6) creative economy. Bellevue is the second largest business center in Washington, a global software center and an emerging education hub. He noted a growing interest in unique-to-Bellevue experiences. He said Bellevue College is the largest open enrollment institution in the state

Mr. Hart said interest rates and macroeconomic factors continue to impact employers of all sizes and new development. However, placemaking, the arts and entrepreneurship work continue to move forward. He noted signs of economic recovery and increased growth in 2024 across various workstreams.

Mr. Hart said that demand for downtown office space began increasing in late 2023. However, the office vacancy rate in the Eastgate area was 23.7 percent in the third quarter of 2023. He noted that some developers are interested in redeveloping office properties to residential buildings. He said Bellevue is seeing new businesses from Europe and Asian markets. However, ongoing layoffs continue due to a number of macroeconomic factors. He noted business expansions from well-positioned firms that have recently opened new offices in Bellevue (i.e., Robinhood, Lumen and GE).

Mr. Hart said the BellHop circulator pilot program is exceeding its ridership goals and has been extended through May. The program provided service for the Old Bellevue Wine Walk and sold more than 900 tickets. Total overnight visitors in Bellevue increased from 1.35 million in 2022 to 1.8 million in 2023, and estimated spending increased from \$407 million in 2022 to \$552 million in 2023.

In the area of small business and entrepreneurship, Startup425 administration returned to Bellevue in 2023. Startup425 is a five-city partnership on the Eastside that hosts in-person panels and CoWorking networking sessions. Mr. Hart said staff is involved in outreach via small business walks and most of the inquiries from businesses are focused on access to capital and technical business planning.

Mr. Hart said the Grand Connection is on track for a December 2024 completion of the 30 percent design for the I-405 crossing. He said the public space management work is ongoing across the corridor to create activities ranging from individual street performers to large community events.

Turning to workforce development, Mr. Hart highlighted the Bellevue College Mentors in Tech (MinT) program that provides industry mentors to students in computer science and other technology areas. He said the program will include 6-12 week internships. Mr. Hart said the City's career assistance program has served nearly 100 residents to date, including those who experienced COVID-related dislocations and tech industry layoffs.

Mr. Hart said the City recently completed the Arts and Economic Prosperity Economic Impact Study. He noted that event spending of \$49 per person per night is the highest among peer communities. He said Theatre33 recently opened in the BelRed area.

Mr. Canedo said ongoing and future projects include the tax increment financing review, retail study findings, 2023 business survey results, cultural facility grants, and updates to both the Destination Development Plan and the Economic Development Plan.

Mayor Robinson thanked staff for the presentation.

Councilmember Lee commended staff for their good work throughout and since the pandemic. He said the City should take advantage of tax increment financing now that it is available. He referred to comments during earlier oral communications about office space for small businesses

and asked whether the City is working on that issue. Councilmember Lee expressed support for the idea of a City Poet Laureate, which was suggested earlier during oral communications.

Councilmember Zahn said she was excited to learn about the one million square feet of pending leases and about helping small businesses gain access to capital. She encouraged early contractor engagement related to the Grand Connection, before the 30 percent design is completed.

Ms. Zahn asked whether economic development staff are partnering with development services staff to streamline and expedite permitting for tenant improvements. She asked whether economic development staff are working with the DEI staff who are involved in cross-cultural programming. She encouraged partnerships and grant opportunities, especially for very small businesses.

Mr. Canedo said staff has had discussions about streamlining permitting for tenant improvements. He said there are a lot of companies still signing leases. Mr. Hart said most of the current demand is for mid-size leases (5,000-20,000 square feet) and property managers tend to prefer leasing entire blocks of floors. He said the City is working with small businesses to help identify opportunities and navigate the market.

Mr. Canedo said economic development staff, including the arts team, have worked with DEI staff to address cross-cultural programming, and the City continues to provide arts grants through the work of the Arts Commission. Mr. Hart said the Washington State Department of Commerce provides small business grants as well.

Councilmember Nieuwenhuis praised the success of the Night Market and thanked Amazon for their sponsorship. He asked about staff's work to facilitate special events. He asked for more information about the demand for mid-size leases. He asked what the City is doing to move the creative economy forward.

Mr. Canedo said the goal related to special events is to make it quicker and easier to plan and hold events. He said the City has effective policies and staff in place for large events, such as the 4th of July celebration at Downtown Park. However, more work is needed to improve the process related to medium sized events. Mr. Canedo said new application guidance will be provided this year for groups interested in organizing special events. He said staff will provide a more detailed update on the creative economy during a future economic development quarterly update.

Responding about office leases, Mr. Hart said many companies are looking for high-quality (Class A/A+) spaces with small to medium square footage that is 50-75 percent of the space they would have looked for several years ago. However, there are some outliers that are looking for larger office spaces.

Mr. Nieuwenhuis asked if the City provides language services or other equitable tools for special events applicants whose first language is not English. Mr. Canedo said those services are available for the public.

Councilmember Stokes commented on the importance of the creative economy. He noted a recent editorial in The Seattle Times praising the City of Bellevue's work related to businesses, community development and culture. He thanked staff for their work and progress, especially with the Grand Connection.

Councilmember Hamilton said it is helpful to have this presentation now as the City is going through the Comprehensive Plan update process. He thanked staff for the presentation and for all they do to ensure that Bellevue is business-friendly and thriving economically. He said he was glad to see information in the agenda memo about increasing workforce housing and acknowledging that transportation connectivity in the Puget Sound region is key to addressing workforce development into the future. He expressed support for the work related to the Grand Connection and the arts, including the opening of Theatre33.

Responding to Mr. Hamilton, Mr. Canedo said the MinT program is a pilot project that will sponsor 20 Bellevue College students for the first year.

In further response to Mr. Hamilton, Mr. Hart said business attraction of international companies occurs largely through the Greater Seattle Partners, which is the regional business attraction organization. Mr. Hart said Bellevue attracted two international companies over the past year through Greater Seattle Partners, one from Japan and one from France, related to electric vehicle charging. He said other opportunities arise through consulates and local networking.

Responding to Mr. Hamilton regarding Bellevue's high rate of event spending, Mr. Hart said Bellevue has great restaurants and retail options for people who come here for events and performances.

Deputy Mayor Malakoutian thanked staff for their work and for their global perspective. Referring to workforce development and workforce shortage, he observed that some companies and industries continue to have layoffs while other industries cannot find enough skilled workers. He expressed an interest in ways to address skills training and retraining. Mr. Malakoutian asked whether there are strategies the City can implement that would diversify the employer base in Bellevue.

Mr. Canedo said the workforce development specialist addresses issues related to upskilling and reskilling, and a key focus is work-based learning. He said there are a number of strong programs in the region that are involved in upskilling efforts.

Mayor Robinson said she appreciated the comments during oral communications about the need for smaller office spaces and a variety of office sizes within buildings and developments.

Ms. Robinson noted that Old Bellevue has been successful with a number of events including the wine walk and the Night Market. However, there is no preservation status for the buildings and an entire block will be redeveloped very soon. She opined that the success of the events is due largely to the character of Old Bellevue and the surrounding neighborhood. She asked whether the City is doing anything to retain the character of Old Bellevue. She suggested working with

the developer of the property used for the Night Market to encourage a permanent, covered marketplace, such as a glass atrium.

Mr. Canedo said there is a famous food street in Singapore with a glass covering that can be used year-round. Regarding Old Bellevue, Mr. Canedo said the City does not currently have a historic preservation ordinance.

Mayor Robinson indicated she would like a Council discussion about historic preservation policies at some point in the future.

(b) South Bellevue Construction Projects – Impacts and Outreach

Acting City Manager Carlson introduced staff's update regarding construction projects in South Bellevue.

Lucy Liu, Director, Utilities Department, said staff wanted to brief the Council and the public about the projects and related traffic impacts. She said the projects are critical for the integrity of the City's infrastructure and for the safety of the community. She said the City is doing all it can to lessen the traffic impacts and to release up-to-date information to the public. She noted that there are two utilities projects and two Washington State Department of Transportation (WSDOT) projects in South Bellevue.

Linda De Boldt, Assistant Director, Utilities Department, said the Lakemont Boulevard emergency culvert replacement project began construction in late October. It requires a full road closure through June 2024 to build a new bridge. The Factoria Boulevard stormwater conveyance improvement project will begin this week, with alternating lane closures for the initial construction activities. In March, the two northbound lanes will close to through traffic and one southbound lane will be converted to a northbound lane. The current five travel lanes will be reduced to three lanes to accommodate construction on the east side of the road for approximately five months until late July. From August to December, there will be intermittent lane closures to complete construction.

Maher Welaye, Assistant Director, Transportation Department, said the WSDOT I-90 Sunset Creek fish passage project began construction in November 2023 and will continue through 2024. The current major impact is on SE 36th Street, which is narrowed to one lane to allow the bridge to be built. The WSDOT I-405 widening and express toll lanes project extends from Downtown Bellevue to Renton. Major impacts are anticipated including full freeway closures and some closings of access ramps.

Mr. Welaye presented a map depicting the project locations.

Ms. De Boldt said the Lakemont Boulevard emergency project is constructing a new bridge where Coal Creek flows under Lakemont Boulevard, requiring a partial road closure for approximately eight months. Detour routes are available through Newcastle Golf Club Road, Coal Creek Parkway and Forest Drive SE.

Ms. De Boldt said the Factoria Boulevard stormwater conveyance improvement project will replace the aging and undersized stormwater system with a larger box conveyance system and will construct Richards Creek channel improvements. The purpose of the project is to address major stormwater flooding that has occurred on Factoria Boulevard during high-intensity storms. Ms. De Boldt said the construction will occur between SE 38th Street and the 3600 block of Factoria Boulevard. As noted earlier, five lanes will be reduced to one northbound lane and two southbound lanes beginning in March.

Ms. De Boldt said the City conducted an inclusive public outreach process beginning in the fall of 2020. This included reaching out to businesses, property owners and the general public to communicate about the project and receive input. The City obtained the required state and federal environmental permits through the Washington State Department of Fish and Wildlife and the U.S. Army Corps of Engineers. Ms. De Boldt said the City received \$6.8 million from the King County Flood Control District to help fund the project.

Mr. Welaye provided additional details regarding WSDOT's Sunset Creek fish passage project under I-90. Traffic on SE 36th Street and on SE Eastgate Way will be affected by the construction of the fish passage structure. However, WSDOT will work on one side of I-90 at a time to minimize traffic impacts.

WSDOT's I-405 widening and express toll lanes project will involve a weekend closure of the southbound off-ramp to Coal Creek Parkway in March 2024. There will be a weekend full closure of I-405 at the Newport Hills Park and Ride interchange in June and a weekend full closure of I-405 at the Coal Creek Parkway interchange in September.

Mr. Welaye said the City's coordination with WSDOT included a joint traffic analysis of the Factoria Boulevard project and the Sunset Creek fish passage project, biweekly coordination meetings, ongoing traffic monitoring and signal timing adjustments by City staff, and contractor coordination to adjust operations as needed.

Michaelene Fowler, Public Information Officer, City Manager's Office, said the community outreach plan includes frequent communications with residents, businesses and the traveling public to inform them about why the projects are needed and to advise ways to mitigate the traffic impacts. The City is using accessible language to reach diverse communities and will establish a hotline to answer questions and concerns.

Ms. Fowler said the City began public outreach regarding the projects in the fall of 2020. She highlighted the community outreach schedule involving the City's website, It's Your City newsletter, emails/texts, utilities customer newsletter, Neighborhood News, Bellevue TV, mailed postcards, news releases, digital road signs and on-site project signage.

Ms. De Boldt said traffic impact mitigation measures include traffic cameras to monitor traffic in real time, the adaptive traffic signal system, detour and variable messaging signage, flaggers and uniformed police officers, and extended work hours to complete the construction as quickly as possible.

Councilmember Nieuwenhuis, liaison to the Transportation Commission, said it is good to hear that the contractors will be working double shifts to expedite the completion of projects. He thanked staff for the extensive public outreach regarding the projects and asked whether specific mitigation tactics have been discussed with local employers, including T-Mobile. Ms. De Boldt said they have worked closely with major employers to discuss lane closures scheduling and specific construction operations to enable them to share information with their employees and customers.

Mr. Nieuwenhuis asked whether staff reached out to neighborhood associations in the Eastgate area. Ms. Fowler said they are included on the key parties list and are receiving periodic communications. She said approximately 1,500 people, including neighborhood associations, have signed up to receive email and text alerts.

Mr. Nieuwenhuis said he appreciated staff's hard work and extensive outreach to make the best of a difficult situation.

Responding to Councilmember Hamilton, Ms. De Boldt said the flooding on Factoria Boulevard is due to the aging stormwater pipe in the roadway. The pipe was built in the 1970s and is undersized for the storms we experience today. She recalled that in 2014, the flooding reached four feet for a short time. The new system is designed for the 100-year storm scenario. In further response to Mr. Hamilton, Ms. De Boldt said the City has a number of similar projects in design, including the Kelsey Creek culvert at Lakemont Boulevard. She said the City is working with the King County Flood Control District on some of the projects and has received funding from the district. Responding to Mr. Hamilton, Ms. De Boldt confirmed that the county funding helps to reduce the City's costs and maintain lower utility rates. Councilmember Hamilton thanked staff for their effective planning and management of the projects.

Councilmember Stokes thanked staff for their coordination with the community and management of the complexities related to the construction projects. He thanked his colleagues for their comments and questions.

Councilmember Zahn thanked staff for the thorough presentation and for maintaining public safety. She encouraged local businesses to help their customers find alternative routes. She suggested installing digital road signs in advance of the projects to alert the public. She said she appreciated plans for flood control projects in other areas of the community.

Councilmember Lee, liaison to the Environmental Services Commission, expressed appreciation for Utilities Department staff. He highlighted the importance of communication with the public. He thanked King County Councilmember Reagan Dunn for helping to secure funding from the flood control district.

Deputy Mayor Malakoutian expressed support for staff's efforts to both effectively respond to emergencies and to plan projects that will avoid emergencies. Referring to the Sunset Creek fish passage project, he asked how the City and/or WSDOT can ensure minimal disruption to the ecosystem. Mr. Malakoutian asked whether the project will enhance the environmental conditions for fish and wildlife. Mr. Welaye said the project will remove the culvert and replace

it with bridges to improve the fish habitat in that area of the creek. He said WSDOT has been responsible for the environmental review and mitigation.

Ms. De Boldt said the Factoria Boulevard project involves stream and riparian enhancements in the Richards Creek area.

Mayor Robinson noted that the area had one of the best salmon runs in a number of years and she hopes to see continued improvements in fish habitat.

Ms. Robinson said the City receives complaints about downtown construction activity and noise at night. She wondered whether the public would prefer a longer construction period over the nightly disruptions. Ms. De Boldt said there have not been substantial complaints about nighttime work in the feedback from the Factoria community adjacent to the project site.

Responding to Mayor Robinson, Ms. De Boldt said Bellevue is coordinating with the City of Newcastle to help regulate traffic flow related to the road closure for the Lakemont bridge project.

Councilmember Lee noted the value of providing information about alternate travel routes for the public. Responding to Mr. Lee, Mr. Welaye said the Sunset Creek project is part of a statewide program to restore fish habitats.

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

At 8:22 p.m., Mayor Robinson declared the meeting adjourned.

Charmaine Arredondo, CMC
City Clerk

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