

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Regular Meeting

January 7, 2025
6:00 p.m.

Council Chambers
Bellevue, Washington

PRESENT: Mayor Robinson, Deputy Mayor Malakoutian and Councilmembers Hamilton, Lee, Nieuwenhuis, Stokes and Zahn¹

ABSENT: None.

1. Call to Order

The meeting was called to order at 6:05 p.m., with Mayor Robinson presiding.

Ms. Robinson said individuals are not allowed to disrupt the meeting, which includes talking out of turn or without permission, interrupting or making sounds when someone else is talking or approaching a Councilmember or City employee who is staffing the meeting. If a person disrupts the meeting, Mayor Robinson will issue a warning, end the speaker's comment time or ask the person to leave the room for the rest of the meeting. She asked everyone to express themselves without name-calling, taunting or disparaging others.

Mayor Robinson noted the passing of President Jimmy Carter on December 29, 2024. Reaching 100 years old, he was the longest living president of the United States.

Councilmember Lee said he wanted to take a moment to honor the extraordinary life and enduring legacy of President Carter. His deep belief in human dignity and equality was the foundation of his leadership. He reminded us that every person, regardless of background or circumstances, deserves to be treated with respect. President Carter's commitment to promoting peace and justice around the world was a beacon of hope that transcended borders. One of his most remarkable achievements was the Camp David Accords, a testament to his belief that dialogue and diplomacy can triumph over division.

Mr. Lee said President Carter demonstrated that patience, understanding and compassion are powerful tools in building bridges between people. After he left the presidency, he did not stop serving others. Whether building homes for Habitat for Humanity or fighting diseases through The Carter Center, President Carter's work was always about lifting up others. His legacy of service reminds us to ask how we can make a difference in our communities. Councilmember Lee said President Carter showed us how to lead with heart, put people first and stay true to our

¹ Councilmember Zahn participated remotely.

values, even when it is not easy. President Carter's resilience to challenges is a testament to his strength of character and encourages us to live with the same compassion, courage and commitment to a better world.

2. Roll Call; Flag Salute

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

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) Mary Ellen Hundley, Executive Director, City Opera Ballet, expressed appreciation for Bellevue staff Lorie Hoffman, Arts and Creative Economy Manager, and Manette Stamm, Arts Program Analyst. She expressed concern regarding a grant to be presented to the Council tonight for approval. With all due respect to the scoring process and allocations committee, Ms. Hundley asked the Council to request from the Arts Commission a revision of its recommendation to not fund City Opera Ballet. She said a statement on page 2 of the agenda memo in tonight's meeting packet states in error that the recommendations are consistent with previous recommendations by the Council. She said City Opera Ballet has consistently applied for and received grant funding from the City. Ms. Hundley said of the 40 applicants for the EAP (Eastside Arts Partnerships) grant, 33 were returning applicants and 32 were funded. Of the seven first-time applicants, five were funded. In the case of the 2025 Special Project grants, all nine returning applicants were funded and all but two of the 17 first-time applicants were funded. Ms. Hundley said City Opera Ballet has been active in Bellevue since 1964. She proposed adjusting the commission's recommendation.

Mayor Robinson noted Ms. Hundley's time had expired and suggested that she email her full comments to the Council.

- (b) Nicole Myers commented regarding Agenda Item 10(a) relating to the redevelopment of existing buildings into residential uses. She noted that Bellevue Way and parts of Main Street and NE 6th Street are exempt from the recommended Land Use Code Amendment

(LUCA). She expressed concern that this will miss opportunities for housing and community businesses and services.

- (c) David Hawes commented regarding the new apartment building in the BelRed area known as Ondina, where he has lived for three months. He said he is a mentally disabled veteran who is struggling there due to neighboring businesses that play music excessively loud. He said he believes that noise ordinances are not being enforced and he read from Bellevue City Code 9.18.040 regarding noise control. He said another resident with neurological and mental health issues is struggling as well. He said the sound of drumming exceeds allowable decibel levels and is consistent from 4:00-11:00 PM every day. Mr. Hawes said he and the other resident have spoken to City staff but have not made progress in successfully addressing the issue. He said he would email information to the Council and encouraged the City to enforce the code. He questioned whether the businesses have permits for amplified sound.

Responding to Mayor Robinson, City Manager Carlson said code compliance staff are aware of the issue and will follow up with an update.

- (d) Patrick Sathyanathan expressed concerns regarding the Bellevue Police Department and noted allegations regarding felony perjury, false charges and property damage while serving a search warrant. He described an incident at Crossroads Shopping Center where he was treated unfairly and forced to leave.
- (e) Alex Tsimerman, President of StandUp America, said he has suffered political prosecution by Bellevue police. He expressed concern that the Bellevue Police Commission meets only once per year.

Mayor Robinson said the commission is not under the purview of the Council.

Mr. Tsimerman continued commenting on the commission and suggested that their meetings be open to the public.

After warning Mr. Tsimerman that his time had expired and he was disrupting the meeting, Mayor Robinson had him removed from the Council Chamber.

5. Reports of Community Councils, Boards, and Commissions

- (a) Arts Commission Recommendations for 2025 Eastside Arts Partnerships (EAP) Support Grant and Project Grant Allocations

City Manager Diane Carlson introduced discussion regarding the Arts Commission's recommendations for the 2025 Eastside Arts Partnerships (EAP) Grants and specific Project Grants.

Lorie Hoffman, Arts and Creative Economy Manager, said staff is seeking Council approval of the Arts Commission's recommendations for grant allocations. She recalled that on March 28,

2022, the Council approved a set of guiding principles for the commission's review process including ensuring that the grant program reflects the current needs of the arts and culture community, ensures equitable access and activates the BelRed Arts District. Ms. Hoffman noted two bonus grant opportunities for grantees addressing underserved communities and activating the BelRed Arts District. The EAP support grants have a two-year funding cycle and offer a PowerUp Bonus for prioritizing equal access. Project Grants are allocated annually for one-time projects.

Ms. Hoffman said the application process opened late summer and the allocations committee met to review the applications on November 17, 2024. The Arts Commission met on December 4, 2024 to review the applications and take action on recommendations.

Manette Stamm, Arts Program Analyst, said the available grant funding for 2025 is \$350,000. The City received 66 grant applications totaling \$573,250 in funding requests. The Arts Commission chose to fund 61 of the 66 grantees, including 37 of the 40 EAP applications and 24 of the 26 Project Grants. The commission also recommended funding four PowerUp Bonus and three BelRed Bonus grants. The organizations and artists recommended for funding are expected to serve approximately 1.6 million residents and visitors in 2025, including 275,000 free and reduced admissions. The grants provide support for diverse organizations and help to boost tourism and creative identity.

Lydia Aldredge, Chair, Arts Commission, highlighted the ACME Foundation, a new EAP grant applicant that focuses on Indian classical music and dance. The recommended award is \$6,000. Bellevue Youth Choirs, which provide youth musicianship training and performance opportunities, applied for EAP and PowerUp Bonus grants. The recommended awards are \$9,000 for the EAP grant and \$5,000 for the PowerUp Bonus. Ms. Aldredge highlighted a new project applicant, Kerry Sutton, who works in youth engagement and education focusing on reclaimed art. The recommended awards are a \$3,000 Project Grant and \$1,000 BelRed Bonus.

Chair Aldredge requested Council approval of the Arts Commission's recommendations for 2025 arts grants.

Mayor Robinson thanked staff and Chair Aldredge for their work.

→ Deputy Mayor Malakoutian moved to approve the Arts Commission's recommendations for 2025 Eastside Arts Partnerships (EAP) Support Grants and Project Grants allocations. Councilmember Stokes seconded the motion.

Councilmember Stokes, liaison to the Arts Commission, noted his longtime interest and advocacy for the arts in Bellevue. He thanked staff and the commission for their hard work and thorough process. He expressed support for the motion.

Councilmember Lee expressed support for the motion. He said it is important to foster appreciation and support for the arts, especially among young people.

Councilmember Zahn expressed support for the motion.

Councilmember Nieuwenhuis thanked Councilmember Stokes for his leadership in this area and expressed support for the motion. He thanked the Arts Commission for their work. Responding to Mr. Nieuwenhuis, Ms. Stamm said that more than half of the EAP grantees are Bellevue-based organizations. Ms. Hoffman said staff would follow up with additional details.

Councilmember Hamilton said he appreciated the work of staff and the Arts Commission and expressed support for the motion.

Deputy Mayor Malakoutian expressed support for the motion and thanked the Arts Commission and staff.

Mayor Robinson said she is pleased to have increased funding for the arts. Responding to Ms. Robinson, Ms. Hoffman said there are numerous opportunities for enjoying the arts in Bellevue. However, she acknowledged that many are not visible to the public. She said the City's partnership with Visit Bellevue helps to market and publicize these organizations and events.

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

6. Report of the City Manager

(a) Update of the Community Risk Assessment and Standard of Cover

City Manager Carlson introduced staff's presentation regarding the community risk assessment. She said the Fire Department regularly updates the community risk assessment and standards of cover as part of its reaccreditation process.

Deputy Chief Doug Halbert, Fire Department, said that part of the reaccreditation process involves updating the standards of cover and informing community stakeholders about the updates. The department updated all of its accreditation documents in 2024, beginning with the community risk assessment to assure that emergency services align with the risks and needs of the community. The Center for Public Safety Excellence (CPSE) compares national, state and industrial standards to the Fire Department's current practices through the accreditation process. Site visits are conducted every five years, most recently in November 2024, and the department was recommended for reaccreditation. Fire Department staff will present their documentation to the CPSE Commission in April to formally request reaccreditation.

Deputy Chief Halbert said the Fire Department will transition to the National Emergency Reporting Information System (NERIS) in late 2025. The community risk assessment looked at all call types and the standards of cover regarding the response needed for each call type. Call types are separated into four risk levels (low, medium, high and special) and an Effective Response Force (ERF) is identified for each risk level. The ERF is the total number of people needed to complete all tasks related to an emergency call.

Jeff Hackmeister, Business Systems Manager, Fire Department, said the department first received accreditation in 1997 and the 2024 review is the sixth accreditation cycle. The 2024

process involved a new accreditation team to prepare for the review and to create an ongoing program of continuous improvement. Mr. Hackmeister said they worked closely with the eight Battalion Chiefs to realign the standards of cover to account for recent updates in regional response plans and new apparatus and crews. He said the Fire Department worked with the City's GIS team to update the community risk assessment, which incorporates both geographic and demographic data with field response data. Mr. Hackmeister said the new NERIS federal reporting system fundamentally reimagines how emergency response is classified.

Mr. Hackmeister thanked the Council for its ongoing support of the Fire Department and its accreditation program.

Mayor Robinson thanked staff for the report.

7. Council Business and New Initiatives

Councilmember Zahn recommended the appointment of Christopher Hays to the Human Services Commission. She said he has been very engaged in the community and adds an important voice to complement the rest of the commission.

- Deputy Mayor Malakoutian moved to appoint Christopher Hays to the Human Services Commission for a partial term expiring on May 31, 2027. Councilmember Nieuwenhuis seconded the motion.
- The motion carried by a vote of 7-0.

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
 - Minutes of December 2, 2024 Special Meeting*
 - Minutes of December 10, 2024 Regular Meeting*
 - (b) Resolution No. 10462 authorizing the execution of a Technical Services Agreement with Interloc Solutions, Inc., in a not to exceed amount of \$1,182,745 plus all applicable taxes for required Maximo asset management system upgrade and ongoing maintenance support services.
 - (c) Resolution No. 10463 authorizing execution of a grant agreement with King County for \$1,100,000 through the King County Flood Control District's Flood Reduction Grant Program for the Upper Kelsey Creek Phase 2 - Lake Hills Blvd Culvert Replacement Project.

- (d) Resolution No. 10464 authorizing the execution of a five-year farm lease with two five-year extension options with 3rd Space LLC d/b/a tBUG (the Bellevue Urban Garden) (“tBug”) to provide agricultural services for the Lake Hills Greenbelt for in-kind services to the City valued at up to \$7,675 over the initial term, plus all applicable taxes.
- (e) Resolution No. 10465 authorizing the execution of a five-year farm lease with two five-year extension options with Sunshine Chasengnou d/b/a Cha New Life (“Cha New Life”) to actively farm agricultural land in the Lake Hills Greenbelt, operate the Larsen Lake blueberry stand, and manage the Larsen Lake public U-pick blueberry operations for income to the City of up to \$101,345.92 over the initial term, which includes \$16,346 in rental income and an estimated \$85,000 in blueberry sales, plus all applicable taxes.
- (f) Resolution No. 10466 authorizing the execution of a five-year lease agreement with two five-year extension options with Sunshine Chasengnou d/b/a Cha New Life (“Cha New Life”) to operate Mercer Slough produce stand and manage the Mercer Slough public U-pick blueberry operations for income to the City of up to \$102,764 over the initial term, which includes \$57,764 in rental income and an estimated \$45,000 from blueberry sales, plus all applicable taxes.
- (g) Resolution No. 10467 authorizing the execution of a five-year farm lease with two five-year extension options with Tou Cher Cha d/b/a Va Cha Garden (“Va Cha Garden”) to actively farm agricultural land in the Lake Hills Greenbelt and operate a seasonal flower and produce stand for income to the City up to \$13,724 over the initial term, plus all applicable taxes.

At 6:55 p.m., Mayor Robinson declared a break. The meeting resumed at 7:10 p.m.

9. Public Hearings: None.

10. Study Session

- (a) Recommended Land Use Code Amendment (LUCA) and proposed Bellevue City Code Amendment (BCCA) encouraging the redevelopment of existing buildings into residential uses to respond to Engrossed Substitute House Bill 1042, a 2023 state law restricting requirements that may apply to existing buildings converting to residential use.

City Manager Carlson said that in 2023, the state legislature passed legislation requiring cities to amend their codes to promote the conversion of commercial and mixed use buildings to residential uses and to increase the density. In July 2024, the Council initiated this Land Use Code Amendment (LUCA) and Bellevue City Code Amendment (BCCA) to comply with the legislation. The Planning Commission studied the code amendments and held a hearing in October 2024 regarding its recommendations.

Nick Whipple, Code and Policy Director, said staff is seeking direction to prepare the LUCA and BCCA for adoption by the Council on the consent calendar on a future date. House Bill 1042 represents a mandate for cities to amend their codes by June 30, 2025 to encourage the conversion of commercial buildings to residential uses. The LUCA was initiated by the Council on July 16, 2024. The new state law applies to all mixed use and commercial districts and the City must allow 50 percent increased density for residential uses. The City cannot require additional parking for residential units, additional permitting requirements or standards, ground floor commercial space (except along the Pedestrian Corridor), a transportation concurrency study or SEPA (State Environmental Policy Act) review. The City cannot deny a project based on existing non-conformities.

Mathieu Menard, Senior Planner, said the objectives of the LUCA and BCCA are to be consistent with HB 1042, address barriers to residential conversion and to provide additional incentives for redevelopment. Buildings eligible under the LUCA and BCCA must have received a certificate of occupancy more than three years ago. The codes do not allow for the horizontal expansion of a building, except up to five percent of the existing size if necessary. They also do not allow for vertical expansion of a building, except to add a residential penthouse or amenity.

The recommended LUCA: 1) does not add parking requirements for residential uses or expansions, 2) exempts buildings from exterior design requirements and dimensional standards, 3) exempts buildings from ground floor retail requirements, except for downtown rights-of-way designated as A, 4) exempts buildings from non-conforming language, 5) provides flexibility for recycling and waste areas, and 6) exempts the requirement for play areas in multifamily housing.

The proposed BCCA exempts buildings from multimodal concurrency requirements and SEPA review, consistent with HB 1042. Other amendments update the project-specific SEPA thresholds for mixed use buildings and clarify the non-project threshold determination process.

Mr. Menard said only a few buildings are anticipated to take advantage of the new code provisions. It is likely that residential projects will require additional funding sources including State incentives, low income housing tax credits (LIHTCs) and existing tax credits. The multifamily tax exemption (MFTE) program would need to be updated for existing buildings to utilize the new provisions. Mr. Menard said the conversions are most feasible for hotels and 1980s/1990s mid-rise buildings.

Craighton Goepple, Chair, Planning Commission, said the commission held a study session on September 25 to initiate discussion of the LUCA and BCCA. A public hearing was held on October 23 and the commission finalized its recommendation for the LUCA. The commission does not make a recommendation regarding the BCCA and recommends adoption of the LUCA without modification.

Chair Goepple said the commission acknowledged that the LUCA is likely to have a limited impact on the supply of affordable housing. However, it is an important action to assist property owners in converting underutilized office and commercial space. He said there was broad community support for the proposed LUCA and the commission received public input

advocating for unlimited density within the existing building shell and for allowing buildings within critical areas to be included in the scope of the LUCA as well. The initial LUCA capped density increases to 50 percent of existing floor area, consistent with the state mandate, and excluded existing buildings constructed in critical areas. Chair Goepple said the commission discussed concerns about ensuring space for garbage and recycling areas in redeveloped buildings. The commission directed staff to analyze the public input and consider amending the LUCA to reflect stakeholder requests to remove the density cap.

Chair Goepple said that during the October 23 public hearing, the commission was provided with an updated draft of the LUCA, which addressed the public input and commissioners' discussion related to building density by removing the density cap. Staff reported that shoreline requirements would continue to take precedence for building conversions in critical areas.

The commission voted 4-3 in favor of recommending the LUCA with no modifications. A minority of commissioners expressed concerns that the LUCA did not go far enough and suggested that it should allow additional stories on top of existing buildings. During the public hearing, staff clarified that adding more than one story was not in line with the new state law. Chair Goepple said the suggestion to allow increased building heights and density would require substantial additional analysis related to the code. He noted that the City's HOMA (Housing Opportunities in Mixed-Use Areas) initiative will explore increased height allowances and density in mixed use zones and could address some of the requests by the commission minority.

Mr. Menard said the public engagement effort followed Process IV requirements regarding Planning Commission meetings, noticing and the public hearing. Direct engagement and feedback involved individual conversations with development teams and individuals with experience in residential conversions. An email with details of the LUCA was sent to neighborhood leaders and associations and the Bellevue Development Committee discussed the LUCA on September 11, 2024. Information was provided on the City's web site and in the summer edition of the Development Services Department's newsletter. There has been little interest in the LUCA from the general public.

Mayor Robinson thanked Chair Goepple and the Planning Commission for their thoughtful work and recommendation.

Deputy Mayor Malakoutian, liaison to the Planning Commission, commended the collaboration between the commission, staff and the community. Responding to Mr. Malakoutian, Mr. Menard said the City anticipates fewer than five conversions under the new provisions. The City has heard interest in the conversion of existing hotels but not in the conversion of an existing commercial building.

Mr. Malakoutian concurred with the commission that this is one tool to address housing needs. He said the City's approach reflects a good balance of following this state mandate while providing additional tools to encourage affordable housing. He expressed support for the LUCA.

Councilmember Nieuwenhuis thanked staff and the commission for their good work. He said he appreciated the thoughtful way in which this was addressed and the community engagement.

Councilmember Hamilton thanked everyone for their efforts. He said his questions were answered during the presentation and he is ready to move forward toward approval of the LUCA.

Councilmember Stokes expressed support for the LUCA and encouraged clear communication regarding the new provisions. He suggested that more opportunities will develop in the future. He thanked the commission for their hard work. He encouraged strong outreach to developers to educate them about the new codes. Mayor Robinson concurred. Mr. Menard said staff will conduct outreach as part of the implementation of the LUCA ordinance.

Councilmember Lee said he hopes to see an increased interest in building conversions. He suggested considering revisions to the MFTE program. He expressed appreciation for the Planning Commission's review and encouraged a continued focus on what is good for Bellevue. He expressed support for the LUCA and BCCA.

Chair Goepple said he believed the LUCA contains improvements to the state mandate that could help to achieve the objective of creating more housing.

Councilmember Zahn thanked staff and the Planning Commission for thinking beyond the state mandate. She asked whether HB 1590 revenues are a potential source for assisting with building conversions. Mr. Menard said he was not sure whether private-public partnerships would be allowed.

Mayor Robinson noted her ongoing interest in redeveloping Bellefield Office Park into housing, especially as active senior housing. She expressed an interest in understanding whether and how that could be incentivized. She encouraged on-site storage, especially for senior housing.

Ms. Robinson referred to office development at Kelsey Creek Plaza and asked whether residential development would be allowed there. Mr. Menard said he has spoken with Bellefield developers and with Kelsey Creek owners as part of the HOMA initiative. He said these developments are interested in extra stories/floor area. He suggested that the HOMA LUCA is more likely to encourage residential development in those areas.

→ Deputy Mayor Malakoutian moved to direct staff to finalize the Land Use Code Amendment (LUCA) and Bellevue City Code Amendment (BCCA) ordinance for final action on a future consent calendar. Councilmember Stokes seconded the motion.

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

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 7:47 p.m., Mayor Robinson declared the meeting adjourned.

Charmaine Arredondo, CMC
City Clerk

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