

CITY OF BELLEVUE  
CITY COUNCIL

Summary Minutes of Regular Session

June 15, 2015  
8:00 p.m.

Council Chamber  
Bellevue, Washington

PRESENT: Mayor Balducci, Deputy Mayor Wallace and Councilmembers Chelminiak, Lee, Robertson, Robinson, and Stokes

ABSENT: None.

1. Call to Order

The meeting was called to order at 8:06 p.m., with Mayor Balducci presiding.

2. Roll Call, Flag Salute

All Councilmembers were present. Deputy Mayor Wallace led the flag salute.

(a) Presentation of Check to the City from the Bellevue Botanical Garden Society

Gary McGough introduced himself and Molly van der Burch as Co-Presidents of the Bellevue Botanical Garden Society, and Diane Lane, the Chair of the Capital Campaign. Mr. McGough recalled the Society's pledge to raise \$5 million of the \$11 million needed to complete the Aaron Education Center and the Visitor Center. The Society has donated \$3.5 million to date. As part of the \$5 million pledge, \$1 million were pledged by the Society itself. He presented a check in the amount of \$200,000, bringing the Society's total contribution to \$600,000.

Mr. McGough said this is the one-year anniversary of the capital campaign. For the first time at the garden, the new education center offers adult classes and lectures. Children's education classes have been expanded to reach a broader student base, including a preschool program. Mr. McGough thanked the City for its partnership with the Bellevue Botanical Garden Society.

Mayor Balducci thanked the Society for its generous support of the garden. She declared a brief recess to take photographs.

(b) World Elder Abuse Awareness Day Proclamation

Mayor Balducci read the proclamation recognizing Monday, June 15, as World Elder Abuse Awareness Day in Bellevue.

Diana Thompson accepted the proclamation on behalf of the Bellevue Network on Aging, and noted additional members of the group in the audience. She described the behaviors involved in elder abuse, which are often committed by family members or others close to the older adult. She said elder abuse is increasing and she encouraged everyone to look for signs of abuse including unexplained physical injuries, financial problems, deterioration of home conditions, untreated medical conditions, and changes in behavior (e.g., crying, isolation, worsening hygiene).

Ms. Thompson referred the public to the web site of the State Attorney General's Office for information on financial and investment scams. The King County Prosecutor's web site provides information as well. To report abuse or neglect, Ms. Thompson said individuals should call the Department of Social and Health Services at 1-866-363-4276.

Mayor Balducci thanked the group for the information and for their work on behalf of the community.

3. Approval of Agenda

→ Deputy Mayor Wallace moved to approve the agenda, amended to continue the Study Session item regarding the 2015 Annual Comprehensive Plan Amendment (CPA) work program under Agenda Item 7. Councilmember Robertson seconded the motion.

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

4. Communications: Written and Oral

Mayor Balducci explained that the Council recently amended its rules for Oral Communications. The purpose of the changes is to balance the opportunity for public comment and the need for the Council to address City business. A total of 30 minutes will be allowed for Oral Communications during the first opportunity to speak, and an additional opportunity is provided at the end of Extended Study Sessions and Regular Sessions.

There is a three-minute limit per speaker and the Chair is authorized to give preference to individuals speaking to topics on the evening's or an upcoming agenda and to those who have not spoken to the Council within the previous quarter. If participation during Council meetings results in a disruption of the meeting, the Chair may offer a verbal warning. If the behavior continues, the speaker may be removed from the meeting.

(a) Steve O'Donnell, President of the Coalition of Eastside Neighborhoods for Sensible Energy (CENSE), said the group seeks an energy solution that is more cost-effective and reliable. He said the comment period for Puget Sound Energy's Energize Eastside project Phase I Scoping EIS (Environmental Impact Statement) review just ended. CENSE's

attorney filed a letter of comments expressing concerns: 1) the lack of a project application; 2) the preparation of two serial draft EIS reports, which is inconsistent with SEPA (State Environmental Policy Act) rules; 3) the project is not an essential public facility; and 4) the EIS must give thorough consideration to all alternatives. He said CENSE hired an environmental consulting firm and their report was submitted as part of the Scoping EIS comments as well. He noted a written submittal to the Council earlier that day and encouraged them to read the information on the definition of an Essential Public Facility.

- (b) Sibyl Glasby, Director of Housing Development for Imagine Housing, described the organization's work with St. Luke's Lutheran Church for the past year and one half to create affordable housing on the church campus. She said this is currently a single-family zone surrounded by multifamily zoning uses. Imagine Housing has held two community outreach meetings with neighbors, and concerns have been raised about traffic and pedestrian safety. Ms. Glasby said Imagine Housing is committed to mitigating project impacts. Based on a consultant's review, there is sufficient parking on the campus to support the project. She said St. Luke's is an ideal site for affordable housing due to connections to transit and its proximity to Downtown Bellevue. The church is within walking distance of the Kirkland Park and Ride to the south. The project provides 58 affordable apartment homes behind the church, and the building would be designed to complement the church and the neighborhood. Two-bedroom apartments would rent for \$500-\$1,100. She asked the Council to approve the related Comprehensive Plan Amendment.
- (c) Judy Buckmaster spoke as a member of St. Luke's Lutheran Church. She said one of the greatest challenges on the Eastside is affordable housing, and the number of homeless individuals continues to climb. Noting her employment with the Bellevue School District, she said there is a need for affordable housing for teachers as well. Ms. Buckmaster said there were 157 homeless students in the Bellevue School District last year, and that number has increased to 223 homeless students today. Churches in the community are becoming increasingly involved in supporting youth and families. She encouraged partnerships to address affordable housing and other needs.
- (d) Tom Kidd, former Senior Pastor of St. Luke's Lutheran Church, said refuge, renewal and reach have been critical in driving the church's understanding of its place in the community and in helping those in need. He said Congregations for the Homeless was developed at St. Luke's, and the church houses The Sophia Way program and Sophia's Place day center. The church has been involved with the Northtowne Neighborhood Association and is extensively involved in partnering with existing agencies. Mr. Kidd said Imagine Housing has effective programs in place and is a good partner for the community. He recalled that, eight years ago when St. Luke's hosted Tent City 4, among those living in a tent was a Lake Washington School District teacher. He said the proposed housing is intended to help the homeless as well as a broader range of residents in need of affordable housing.

- (e) Paul Brallier, representing the Northtowne Neighborhood Association, reminded the Council of the area's request to update its Subarea Plan. He thanked the City for including residents in the process of naming Zumdieck Park and for its work with the new KidsQuest Museum. He said the earlier Study Session was helpful in clarifying the Comprehensive Plan Update process and the permitting process related to St. Luke's proposed housing. Mr. Brallier said Northtowne residents' primary concern is traffic on Bellevue Way, including in front of St. Luke's Church. Mr. Brallier said pedestrian safety is important, especially to connect to buses if affordable housing is added to this location. He said residents support more reasonably priced housing in contrast to the mega-houses that are being redeveloped in the neighborhood. Residents are requesting, as part of the next Subarea Plan update, that the City consider targeted rezoning to allow the church to build two smaller houses on the quarter-acre lot instead of one large one. They are interested in considering accessory dwelling units (ADUs) in the neighborhood as well. Mr. Brallier submitted his comments in writing.
- (f) Harpal Gill said one of the reasons the Northtowne Neighborhood Association became active again was due to traffic concerns, including excessive speeds and increasing accidents, and pedestrian safety. He said it would make sense to address traffic issues in coordination with the St. Luke's project.

Mayor Balducci asked the City Manager to follow up with an update from staff on the issues presented by St. Luke's Church and the Northtowne Neighborhood Association.

[Deputy Mayor Wallace temporarily left the dais.]

- (g) Jim Berry described the upcoming Mountains to Sound Greenway 25<sup>th</sup> Anniversary Trek from Ellensburg to Seattle over eight days. He invited the Council to attend a related event at Newcastle Beach Park on the evening of July 18.
- (h) Kelsey Wang, an elementary school student, said there are approximately 10,047 homeless individuals in King County. She asked the City Council to help spread the word that the homeless should not be treated like outcasts. She knows the City has taken actions to help the homeless, but she thinks the City could do more. She asked the Council and the community to help the homeless.

Mayor Balducci said Kelsey has researched this issue and previously interviewed the Mayor. Ms. Balducci thanked her for her activism.

- (i) Kelly Rider, Policy Director for the Housing Development Consortium (HDC) of Seattle-King County. She thanked the Council for its consideration of the proposed multifamily tax exemption (MFTE). She thanked the City for its support of low-income housing and urged the Council to adopt Ordinance No. 6231. HDC is a nonprofit membership organization consisting of more than 100 private businesses, nonprofit organizations and public partners who are working to develop affordable housing in King County. She said the MFTE is an important, proven mechanism for encouraging private market development that addresses the housing needs of low and modest wage workers.

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

6. Report of the City Manager: None.

7. Council Business and New Initiatives

Councilmember Robertson said there were two rounds of interviews of candidates to fill vacancies on the Environmental Services Commission.

- Councilmember Robertson moved to appoint Diann Strom to serve a four-year term, and Lisa Shin to fill the remaining three years of an unexpired term, on the Environmental Services Commission. Councilmember Stokes seconded the motion.
- The motion carried by a vote of 6-0, with Deputy Mayor Wallace temporarily away from the dais.

Councilmember Lee indicated he would miss the following week's meeting to attend the U.S. Conference of Mayors. Mayor Balducci said she would be missing the Council meeting as well due to another commitment.

Mayor Balducci noted unfinished business from the earlier Study Session, which is to provide direction to staff regarding the Comprehensive Plan Amendment related to proposed housing at St. Luke's Lutheran Church.

Ms. Balducci said the Planning Commission recommended, by a vote of 6-0, Council approval of the CPA. She noted public comment earlier in favor of the project and in continuing to work with the community regarding their concerns.

- Councilmember Robertson moved to direct staff to draft legislation and to schedule the Ordinance for approval of the St. Luke's project CPA, as part of the overall Comprehensive Plan Update. Councilmember Stokes seconded the motion.

Councilmember Robertson said the Council has had a strong policy position to support a variety of housing types in Bellevue, including affordable housing. She said the St. Luke's project is in essentially an island of single-family zoning surrounded by multifamily-medium zoning.

[Deputy Mayor Wallace returned to the dais.]

Ms. Robertson said different standards are applied to churches on land use matters. While special standards are not requested in this case, the federal Land Use Partnership Act (LUPA) allows churches to use their land to carry out their mission. She noted concerns by neighbors regarding traffic and said those issues will be handled during the permit process. They are not a reason to deny a Comprehensive Plan Amendment. Ms. Robertson believes this will be a good project. She worked with Imagine Housing on the St. Margaret's Episcopal Church project and said they worked well with the neighborhood.

Councilmember Chelminiak said a number of affordable housing projects are underway west of I-405. He said this project is the right thing to do as social policy, family support, and economic policy. He said Northtowne residents have previously come to the Council to express their interest in keeping new housing consistent with the existing scale of the community. Mr. Chelminiak said St. Luke's Church provides a number of socially responsible programs. He said Imagine Housing has been a good partner and will work with the neighborhood.

Councilmember Stokes said the project represents a good community efforts. He said it is exciting to integrate affordable housing throughout Bellevue instead of in one area. He noted that a number of Northtowne residents are interested in considering attached accessory dwelling units (ADUs) as a housing option. Mr. Stokes thanked St. Luke's and the Northtowne neighborhood for their leadership on this project.

Councilmember Robinson thanked St. Luke's Church and Imagine Housing for their excellent work in the community to date. She said housing is the foundation of stability for families and the community, and children cannot learn without stability in their lives. She expressed support for the CPA.

Councilmember Lee said that worthwhile projects typically generate dialogue and debate. He believes the project result will prove itself and that it will be developed with the satisfaction of the neighbors.

Mayor Balducci expressed support for the CPA. She acknowledged the concerns of the surrounding community and thanked residents for coming forward to work with the church.

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

8. Consent Calendar

→ Councilmember Chelminiak 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 Meeting Minutes

Minutes of May 11, 2015 Extended Study Session

Minutes of May 18, 2015 Study Session

Minutes of May 18, 2015 Regular Session

(b) Motion to approve payment of claims and payroll for the period May 1, 2015 through May 31, 2015.

(c) Ordinance No. 6230 repealing Appendix A to Ordinance No. 4526, as subsequently amended, (Bellevue City Code Section 3.80 Whistleblower Policy

and Procedure) and replacing it with a new Appendix A to Bellevue City Code Section 3.80 to reflect current contact information for public agencies that enforce laws or investigate issues related to whistleblower complaints; and, conferring authority on the City Manager or his designee to update Appendix A in the future as necessary or appropriate.

- (d) Resolution No. 8929 authorizing execution of a purchase agreement with Stryker for the purchase of power cots and load systems for three Basic Life Support (BLS) and eight Advanced Life Support (ALS) transport units for the Fire Department in an amount not to exceed \$507,774.40, plus applicable Washington State sales tax.
- (e) Resolution No. 8930 authorizing execution of a second amendment to the Agreement for Professional Services with Foster Pepper PLLC to increase the total contract amount from \$100,000 to \$140,000 to provide consultant services regarding the Shoreline Master Plan and Conformance Regulations.
- (f) Resolution No. 8931 authorizing execution of an amendment to the professional services agreement with Design Concepts, in an amount of \$231,700.14, for a total amount up to \$484,327.77, to complete architectural, engineering and construction administration services for Phase 2 of the Inspiration Playground in Downtown Park.
- (g) Resolution No. 8932 authorizing execution of a Facility Use Agreement for King County District Court.
- (h) Resolution No. 8933 adopting the City's 2016-2021 Transportation Improvement Program (TIP). *[Postponed from May 18, 2015.]*

9. Public Hearings: None.

10. Land Use: None.

11. Other Ordinances, Resolutions and Motions

- (a) Ordinance No. 6231 authorizing execution of Bellevue City Code Chapter 4.52 Multifamily Housing Property Tax Exemption

City Manager Brad Miyake introduced discussion of the Multifamily Housing Property Tax Exemption, which is authorized under state law to encourage new housing development within the mixed-use urban areas. The Council has discussed the proposal a number of times and held a public hearing on the topic. Staff recommends approval of Ordinance No. 6231.

Dan Stroh, Planning Director, said the proposed ordinance responds to a series of issues and refinements identified by the Council.

Councilmember Robertson said she is in favor of adopting the MFTE ordinance. However, she said the draft ordinance does not quite capture the revisions she requested, which were supported by the rest of the Council, for two items. The first is that the finishes of the affordable and the market units be the same, and the second relates to micro units.

Councilmember Robertson said her understanding was that micro units would be excluded from eligibility for the MFTE. She said there has not been a broad policy discussion about micro units. She noted the need for a Council discussion about whether policies to encourage micro units are an objective for Bellevue. She is not ready to include them at this time. She would like the ordinance to define micro units and to indicate that they are not eligible for the MFTE.

With regard to the finishes for the housing units. Ms. Robertson believes all units should look the same. She said the contract reflected by A Regional Coalition for Housing (ARCH) refers to “similar quality” of units. However, she suggested that the language refer to similar quality and identical finishes.

Councilmember Robinson said it was her understanding that micro units would not be allowed without an additional decision related to a specific area.

Mr. Stroh said staff’s understanding of the Council’s previous discussion was that there was concern about inadvertently creating a definition of a type of housing that is not currently allowed (e.g., apodments). In response to that, staff removed any definition that might suggest something not allowed under current Code. The proposed draft ordinance refers to very small units that are currently allowed and indicates that deeper affordability will be required to use the MFTE for those units. Mr. Stroh said the zoning districts that currently define housing density by FAR (floor-area ratio) instead of dwelling units per acre allow very small units. In response to the Council’s previous discussion, Mr. Stroh said staff removed the term “micro units” and specified that very small units will require deeper levels of affordability.

Councilmember Robinson said she likes the definition as revised in the draft ordinance.

Councilmember Chelminiak questioned what is required of the very small units. Mr. Stroh said they are required to have a sleeping area, cooking area, bathroom, and separate entry. He noted that most of Bellevue’s districts do not allow boardinghouses.

Mr. Chelminiak said the current draft is better than the previous language. Responding to Mr. Chelminiak, Mr. Stroh said very small units would be allowed under the multifamily-high designation. As an example, in the Wilburton area, Mr. Stroh said the commercial business (CB) district allows up to 30 units per acre. It would not make sense to develop this with 300-square-foot units due to the underlying land costs.

Councilmember Chelminiak concurred with Ms. Robertson that a policy discussion is needed to consider micro units. However, he is satisfied with the current language that refers only to units that are already allowed. Mr. Chelminiak said he supports strengthening the language to require the same finishes within affordable and market housing units.



Councilmember Lee said the interest is in encouraging affordable housing, while the size of allowed units is a separate issue. He suggested keeping the ordinance simple and focusing on encouraging affordable housing without telling developers what to do or how to do it. He said those details should be considered separately.

Councilmember Robertson noted that 300 square feet is the maximum size. Responding to Ms. Robertson, Art Sullivan (A Regional Coalition for Housing) said the City of Seattle has discussed considering units closer to 200 square feet. However, 300 square feet is most likely the threshold for fitting in the required features and for complying with the Building Code and Fire Code. He said ARCH needs to meet with Seattle's Building Department for a more detailed response.

Ms. Robertson said the City changed its Land Use Code fairly recently to allow boardinghouses in multifamily zones. She questioned whether the MFTE would be eligible for building boardinghouses. Mr. Stroh said the Council could add the term "dwelling unit" to avoid an interpretation consistent with boardinghouses.

Ms. Robertson said one policy issue for the Council to consider is whether very small units should be allowed. However, a greater concern at this point is whether they should be eligible for the multifamily tax exemption (MFTE). She said the anticipated outcome has not been studied.

Deputy Mayor Wallace said he supports the ordinance as drafted with regard to the size of housing units. He observed that the requirement for one parking stall per unit effectively eliminates the ability to develop a lot of micro units that are profitable. He said the policy can be changed at a later date if the outcome is not as anticipated or desired by the Council.

With regard to finishes within the housing units, Mr. Wallace said the current language captures the intent of doing so without requiring identical finishes. He said it would be difficult to enforce and he does not see it as necessary. He said this issue could be monitored and amended if the Council feels it is necessary in the future.

- Councilmember Stokes moved to adopt Ordinance No. 6231, and Deputy Mayor Wallace seconded the motion.
- Councilmember Robertson moved to amend Ordinance No. 6231 to include: "The dwelling unit shall be as defined in the Bellevue Land Use Code." Councilmember Robinson seconded the motion.
- The motion carried by a vote of 7-0.
- Councilmember Robertson moved to amend Land Use Code Section 4.52.040(G) for the last sentence to read: "The affordable units will be constructed of similar quality with similar finishes as the other units in the project." Councilmember Chelminiak seconded the motion.

- The motion carried by a vote of 4-3, with Deputy Mayor Wallace and Councilmembers Lee and Robinson dissenting.

Councilmember Chelminiak thanked Councilmember Robinson for her persistence on the affordable housing issue. He thanked Deputy Mayor Wallace for his perspective as a developer.

Councilmember Robinson thanked the Council for their support and hard work on this issue. She noted the importance of Deputy Mayor Wallace's input as well.

- The motion to adopt Ordinance No. 6231, as amended, carried by a vote of 7-0.

12. Unfinished Business: None.

13. Continued Oral Communications: None.

14. New Business: None.

15. Executive Session: None.

16. Adjournment

At 9:20 p.m., Mayor Balducci declared the meeting adjourned.

Myrna L. Basich, MMC  
City Clerk

/kaw