

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Study Session

October 5, 2015
6:00 p.m.

Council Conference Room
Bellevue, Washington

PRESENT: Mayor Balducci, Deputy Mayor Wallace, and Councilmembers Chelminiak, Lee¹, Robertson, Robinson, and Stokes

ABSENT: Deputy Mayor Wallace

1. Executive Session

The meeting was called to order at 6:09 p.m., with Mayor Balducci presiding. There was no Executive Session.

2. Study Session

(a) Update on the Wasatch Superblock and the Connector Road Requirement

City Manager Brad Miyake introduced staff's update on the Wasatch Superblock and the connector road requirement.

City Attorney Lori Riordan described the layout of the Wasatch Superblock between 106th Avenue NE and 108th Avenue NE, north of NE 8th Street. Under a 10-year agreement related to the development of two residential towers, Wasatch was obligated to provide the connector road by September 27, 2015.

Ms. Riordan noted the NE 9th Street cul de sac, which existed before development was initiated. As part of the original review process for the residential towers, Wasatch initially proposed a street vacation of NE 9th Place, abandoned that request, and then proposed a vacation of the entire plat. In exchange, Wasatch proposed that it provide an east-west connector road, sidewalks, and landscaping through the entire superblock. This was to be a private road that would be maintained by the property owner but it provided a public easement.

Council legislation adopted in 2005 to effectuate the plat vacation required that the connector road be constructed by September 27, 2015. Wasatch fulfilled other obligations related to the plat vacation but has failed to construct the road.

¹ Councilmember Lee left at approximately 6:45 p.m. and returned later in the evening during the Regular Session.

Ms. Riordan said the City was contacted by Wasatch in late 2014 with a request that the City consider an amendment to the plat vacation condition for the road. The company cited the prolonged effects of the recession and tightened construction lending markets, and proposed extending the deadline for the construction of the road to 2022. Ms. Riordan said this proposal was unacceptable to the City. As a result, negotiations to find alternative solutions have been ongoing through most of this year.

Ms. Riordan said there is ongoing construction on parts of the superblock that have been sold by Wasatch to other developers. Trammell Crow is in the process of constructing a parking garage and office building on the eastern and center portions of the superblock. The City is in the design review process for a hotel on the northeast corner. The buildings along NE 8th Street are not currently involved in any permitting process but are expected to be developed by Wasatch at some point in the future. Trammell Crow has proposed building the northern half of the connector road and sidewalk as part of their project, and has reportedly been in negotiations with Wasatch regarding construction of the southern portion of the road without a sidewalk.

Ms. Riordan said the residents of the condominium towers are eager to see the completion of the connector road. They view the road and sidewalks as essential for public access and livability.

Ms. Riordan said the negotiating team of Wasatch and City employees reports that a resolution is imminent. However, staff suggests that the Council consider a motion requiring the completion of negotiations by December 31, 2015. If this fails to produce an agreement that staff feels is appropriate for presenting to the Council, staff proposes seeking legal remedies through the courts. If an agreement is reached, staff will bring it forward for a public hearing and for the Council to consider whether the proposal serves the public benefit as originally envisioned by the plan for the road.

Responding to Mayor Balducci, Ms. Riordan said staff is requesting Council direction regarding staff's recommendation.

Responding to Councilmember Robertson, Ms. Riordan said she has not been involved in the negotiations. Her understanding is that Wasatch reports it is close to reaching an agreement with Trammell Crow regarding construction of the south side of the road. One outstanding issue is the timing of sidewalk construction for the southern half of the road. There is a concern about the change in elevation and that the construction of a sidewalk could unintentionally limit the ability for the future development of the NE 8th Street frontage. Wasatch proposes waiting to construct the southern sidewalk. However, an extra-wide sidewalk and landscaping would be completed on the north side of the road.

Responding to Councilmember Robertson, Ms. Riordan said a plan for the connector road has not yet been submitted to the City. Ms. Riordan estimated that Trammell Crow would be starting construction of its side of the road within the next few months. She said the two active permits for the site apply to the parking garage and the office tower. The City is in the design review phase for the Hilton Garden Inn on the northeast corner of the superblock. Responding to Councilmember Robertson, Ms. Riordan said staff would proceed to file suit if a deadline for concluding negotiations is set and not met.

Responding to Councilmember Chelminiak, Ms. Riordan said Trammell Crow is potentially obligated under the covenant connected to the land to provide its half of the road. However, Trammell Crow has expressed concern to the City that it does not have the needed authority from Wasatch to construct the northern half.

Mr. Chelminiak said the Council received the email from the Washington Square Towers Condominium Owners Association. He would like to see the road completed. At a minimum, he would like pedestrian access. He recalled that cut-throughs on superblocks was a strong policy consideration of the Council and he would like to see this carried out as soon as possible. Ms. Riordan said staff would not bring a proposal for Council consideration that does not provide construction of the full width of the roadway. Staff would not consider that to meet the criteria for a public benefit.

Councilmember Robinson would like to see the road completed as soon as possible, and she wants to see the same rules of public roads applied to this private street. This includes maintaining clear access through construction and upon completion. Ms. Riordan said the City would expect open access consistent with the public easement on the plat. Ms. Robinson described a private road elsewhere in Bellevue that is often blocked by dumpsters or other obstacles. Ms. Riordan said it is possible the road does not contain a public easement.

→ Councilmember Stokes moved to direct staff to move forward to complete negotiations for a resolution by no later than December 31, 2015, and to take appropriate legal action to enforce the terms of Ordinance No. 5625 and all other legal remedies to ensure that Wasatch fulfills its obligations. Councilmember Chelminiak seconded the motion.

Responding to Councilmember Lee, Ms. Riordan said that if agreement is reached with Wasatch, the City will work with Trammell Crow and Wasatch to ensure coordination of their plans for the road.

Mayor Balducci said she supports moving forward to complete the public benefit required by the original street vacation agreement. She noted that Wasatch has had 10 years to complete the road.

Responding to Ms. Balducci, Ms. Riordan said if an agreement is not reached with Wasatch, the typical course of action is to seek specific performance through the courts. It might be necessary to involve Trammell Crow should that occur because the covenant runs with the land that the company now owns.

Mayor Balducci summarized that Wasatch was given 10 years to provide the road and negotiations are underway. She suggested allowing time for enforcement in future timelines for similar agreements. Responding to Ms. Balducci, Ms. Riordan said the negotiations team has indicated it could reach an agreement within the next few weeks.

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

(b) Smart City Strategy Overview

Mr. Miyake introduced staff's overview of the Smart City Strategy, which was identified in the Council's 20-year vision and two-year priorities. He said this is an informational update and no action is requested of the Council.

Utilities Director Nav Otal highlighted elements of the Council vision statement that address Smart City objectives and two-year priorities related to infrastructure, high-speed data options and technologies that improve customer service. The Smart City strategy requires an interdisciplinary approach involving multiple departments. While Smart City is a somewhat new term, there are existing City projects, systems and programs that directly support Smart City objectives.

Ms. Otal said the Smart City model uses technology to collect and analyze data across systems and disciplines to improve operations and provide better services for customers. This involves communications, technology innovations using sensors and devices collecting real-time data, monitoring of the quality and performance of services, reducing costs and resource consumption, and improving the overall quality of life for citizens.

Ms. Otal provided examples of how the implementation of Smart City practices and systems would function within the organization and the community. The City of Chicago uses sensors to monitor weather, pollution, noise and traffic, and uses that data to guide policy and planning decisions. Other systems are used in a number of cities and countries. Ms. Otal said Bellevue's transportation system is already using smart technology features.

Chelo Picardal, Chief Technology Officer, described how the Council vision supports the City's economic development plan, One City (High-Performing Organization management) approach, and Smart City effort. Smart City benefits fall into the three areas of livability, sustainability and resiliency. Livability includes health, safety, economic competitiveness, better information, and time-saving outcomes. Sustainability involves conserving resources, reducing waste, increasing operational efficiency, and protecting the environment. Resiliency includes emergency preparedness, recovery from service disruptions, and increased reliability.

Andrew Lee, Deputy Director of Utilities, said the Smart City model benefits the areas of transportation, public safety, connectivity, water, buildings, and energy. Mr. Lee described the Smart City Maturity Model and highlighted how each of these areas is performing in Bellevue. He said an organization might not necessarily want to be at the absolute cutting edge for any given area for a number of reasons, including that technology is untested and/or the costs are too high.

Ms. Picardal described the Smart Connectivity Element. This focuses on high-speed consumer services (i.e., Internet, cable, mobile) for the community, connectivity needs of public institutions (i.e., schools, hospitals, universities), and communications networks for Smart City systems. She noted the Bellevue School District laptop computer program for middle school and high school students, which raises the issue of equity related to Internet access. She said staff is partnering with the City's Diversity Team to address digital inclusion.

Responding to Councilmember Robertson, Ron Kessack, Assistant Director of Transportation, said the City is installing underground fiber conduit as part of public works projects where appropriate.

Mr. Kessack described the Smart Transportation Element, which includes the City's adaptive traffic signal system (Sydney Coordinated Adaptive Traffic System, or SCATS), traffic camera system, and Ethernet communication system. Emerging projects include street light management, LED/solid state lighting, transit signal priority, intelligent transportation system (ITS) security, and video analytics.

Mr. Kessack said the City both installs conduit for potential fiber uses and partners with private sector entities that install conduit. The data collected by the SCATS system optimizes the traffic signal system, and the use of LED streetlights results in a significant reduction in energy usage. Mr. Kessack said the City is working on a pilot video analytics project with Microsoft that will provide traffic counts, pedestrian counts, traffic and pedestrian movements, and other information that can be used to modify the transportation system.

Mr. Kessack said the Smart Public Safety Element includes mobile apps for real-time incident information; integrated alerting for emergencies, hazards and accidents; and dedicated public safety communications networks. The City currently uses a 911 computer-aided dispatch (CAD) system, mobile computers, vehicle tracking, mobile apps for building drawings (Fire Department), and predictive video analytics. Two emerging efforts in public safety include the new regional radio communications network as well as the FirstNet program, which is the first nationwide high-speed wireless network dedicated to public safety.

Mr. Lee described the Smart Water Element, which focuses on efficient water operations, real-time meter reading, predictive analysis, mobile work crews, and remote control. A key emerging technology for Bellevue is advanced meter infrastructure (AMI), which will provide near real-time water meter data to guide conservation and wise water use. The meters can also identify leaks, provide water quality data, and issue pressure alerts for customers.

Mr. Lee described the Smart Building Element, which focuses on efficient, safe and comfortable buildings; software-driven building systems (e.g., security, HVAC, lighting); information to motivate behavior changes (e.g., smart electrical meters), and integrated building systems for demand management. He said Bellevue Urban Smart is a collaboration of the City, Puget Sound Energy, and building owners in the Downtown and Hospital Districts to increase building efficiencies by having access to real-time energy data.

The Smart Energy Element is related to the building element in terms of conservation. However, it also focuses on renewable energy generation, efficiency incentives, Smart Grid meters, Solarize Bellevue, and other initiatives.

Ms. Picardal described a diagram of how all of the elements fit together and provided examples of typical scenarios (e.g., weather events, emergencies) and how the systems would react to provide an efficient and effective outcome.

Ms. Otal questioned where Bellevue should be on the Smart City continuum. She suggested that the ideal spot on the continuum is the place in which the City is meeting its performance benchmarks and utilizing integrated systems. She said the City will need to discuss where it wants to be and how to balance investments with returns and public benefits. Next steps include a regional workshop, refining the Smart City Maturity model for Bellevue, developing a project portfolio, drafting the Smart City strategy, and continuing discussions with the Council.

Mayor Balducci said it is good to see staff from multiple departments working together on the Smart City initiative.

Councilmember Stokes said the Planning Commission retreat included a Smart City Panel. He commented on the many opportunities for improving City services and optimizing expenditures. He recalled the water main incident on West Lake Sammamish Parkway and suggested that perhaps Smart City monitors would have been able to alert the City to a problem before it became an emergency.

Councilmember Robinson said she is excited about the initiative and believes Bellevue should be a national leader with the Smart City model. She noted two local startups with programs focused on water and energy utilities management. She said she sent the information to Ms. Otal, who said staff will research and meet with the companies to discuss their services.

Ms. Robinson noted connectivity issues at Impact Hub. Ms. Picardal said improved Internet service was installed for Impact Hub in time for the recent Planning Commission retreat at that facility. Councilmember Robinson thanked staff for their work and presentation.

Councilmember Chelminiak said he likes the idea of not necessarily being on the cutting edge of Smart City technology, as there are benefits in waiting for technologies to be tested. He hopes that enhanced connectivity will lead to greater competition in the market. He observed that Bellevue and the region are national leaders in energy conservation and green building practices. Mr. Chelminiak said the Smart City model will require advanced planning in terms of assessing the costs and benefits and determining how to fund the desired projects.

Councilmember Robertson observed that the Smart City model will enhance the City's ability to improve services and to do so more efficiently. She recalled an AMI budget proposal during the last budget cycle and questioned the status of that work. Ms. Otal said a proposal will be presented for the 2017-2018 budget. The City is currently conducting a feasibility study to research the needs and different technologies available. She said the sensors have improved and more options are becoming available. Implementation is targeted to extend through 2019.

Ms. Robertson concurred with Councilmember Robinson's suggestion to work with local technology companies. She encouraged the City to work with other utilities (e.g., electric and gas provider, oil pipeline company) as well to collect real-time data and explore Smart City opportunities.

Mayor Balducci said she sees broad practical opportunities in the Smart City model including expanded Internet access, enhanced traffic management, water usage data for customers, and public safety benefits. Ms. Balducci said she knows the City is already using information technology in sophisticated ways, and she reiterated that it is good to see departments working together in a comprehensive approach.

Mayor Balducci commented on the issue of privacy and the security of information within the context of extensive data collection. She said there might be areas in which citizens are not willing to embrace a benefit based on privacy concerns.

(c) Management Brief regarding Ratification of Proposed Amendment to King County Countywide Planning Policies (CPPs)

Mike Kattermann, Senior Planner, recalled that periodic amendments to the King County Countywide Planning Policies (CPPs) are processed through the Growth Management Planning Council, of which Councilmember Robertson is a member. There was a major update to the CPPs approximately four years ago and one of the issues related to the siting of schools in rural areas serving urban populations. A school siting task force was established by King County to explore this issue and to develop additional policies related to school sitings.

The result of this effort was a new proposed policy that was forwarded to the Growth Management Planning Council approximately 18 months ago. The proposal broadened the scope of the recommendation to include all jurisdictions and all school districts. Mr. Kattermann said Councilmember Robertson and others raised concerns regarding the draft policy and its implications for cities. He said school districts are not subject to the requirements of the Growth Management Act and are therefore not obligated to follow CPPs. He said the proposal created potentially significant workloads on cities and King County with no assurance that the school districts would go along with the policies.

Mr. Kattermann said there was general agreement with the task force recommendation and the intent of the policy, but the GMPC directed staff and school district representatives to work on revising the policy language to better reflect the intent and desire of the GMPC. The revised draft calls for the ongoing sharing of data (e.g., growth forecasts from cities, enrollment data from school districts), regular follow-up every two years on capacity and siting issues, a cooperative effort to identify siting issues, if any, and strategies to address them if needed. The policy requests a report to the GMPC every two years to determine whether the goals of the policy are being met.

Mr. Kattermann said the GMPC recommends ratification of the proposed policy. It was developed and agreed to by school district representatives as well. He said four school districts overlap within the City's boundaries. However, 90 percent of students are served by the Bellevue School District. Mr. Kattermann said the City already regularly shares data (e.g., demographic, development activity, etc.) with the Bellevue School District and, less frequently, with the Issaquah School District. The policy requires that the City maintain annual contact with the school districts and puts a reporting element in place. However, it will not represent much of a change from what the City is already doing in coordinating with the school districts.

Mr. Kattermann said staff recommends approval of the proposed policy and ratification of the proposed CPP amendment. Ratification requires approval by 30 percent of the jurisdictions in King County representing 70 percent of the population. No action is equivalent to ratification and cities cannot modify the policy language. The Council could vote to oppose the policy. However, he has not heard of any opposition from other jurisdictions.

Councilmember Robertson said this has been a long process. She thanked Mr. Kattermann for his work on the staff team. She said the initial proposed policy included requirements for cities that were dependent on cooperation from the school districts. She felt this placed an unfair burden on cities, especially when jurisdictions overlap several school districts. She said Bellevue already does much of what is required by the revised proposed CPP amendment. Ms. Robertson said she voted in favor of the policy as a member of the GMPC. She said one member voted against the amendment.

Councilmember Stokes questioned whether it would be appropriate to schedule a joint meeting with the Bellevue School District. Councilmember Robertson said she is Council liaison to the District Board. She and City staff have attempted to schedule a meeting but it has not worked out to date. Ms. Robertson said the City continues to coordinate and work well with the District, but she would strongly support a joint meeting. She said the original policy amendment that placed requirements on cities that were not binding on school districts was not practical. She noted that the City is the permitting authority for the construction of schools, which are opportunities for the City and District to work together.

Mr. Kattermann observed that the CPP amendment facilitates staff's relationship with District staff as well.

Councilmember Chelminiak expressed support for the CPP amendment and thanked Councilmember Robertson and Mr. Kattermann for their work. He observed that the policy primarily applies to cities on the urban growth boundary.

Mayor Balducci expressed support for the policy amendment, noting that it does not affect the City's budget or what City staff are already doing with the school districts.

Mr. Kattermann said staff will place the item on the next Consent Calendar for Council action.

At 7:48 p.m., Mayor Balducci declared recess to the Regular Session.

Kyle Stannert
Acting City Clerk

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