

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Regular Session

May 16, 2016
8:00 p.m.

Council Chamber
Bellevue, Washington

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

ABSENT: Councilmembers Lee and Robertson left the meeting following Agenda Item 8.

1. Call to Order

The meeting was called to order at 8:10 p.m., with Mayor Stokes presiding.

2. Roll Call, Flag Salute

All Councilmembers were present. Councilmember Wallace led the flag salute.

(a) National Safe Boating Week Proclamation

Councilmember Robinson read a proclamation recognizing the week of May 21-27, 2016, as National Safe Boating Week in Bellevue.

Ms. Robinson presented the proclamation to Duncan Milloy of the Bellevue Sail and Power Squadron. Mr. Milloy thanked the Council for the recognition and presented an honorary membership to the Mayor.

(b) Affordable Housing Week Proclamation

Mayor Stokes read a proclamation declaring the week of May 16-22, 2016, as Affordable Housing Week in Bellevue. Kelly Rider, representing the Housing Development Consortium, accepted the proclamation.

(c) National Police Week and Peace Officers Memorial Day Proclamation

Councilmember Robertson read a proclamation recognizing May 15, 2016, as Peace Officers Memorial Day and the week of May 15-21, 2016, as Police Week, and expressed appreciation for past and present law enforcement officers. Mayor Stokes presented the proclamation to Captain Carl Kleinknecht of the Bellevue Police Department.

(d) APWA Public Works Week Proclamation

Councilmember Slatter read a proclamation recognizing May 15-21, 2016, as National Public Works Week in Bellevue.

3. Approval of Agenda

- Deputy Mayor Chelminiak moved to approve the agenda, and Councilmember Lee seconded the motion.
- The motion to approve the agenda carried by a vote of 7-0.

4. Communications: Written and Oral

- (a) Nathan Heuser, representing Hopelink, said it is critical for the community to work together to provide affordable housing. Of the 64,000 people helped by Hopelink last year, 95 percent of them earned less than \$33,000 during the prior year. This is half the living wage needed to be economically self sufficient in this region. He encouraged tenant protections regarding rent increases. Mr. Heuser thanked the City for partnering with Hopelink and for bringing attention to the reality of residents who are struggling to meet their basic needs.
- (b) Kaleana Arntsen, a family advocate for the YWCA, described the challenges of rising housing costs and significant rent increases with little advance notice. She encouraged the City to do all it can to continue to support affordable housing. Liz Mills, YWCA, requested that the City increase its affordable housing allocation to ARCH (A Regional Coalition for Housing), support legislation to help fund and/or encourage affordable housing, remove barriers to affordable housing, and preserve existing housing. Ms. Mills thanked the City for its support of housing options.
- (c) Jeanne Grote said she serves on The Bellevue Network on Aging Board and chairs the Housing, Transportation and Safety Committee. She is the chair of the advisory board for the North Bellevue Community Center and volunteers with the Bellevue Police Department. She noted that a number of teachers and public safety personnel cannot afford to live in Bellevue. She thanked the City for initiating its affordable housing strategy this year.
- (d) Don Marsh, President of the Coalition of Eastside Neighborhoods for Sensible Energy (CENSE), provided an update on the status of the organization's application to review Puget Sound Energy's data related to the need for the Energize Eastside project. He recalled that CENSE was required to obtain clearance for critical energy infrastructure information (CEII) before PSE would provide the data. Mr. Marsh said there are discrepancies between PSE's information to customers and the information it reported to the Federal Energy Regulatory Commission (FERC). He said PSE rejected CENSE's request to review their data. Mr. Marsh asked the Council to deny PSE's project.

- (e) Michael Fuller expressed concerns regarding affordable housing, homelessness, and the lack of services for veterans.
- (f) Queen Pearl said that affordable housing under the Fair Housing Act is being abused, including through foreclosures. She said advocates for affordable housing often lack the resources for legal assistance. She said there are landlords that allow rats and roaches. She expressed concern about homeless veterans.
- (g) Lisa Guthrie urged the completion of additional bike lanes in Bellevue. She noted that bike lanes in Kirkland and Redmond often end at the Bellevue border. She said her son in kindergarten wanted her to tell the Council that global warming is a problem, and that getting people out of their cars and onto bicycles will help save the polar bears. She asked the Council to fund the City's Bicycle Rapid Implementation Program.

Deputy Mayor Chelminiak acknowledged that additional individuals had signed up to speak about affordable housing. While the number of speakers on one side of a topic is limited to three, he encouraged them to submit their comments in writing or to wait until the end of the meeting or a future meeting for another opportunity to speak.

5. Reports of Community Council, Boards and Commissions

(a) Transportation Commission

Transportation Commission Chair Scott Lampe and Vice Chair Janice Zahn provided an update on the Commission's current work and its recommendations regarding transportation funding priorities.

Chair Lampe said the Commission is currently working on the Transportation Management Program Code, Low Impact Development principles, and multi-modal level of service policies. Recent accomplishments include the Vision Zero policies, the Bicycle Rapid Implementation Program, and the development of funding recommendations regarding overall transportation projects and priorities.

Mr. Lampe said the proposed 2017-2022 Transportation Improvement Program (TIP) is presented on the evening's Consent Calendar for Council action. He said the Commission vetted the projects, hosted a public hearing, and transmitted its recommendations in a memo provided in the Regular Session agenda packet.

Vice Chair Zahn highlighted the Commission's TIP recommendations provided in the transmittal memo. She noted that the Commission supports the currently funded projects and programs in the adopted Capital Investment Program (CIP) and therefore they are not included in the list of new priorities. She expressed support for the Council's discussion during the earlier Study Session to consider funding options including federal TIFIA loans and a voted levy package. She said it is important to fund both new projects and maintenance of the existing system.

Ms. Zahn said the Bicycle Rapid Implementation Program is a high priority and provides at least two north-south and two east-west connected bicycle networks within the next three years. The program is consistent with the Vision Zero policies adopted earlier this year. Additional priorities address mobility and connectivity improvements.

6. Report of the City Manager: None.

7. Council Business and New Initiatives

Councilmember Slatter reported on her participation in the regional economic development trip to China. She is Bellevue's representative on the Trade Development Alliance, which organized the trip with the Seattle Metro Chamber of Commerce. She said the trip was particularly helpful with regard to the Global Innovation Exchange (GIX) to be located in Bellevue.

Ms. Slatter said the City's Economic Development Director, James Henderson, participated in the trip. She said she asked Mr. Henderson to include an update on the GIX program in his report on the trip. She would like the City to invite the University of Washington's partners to provide a presentation to the Council as well. Councilmember Slatter said she learned a great deal about China and global economic development, including from the other regional delegates who participated in the trip.

Councilmember Wallace noted the Eastside Transportation Partnership's discussions about Metro's long-range plan. He said Kate March, Bellevue's Transportation Policy Advisor, drafted a letter on behalf of the ETP, which will be reviewed by member City Councils. Mr. Wallace suggested that the City consider submitting a separate comment letter to Metro as well.

Mayor Stokes thanked Ms. March and Joyce Nichols, Director of Intergovernmental Relations, for their work on regional issues. Mr. Wallace said Bellevue's Transit Master Plan continues to be an asset in advocating with Metro with regard to its long-range plan. Mr. Stokes said Bellevue is working with the cities of Bothell, Woodinville, and Renton related to I-405 bus rapid transit (BRT).

8. Consent Calendar

Deputy Mayor Chelminiak noted that the Consent Calendar encompasses transportation projects, Sound Transit's plans in the BelRed corridor, the City's probation management system, AC Water Main replacement, an update of the Sign Code, and funding for the Police Department bomb squad.

→ Deputy Mayor Chelminiak moved to approve the Consent Calendar, and Councilmember Robertson seconded the motion.

Responding to Councilmember Wallace, Deputy City Manager Kate Berens confirmed that Agenda Item 8(d) reflects funding from Sound Transit and not from the City.

→ 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 April 25, 2016 Extended Study Session
Minutes of May 2, 2016 Study Session
Minutes of May 2, 2016 Regular Session
- (b) Resolution No. 9095 accepting the Governor's Deed, transferring the State of Washington's partial ownership rights in nine tax parcels located within the Mercer Slough Nature Park to the City; 2) accepting the transfer of sponsorships of existing Recreation and Conservation Office (RCO) grants, (No's 73-026A & 78-513A) related to such parcels; 3) authorizing the City to remit \$64,000 to the State, pursuant to RCW 79A.05.170, at such time certain interests in the property (approximately 5,978 square feet) are transferred to Sound Transit; and 4) authorizing execution of the Interagency Cooperative Agreement to dissolve the 1985 Memorandum of Agreement between State Parks and the City relating to operation of Mercer Slough Nature Park.
- (c) Resolution No. 9096 authorizing execution of Amendment #1 to the Professional Engineering Services Agreement with HDR Engineering, Inc., increasing the total contract amount from \$2,232,326 to \$2,518,670 to advance design on the NE Spring Boulevard roadway improvements, 116th Avenue NE to 120th Avenue NE (CIP Plan No. PW-R-172) and 120th Avenue NE to 124th Avenue NE (CIP Plan No. PW-R-173).
- (d) Ordinance No. 6287: 1) authorizing execution of an Agreement between Sound Transit and the City of Bellevue for reimbursement of design and construction costs associated with the demolition of the Teledesic building located at 1445 – 120th Avenue NE; 2) amending the 2015-2016 General Capital Investment Program (CIP) Fund to increase the appropriation by \$1,133,339; and 3) amending the 2015-2021 Capital Investment Plan (CIP) to a) include demolition of the Teledesic building located at 1445 – 120th Avenue NE as part of the NE Spring Boulevard (Zone 1) project (CIP Plan No. PW-R-172); and b) increase the project budget by \$1,133,339 funded by new Sound Transit funding.
- (e) Resolution No. 9097 adopting the City of Bellevue 2017-2022 Transportation Improvement Program (TIP).
- (f) Resolution No. 9098 authorizing execution 1) a five-year Professional Services Agreement with annual automatic renewals thereafter unless either party gives ninety (90) days' notice with Journal Technologies, Inc. for the Bellevue Parks & Community Services Probation Case Management System; and 2) a five-year license and maintenance agreement with annual license and maintenance fees of \$50,000, plus annual increases, if any, in the license and maintenance fees capped

at the CPI-U. The total cost is an amount not to exceed \$474,845, not including CPI increases.

- (g) Resolution No. 9099 authorizing execution of a 1) System Purchase Agreement, 2) End User License Agreement, and 3) four year Software Maintenance Agreement, with the option to renew annually thereafter with increases capped at the lesser of CPI-U or 3%, with Interloc Solutions, Inc. for the purchase of Utility Mobile Workforce software.
- (h) Motion to award Bid No. 16008 for AC Water Main Replacement 2016 – Phase 1 to Earthwork Enterprises, as the lowest responsible and responsive bidder, in the amount of \$1,833,367.26. (CIP Plan No.W-16).
- (i) Resolution No. 9100 authorizing execution of a professional services agreement with CHS Engineers, LLC for engineering services for the Storm Trenchless Repairs 2016 - Design, Surveying, Permitting and Assistance during Construction Services, in an amount not to exceed a total contract value of \$339,221 (CIP Plan No. D-64).
- (j) Resolution No. 9101 authorizing execution of the South Puget Sound Fire Coordinating Group (SPSFCG) Interlocal Agreement, which establishes a cooperative and voluntary platform to establish a coordinated interagency fire training, qualification and certification program in the Department of Natural Resources (DNR) South Puget Sound Region, as well as establish procedures for mutual and interagency recognition of training, experience and certification of wildfire firefighting personnel in compliance with standards and components of the *National Wildfire Coordinating Group (NWCG) Wildland and Prescribed Fire Qualification PMS 310-1 System Guide*.
- (k) Resolution No. 9012 authorizing execution of an Interlocal Agreement between the City of Bellevue and the City of Seattle for the purchase of two EOD-10 bomb suits for the Bellevue Police Department Bomb Squad with partial grant funding from Homeland Security, and additional payment by the City of Bellevue in an amount not to exceed \$15,564.35.
- (l) Ordinance No. 6288 amending the Bellevue City Code relating to the Sign Code, amending a portion of Chapter 22B.10 of the Bellevue City Code to ensure consistency with the Comprehensive Plan Update and improve clarity and usability, which includes the following amendments: modifying the requirement that an enterprise located within a high-rise building must occupy at least 180,000 net square feet and that corporate headquarters must occupy at least 120,000 square feet to place or maintain two signs on a high-rise building, providing for severability, and establishing an effective date.

[Councilmembers Lee and Robertson left the meeting.]

9. Public Hearings

- (a) Resolution authorizing execution of a Development Agreement between the City of Bellevue and LS2 Retail, LLC, and Lincoln Square Hotel, LLC, for a pedestrian corridor bridge that will include weather protection.

Mayor Stokes recalled that this item was discussed during the previous week's Extended Study Session.

Deputy City Manager Berens asked Deputy City Attorney Bob Hyde and Land Use Director Carol Helland to provide a brief staff report.

Ms. Helland said staff presented a package of economic development tools to the Council the previous week to initiate Land Use Code Amendments. This is the public hearing for the development agreement with the Kemper Development Company regarding a proposed pedestrian bridge.

Mr. Hyde said the City Code establishes design standards to ensure attractive, high-quality development within Bellevue, including along the Pedestrian Corridor on NE 6th Street. The corridor is an important element of the City's Grand Connection initiative. Kemper Development Company proposed a pedestrian bridge spanning a small portion of the Pedestrian Corridor. The City Code does not currently contemplate a pedestrian bridge at this location. However, the development agreement allows the proposal to proceed, if approved by the Council.

Mr. Hyde said the development agreement provides a process for Council approval of the bridge, allows Kemper Development Company to maintain its preferred construction schedule for the Lincoln Square expansion, and provides time for the Grand Connection consultant to complete its visioning work. It allows the final ground plane improvements to occur in the future and secures some early improvements of this western gateway to the Pedestrian Corridor.

Mr. Hyde said the proposed bridge design is provided in the meeting materials. The permit at issue is an airspace and right-of-way agreement for a 50-year term, with three possible 10-year extensions. In exchange, the Kemper Development Company agrees to construct the ground plane improvements under the bridge and along NE 6th Street in an area described in the meeting materials. Kemper Development Company will also provide \$500,000 in performance security for the ground plane improvements and will provide an annual fee to the City of \$28,000.

Ms. Helland highlighted elements of the bridge design, which was provided to the Council the previous week as well. Staff is requesting Council direction following the Public Hearing to authorize the City Manager to execute the development agreement as presented, or to provide alternate direction. Staff is seeking final Council action on May 23.

- Deputy Mayor Chelminiak moved to open the Public Hearing, and Councilmember Robinson seconded the motion.
- The motion carried by a vote of 5-0.

The following individuals came forward to comment:

1. Chris Johnson, Director of Government Relations, Bellevue Chamber of Commerce, expressed support for Resolution No. 9103, noting that the pedestrian bridge provides both private and public benefits. He urged Council support of the proposal.
 2. Andrew Bjorn, Kemper Development Company, acknowledged the hard work and professionalism of City staff and others who helped to bring this proposal forward.
- Deputy Mayor Chelminiak moved to close the Public Hearing, and Councilmember Slatter seconded the motion.
- The motion carried by a vote of 5-0.
- Councilmember Wallace moved to approve Resolution No. 9103, and Deputy Mayor Chelminiak seconded the motion.

Councilmember Slatter expressed support for the development agreement. Responding to Ms. Slatter, Mr. Hyde said the 50-year term of the agreement, with possible 10-year extensions, is consistent with the agreements for the other pedestrian bridges in Bellevue.

Councilmember Wallace expressed support for the motion. He said this has been a long time in process and he thanked everyone who contributed to drafting the agreement. He said the agreement asks Kemper Development Company to move forward despite the lack of formal plans for the future design of the Grand Connection. He encouraged the City to engage the company in the planning process to ensure that the design is reasonable for Kemper Development's project as well.

Mayor Stokes concurred and said it will be important to work with the entire community, including businesses, as the Grand Connection and Pedestrian Corridor are developed.

→ The motion carried by a vote of 5-0.

10. Land Use: None.

11. Other Ordinances, Resolutions and Motions

- (a) Ordinance No. 6289 imposing an interim official control regarding the definition of "Pedestrian Oriented Frontage" and "Retail Activity"; providing for severability; and establishing an effective date.

Ms. Berens recalled that both Items (a) and (b) were previously discussed with the Council.

Ms. Helland requested Council adoption of Ordinance No. 6289, which establishes interim official controls to allow banks and financial institutions to locate in tenant spaces that are

currently restricted to retail uses. This item was part of the package of economic development proposals presented to the Council on May 9. In this case, the Industrial and Commercial Bank of China (ICBC) is interested in occupying space in the Bellevue Plaza building.

Ms. Helland said the ordinance adopts temporary regulations while permanent regulations are established as part of the Downtown Livability project. This will allow ICBC to locate in the near term while long-term regulations are being adopted.

Councilmember Slatter said the space has been vacant for a number of years. She said it is important to keep the broader economic development strategy in mind, and she believes the bank is a good fit for the property.

Ms. Helland noted that this is not the only space in Bellevue that has been challenged by a similar restriction on retail usage. The temporary regulations apply specifically to ICBC. However, the permanent regulations are intended to consider a broader range of uses that might be appropriate in other similar spaces. Ms. Slatter said she is pleased that this will be addressed further as part of the Downtown Livability work.

Deputy Mayor Chelminiak thanked staff for responding to the Council's interest in the City's ability to respond more quickly to certain proposals, especially those related to land use and economic development.

→ Deputy Mayor Chelminiak moved to adopt Ordinance No. 6289, and Councilmember Slatter seconded the motion.

Mayor Stokes said adoption of the ordinance will implement interim official controls and, if approved, staff will return with a public hearing within 60 days. He thanked Councilmembers for their willingness to consider the proposed land use amendments related to economic development.

Councilmember Wallace questioned whether the design will result in a pedestrian-friendly project. Ms. Helland said tenant improvement permits will be required, and the building was originally constructed with pedestrian-oriented frontage. However, she acknowledged that some of those standards have likely changed since the mid-1980s when the building was constructed. Ms. Helland said the City will work with ICBC to provide a pedestrian-oriented space, but will not require retrofitting of the location.

→ The motion carried by a vote of 5-0.

- (b) Ordinance No. 6290 imposing an interim official control regarding the relocation of BelRed businesses displaced by the Sound Transit East Link project; providing for severability; and establishing an effective date.

Ms. Helland said Ordinance No. 6290 adopts interim official control to allow BelRed businesses displaced by the Sound Transit East Link project to relocate to other existing buildings in the subarea. She recalled this was discussed with, and initiated by, the Council the previous week as

part of the package of economic development proposals.

Park Place Motors approached the City because it was having a difficult time finding another location in the BelRed corridor or in Bellevue. The ordinance will allow the business to relocate, as an interim measure, while permanent regulations are studied and drafted. Ms. Helland said staff recommends approve of Ordinance No. 6290.

Deputy Mayor Chelminiak recalled that the owner of Park Place Motors, who he did not know, attended the previous week's meeting and sincerely expressed his gratitude for the Council's support of an action that would save his long-term Bellevue business.

→ Deputy Mayor Chelminiak moved to adopt Ordinance No. 6290, and Councilmember Wallace seconded the motion.

→ The motion carried by a vote of 5-0.

12. Unfinished Business: None.

13. Continued Oral Communications: None.

14. New Business: None.

15. Executive Session: None.

16. Adjournment

At 9:30 p.m., Mayor Stokes declared the meeting adjourned.

Kyle Stannert
City Clerk

/kaw