

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Study Session

July 18, 2016
6:00 p.m.

Council Conference Room
Bellevue, Washington

PRESENT: Mayor Stokes, Deputy Mayor Chelminiak, and Councilmembers Lee, Robertson¹, Robinson², Slatter, and Wallace

ABSENT: None.

1. Executive Session

The meeting was called to order at 6:02 p.m., with Mayor Stokes presiding. There was no Executive Session.

2. Study Session

- (a) Discussion and direction regarding potential Ballot Measures regarding Fire Facilities and Transportation Neighborhood Safety and Connectivity.

City Manager Brad Miyake introduced discussion regarding proposed ballot measures for investments in Fire Facilities and Transportation Neighborhood Safety and Connectivity projects. He recalled that the Council directed staff to return with two draft ballot measures for Council consideration. The first is a 12.5 cents per \$1,000 assessed valuation (AV) property tax levy for the 20-year Fire Facilities plan, and the second is a 15 cents per \$1,000 AV levy for neighborhood transportation projects.

Mr. Miyake said staff is seeking Council direction to place the ballot ordinances on the July 25 meeting agenda for formal Council adoption. He invited Council input on the draft ordinances to be discussed this evening.

Bob Hyde, Deputy City Attorney, said the ballot measures are part of the Council's long-range financial planning effort over the past several months. He noted that the draft ballot ordinances were included in the meeting packet. He requested Council direction on the draft ordinances and briefly described each ballot measure. Mr. Hyde said the Fire Facilities ballot measure ordinance contains background recitals and Whereas clauses to lay the foundation for the needed

¹ Councilmember Robertson arrived at 6:11 p.m.

² Councilmember Robinson participated remotely via speakerphone.

investments. The population has grown significantly, and the geographic layout and type of development has changed significantly. Mr. Hyde noted the 2014 Fire Facilities Master Plan referenced in the draft ordinance, which includes a series of unfunded projects that can be addressed through the proposed levy.

Mr. Hyde referred the Council to page 3 of the agenda memo, which describes the four areas of Fire Facilities investments: 1) seismic retrofits to Fire Stations, 2) addition of a Downtown Fire Station, 3) upgrades to existing Fire Stations, and 4) the consolidation of equipment and apparatus at one location. The ballot measure extends over 20 years and specific projects are not listed to provide flexibility as needs or priorities could change over that time period. The ordinance is written to reserve the right for the City Council to make decisions about specific projects.

Mr. Hyde said the ballot language is constrained by state law. There are word limits and required words in each sentence, and there is little flexibility to revise the ballot language as written. The current ballot language consists of 72 words of the maximum allowed 75 words.

Responding to Mayor Stokes, Mr. Hyde read the section of the Fire Facilities ballot measure with the flexibility for revision: "...to seismically retrofit fire stations, build a new Downtown fire station, realign and upgrade existing Fire facilities to better serve the community, and obtain a logistics center warehouse, this proposition would..."

Councilmember Robertson said that, if the changes proposed in the packet for the transportation ordinance are made, parallel language would be appropriate for the Whereas clauses in the Fire Facilities ordinance. She suggested that the revised language in the transportation ordinance would be "neighborhood safety, connectivity, and congestion improvements" instead of "neighborhood safety and connectivity improvements."

Councilmember Slatter questioned whether the plan for the logistics center warehouse refers to acquiring a warehouse or using/leasing existing warehouse space. Mr. Hyde said the intent is to give the Fire Department the flexibility to either rent warehouse space or to buy or build a warehouse. Mayor Stokes said he wants to be sure that the word "obtain" in the ballot language does not limit the City to buying but not leasing warehouse space.

Councilmember Wallace questioned whether the actual property tax rate for 2017 is known, and whether the voter package approves a fixed amount of money to be spent in 2017 that would be the same annual amount over 20 years.

Toni Rezab, Interim Finance Director, said the ordinance indicates a levy of 12.5 cents per \$1,000 assessed valuation (AV). In Washington state, the property tax is revenue based. After the revenue amount is set for 2017, if the Council chose to take a one percent increase the following year under the statutory limit, the rate would increase by one percent. If the Council does not chose the one percent increase, the property tax related to the levy would increase only by the new construction amount. Once the rate is set the first year, a revenue is calculated that is subject to state law and based on the Council's future annual decisions.

In further response to Mr. Wallace, Ms. Rezab said the City's maximum property tax capacity for 2017 is the total of the current rate (94 cents per \$1,000 AV), City's entire banked capacity, Parks Levy tax rate, and the tax levy amounts included in the two proposed ballot measures. If the Fire levy passes, the 2017 property tax rate would increase to \$1.06 per \$1,000 AV. Beyond that point, the City could raise its overall property tax rate by one percent annually plus the banked capacity rate plus growth. In further response, Ms. Rezab confirmed that the 12.5 cent Fire levy would generate a revenue stream of \$5.5 million annually for 20 years. Over time, the millage rate will decline if property values continue to increase.

Responding to Councilmember Lee, Ms. Rezab confirmed that the Council may continue to choose to take the one percent property tax increase allowed by state law. In further response, Ms. Rezab said state law allows the total dollar amount of property taxes collected to increase by one percent annually.

Responding to Mr. Lee, Mr. Hyde said the levy does not include technology elements to address high-rise building fire fighting. Fire Chief Mark Risen said those type of expenses, including staffing and equipment, can be paid through operations funds. The levy is limited to capital facilities.

Responding to Councilmember Slatter, Mr. Hyde said the property tax will be \$1.40 per \$1,000 AV if both levies are approved by the voters.

Deputy Mayor Chelminiak observed that the ballot language clearly indicates the property tax impact for each measure. He said the Fire ballot measure is instrumental and appropriate for capital facilities to ensure continued public safety based on growth and more intense development.

Moving on, Mr. Hyde said he received proposed changes to the transportation neighborhood safety and connectivity ballot measure ordinance from Councilmembers Robertson and Slatter, which are provided in the Council's desk packet.

Councilmember Robertson noted the need, based on public input, for congestion relief projects along with safety improvements. She recalled the Council's discussion the previous week about setting the transportation levy at a slightly higher rate to be able to complete more congestion relief projects. She expressed support for Councilmember Slatter's revision as well.

Councilmember Slatter expressed support for Ms. Robertson's revisions. Ms. Slatter said her proposed revision in the technology section of the ordinance reflects her suggestion that the City demonstrate the value of the technology used for projects. She would like the City to be able to demonstrate the value achieved through dollars spent on technology.

Responding to Councilmember Robinson, Councilmember Slatter agreed to adding the words "current and emerging" before technology.

Deputy Mayor Chelminiak said he disagreed with Councilmember Robertson's proposed revision under Section 1, Item 2 of the ordinance, which indicates that congestion projects are to be defined as roadway projects for motor vehicles.

Responding to Mr. Chelminiak, Ms. Slatter said her revision uses the word "demonstrate" to suggest that the City use outcome measures to evaluate the benefits of technology. Mr. Chelminiak observed that projects are chosen and designed based on an analysis of their benefits. He opined that the revision is unnecessary. Mayor Stokes concurred with Mr. Chelminiak, noting that the language gets into how things will be done versus the broader description of key priority areas.

Councilmember Robinson observed that the concept of demonstrating the value of expenditures and projects is essentially understood for everything that the City does. However, she would like to add "emerging" to technology to indicate that the City is always looking for new ways to make improvements. Councilmember Robertson noted that "emerging technology" is used in the existing language of paragraph 4 regarding technology. Ms. Robinson said she would like to add "emerging" to the other instance of the word "technology" in that paragraph as well.

Councilmember Lee said the value of technology is known and does not need to be demonstrated. Mr. Stokes said the City would not choose technology unless its value had already been proven.

Referring to the same paragraph on technology, Councilmember Wallace said he would prefer it to read: ~~Improve the City's capability to~~ Implement and respond to new technology. However, he said the language proposed by staff provides sufficient direction to move forward with the ordinance and levy.

Ron Kessack, Assistant Director of Transportation, said staff will return to the Council annually to report on the impact of projects and expenditures. He recalled that staff updated the Council periodically as adaptive traffic signal technology was implemented (i.e., SCATS program).

Councilmember Slatter said she would be inclined to add "and effectively utilize technology" to the language. However, she acknowledged that the City will always do its best to effectively use technology where appropriate. She observed that language about demonstrating the value of projects would be helpful for voters.

Deputy Mayor Chelminiak reiterated that the language drafted by staff identifies the desired outcomes and value of the projects (i.e., improve safety, relieve congestion). He opined that language to "demonstrate" the value is not necessary. He reiterated his support for staff's original language. He agreed with Councilmember Robinson's suggestion about "emerging" technology and said he also wants to be able to use existing technology.

Mayor Stokes requested Council direction on the proposed revisions. Councilmember Slatter said she is willing to leave the language as drafted by staff, as long as everyone has a common

understanding about the value of technology. Deputy Mayor Chelminiak reiterated that “emerging” is already used once in the technology paragraph.

Councilmember Robertson said she did not hear anyone object to her proposed revisions, with the exception of Deputy Mayor Chelminiak. She asked staff whether there are ever pedestrian congestion relief projects that are not roadway projects. Mr. Kessack said pedestrian crossings can impact traffic flow and congestion.

Ms. Robertson said congestion relief is a high priority for the community, and she believes the ordinance should limit this category to roadway projects. She noted that this is one of six program areas in the ordinance and proposed ballot measure. She said she felt strongly about adding that revision and requested the Council’s support.

Deputy Mayor Chelminiak suggested that the six project categories may be competing priorities to some extent. For example, it is possible that a traffic calming installation could increase congestion somewhat. He concurred with Mr. Kessack that a pedestrian bridge, while not a roadway project, could relieve traffic congestion by keeping traffic moving. He suggested a holistic approach to overall mobility. He expressed support for the language drafted by staff, which does not specify roadway projects. He said he supports language about connections to neighborhood services.

Councilmember Lee suggested referring to “multimodal” projects. Councilmember Wallace concurred, expressing support for removing “roadway.”

Ms. Robertson acknowledged a Council preference for removing “roadway” but said she would like to add her reference later in the sentence to “motor vehicles.”

Councilmember Robinson said the increasing population of younger adults in Bellevue would like to be able to ride their bikes to work. She suggested that bike facilities is one way to relieve traffic congestion. Mr. Wallace noted that category 6 addresses new bike facilities.

Councilmember Slatter expressed support for using “motor vehicles” or “multimodal transportation projects.”

Mayor Stokes noted that there was majority Council support to add “motor vehicles.”

Responding to Mr. Hyde, the Council indicated support for adding “congestion” to the ballot language.

- (c) Action to Establish the 2016 Annual Comprehensive Plan Amendment (CPA) Work Program

City Manager Miyake introduced discussion of the 2016 annual Comprehensive Plan Amendment (CPA) proposals submitted for threshold review.

Dan Stroh, Planning Director, said staff is seeking Council direction regarding the 2016 annual CPA work program. Tonight's decision is whether to move the proposals forward for threshold review. Five CPA proposals were received, but two were withdrawn before tonight. Mr. Stroh said staff will ask the Council to integrate an earlier Council-initiated amendment into the work program as well.

Nicholas Matz recalled that the Council was briefed on the initial applications during the March 7 Study Session. At that time, the Council initiated the Vision Zero CPA. Mr. Matz said the annual CPA review is a two-part process: threshold review and final review. All of the seven criteria must be met to move a CPA proposal forward for threshold review.

Mr. Matz said the first application is the Eastgate Office Park CPA involving a four-building office complex of approximately 280,000 square feet and surface parking. The other two CPA proposals to be discussed are not site-specific and will apply citywide.

The Eastgate Office Park CPA would amend the map designation on the 14-acre site from Office to Office-Limited Business (OLB). Mr. Matz noted two additional office buildings in the Office District east of the site at 156th Avenue SE. The sites are similarly situated with regard to their site development status and relationship to the Eastgate Subarea's redevelopment focus. The City has notified the owners of the two buildings of their inclusion in the proposal through the expansion of geographic scope. Mr. Matz said this increases the area covered by the CPA to 21 acres. He said the property owners have acknowledged their inclusion in the expanded CPA.

Michelle Hilhorst, Planning Commission Chair, said the Commission recommends including the Eastgate Office Park CPA in the 2016 CPA work program. She said it appears that the properties were overlooked in the Eastgate/I-90 land use study. Eastgate is one of the largest growing areas of the city, and the updated land use plan includes mixed-use, transit-oriented development (TOD).

Continuing, Mr. Matz described the Park Lands Policies 1 CPA proposal, which adds three new policies in the Parks, Recreation, and Open Space Element. The changes restrict or regulate the review of changes in the use of acquired park lands and park property by citizens, the Parks and Community Services Board, and the City's formal rezone process. The three policies: 1) prevent park lands acquired through citywide bond measures from being used for purposes inconsistent with dedicated park uses, 2) state that the use of park property that restricts public use and/or park access for longer than six months shall be deemed permanent, and requires review and approval by the Parks Board for closures related to non-park uses, and 3) require that park lands to be converted, or partially converted, for other than park uses be formally rezoned and subject to the City's public review process.

Chair Hilhorst said the Planning Commission recommends moving this CPA forward for threshold review. The Commission determined that there are significantly changed conditions since the parks levy was approved by voters. For example, enhanced transit through Bellevue was not known or anticipated when the levy was passed for parks acquisitions.

Mr. Matz said staff recommends that the Park Lands Policies 1 CPA proposal not be included in the annual CPA work program. Staff determined that the decision criteria are not met and that the proposal presents a matter not appropriately addressed through the Comprehensive Plan. Mr. Matz said existing policies in the Parks, Recreation, and Open Space Element address land acquisitions, the correct use of parks for active and passive space, protection of natural areas, sustainability, energy efficiency, and water quality. Staff concluded that there is an existing framework to sufficiently address concerns about the acquisition and disposition of park lands.

Staff recommends it would be more appropriate to address the issues through the City Council's ongoing work related to the Sound Transit Memorandum of Understanding (MOU). Staff further determined that the proposal is inconsistent with Countywide Planning Policies and the State Growth Management Act policy implementation for regional open space goals.

Mr. Matz said the proposed CPA would restrict the ability of the City to make use of the full range of regulatory and land preservation tools available to create, maintain, and steward the regional open space system. He said the CPA is also inconsistent with the Growth Management Act's support of established legislative authority regarding private property and open space/recreation planning goals.

Mr. Matz said the Park Lands Policies 2 CPA shares the objectives of the prior CPA. However, it includes more specific policy direction to rezone City-owned park lands with a "Park" zone designation. The CPA includes policies to: 1) prohibit park lands acquired through citywide bond measures from being used for non-park purposes, unless approved through a citywide ballot measure, 2) state that the use of any park property for non-park uses for more than six months shall be deemed permanent and require approval by the Parks and Community Services Board and the City Council, 3) require City-owned park lands to be designated as such in the Comprehensive Plan and to be zoned with a "Park" designation, and 4) require amendment of the Comprehensive Plan and a rezone of dedicated park land for non-recreational/open space use.

Chair Hilhorst said the Planning Commission's determination regarding the Park Lands Policies 2 proposal was based on similar reasoning of the previous CPA proposal. The Commission concluded that changing conditions were not anticipated in the original Comprehensive Plan or known at the time of the Parks Levy.

Mr. Matz said staff recommends against including the CPA in the work program because decision criteria are not met. Staff concluded that the matter is not appropriate for addressing through the annual Comprehensive Plan Amendment process. Mr. Matz said City-owned park lands are already designated in the Plan as P (Park) or PF (Public Facility). Requiring City-owned park lands to be designated and requiring the creation of a new zoning category and list of permitted uses raises issues that would be more appropriately addressed through the Council's ongoing work program.

Mr. Matz said staff found that the proposal is inconsistent with Countywide Planning Policies and the Growth Management Act as well.

Mr. Matz noted that the Vision Zero CPA proposal initiated by the Council will be forwarded to final review. He asked the Council to include the CPA in its motion establishing the 2016 CPA work program.

Councilmember Robertson recalled the Eastgate/I-90 planning process and discussions about special agreement in place related to open space in the area. Mr. Stroh said there are a number of concomitant agreements in the Eastgate area, and staff is evaluating to determine which need to be retained or recaptured in the new provisions. He said the Eastgate Office Park property appeared to be fully developed under the Office designation and unlikely to experience redevelopment. For that reason, it was not addressed by the Eastgate/I-90 Citizen Advisory Committee.

Mr. Stroh said the CPA applicant's submittal opened the possibility that something else could be done with the Eastgate Office Park site. He recalled that there were 2015 Comprehensive Plan Amendments last winter and therefore changes to the site cannot be included in the zoning work currently underway with the Planning Commission. The Planning Commission recommends that the CPA submittal be evaluated as part of the 2016 CPA threshold review to determine whether something was missed during the previous planning effort.

Councilmember Robertson expressed support for initiating the CPA for threshold review. Mr. Matz said there are no concomitant agreements on the site or on the two properties included for expanding the geographic scope.

Responding to Councilmember Lee, Mr. Matz clarified the boundary of the 14-acre site referenced in the original CPA application. Expanding the geographic scope to include adjacent Department of Natural Resources properties results in a 21-acre site subject to threshold review.

- Deputy Mayor Chelminiak moved to initiate the Eastgate Office Park Comprehensive Plan Amendment proposal, including geographic expansion, into the 2016 CPA work program. Councilmember Robertson seconded the motion.
- The motion carried by a vote of 7-0.

Moving on, Deputy Mayor Chelminiak said he concurred with staff's recommendation to not initiate the Park Lands Policies 1 CPA.

Responding to Councilmember Lee, Planning Commission Chair Hilhorst said the Commission heard public testimony and studied relevant information to determine whether the Comprehensive Plan is adequately addressing situations that are submitted during the CPA process. Ms. Hilhorst said the Commission voted unanimously to recommend moving this CPA proposal forward for threshold review.

Councilmember Robinson expressed support for staff's recommendations regarding the two park lands policies CPAs. She noted her past service on the Parks and Community Services Board. She said the City's ability to be nimble with regard to park properties has worked well,

particularly for the parcel in the Mercer Slough that was exchanged. The exchange enabled the placement of light rail farther from the Enatai neighborhood and provide property to complete the Mercer Slough Nature Park.

Councilmember Robertson noted that one of the threshold review criteria is significantly changed conditions since the last time the pertinent Comprehensive Plan map or text was amended. She said there was a thorough review of the Comprehensive Plan in 2015, and there have been no significantly changed circumstances since that time that would warrant a change in park lands policies.

Ms. Robertson said the genesis of the CPA proposals is related to the light rail alignment along the Mercer Slough. She stated that she continues to believe that the B7 route was the best alternative. However, that was not the final alignment chosen by Sound Transit.

Ms. Robertson noted that, under state law, the Council is the legislative body with the authority to deal with land issues. She observed that the proposed policies undermine that authority by taking away the Council's ability to be nimble. Ms. Robertson said she does not support either of the park lands CPA proposals because they do not meet the threshold criteria. She thanked the Planning Commission for its work.

Councilmember Slatter expressed support for staff's recommendations and observed that the issues are appropriately addressed through the Comprehensive Plan Update. She said the Planning Commission commented on the change in conditions criteria. However, other threshold criteria were not addressed. She thanked the Planning Commission for listening to citizens. She said the City is addressing Sound Transit's East Link light rail project separately, and there are other ways to solicit input from the community regarding parks issues.

Councilmember Lee said there are two perspectives, and he appreciates the Commission's work in listening to the public and making recommendations. He expressed support for staff's recommendation, noting that the threshold review criteria do not appear to have been met.

Councilmember Wallace said the CPA proposal would conflict with the Council's agreement in place with Sound Transit. He observed that the threshold review criteria are vague and should be changed.

Deputy Mayor Chelminiak said the CPA proposal would not be a good citywide public policy. He observed that it represents an attempt to relitigate the decisions made regarding the Sound Transit light rail project. He said the policy would affect the East Link B7 alternative as well, leaving the option of running light rail down the middle of Bellevue Way or above the hillside on the west side of Bellevue Way. Mr. Chelminiak said the final East Link alignment is the best option.

→ Deputy Mayor Chelminiak moved that the City Council concur with staff on the threshold review and disapprove moving the Parks Land Policies 1 CPA into the annual work program. Councilmember Slatter seconded the motion.

- The motion carried by a vote of 6-1, with Councilmember Wallace dissenting.
- Deputy Mayor Chelminiak moved that the City Council concur with staff on the threshold review and disapprove moving the Parks Land Policies 2 CPA into the annual work program. Councilmember Slatter seconded the motion.

Councilmember Lee opined that discussion of Sound Transit was not necessary in considering these CPA proposals.

Mayor Stokes said the agenda memo indicates that those in favor of the Parks Land CPA proposals have been engaged in litigation regarding the light rail project for some time. He suggested that the issue could be reviewed during the next Comprehensive Plan update.

- The motion carried by a vote of 6-1, with Councilmember Wallace dissenting.
- Deputy Mayor Chelminiak moved to forward the Vision Zero CPA proposal into the annual work program. Councilmember Lee seconded the motion.
- The motion carried by a vote of 7-0.

Councilmember Robertson suggested that the Planning Commission hold a joint meeting with the Transportation Commission regarding the Vision Zero CPA application.

- (b) East Link Operations and Maintenance Satellite Facility (OMSF) Implementation Agreement between City of Bellevue and Sound Transit

City Manager Miyake recommended moving this item to the Regular Session Agenda under the City Manager's Report.

At 7:55 p.m., Mayor Stokes declared recess to the Regular Session.

Kyle Stannert
City Clerk

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