

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Study Session

November 20, 2017
6:00 p.m.

Council Conference Room
Bellevue, Washington

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

ABSENT: None.

1. Executive Session

Deputy Mayor Chelminiak called the meeting to order at 6:00 p.m., and declared recess to Executive Session for approximately 15 minutes to discuss one item of potential litigation.

The meeting resumed at 6:32 p.m., with Mayor Stokes presiding.

2. Study Session

- (a) Consideration of a new 10-year Fire Protection Services Agreement with other Cities

City Manager Brad Miyake noted that the Fire Protection Services Agreement is a longstanding arrangement between the City and neighboring jurisdictions. He said the current contract expires at the end of the year, and staff is seeking Council approval of a new 10-year agreement. Mr. Miyake introduced Todd Dickerboom, Interim Fire Chief, and Stacie Martyn, Fire Department Fiscal Manager.

Joyce Nichols, Director of Intergovernmental Relations, said the agreement was approved by the City Councils of the participating cities with the exception of Yarrow Point, which is scheduled to take action the following week. Pending Council direction, staff anticipates returning to the Council in December for formal adoption of the new agreement. Ms. Nichols said staff has been negotiating the new agreement with the contract cities over the past year.

Interim Chief Dickerboom described a map depicting the Fire Department's service areas. Fire Station 5 in Clyde Hill also serves the Points Communities, Medina, and Beaux Arts. Newcastle is served primarily by Fire Station 9. There are three key changes in the agreement: 1) contract term increases from six years to 10 years, 2) revisions for clarification and consistency, and

3) a modification in the way that Capital Investment Program (CIP) costs are allocated. The City of Bellevue continues to own all of the land and facilities. The contract maintains an important cost-sharing agreement that benefits all parties and maintains service levels. Interim Chief Dickerboom noted that the contract cities will pay a proportionate share of the new Fire Station 10's operating costs.

Ms. Martyn described the contract formula developed in 2012 to allocate costs to the parties in the agreement. Contributions from participating jurisdictions are based on the area's assessed valuation, population, and calls for service. The contract cities pay approximately 11 percent of the Fire Department's net budget. Ms. Martyn highlighted a chart depicting the number of calls, populations, and assessed valuations for the contract cities, as well as a chart depicting the percentages of the contract costs paid by each jurisdiction. She noted that Bellevue pays 89 percent of the total costs.

Ms. Martyn said there is an increase in CIP costs due to needed Fire facility maintenance projects and the Fire Facilities Levy approved by Bellevue voters. The contract uses the same formula described above to allocate CIP costs to each jurisdiction. CIP costs included in the formula for 2018 total \$2 million, and CIP costs will increase by \$100,000 annually beginning in 2019. Ms. Martyn presented a table depicting the fees for each city under the current and new contracts, noting an average cost increase of 7.2 percent for the cities. She said the increase is due to the CIP costs added to the new 10-year agreement.

Responding to Councilmember Wallace, Ms. Martyn said that ongoing CIP costs total approximately \$8.2 million annually, with up to \$2 million in costs shared by the contract cities. Responding to Mr. Wallace, Ms. Martyn confirmed that the contract cities will pay 11 percent of \$2 million versus 11 percent of \$6.2 million. Ms. Nichols said this was the most difficult issue in the negotiations. She noted that the \$6.2 million levy package funds projects in Bellevue, and voters in the other cities were not allowed to vote on the levy. A sharing of those costs would have resulted in an average cost increase of 40 percent for contract cities. Ms. Nichols said Bellevue would complete the new facilities and enhancements in the absence of a contract with other cities. She said staff negotiated for the contract cities to fully share the costs. However, Bellevue likely would have lost certain contract partners if that occurred. She noted that the cities are paying a portion of the costs to develop Fire Station 10 in Downtown Bellevue. Ms. Nichols said it was a tough negotiation on the CIP cost sharing issue, but she believes that all parties were reasonably satisfied with the outcome.

Councilmember Simas opined that, while the contract cities benefit from Bellevue having a first-rate Fire Department, Bellevue receives the greatest benefit and would maintain its current system without the contract.

Councilmember Lee said he agreed with Councilmember Wallace's comments. Mr. Lee said he understands the nature of negotiations, and he questioned how the City Council can truly represent the public interest when staff negotiates this type of contract. He opined that Bellevue's system is designed to accommodate the contract cities and they should share in the overall costs. He said there would be a different system for Bellevue without the contract. He suggested that

the Council should have information before negotiations begin in order to provide input and feedback to staff.

Deputy Mayor Chelminiak said he is comfortable that staff did a good job with the negotiations. As a Councilmember, he recognizes the benefit to the City of having more partners to the agreement. However, Bellevue demands both a horizontal and vertical response model, which is not needed in the Points Communities. While there was strong support for the Fire Facilities levy last November, the places with less support were the residential areas with high property taxes.

Responding to Councilmember Robertson, Ms. Nichols said staff has not yet met with officials from Yarrow Point. Ms. Nichols said the city councils of the other jurisdictions have all taken formal action approving the agreement.

Ms. Robertson expressed concern regarding the 10-year term for the agreement and the increasing cost of capital improvements. At the end of the ten years, she would like to be able to renegotiate with the participating cities because they will benefit from ongoing capital investments to support emergency fire and medic services. Ms. Robertson noted that the City owns and will always retain the capital assets.

Councilmember Wallace noted that his earlier question arose from genuine interest and it was not intended to make a point. He expressed support for the contract.

Responding to Councilmember Robinson, Interim Chief Dickerboom said Bellevue staff work with other cities with regard to the different fire codes.

Deputy Mayor Chelminiak noted that the International Fire Code is adopted at the state level every three years. Jurisdictions must follow the state code, and may adopt a more stringent fire code as well.

In further response to Councilmember Robinson, Interim Chief Dickerboom said certain residences in the Points Communities can be harder and take longer to access. Ms. Nichols said those considerations are factored into response times and operating costs.

Mayor Stokes complimented staff for their negotiations. He said the agreement builds on past experience, and the Council has been aware that the agreement would be renewed. He said he feels confident that the right outcome is being met, and he noted that he felt included through the process.

Mr. Stokes noted a consensus to bring the agreement back for Council action as a Consent Calendar item.

(b) Bellevue City Code Time-limited Parking Review Status Update

City Manager Miyake recalled discussion during the October 23 Extended Study Session regarding potential parking restrictions to address vehicle residencies. Staff worked with

businesses and faith-based groups to discuss potential restrictions in areas experiencing a number of vehicles parked for long periods of time.

Deputy City Manager Kate Berens said staff previously presented information regarding enforcement tools and other issues related to homelessness and vehicle residencies. She said staff wanted to provide an update on the issue tonight while they continue to perform an analysis and prepare recommendations regarding additional parking enforcement tools, if needed.

Nancy LaCombe, Assistant Director, City Manager's Office, said the streets targeted for time-limited parking restrictions are 130th Avenue NE and 132nd Avenue NE in the BelRed corridor, and SE 41st Street in the Factoria area. She said staff previously responded to concerns regarding parked semi trucks, RVs, and abandoned vehicles on SE 41st Street by reducing the lane width on the south side to discourage parking and by limiting parking by oversized vehicles.

Staff reviewed the complaints that have been received through the MyBellevue app and the Transportation Department's records. The complaints and concerns fall into four general areas: 1) traffic-related, 2) code violations, 3) maintenance, and 4) parking (e.g., blocking driveway sight lines, abandoned and oversized vehicles). Approximately one-quarter of the complaints regarding 130th Avenue NE related to vehicle residencies, and half of the complaints regarding SE 41st Street were related to vehicle residencies.

Ms. LaCombe said that limiting the time allowed for vehicle parking allows for higher turnover rates and provides opportunities for loading zones. Most of the time-restricted parking in Bellevue is in the Downtown. Ms. LaCombe said the adoption of new parking restrictions will require a review of the added resources that might be needed by the Police Department. She said the Transportation Department works with businesses and residents in areas targeted for changes to parking regulations to solicit feedback.

Staff met with representatives of the Interfaith Task Force on Homelessness, Congregations for the Homeless, and other organizations. Ms. LaCombe said the Interfaith Task Force has four All Home vehicle residency work groups throughout the region. The East work group includes the cities of Bellevue, Issaquah, Kirkland, Newcastle, Redmond, and Woodinville as well as the faith communities of Lake Washington United Methodist Church, Our Savior Lutheran Church, Congregations for the Homeless, Housing Development Consortium, Eastside Homeless Advisory Committee, and The Sophia Way. The groups are working to develop protocols, guidelines, and best practices to assist communities in addressing vehicle residency issues.

Ms. LaCombe said staff recommends that the Council: 1) implement the modifications to the 24-hour parking code, as proposed by Ordinance No. 6383 for Council action during the later Regular Session; 2) monitor compliance and enforcement, 3) conduct outreach to property owners, businesses, and residents to determine the impact of the parking limits, 4) continue a review of regional efforts, and 5) based on the above items, complete staff's analysis and develop a recommendation for Council consideration.

Councilmember Robinson questioned how the 24-hour parking code change will affect the average Bellevue resident and employee. Ms. LaCombe said it affects everyone across the community. For example, if a person is out of town and leaves their car parked on the street, it could be ticketed in response to a complaint.

In further response, Ms. Berens confirmed that time-limited parking in the targeted areas is likely to affect employees. Staff will gain a greater understanding of that impact by continuing its outreach to businesses and residents.

Ms. Robinson questioned whether there are other areas to park for truck drivers who periodically park along SE 41st Street to rest. Ms. Berens said staff will monitor that issue to determine the need and feasibility of identifying alternative parking locations.

Councilmember Wallace noted that the City already has the 24-hour parking restriction. However, the meaning of parking in the “same space” was not defined. He said Ordinance No. 6383 appropriately closes that loophole for all vehicles. He expressed support for the time-limited parking proposal and encouraged staff to conduct further community outreach in order to reach a decision early next year. Mr. Wallace said the 24-hour parking limit will continue to be enforced on a complaint basis.

Councilmember Robertson questioned whether the adoption of the three ordinances listed on the Regular Session agenda as Items 11 (b), (c), and (d) will send a clear message that Bellevue’s streets are not meant for public camping. Ms. Berens said staff believes that the message will be reinforced as the City builds a protocol of responding to camping in the rights-of-way and on public property. Ms. Robertson said she wants to be sure that the public understands that they cannot use public property for camping.

Councilmember Robertson said she hopes staff will conduct outreach to residents and businesses, as well as faith-based groups, human services agencies, and the individuals who are camping. Ms. Berens confirmed that those contacts are within the outreach plan, which will help staff conduct its analysis. Staff will return for a discussion with the Council in the future to determine whether the time-limited parking is the right tool based on the types of complaints received and right-of-way management needs.

Ms. Robertson concurred with Councilmember Wallace’s suggestion to move forward as quickly as possible. She said that, while the City has not conducted outreach specifically on the time-limited parking proposal, the Council has received public input on this issue over the past two years. She suggested that consistent enforcement will be important.

Deputy Mayor Chelminiak thanked staff for the proposal, which adopts rules in a broad manner rather than targeting certain uses and certain individuals. He said he often notices semi trucks parked on 120th Avenue NE between Bel-Red Road and Northup Way. While he does not know how long the vehicles are parking, he suggested the City might receive more complaints as the area becomes increasingly residential in the future.

With regard to the proposed amendment to the 24-hour parking rule, Mr. Chelminiak said he hopes it does not weaponize neighborhood disputes by providing a reason to complain about a neighbor. He noted that certain cities ban semi truck parking on residential streets or limit parking based on vehicle weight.

Councilmember Simas said he is pleased to see that the Council is addressing parking and camping issues. He concurred with Mr. Wallace about moving forward in a timely manner. Mr. Simas said he assumes that semi trucks are parked on certain streets because they have deliveries in those areas. He doubts they are parking for two or three days at a time. However, he suggested that staff attempt to talk to those individuals to determine why they are parking in those locations. Mr. Simas concurred with Deputy Mayor Chelminiak's concern that residents not use complaints about parking to harass or retaliate against neighbors. Mr. Simas said this is an experiment and the City will learn through experience.

Councilmember Lee said he is pleased with the progress on this and related issues, and he believes the message is getting out to the public. Mr. Lee said he has already noticed a slight improvement in the Factoria area. He noted the importance of enforcement and outreach throughout Bellevue.

Mayor Stokes noted general agreement among Councilmembers on this issue. He thanked staff for the update and said he looks forward to seeing the item again in the near future.

(c) 2017-2018 Mid-Biennium Budget Update

City Manager Miyake said this is the fourth study session discussion regarding the 2017-2018 Mid-Biennium Budget update. He noted that the public hearing was scheduled for the later Regular Session.

Finance Director Toni Call recapped the Mid-Biennium Budget update process and noted the required Council actions to adopt the budget: 1) 2018 Property Tax Levy Ordinance, 2) 2018 Property Tax Banked Capacity Resolution, 3) 2018 Development Services Fees Ordinance, and 4) 2017-2018 Mid-Biennium Budget Ordinance. The proposed one-percent property tax increase equates to approximately \$6 per year for the median home in Bellevue with an assessed valuation of \$791,000.

Transportation Director Dave Berg described a number of technical adjustments within the Capital Investment Program (CIP) Plan. Two projects reflect a return of budget authority due to alternate funding sources, including levy funds and the TIFIA (Transportation Infrastructure Finance and Innovation Act) loan: 1) NE 6th Street Extension, and 2) 124th Avenue NE - Ichigo Way to Northup Way. Mr. Berg said CIP funding is moved from 2018 to 2019 for four projects: 1) 124th Avenue NE - Spring Boulevard to Ichigo Way, 2) 120th Avenue NE Stage 4, 3) 124th Avenue NE - NE 8th Street to NE 12th Street, and 4) Mountains to Sound Greenway, east of 150th Avenue.

Mr. Berg said two projects are accelerated: 1) NE Spring Boulevard Zone 1A, and 2) West Lake Sammamish Parkway Phase 2. The first relates to the REI Headquarters project, and the second project will be expedited to coordinate with a utilities project that is replacing the main water line along West Lake Sammamish Parkway. He noted cost updates for three projects: 1) Mountains to Sound Greenway (increase of \$112,000), 2) Newport Way improvements (increase of \$1.6 million), and 3) 124th Avenue NE - Spring Boulevard to Ichigo Way (decrease of \$1.6 million). Mr. Berg said the City was able to move money from the 124th Avenue NE project to the Newport Way improvements project due to the receipt of grant funding.

Ms. Call noted that revenues in the seven-year CIP Plan have been updated. The plan remains front loaded and is balanced across the seven years through cash flow borrowing.

Councilmember Wallace noted funding requests from KidsQuest Museum, Bellevue Arts Museum, and Pacific Northwest Ballet for contributions toward their capital campaigns. He referred to information in the Council's desk packet regarding his proposal to create an Arts and Culture Fund and to establish criteria for responding to future requests. He suggested shifting all or some of the Council Contingency Fund (G-107) to the Arts and Culture Fund (G-112). He noted the proposal described in the desk packet, which shifts the entire \$1.5 million Council Contingency Fund to provide \$250,000 annually to the Arts and Culture Fund from 2018 through 2023.

Mr. Wallace summarized three options for Council consideration: 1) leave the money in the Council Contingency Fund and direct staff to evaluate the three proposals referenced above, and to return to the Council in 2018 with a recommendation, 2) create the Arts and Culture Fund with funding to match the three proposals, or 3) allocate \$250,000 to the Arts and Culture Fund for 2018 and determine how to providing future funding during next year's major two-year budget process. He said all of the options provide the opportunity for City staff to work with the three organizations.

Deputy Mayor Chelminiak thanked Councilmember Wallace for working with Finance staff to develop the proposal and options. Mr. Chelminiak expressed concern about moving the entire Council Contingency Fund into a new Arts and Culture Fund. He would support moving forward to provide some level of annual funding and to use the principles adopted by the Council in 2006 for evaluating requests from arts and culture organizations. Mr. Chelminiak suggested leaving \$500,000 in the Council Contingency Fund and moving the rest to the Arts and Culture Fund. He recalled that the Council used the Council Contingency Fund during the last budget process to increase its contribution to the City's affordable housing program.

Councilmember Robertson expressed support for Mr. Chelminiak's suggestion, or for allocating money for 2018 and discussing the Arts and Culture Fund further during next year's budget process. She noted the need to review the 2006 principles for evaluating funding requests and to establish a deadline for submitting requests months before the budget process. She said the Council often receives requests from a number of community organizations late in the budget process, which is not fair to the Council, staff, or the public in terms of the lack of time to fully evaluate the requests.

Ms. Robertson said she has been a strong advocate for finding a way to move an aquatic center project forward. Last spring, the Council provided approval to staff to explore potential partnerships and projects. She suggested retaining \$185,000 in the Council Contingency Fund to be used next year, if approved by the Council, for site analysis, architectural renderings, financing analysis, community outreach, and media materials related to the potential development of an aquatic center.

Mr. Chelminiak expressed support for creating an Arts and Culture Fund and for retaining resources in the Council Contingency Fund for a potential study related to an aquatic center, as proposed in the past by SPLASH (Swimming Pools for Leisure, Active Sports and Health).

Ms. Robertson suggested moving \$1 million to the Arts and Culture Fund, leaving \$500,000 in the Council Contingency Fund. She noted \$250,000 in the Council Contingency Fund for 2017 that has not been spent.

Mr. Chelminiak noted an option allocating \$200,000 annually in the Arts and Culture Fund for 2018, 2019, 2020, 2021 and 2022, and preserving \$500,000 in the Council Contingency Fund.

Councilmember Wallace suggested that, in preparation for the Regular Session, staff revise the scenario described in the desk packet to be consistent with the Council's discussion.

Councilmember Robinson referred to the Affordable Housing Fund and noted that the Council will vote next year on the second phase of the Affordable Housing Strategy recommendations. She said the Council might want to use money from the Council Contingency Fund for affordable housing initiatives. Responding to Ms. Robinson, Ms. Call confirmed that the money currently in the Affordable Housing Fund will carry over into 2018. Ms. Call recalled that the budget adopted by the Council last year designated \$500,000 annually in the Affordable Housing Fund for the seven years of the CIP Plan.

Councilmember Lee recalled Council discussion last year regarding a feasibility analysis for a multicultural center. The Council provided \$50,000 for staff to study the issue in 2017. He would like to designate funds to continue that effort in 2018.

3. Council Discussion of Upcoming Items: None.

At 8:00 p.m., Mayor Stokes declared recess to the Regular Session.

Kyle Stannert, CMC
City Clerk

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