

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Regular Session

August 5, 2019
8:00 PM

Council Chamber
Bellevue, Washington

PRESENT: Mayor Chelminiak, Deputy Mayor Robinson, and Councilmembers Lee, Nieuwenhuis, Robertson, Stokes, and Zahn

ABSENT: None.

1. Call to Order

Mayor Chelminiak called the meeting to order at 8:05 p.m.

2. Roll Call, Flag Salute

All Councilmembers were present. Mayor Chelminiak led the flag salute.

(a) Remembrance of City of Redmond Mayor Doreen Marchione

Mayor Chelminiak noted the passing of Doreen Marchione, a former Redmond Mayor and Hopelink CEO.

Councilmember Lee noted her longtime service as an elected official. He expressed gratitude for her service and how she lived her life. He noted that Ms. Marchione's son John worked for the Meydenbauer Convention Center in Bellevue and is the current mayor of the City of Redmond.

Councilmember Robertson said Ms. Marchione lived her life in service to the Eastside and the region. Ms. Robertson thanked the Marchione family for helping to shape the Eastside.

Councilmember Stokes recalled that Ms. Marchione led the City of Redmond through a challenging period. She later moved to Kirkland and served on the City Council there as well. Mr. Stokes said she was an early role model for women becoming active in local politics and left a tremendous legacy.

Deputy Mayor Robinson said Ms. Marchione was a good leader, influencer, mother, and friend, and she will miss her.

Councilmember Zahn noted Ms. Marchione's role as the CEO of Hopelink and as someone who changed people's lives.

Councilmember Nieuwenhuis commended Ms. Marchione's legacy and offered condolences to the family and friends.

Mayor Chelminiak recalled his days as a reporter, noting that when Ms. Marchione lost her third mayoral election, her mother told her the loss provided an opportunity for her to do something important. Ms. Marchione then went to work for Hopelink for 15 years and continued to give back to the community. Mr. Chelminiak said he looked up to her as a public servant and she will be missed. He requested a moment of silence to remember Doreen Marchione.

Mayor Chelminiak noted the two mass shootings over the weekend, one in El Paso, Texas and the second in Dayton, Ohio. He commented that hate is a learned trait and not a mental illness. He praised the quick and effective response of the public safety personnel at both incidents. He requested a moment of silence to honor the victims and their loved ones.

3. Approval of Agenda

→ Deputy Mayor Robinson moved to approve the agenda, and Councilmember Stokes seconded the motion.

→ The motion to approve the agenda carried by a vote of 7-0.

4. Communications: Written and Oral

(a) Mark Stockdale thanked the City for its proactive planning. He expressed concern regarding large homes that are being used to provide senior adult care. He said there is no limit on the number of facilities that can be operated, and there are three near each other in his neighborhood. He acknowledged the need for senior living facilities and encouraged the City to consider regulations that will address the impacts.

(b) Pamela Johnston concurred with the previous speaker's concerns and said the City does not track short-term vacation rentals (e.g., Airbnb). She expressed concern regarding accessibility to the minutes from the board meetings of A Regional Coalition for Housing (ARCH). She encouraged the City to consider the public benefits and impacts as it redefines the Downtown, BelRed, and Wilburton areas. She called for a partnership between the neighborhoods and the development efforts. She expressed support for affordable housing.

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

6. Report of the City Manager

(a) 2019 Public Technology Institute Awards

City Manager Brad Miyake noted that the City was recently recognized for three Public Technology Institute awards.

Sabra Schneider, Chief Information Officer, said the three awards showcase the Information Technology Department's collaboration with other City departments. Two of the awards recognize accomplishments in partnership with the Utilities Department: 1) water quality dashboard, and 2) mobile mapping solution for workers in the field. The third award recognizes an IT Department outreach partnership with the Community Development Department, Fire Department, and Police Department to raise awareness about internet usage security.

Councilmember Lee thanked staff for their dedication and hard work.

Councilmember Nieuwenhuis, liaison to the Environmental Services Commission, congratulated staff for receiving the awards. He noted that Bellevue continues to be a leader in the use of technology in local government.

Councilmember Zahn expressed support for staff's effort related to the Smart City initiative.

(b) Update regarding ARCH Board Activities

Kate Berens, Deputy City Manager, provided an update regarding A Regional Coalition for Housing (ARCH). She recalled reports that some of the affordable housing units were in violation of the applicable rules and covenants. The consultant found that the number and value of ARCH units has grown significantly. However, ARCH has not increased its resources for monitoring and managing the 700 ARCH housing units. Ms. Berens said the ARCH Board took a number of actions in June, including the approval of additional staffing on a temporary basis. ARCH will build software to help manage and monitor the housing units, and they will work with homeowners to explain and enforce the rules and covenants tied to the properties. A group of City Attorneys will review the documents and provide recommendations for making the agreements more straightforward and understandable.

Of the ownership units under investigation in Bellevue, none were developed with taxpayer funding but they are subject to complying with specific regulations. The inquiry identified 23 units in Bellevue to investigate further. Of those, six were resolved and 17 are still under review. Ms. Berens said staff will continue to monitor the cases until they are resolved.

Councilmember Nieuwenhuis thanked staff for the update. Responding to Mr. Nieuwenhuis regarding public comment earlier in the meeting, Ms. Berens said the ARCH Board's meetings are open public meetings and minutes of the meetings are available to the public. In further response, Ms. Berens said that initially, ARCH staff compared the property tax records and ARCH records to determine whether there were discrepancies. Approximately 50 units are described in the consultant's report. Ms. Berens said the consultant focused more on exploring best practices for this type of program while reviewing documents provided by staff. Councilmember Nieuwenhuis expressed support for strengthening the program's monitoring of housing units.

Councilmember Stokes thanked staff for their work and said he feels confident that ARCH and the member cities will thoroughly address the issues going forward.

Councilmember Robertson questioned whether the new ARCH staff will be hired as limited term employees (LTE) or full-time employees (FTE). Ms. Berens said the ARCH Board approved two new staff to be hired at this time for LTE positions. Ms. Robertson said that, for the next mid-biennium budget process, she would like a clear understanding of how the employees will be utilized and whether the ARCH partner organizations are supportive of adding the positions.

Responding to Councilmember Lee, Ms. Berens said there are 71 ownership units in Bellevue, and 23 of those were identified for further investigation. Mr. Lee said ARCH has become a great national model for providing affordable housing. However, he acknowledged the need to review staffing and resource needs.

Responding to Councilmember Zahn, Ms. Berens said that the housing developments and units have different rules and covenants. If a unit is eligible for resale, it must be sold to another person who meets the income threshold and other criteria. In further response to Ms. Zahn, Ms. Berens said the analysis will consider whether changes to specific covenants can and/or should be made.

Deputy Mayor Robinson noted that the issues surfaced before the current ARCH leadership was in place. She said the investigation identified a relatively small number of affordable housing units that are possibly in violation of the regulations. She encouraged a focus on all of ARCH's accomplishments to provide affordable housing as the matter moves forward. She expressed confidence in Lindsay Masters, ARCH's new Executive Manager.

Mayor Chelminiak commented on the importance of preserving all affordable housing units. He expressed support for recovering any funds that were acquired in violation of the applicable covenants and putting that money back into addressing the region's affordable housing needs.

7. Council Business and New Initiatives: None.

8. Consent Calendar

Mayor Chelminiak highlighted Consent Calendar items including funding for the Mountains to Sound Greenway and crosswalk and sidewalk improvements near Clyde Hill Elementary School and Chinook Middle School.

→ Deputy Mayor Robinson moved to approve the Consent Calendar, and Councilmember Stokes seconded the motion.

→ The motion to approve the Consent Calendar carried by a vote of 7-0, and the following items were approved:

- (a) Council Minutes
Minutes of June 24, 2019 Extended Study Session
Minutes of July 8, 2019 Extended Study Session
Minutes of July 15, 2019 Study Session
Minutes of July 15, 2019 Regular Session
- (b) Ordinance No. 6470: 1) awarding Bid No. 19001, Mountains to Sound Greenway Trail - I-405 to 132nd Avenue SE (CIP Plan No. PW-W/B-83) to IMCO General Construction as the lowest responsible and responsive bidder, in the amount of \$17,577,597, plus all applicable taxes, to construct an extension of the Mountains to Sound Greenway Trail from I-405 to 132nd Avenue NE; and 2) amending the 2019-2025 General Capital Investment Program (CIP) Plan to increase the budget for the Mountains to Sound Greenway Trail - I-405 to 132nd Avenue SE project (CIP Plan No. PW-W/B-83) by \$3,800,000, decrease the 124th Avenue NE - Spring Blvd to Ichigo Way project (CIP Plan No. PW-R-166) by \$2,399,000, decrease the 120th Avenue NE Stage 3 project (CIP Plan No. PW-R-168) by \$375,000, and transfer \$1,026,000 in local funds from the NE Spring Boulevard Zone 1 project (CIP Plan No. PW-R-172).
- (c) Motion to award Bid No. 19068, NE 23rd Street Sidewalk and 100th Avenue NE and NE 24th Street Intersection Improvements Project (CIP Plan No. PW-R-199), to RW Scott Construction Co. as the lowest responsible and responsive bidder, in the amount of \$540,414.25, plus all applicable taxes. This project is fully funded by the Neighborhood Safety, Connectivity and Congestion Levy.
- (d) Motion to award Bid No. 19044 for Cherry Crest Pump Station Replacement to Harbor Pacific Contractors, Inc., as the lowest responsive and responsible bidder, in an amount not to exceed \$6,562,718.80 plus all applicable taxes (CIP Plan No. W-91).
- (e) Motion to award Bid No. 19062 for Somerset Reservoir 1 Pressure Reducing Valve (PRV) Relocation to Earthwork Enterprises, Inc., as the lowest responsive and responsible bidder, in an amount not to exceed \$354,068 plus all applicable taxes (CIP Plan No. W-85).
- (f) Resolution No. 9643 authorizing the execution of amendment No. 2 to the agreement with Daptiv Solutions, LLC, and annual renewal up to four additional years, for a total of five years, with a not to exceed amount of \$217,898, plus all applicable taxes.
- (g) Resolution No. 9644 authorizing execution of a one-year agreement with an option to extend for an additional one year with Stoneshare Corp. for the purchase of professional technical services to support the City's migration of our on-premise SharePoint collaboration sites and content to Microsoft SharePoint Online Office 365, a cloud-based application service, for a total not to exceed amount of \$200,000, plus all applicable taxes.

- (h) Motion to award Bid No. 19053 for Storm Trenchless Repair 2019 to Michels Corporation, as the lowest responsive and responsible bidder, in an amount not to exceed \$414,089 plus all applicable taxes (CIP Plan No. D-64).
- (i) Resolution No. 9645 authorizing execution of a one-year Public Works contract with Best Parking Lot Cleaning, Inc. for a contract value not to exceed \$230,000 plus all applicable taxes, to perform sediment removal and closed-circuit television (CCTV) inspection services.
- (j) Resolution No. 9646 authorizing the execution of a successor labor agreement by and between the City and the International Brotherhood of Electrical Workers, Local #77 (Union) representing Traffic Signals and Electronic Communications employees for the contract period January 1, 2019, through December 31, 2022.
- (k) Resolution No. 9647 authorizing execution of Amendment 3 to professional services agreement No. 1650032-00 with Murray, Smith & Associates, Inc. for Utilities Large On-Call Professional Services Water Contract - for engineering and other associated services related to our water utility, increasing the contract amount by \$900,000 for a total contract amount not to exceed \$5,900,000.

9. Public Hearings

- (a) Public Hearing and Action on Resolution No. 9648 authorizing the execution of documents necessary to release a portion of an existing water easement and a portion of an existing sewer easement located at 23 Lake Bellevue Drive, which have been declared surplus to the City's needs and are no longer required for providing continued public utility service; the granting and recording of such releases being deemed in the best interest of the public.

City Manager Brad Miyake said staff is seeking Council action regarding Resolution No. 9648 following the public hearing.

Kim Bui, Real Property Agent, described the portions of the sewer and water easements at Lake Bellevue that have been declared surplus to the City's needs. She said the property owner is retaining portions of both easements.

- Deputy Mayor Robinson moved to open the public hearing, and Councilmember Stokes seconded the motion.
- The motion carried by a vote of 7-0.

No one came forward to comment.

- Deputy Mayor Robinson moved to close the public hearing, and Councilmember Stokes seconded the motion.

- The motion carried by a vote of 7-0.
- Deputy Mayor Robinson moved to approve Resolution No. 9648, and Councilmember Stokes seconded the motion.
- The motion carried by a vote of 7-0.

(b) Public Hearing on the Requested Vacation of a Portion of an Alley between Downtown Park and 104th Avenue NE, South of NE 4th Street

Patti Ebert, Senior Real Property Agent, described the proposal to vacate a portion of an alley between the Downtown Park and 104th Avenue NE/Bellevue Way NE (south of NE 4th Street). The petitioner is the City of Bellevue Parks and Community Services Department, and seven City departments reviewed the request. No public comments have been received.

If the alley vacation is approved, the City will execute a temporary license with the two adjacent property owners to maintain vehicle access and parking. Ms. Ebert said the execution of the license was approved by the City Council on June 17. The license will remain in effect until the adjacent properties are redeveloped. Easements will be granted to franchise utilities if needed. Ms. Ebert highlighted the criteria provided in Bellevue City Code section 14.35.070 to consider in granting a street vacation.

Responding to Councilmember Stokes, Parks Planning Manager Glenn Kost said the customers of the two adjacent businesses periodically use the one-way alley. The businesses will be granted a temporary license agreement until the properties are redeveloped.

Responding to Councilmember Lee, Mr. Kost said the street vacation is requested by the Parks and Community Services Department to obtain space for developing the Downtown Park Gateway project. Mr. Lee suggested that the license agreement should identify an end date.

Responding to Councilmember Nieuwenhuis, Ms. Ebert said a license can typically be revoked at any time. City Attorney Kathy Gerla concurred but noted that she has not reviewed the specific agreement.

Councilmember Robertson expressed support for the proposed alley vacation to enable the construction of the Downtown Park Gateway. She said she is not concerned about placing a term limit on the license agreement because, given the age of the structures, the properties will be redeveloped at some point.

- Deputy Mayor Robinson moved to open the public hearing, and Councilmember Stokes seconded the motion.
- The motion carried by a vote of 7-0.

The following individual came forward to comment:

Pamela Johnston said she did not realize the alley was designated as one-way because cars drive in both directions. She wondered whether the vehicle circulation for the two businesses will continue to be effective.

- Deputy Mayor Robinson moved to close the public hearing, and Councilmember Stokes seconded the motion.
- The motion carried by a vote of 7-0.

Responding to Mayor Chelminiak, Mr. Kost said there will be modifications to the parking lots that staff believes will improve circulation. Mr. Kost said the City would like to begin construction of the gateway in 2020.

Councilmember Zahn expressed support for the proposed street vacation, noting that it provides a public benefit.

Responding to Councilmember Robertson, Mr. Kost said there have not been any objections from the businesses.

- Councilmember Robertson moved to direct staff to proceed with drafting legislation approving the requested street vacation of the alley between the Downtown Park and 104th Avenue NE (south of NE 4th Street), with a finding that the change of use or vacation will better serve the public good because it enhances the usability of the park and the Grand Connection, finding that the substitution is more useful to the public, finding that the conditions would provide the greater public use or need than presently exists, and noting that there are no objections to the proposed vacation by the owners of adjacent private properties. Councilmember Stokes seconded the motion.
- The motion carried by a vote of 7-0.

10. Land Use: None.

11. Other Ordinances, Resolutions and Motions

- (a) Resolution No. 9649 authorizing the execution of the Property Exchange Agreement with Sound Transit related to a City-owned parcel commonly referred to as the spur parcel; and authorizing the City Manager or designee to execute the documents and to exercise certain rights as set forth in the Agreement.

Mayor Chelminiak introduced discussion regarding Resolution No. 9649 authorizing a property exchange of the City-owned spur parcel and Sound Transit-owned frontage property on 120th Avenue NE.

City Manager Brad Miyake recalled that the Council was last updated on this item on July 15. The Council directed staff to return for action on the proposed property exchange agreement.

Kris Goddard, Public-Private Partnership Manager, Community Development Department, said staff recommends transferring the spur parcel to Sound Transit for inclusion in the BelRed area transit-oriented development (TOD) offering. The property exchange was contemplated in the City-Sound Transit Memorandum of Understanding (MOU) related to the East Link light rail project. The property exchange is conditioned on placing an affordable housing covenant on the spur parcel that guarantees a minimum of 80 housing units for households at the 60-percent area median income (AMI) level or below. The conditions require that 10 percent of the units have three bedrooms and 15 percent have two bedrooms. The City will receive frontage along 120th Avenue NE in anticipation of the future widening of the road.

Mr. Goddard said staff, in consultation with ARCH (A Regional Coalition for Housing) staff, determined that the guaranteed affordable housing to be provided represents the full recovery of the value of the spur parcel. He noted that the Sound Transit Executive Committee reviewed and recommended approval of the proposal on August 1. The Sound Transit Board is scheduled to take action on August 22. If the property exchange is approved, Sound Transit will move forward with the formal release of the TOD offering later this summer. The City is a required voting member of the TOD evaluation committee. The final project will require plan review and permitting through the City's Development Services Department (DSD).

→ Councilmember Stokes moved to approve Resolution No. 9649, and Councilmember Robertson seconded the motion.

Responding to Deputy Mayor Robinson, Mr. Goddard said the City will be involved in evaluating the merits of the TOD offering proposals. In the interest of facilitating the development of affordable housing, Ms. Robinson said it will be helpful if Sound Transit lowers the price on the TOD property. Mr. Goddard said the Sound Transit Executive Committee recommended a price reflecting a \$12 million discount applicable to two sites of affordable housing.

Councilmember Robertson expressed support for the proposed property exchange agreement. She thanked staff for their collaboration with Sound Transit. She said the City receives the development of affordable housing as well as the frontage property on 120th Avenue NE. She noted that the City did not originally pay for the spur parcel. She is pleased with the provision granting the City the right of reversion for the property.

Mayor Chelminiak thanked staff for their work and commented on the benefit of placing housing near transit services, including future light rail in the BelRed area.

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

- (b) Ordinance No. 6471 amending Ordinance No. 6445 adopted December 3, 2018, as previously amended, to increase appropriation to the 2019-2020 Human Services Fund budget by \$585,630 for Congregations for the Homeless (CFH) to provide funding for operational expenses for shelter services at a downtown "bridge" location for men experiencing homelessness, and to provide additional

operating funding for Lincoln Center to provide day center services and shelter services, and authorizing the City Manager or designee to enter into such a contract.

City Manager Miyake introduced discussion regarding the allocation of funding for the recently announced temporary “bridge” location for the men’s overnight shelter and for the continuous operation of the day center and shelter at Lincoln Center.

Nancy LaCombe, Assistant Director, City Manager’s Office, requested Council action on Ordinance No. 6471, which provides additional funding to the Human Services Fund budget specifically toward operating expenses for Congregations for the Homeless (CFH) to provide services at the bridge shelter location and at Lincoln Center.

Ms. LaCombe recalled Council direction to staff on July 23, 2018 to conduct a study to evaluate the feasibility of providing year-round shelter services at Lincoln Center. Staff presented the results of the study in November 2018. In the spring of 2019, former City Councilmember Kevin Wallace initiated a fundraising effort to secure funding for the design and construction of the fire and safety modifications needed for the year-round operation of the Lincoln Center shelter services.

Ms. LaCombe recognized Lawrence Lui, president of Cloudvue, for allowing the use of the former First Congregational Church as the short-term bridge shelter while the renovations at Lincoln Center are completed. Full-time, year-round shelter services are estimated to begin on September 1. The requested funds are needed to provide bridge shelter services and to operate the shelter and day center year-round. The Lincoln Center shelter operated as a seasonal facility for the past several years.

David Bowling, CFH, highlighted the services to be provided at the shelter and day center including professional staff, life skills and job training, employment assistance, mental health and medical resources, and drug and/or alcohol abuse treatment. He said CFH recently received a grant from Premera to be used for mental health services. He noted that the ability to provide continuous 24-hour services to the men will have a significant impact on their lives. Mr. Bowling thanked the Council for its support.

Ms. LaCombe described the request for \$602,030: 1) bridge shelter services, \$156,907; 2) Lincoln Center 2020 funding gap, \$428,723; and 3) bridge site building modifications, \$16,400. The funding includes \$500,000 from the 2019 Council Operating Contingency. If funding is approved, staff will begin the outreach process with property owners in the Wilburton and Downtown areas. CFH will apply for a Temporary Public Safety Facility permit for the short-term operation of the bridge location and up to three years of operations at Lincoln Center.

Councilmember Zahn asked whether other cities could contribute to the operating costs. Ms. LaCombe noted that cities have set their budgets for 2020. However, there will be further discussion in the future about ongoing operating funding. In further response to Ms. Zahn, Mr. Bowling said the year-round operation of the facility will help to recruit and retain case managers.

→ Deputy Mayor Robinson moved to extend the meeting to 10:10 p.m., and Councilmember Stokes seconded the motion.

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

Deputy Mayor Robinson, liaison to the Human Services Commission, thanked Mayor Chelminiak for recommending that the Council not take funds from other human services. Ms. Robinson said this is a good use of the Council Contingency fund.

Councilmember Robertson expressed support for moving forward as proposed.

Councilmember Stokes concurred and thanked staff for their work.

Councilmember Nieuwenhuis thanked Councilmember Robertson for championing the effort, supported by the full Council, to provide year-round shelter and day center services at Lincoln Center.

Councilmember Lee expressed support for Ordinance No. 6471. Responding to Mr. Lee, Ms. LaCombe confirmed that King County Councilmember Claudia Balducci secured the use of two Metro vans for CFH.

→ Deputy Mayor Robinson moved to adopt Ordinance No. 6471, and Councilmember Stokes seconded the motion.

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

12. Unfinished Business: None.

13. Continued Oral Communications: None.

14. New Business: None.

15. Executive Session: None.

16. Adjournment

At 9:58 p.m., Mayor Chelminiak declared the meeting adjourned.

Charmaine Arredondo, CMC
City Clerk

/kaw