

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Study Session

September 16, 2019
6:00 p.m.

Council Conference Room
Bellevue, Washington

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

ABSENT: Deputy Mayor Robinson

1. Executive Session

The meeting was called to order at 6:00 p.m., with Mayor Chelminiak presiding. There was no Executive Session.

- Councilmember Lee moved to excuse Deputy Mayor Robinson from the September 16, 2019, City Council Study and Regular Sessions. Councilmember Robertson seconded the motion.
- The motion carried by a vote of 6-0.

2. Study Session Items

(a) Update from Bellevue College President

City Manager Brad Miyake introduced Dr. Jerry Weber, President of Bellevue College, to provide an update on the college's activities.

Dr. Weber presented a photo of the new Student Success Center scheduled to open in April. He said the college's first student housing opened last year, and the college is now looking into options for assisting unhoused students. He described a pilot partnership of Bellevue College, the Bellevue School District, and the City that enabled three previously unhoused high school students to move into student housing. Household items were provided by Bellevue LifeSpring and the students are receiving financial aid. The students are participating in the TRiO student support services program as well. Dr. Weber thanked City Manager Miyake and other City staff who are working with the college to address housing challenges.

Dr. Weber described Bellevue College's focus on data and student success, equity, sustainability, and social justice. He said the college has higher success rates than many colleges. However, the data indicates that certain groups, including African-Americans and Latinos, are underrepresented. He said the 2019-2020 school year has been designated as the Year of Climate Justice, and related events and speakers will be featured throughout the year.

Dr. Weber noted that Bellevue College and the City are working together to address shared interests, including workforce housing, transportation, and the regional aquatic center. Dr. Weber said the college is working with the King County Housing Authority and the Lake Washington Institute of Technology to explore housing options. He said one long-term solution could involve placing housing on property owned by Bellevue College in Issaquah. College staff are working with the City and with King County Metro to discuss transportation issues at the current campus.

Dr. Weber described the proposed Bellevue Promise concept that would provide tuition to certain students. He said a number of states and cities have adopted similar programs. Washington State has expanded its financial aid program, and the King County Promise program was recently approved. He thanked the City for working with Bellevue College.

Mayor Chelminiak thanked Dr. Weber for the report and for his leadership.

Responding to Councilmember Nieuwenhuis, Dr. Weber said the Bellevue School District identified the first three unhoused high school students who were able to move into student housing to attend Bellevue College. Dr. Weber noted that the college is exploring opportunities for local businesses to provide tuition assistance and/or other training for current or potential employees. In further response, Dr. Weber said the measures of student success include the percentage of students who have an academic plan by the end of the winter term, term-to-term retention, year-to-year persistence, and the percentages of students who complete a degree, certificate, or program and/or move on to a four-year college program.

Councilmember Lee thanked Dr. Weber for the presentation and commented that Bellevue College has always been one of the most innovative schools in the area. Mr. Lee said the college started the first women's center approximately 30 years ago. Responding to Mr. Lee, Dr. Weber said there has been a 1.6 percent decline in overall enrollment over the past seven years. However, if you disregard international students, Running Start students, and the new bachelor's degrees, there has been a 19 percent decrease in enrollment over those seven years. Dr. Weber said that enrollment rates and the reasons for the decline will be part of the college's strategic review this year.

In further response to Mr. Lee, Dr. Weber said that Bellevue College is starting an artificial intelligence (AI) and robotics curriculum this year. Dr. Weber said the college's enrollment has performed better than all of the technical and community colleges in Washington.

Responding to Councilmember Lee, Dr. Weber said that the original purpose of the Issaquah property owned by the college was to develop an additional campus. However, funding for that

seems unlikely at this point. Dr. Weber said possible uses for the property include student housing, an early learning center, and limited class offerings by Bellevue College and/or other institutions. He said the college is exploring the concept of opening a technology incubator center on the current campus.

Responding to Councilmember Zahn, Dr. Weber said the buildings reflected in the college's master plan are unlikely to be built due to the significant expense. However, the college is instead working to develop a facilities excellence plan to focus on ensuring that their facilities are modern and relevant. Dr. Weber said the BC Futures committee explored whether Bellevue College could become a full four-year institution on the Eastside. However, funding the capital and operating expenses of such an endeavor is not realistic at this time.

Councilmember Zahn commended the program to assist unhoused students. Dr. Weber said that students must be 17 years old to qualify for housing and assistance. Responding to Ms. Zahn, Dr. Weber said the college is interested in expanding its pantry for students in need and is exploring the possibility of loading food benefits onto student identification cards.

Councilmember Stokes expressed support for the college's focus on housing, equity, technology programs, and partnerships with other educational institutions. He encouraged continuing to explore opportunities for collaborating with local employers. He thanked the college for being proactive in identifying and addressing students' needs for successful outcomes. He said he looks forward to continued work with Bellevue College. Dr. Weber noted that the Bellevue Enterprise non-credit program focuses on the needs of the technology companies.

Councilmember Robertson said it is important to provide access to food services on campus. She observed that the partnership between the City and Bellevue College has never been stronger. She said the STEM (science, technology, engineering, math) programs are an asset for the community and employers. She commended Bellevue College for becoming a third place that is involved in hosting community activities and events. Ms. Robertson said she appreciates the partnership with Bellevue College to study the potential for an aquatics center on campus.

Dr. Weber said the student housing has limited, but good, food options, and the college invites a food truck once per month to provide additional variety. He noted upcoming activities including an open house at the new student housing and a conference on campus for the Post-Secondary International Network.

Mayor Chelminiak said he would like to meet with Dr. Weber regarding affordable housing and food benefits for students in need. Mr. Chelminiak thanked Dr. Weber and City Manager Miyake for the partnership with the Bellevue School District to provide housing for the three high school students.

(b) Council Extension of the Multifamily Tax Exemption (MFTE) Program

City Manager Miyake recalled that the Council adopted the Multifamily Tax Exemption (MFTE) program on June 15, 2015 and amended the program in February 2018 to increase developer

participation. The current program is set to expire on December 31, 2019, unless the Council takes action to continue and/or modify the program.

Mac Cummins, Director of Community Development, said that two developers have participated in the MFTE program, and they have indicated that the tax incentive structure is helping them to create affordable housing units. He said staff recommends removing the sunset clause originally established for the program.

Janet Lewine, Associate Planner, said the MFTE program was adopted in 2015 as a voluntary affordable housing incentive for new apartment development. The developers receive a 12-year exemption from the housing portion of the development's property taxes in exchange for designating 20 percent of the units as affordable housing. Ms. Lewine noted an increasing interest in the program from developers.

Ms. Lewine requested Council direction to extend the program. She said staff will conduct a review of other aspects of the program next year, most likely around the same time that staff will address Land Use Code Amendments for the East Main area. She said the Council may wish to expand the MFTE areas, potentially to include the East Main and Wilburton areas.

Responding to Councilmember Zahn, Ms. Lewine said that 63 affordable housing units have been created by the program to date, and the City is currently in pre-development discussions with four developers.

Ms. Zahn said the Association of Washington Cities (AWC) legislative committee discussed related issues, including whether to extend the tax exemption beyond 12 years and whether to extend the tax exemption to preserve existing affordable housing. Ms. Lewine said staff will address those issues if the applicable state laws change after the next legislative session.

Responding to Councilmember Zahn, Mr. Cummins said staff does not see a downside to removing the sunset provision. Mr. Cummins said that if you look at the total amount of tax revenue that is not collected as a result of the MFTE program, the number of units being created makes the cost per unit very low compared to subsidized affordable housing.

Responding to Councilmember Nieuwenhuis, Ms. Lewine said the program received a lower level of interest than anticipated for the first few years. However, more developers are expressing an interest and requesting information. In further response to Mr. Nieuwenhuis, Mr. Cummins said the cost of affordable housing includes parking, utilities, and other potential expenses. Mr. Cummins said that when someone enters into a MFTE agreement with the City, the City will attach a covenant to the property that defines the overall affordability level.

Councilmember Lee expressed support for the program and for voluntary versus mandatory incentives in general.

Councilmember Robertson expressed support for removing or extending the program's expiration date. She is in favor of expanding the MFTE program to other areas of Bellevue with multifamily housing, especially those with access to public transportation.

For future discussions, Ms. Robertson said she would like a better understanding of how the MFTE and other incentives can work together for the maximum generation of affordable housing.

Councilmember Stokes expressed support for continuing the MFTE program.

Responding to Mayor Chelminiak, Mr. Cummins said that when the Council adopts the East Main Land Use Code, it will likely include a floor-area ratio (FAR) incentive. Mr. Cummins noted that the MFTE ordinance identifies the program's geographic areas, and the boundary map will need to be revised to include any new areas.

- Councilmember Stokes moved to direct staff to bring back an Ordinance, as a Consent Calendar item, for final adoption at a future meeting to extend the Multifamily Tax Exemption (MFTE) program without a subsequent expiration date by amending Section 4.52.130 of the Bellevue City Code. Councilmember Nieuwenhuis seconded the motion.
- The motion carried by a vote of 6-0.

3. Report of the City Manager [Regular Session Agenda Item 6]

(a) 2019 Neighborhood Walks

City Manager Miyake recalled that the City began hosting neighborhood walks approximately three years ago, and five walks were held this summer.

Mike McCormick Huentelman, Assistant Director, Community Development, said the 2019 neighborhood walks were held in northwest Bellevue, west Bellevue, Factoria, Eastgate, and the West Lake Sammamish areas. He said residents love living in Bellevue, and they were appreciative of the outreach involving Councilmembers, Leadership Team staff, and other City staff.

Mark Heilman, Neighborhood Outreach Manager, said staff enjoys getting out into the community to learn about residents and their neighborhoods. He said the neighborhood walks provide the opportunity for extended conversations to respond to specific issues and to hear residents' concerns. He noted the importance of nurturing neighborhood connections. The walks were all held in the evening and featured shorter, more accessible routes than past walks. An average of 19 residents participated in each walk, including long- and short-term residents.

Mr. Heilman said there are many things to celebrate in the community including the new Surrey Downs Park, EasTrail, the Spring District, Woodridge traffic calming measures, and the Eastgate Neighborhood Enhancement Program (NEP) project. The primary concerns expressed by

residents related to code compliance issues, larger homes replacing smaller ramblers, tree-related issues, traffic congestion, and local ideas for improvements.

Mr. McCormick Huentelman thanked Councilmembers and staff for participating in the walks. He said residents were appreciative of the direct access to the City's leadership staff. He noted that questions and input are forwarded to the appropriate staff for follow-up. A report of the feedback gathered during the neighborhood walks is available online.

Councilmember Zahn asked about the City's approach to residents who might have a language barrier and/or live in areas that are not well organized to advocate their priorities. Mr. Heilman said that staff posts signage regarding the walks, and they are working to determine effective ways to address language barriers. He said staff has not used any type of technology device for language translation. However, he noted the electronic language translation program used at City Hall's Service First desk.

Councilmember Lee said he enjoyed participating in the Eastgate neighborhood walk. He offered to assist with language translation where it might be helpful.

Councilmember Nieuwenhuis said he participated in two walks this year. He commended staff for their work and thanked the Leadership Team for their support. He said he looks forward to continuing the program.

Councilmember Robertson expressed support for continuing the program. She said it provides the opportunity for open communication and for building closer relationships within the community. She said the information gathered from residents will help the City to be more proactive in addressing issues.

City Manager Miyake thanked Mr. Cummins, Mr. McCormick Huentelman, and Mr. Heilman, as well as the entire Leadership Team, for their involvement with the program. He noted that some of the residents who were slightly negative at first seemed to feel better informed and pleased with the opportunity for engaging with staff and Councilmembers.

Mayor Chelminiak praised the City's neighborhood outreach program. He noted that he is currently writing his last Council Corner article before his Council term ends. He said the article highlights his contacts with the public over the years that he has served on the Council. He noted the importance of learning about the neighborhoods and the residents' priorities.

(b) Development Services Department's Paperless Permitting Initiative

City Manager Miyake introduced staff's update regarding the City's multi-year paperless permitting initiative.

Mike Brennan, Director of the Development Services Department (DSD), said the City has achieved its goal of implementing 100-percent paperless permit processing. He said that the 15,000 permits processed annually will now be submitted and processed in an electronic format.

Mr. Brennan recalled the establishment of the eCityGov Alliance prior to 2003, and the implementation of MyBuildingPermit.com in 2003 for the online processing of mechanical, electrical, and plumbing permits. Paperless plan review began in 2011.

Jake Hesselgesser, Building Review Supervisor, said the most recent paperless initiative component was funded in the 2017-2018 budget. Approximately 80 percent of the applications in 2017 were being processed through MyBuildingPermit.com. Mr. Hesselgesser said staff conducted a customer outreach survey in 2016, which provided feedback on the program, including about the barriers to using online permitting. Input from the survey and from staff resulted in a number of permit process improvements and efficiencies.

Monica Brown, Building Support Technician, said the benefits of paperless permitting for customers are increased efficiency in the process and a reduction in the number of steps for submitting a permit application. She noted that workshops for customers and staff were held to share information about the new process, and self-help computers were installed in the City Hall permit center to provide assistance in submitting online permit applications. Additional benefits of the program include reduced printing and storage costs and the ability of customers to reduce their travel time and fuel expenses to drive to City Hall.

Mr. Brennan thanked City staff and the MyBuildingPermit.com partner cities for their involvement in this significant effort. He said the program represents a strong technical approach and good regional collaboration.

Mayor Chelminiak congratulated staff for reaching the 100-percent paperless permitting goal.

Councilmember Robertson asked whether homeowners and others who are less familiar with the permitting process are comfortable with paperless permitting. Mr. Hesselgesser said City staff is available to assist customers, including help with the computers available in City Hall, and no special software is required for the process. In further response to Ms. Robertson, Mr. Brennan said that paperless permitting provides efficiencies for the public and staff. He said there are a number of variables in the processing timeline, however. He noted that some projects require extensive technical review and are not expedited by online permitting.

Responding to Councilmember Stokes, Mr. Hesselgesser said that Snohomish County is the only local government in the region that is the closest to 100-percent paperless permitting.

Councilmember Zahn expressed support for staff's vision and collaboration and thanked them for providing the workshop and self-help computers.

Councilmember Lee commended staff on their work. Responding to Mr. Lee, Mr. Brennan said that paperless permitting relieves customers of having to bring large volumes of paper to City Hall for review.

Councilmember Nieuwenhuis thanked staff for their work, which further bolsters Bellevue's reputation as a technology city. Responding to Mr. Nieuwenhuis, Mr. Brennan said that

paperless permitting has changed the way that Development Services delivers its services. Mr. Brennan said staff has not quantified the dollars saved for the City. He noted savings in storage and paper costs and said that some costs have shifted to other functions.

Mayor Chelminiak highlighted the increased convenience and efficiencies for staff and customers as well as the environmental benefits of reducing paper usage and travel to City Hall.

4. Discussion of Upcoming Items: None.

At 7:57 p.m., Mayor Chelminiak declared recess to the Regular Session.

Charmaine Arredondo, CMC
City Clerk

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