

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Study Session

November 18, 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

Mayor Chelminiak opened the meeting at 6:00 p.m. and announced that an Executive Session was added to the agenda to discuss one personnel matter. He indicated that the meeting would resume at approximately 6:30 p.m.

The meeting reconvened at 6:40 p.m., with Mayor Chelminiak presiding.

2. Study Session Items

(a) 2019-2020 Mid-Biennium Budget Update

City Manager Brad Miyake introduced staff's update regarding the 2019-2020 Mid-Biennium Budget.

Toni Call, Director of Finance and Asset Management, said staff is seeking Council direction regarding the proposed Transportation Impact Fee Rate Schedule and will provide updates regarding the Development Services Department's fees proposal and the Police Department's budget proposal. The budget public hearing will be held on November 25 and adoption of the budget is anticipated on December 2. The adoption of the Mid-Biennium Budget will include action on the development services fee ordinance, fire inspection fee ordinance, 2020 property tax levy ordinance, 2020 property tax banked capacity resolution, and other items as directed by the Council.

Police Chief Steve Mylett described the staffing and resource allocation study conducted by the consultant to determine the appropriate staffing needs for the Police Department. The consultant's report was submitted to the Police Department on August 16, 2019.

Chief Mylett said the Patrol division was the easiest to evaluate because their activity is captured in the dispatch system. The study highlighted the importance of targeting 30 minutes for reactive policing and 30 minutes for proactive, community policing per hour. The consultant's report recommended adding six positions in Investigations, three positions in the Personnel Services Unit (PSU), and one position in Property and Evidence. The six Investigations positions include three civilian and three sworn officer positions. Chief Mylett noted that one of the recommended PSU positions has already been filled.

Chief Mylett requested approval to fill the Property and Evidence position and one of the Investigations positions immediately, especially due to the increase in internet crimes against children.

Responding to Councilmember Robertson, Chief Mylett said that the recommendation to add three civilian positions will be explored and discussed further with staff and the labor unions. The consultant's report suggests using civilian positions to focus more on administrative and personnel issues, while sworn officers can focus their time on handling cases.

Councilmember Robertson said it would be helpful during next year's budget process for the Police Department proposal to include a phasing plan for adding staff. It would also be helpful to have a plan in place to address the department's capital needs as Bellevue continues to grow.

Councilmember Nieuwenhuis thanked Chief Mylett and City Manager Miyake for the resource allocation study. Responding to Mr. Nieuwenhuis, Chief Mylett said the Police Department is running out of storage space and is holding property that can be legally destroyed. Mr. Nieuwenhuis expressed appreciation for the focus on community policing.

Councilmember Zahn suggested that perhaps it would be appropriate in the future to establish strategic satellite locations in the community for certain officers. She expressed support for the immediate need for officers who focus on internet crimes against children.

Councilmember Lee commended the Police Department for the importance placed on community policing. Responding to Mr. Lee, Chief Mylett said the department will continue to monitor the time split of reactive versus proactive community policing and to evaluate ongoing staffing needs.

Councilmember Stokes thanked Chief Mylett for the presentation and expressed support for his decisions and judgment in managing the Police Department.

Mayor Chelminiak thanked Chief Mylett for his leadership of the Police Department.

Chief Mylett thanked the Council and City Manager for their ongoing support and noted that Police Department personnel recognize and appreciate that support as well.

Moving on, Ms. Call said the Mid-Biennium Budget reflects a one percent property tax adjustment, which equates to \$8 annually for the median home valued at \$936,000. She noted that Bellevue's property tax represents only 11 percent of a resident's overall property tax bill. Ms. Call highlighted changes to the Housing Fund related to staffing for A Regional Coalition for Housing (ARCH) and to affordable housing funding through Substitute House Bill 1406.

Ms. Call noted proposed expenditure adjustments to three projects in the Capital Investment Program (CIP) Plan: BelRed parks and streams, 148th Avenue SE pavement preservation, and Mountains to Sound Greenway improvements from 132nd Avenue SE to 142nd Place SE.

Andrew Singelakis, Director of the Transportation Department, recalled that on June 10, 2019, the Council directed staff to return with information and options to update the Transportation Impact Fee Rate Schedule.

Eric Miller, Implementation Planning Manager, introduced Molly Johnson, Transportation Development Review Manager, and thanked her for her work.

Mr. Miller thanked the Council for adopting the 2019-2030 Transportation Facilities Plan (TFP) in July. Of the 42 total projects, 15 projects receive impact fees from developers for roadway and intersection capacity improvements. Impact fee projects include NE Spring Boulevard, 124th Avenue NE improvements, five Downtown intersections, and the 150th Avenue SE/I-90 improvements. Completed impact fee projects include the NE 4th Street extension and 120th Avenue NE improvements. In 2015, the Transportation Impact Fee Program Report established a maximum allowable rate of \$7,992 per trip generated. In December 2015, the Council set the base 2016 impact fee rate for new development at \$4,703 per trip and established an automatic annual increase of three percent.

The results of the 2019 TIF Program Report indicate a significantly higher maximum allowable rate based on increased project costs, new trip generation rates, the inclusion of debt service costs in overall impact fee project costs, and the cost of recently completed impact fee projects. The updated maximum allowable impact fee rate is \$17,070 per trip generated.

Mr. Miller said staff recommends transportation impact fee rates per trip of \$6,854 for single-family homes, \$1,833 for Downtown and BelRed office space, and \$2,421 for office space citywide. The rates for multifamily development are \$130,000 per 100 high-rise units, \$302,000 per 100 mid-rise units (3-10 floors), and \$384,000 per 100 low-rise units. Mr. Miller noted that the availability of nearby transit service is anticipated to reduce the number of trips generated by residential development. He said that staff provided briefings regarding the proposed changes to the Bellevue Chamber of Commerce land use committee, Bellevue Downtown Association (BDA), Master Builders Association, and to the representatives of development projects currently in the permit review process.

Mr. Miller requested Council direction to return with an ordinance to update the Transportation Impact Fee Rate Schedule to reflect an increase in the per-trip base rate from \$5,293 to \$6,854 and to maintain the three percent annual indexing adjustment.

Councilmember Lee, liaison to the Transportation Commission, expressed support for the proposal and noted that it is in line with other cities.

Councilmember Stokes thanked staff for the presentation.

Responding to Councilmember Zahn, Mr. Miller confirmed that staff's recommendation is based largely on the updated standards in the Institute of Transportation Engineers (ITE) 2017 Trip Generation Manual. Ms. Zahn expressed support for the lower impact fee rates in the more densely populated areas served by public transit. Responding to Ms. Zahn, Mr. Miller said the impact fee rates are reviewed every two to four years and can be adjusted at any time by the Council.

Councilmember Nieuwenhuis thanked staff for their work with the stakeholders and expressed general support for the recommendations. He observed that the impact fee schedule helps to further the goals of transit-oriented development (TOD) and affordable housing initiatives.

Responding to Mr. Nieuwenhuis, Mr. Miller said TOD is not defined in the impact fee section of the code. However, Mr. Miller read the following definition from the glossary of the Comprehensive Plan: "Development that is within one-half mile from and oriented toward a transit station that provides frequent, reliable service. TOD optimizes transit use through a compact mix of housing, retail, and office uses, and a walkable, pedestrian-oriented character." Mr. Nieuwenhuis suggested it would be helpful to review impact fee rates every two years given the pace of development in Bellevue.

Responding to Councilmember Robertson, Mr. Miller said staff has not received any formal opposition to the proposed fee adjustment. Ms. Robertson suggested adding a definition of TOD to the impact fee section of the code and reviewing how the City of Bellevue credits and reimburses certain impact fees.

Councilmember Robertson said that over the next 12-24 months, she would like the City to review concurrency levels citywide and to identify the needed transportation improvements before the next update of the transportation impact fee. She expressed support for moving forward with staff's recommendation.

Mayor Chelminiak thanked staff for the presentation.

Ms. Call noted that the budget public hearing will be held on November 25, and budget adoption is anticipated on December 2.

3. Discussion of Upcoming Items: None.

At 7:49 p.m., Mayor Chelminiak declared recess to the Regular Session.

Charmaine Arredondo, CMC
City Clerk

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