

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Extended Study Session

January 13, 2020
6:00 p.m.

Council Conference Room
Bellevue, Washington

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

ABSENT: None.

1. Executive Session

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

Ms. Robinson noted that Councilmember Zahn would be participating remotely via speakerphone.

2. Approval of Agenda

Mayor Robinson said Agenda Item 4(d), Fire Prevention Activity Update, was postponed due to the weather.

→ Deputy Mayor Nieuwenhuis moved to approve the agenda, as amended. Councilmember Lee seconded the motion.

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

3. Oral Communications: None.

4. Study Session Items

(a) Council Business and New Initiatives

There was no discussion.

- (b) Proposed Amendment to the King County Countywide Planning Policies (CPPs) for Best Practices relating to Collaboration on School Siting within Urban Growth Area (UGA).

City Manager Brad Miyake introduced discussion regarding proposed amendments to the King County Countywide Planning Policies related to school sitings within the Urban Growth Area (UGA). He noted that Councilmember Robertson serves on the Growth Management Planning Council.

Emil King, Assistant Director of the Community Development Department, said that he and Nicholas Matz, Senior Planner, provide the staff support for the King County Growth Management Planning Council. The proposed CPP amendment provides guidance on the best practices related to facilitating the development and renovation of public schools within the UGA.

Councilmember Robertson said the school siting policies have been in discussion for a number of years. She said that school districts serving rural areas on the edge of the urban growth boundary have wanted to build schools on less expensive land outside of the UGA. However, there is a policy against extending sewer infrastructure to unincorporated areas outside of the boundary. Ms. Robertson said the amendment reflects a compromise solution to encourage the siting of schools within the UGA. She expressed support for the proposed CPP revisions.

Nicholas Matz, Senior Planner, noted that the 10 best practices included in the CPP amendment add to existing policy work in Bellevue and in the region. He said staff anticipates bringing back a resolution for Council action on January 21.

- Councilmember Robertson moved to direct staff to return with a resolution approving the ratification of the proposed CPP amendment on the January 21 consent calendar. Councilmember Stokes seconded the motion.
- The motion carried by a vote of 7-0.

- (c) Informational Presentation on Bellevue School District's Proposed Ballot Measure

City Manager Miyake introduced the presentation regarding the Bellevue School District's capital bond measure on the February 11 ballot.

Dr. Ivan Duran, Superintendent, said the school district is in the second year of its 2018-2023 strategic plan. He said the district is working on establishing an intentional culture within the school district based on the six priority areas identified in the strategic plan: 1) high-quality instruction, 2) student well-being, 3) organizational alignment, 4) exceptional staff, 5) culture and climate, and 6) family and community.

Melissa deVita, Deputy Superintendent of Finance and Operations, recalled that the school district initiated a facility rebuilding program in the early 2000s. The district's facility planning

efforts for 2020 and beyond focus on student safety, capacity, student and instructional needs, positive learning environments, and the changing community.

Ms. deVita said the school district's 2020 Capital Projects Bond rebuilds three aging schools (i.e., Big Picture School, International School, and Jing Mei School) and includes renovations at Newport High School and Interlake High School to add student capacity and to reduce crowding. Security vestibules will be added at eight schools and safety bollards will be added in front of 19 school entrances. The bond measure also invests in more efficient facilities for central office staff and creates community meeting spaces. Ms. deVita said the bond measure designates funding for the future purchase of additional school locations to accommodate growth, especially in the BelRed and Wilburton areas. She said that 16,000 new residential units are anticipated in the Bellevue School District over the next 15 years.

Ms. deVita said the bond measure reflects a tax increase of 3 cents per \$1,000 of assessed valuation and requires 60-percent voter approval to pass. The bond will generate \$675 million that the school district will repay over the next 20 years. For the average valued home in Bellevue (\$850,000), a property owner currently pays \$2.43 per \$1,000 AV for local school property taxes. The bond measure will increase the rate to \$2.46 per \$1,000 AV.

Responding to Mayor Robinson, City Attorney Kathy Gerla confirmed that the City Council is allowed to take a collective position on a ballot measure. In order to do so, the Council must schedule an agenda item for a future meeting to allow public comment from proponents and opponents of the proposed capital bond. Ms. Gerla recalled that the Council has taken collective positions in the past, including for the recent King County Medic One ballot measure. For tonight's meeting, Ms. Gerla advised that the Council's participation should be limited to factual questions about the ballot proposal.

Councilmember Lee thanked the BSD representatives for the information and concurred with the importance of addressing growth.

Councilmember Stokes said he would like the Council to consider taking a collective position on the ballot measure.

Responding to Councilmember Barksdale, Ms. deVita confirmed that the bond measure provides funding for science, technology, engineering and math (STEM) and other vocational program facilities.

Councilmember Robertson noted that the Bellevue School District does not follow other districts in using impact fees to fund capital needs. She said a number of school districts are experiencing more students from multifamily housing due to the high cost of housing. She questioned whether the bond measure will address the ongoing need for portable classrooms at a number of schools. Ms. deVita said that one of the reasons the district is moving Puesta del Sol Elementary School to a more central Bellevue location is to increase the elementary school capacity in south Bellevue. She said the district continues to review its program placement to ensure the most effective use of its facilities.

Councilmember Robertson said she looks forward to working with the school district related to the regional aquatics center. Ms. deVita clarified that the aquatics center is not addressed in the bond measure. However, the school district's potential involvement in the aquatics center will be funded through existing resources.

Deputy Mayor Nieuwenhuis thanked Dr. Duran for speaking to the Bellevue Essentials class.

Responding to Mr. Nieuwenhuis, Ms. deVita said the school district works with a demographer and a realtor in identifying and purchasing land for school facilities.

In further response to Mr. Nieuwenhuis, Ms. deVita said that the education funding provided under the McCleary decision does not fund capital projects. The court decision reduced the maximum local levy and increased the state levy, resulting in the loss of available tax revenue for the school district. She noted that the McCleary decision was helpful, however, to certain school districts outside of Bellevue. Ms. deVita said that many BSD programs (e.g., special education, music, art, etc.) are not fully funded without local levy dollars.

Responding to Mayor Robinson, Ms. deVita confirmed that birth rates are decreasing. However, jobs and a high-quality school district bring people and families to Bellevue.

Mayor Robinson noted that the Council took a collective position on the King County emergency medical services (EMS) levy and parks levy.

Councilmember Robertson questioned whether the Council has previously taken a position on a BSD ballot measure.

→ Councilmember Stokes moved to initiate the process for the City Council to consider taking a formal collective position on January 21, 2020, regarding the Bellevue School District's 2020 capital bond measure, to allow equal opportunity for comments by the Pro and Con campaigns, and to allow an additional 15 minutes per side for other members of the public. Councilmember Zahn seconded the motion.

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

Mayor Robinson thanked Dr. Duran and Ms. deVita for the presentation.

(d) Fire Prevention Activity Update [*Item postponed.*]

(e) Draft 2020 State Legislative Agenda

Joyce Nichols, Director of Intergovernmental Relations, presented the Draft 2020 State Legislative Agenda. She noted that the separate, longer Statement of Policy has been used over the past 20 years to track the Council's position on a number of legislative priorities. She said the current legislative session will run for 60 days.

Ms. Nichols said the Grand Connection and the regional aquatics center are not included in the legislative agenda because funding requests have not been formulated. However, the projects are

described on the third page of the brochure to introduce them to state legislators. The fourth page provides information regarding the nearly \$1 billion in tax revenue generated in Bellevue that went to the State in 2019.

Ms. Nichols said the state legislature typically adjusts the operating budget, capital budget, and the transportation budget during its short sessions every two years. The governor drafted his preliminary budget in December, and each chamber will develop their own budgets in preparation for adoption by March 13. Many items on the 2019 legislative agenda were accomplished and have been removed.

Ms. Nichols said the state legislature is working to identify resources to replace the transportation funding that was lost with the voters' approval of Initiative 976. The other two primary topics are affordable housing and homelessness. The governor's proposed budget provides approximately \$100 million from the Rainy Day Fund for affordable housing and homelessness enhancements.

Ms. Nichols noted that the transportation priorities section of the legislative agenda continues to encourage the completion of the I-405 Master Plan in preparation for the implementation of bus rapid transit (BRT) anticipated for 2024. The legislative agenda also includes funding requests for items related to Sound Transit's East Link light rail project. The SR 520/124th Avenue NE interchange project has been put on hold by the governor due to the passage of I-976. The project received some funding in the Connecting Washington package in 2015. However, construction funding is needed. Ms. Nichols said the legislative agenda encourages the State to continue working on smart mobility issues. She said a regulatory framework is needed from the State to address autonomous vehicles and other transportation technologies.

Ms. Nichols recalled that the Washington State Department of Transportation (WSDOT) conducted a road usage charge pilot project to determine the feasibility of using a road usage charge to replace the gas tax. She noted that the Council's feedback during the recent presentation on the pilot project has been incorporated into the legislative agenda.

In the area of homelessness and affordable housing, Ms. Nichols said the legislative agenda encourages the State to provide tools for local governments without mandating specific policies and solutions.

Mayor Robinson said the need to address affordable housing continues to increase, and she is concerned that the City will miss opportunities for affordable housing in transit-oriented development (TOD). She suggested adding language requesting legislation to incentivize affordable housing development in TOD areas.

Councilmember Robertson expressed support for adding the Mayor's suggested language to the section that addresses incentives. She noted that the recent expansion of the multifamily tax exemption (MFTE) program to be available citywide will likely produce additional affordable housing.

Councilmember Lee noted the importance of retaining local authority. He expressed support for Mayor Robinson's suggested revision.

Responding to Mayor Robinson, Councilmembers indicated their support for the suggested revision.

Councilmember Stokes expressed support for the legislative agenda with the suggested revision and thanked staff for their work.

Councilmember Barksdale concurred.

Councilmember Robertson said she supports the legislative agenda. She said it would be helpful for the capital budget requests to include information regarding the City's match funding.

Ms. Nichols confirmed that the dollar match information is helpful when communicating with legislators. She noted the request for approximately \$1 million for the new Bridle Trails park to match the City's \$1.65 million in funding. The City is requesting \$250,000 to help fund adult changing tables in park restrooms, and the match would likely come from the City's Parks Refurbishment Fund.

Responding to Mayor Robinson, Councilmembers indicated support for adding the match dollars amounts, where available, to the legislative agenda.

Councilmember Robertson said the information regarding the City's significant revenue contributions to the State has been helpful when meeting with legislators. She noted the importance of continuing to implement the I-405 Master Plan. She suggested coordinating with major employers and business groups to advocate for mutual priorities. Ms. Nichols noted that the state legislature will hold a Chamber Day in late January. She said staff will compile a list of the entities that plan to participate and will coordinate with them where appropriate. Councilmember Robertson said it would be helpful for the City and other entities to be able to express support for common priorities when addressing the state legislature at any time.

Responding to Councilmember Zahn, Ms. Nichols said that funding for transportation mobility options is under discussion by the City, King Country Metro, and major employers.

Ms. Zahn referred to the statement regarding renewable energy that "Bellevue supports an accelerated transition, provided the transition does not result in negative economic impacts." She questioned whether that meant that the City would not support an item if there are any negative economic impacts to ratepayers. Ms. Nichols said that item has been on the legislative agenda for several years. The initial intent was to avoid significant fluctuations for ratepayers. Ms. Nichols said the language is not intended to indicate that the City would not support an action unless it has no negative economic impact. However, it is important to be able to understand the scale of the potential impact on ratepayers.

Councilmember Zahn suggested revising the language to read "...provided the transition minimizes negative economic impacts to ratepayers" instead of "does not result in negative economic impacts."

Councilmember Barksdale expressed support for framing the issue in the positive rather than the negative.

Ms. Nichols concurred and suggested the following language: "...renewable energy, provided that the transition minimizes negative impacts to ratepayers."

Mayor Robinson opined that the role is not to minimize impacts but to have "minimal negative economic impacts to ratepayers."

Councilmember Robertson said she was comfortable with the proposed revision.

Councilmember Stokes expressed support for: "...provided the transition minimizes the negative economic impacts to ratepayers."

Ms. Nichols suggested two options: "...provided the transition minimizes negative economic impacts to ratepayers" or "...provided the transition results in minimal negative economic impacts to ratepayers."

Responding to Mayor Robinson, Councilmembers expressed support for her recommended language as reflected in the second option articulated by Ms. Nichols.

Councilmember Lee referred to the incentives section on page 1 and suggested stronger language that refers to funding. He likes the reference to "...encouraging autonomous, driverless vehicle technology," but he would like to be more specific. He suggested revised language as follows: "The City supports funding and policies encouraging the use of smart mobility technology, such as autonomous vehicles, electric vehicles, and shared mobility options." He believes it is important to ask the State for both policy and financial support.

Ms. Nichols said the language currently reads: "The City supports incentives and progress on the regulatory framework for the use of smart mobility technology, including autonomous vehicles, electric vehicles, and shared mobility options." She stated her understanding of Councilmember Lee's suggested revision: "The City supports funding and policies encouraging smart mobility technology such as autonomous vehicles, electric vehicles, and shared mobility options." Councilmember Lee concurred.

Councilmember Robertson said the language leaves out the reference to "incentives and progress on the regulatory framework," which are underpinnings of this priority. She said it would be great for the State to create a fund to encourage additional technology advancements. She wants to ensure that the regulatory environment addresses safety, data security, and other issues. Ms. Robertson expressed support for Mr. Lee's suggested language while retaining the reference to incentives and the regulatory framework.

Ms. Nichols suggested the following: "The City supports funding and policies encouraging smart mobility technology, such as autonomous vehicles, electric vehicles, and shared mobility

options, as well as incentives and progress on a regulatory framework for the use of these technologies.”

Responding to Mayor Robinson, Councilmembers indicated their support for the revision.

Councilmember Lee referred to the section regarding capital budget requests and said that he liked the idea of “...potential future capital transportation funding requests.” However, he suggested the statement should be expanded to include a reference to placemaking. He said he would like to use the Grand Connection and the regional aquatics center as examples of placemaking. However, he does not want it to appear that those are the only items of interest to Bellevue. He suggested adding language to emphasize the importance of placemaking for Bellevue.

Mayor Robinson suggested the following revision to the title of the section: “Potential future capital transportation and placemaking funding.” Councilmember Lee concurred.

Responding to Deputy Mayor Nieuwenhuis and Mayor Robinson, Councilmembers expressed support for removing the word “potential.”

Mr. Nieuwenhuis thanked staff and said he appreciates the work of previous City Councils to advocate for the completion of the I-405 Master Plan.

Mr. Nieuwenhuis referred to the bullet item on page 1 that references the 18th Amendment and suggested stronger language as follows: “...strongly consider the use of new revenue for the same purpose, per the 18th Amendment, as the tax it replaces.”

Councilmember Stokes noted that there is a debate about whether and how the 18th Amendment would apply to revenue sources that could replace the gas tax.

Ms. Nichols confirmed that it is unclear whether the elimination of the gas tax would result in the elimination of the 18th Amendment because it specifically refers to the gas tax. There is a thought that, if you are going to expand the 18th Amendment uses of the gas tax and allow other uses for a replacement tax, the state legislature should consider increasing the total amount of funding available. If the current gas tax is not meeting all of the transportation needs and the State moves to a tax that raises a similar amount of money and that can also be used for additional purposes, the result is reduced transportation funding.

Mayor Robinson suggested: “...legislation that ensures new revenue sources continue to be used for the same purposes as the tax it replaces.” Councilmembers expressed support for the revision.

→ Councilmember Robertson moved to adopt the 2020 State Legislative Agenda, as amended on the floor. Deputy Mayor Nieuwenhuis seconded the motion.

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

Mayor Robinson thanked everyone for the productive, robust discussion. She thanked Ms. Nichols for her work.

5. Council Discussion of Upcoming Items: None.
6. Continued Oral Communications: None.

At 7:45 p.m., Mayor Robinson declared the meeting adjourned.

Charmaine Arredondo, CMC
City Clerk

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