

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Special Meeting

May 18, 2020
6:00 p.m.

Virtual Meeting
Bellevue, Washington

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

ABSENT: None.

1. Call to Order

The meeting was called to order at 6:07 p.m., with Mayor Robinson presiding.

2. Roll Call

City Clerk Charmaine Arredondo called the roll. All Councilmembers were present and participating remotely.

3. Approval of Agenda

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

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

4. Written Communications

City Clerk Charmaine Arredondo said that members of the public may email the Council at Council@bellevuewa.gov if they would like to have their written comments read during the meeting. She asked individuals to use the subject line "Written Communications" and noted that the emails must be about an item on the evening's agenda to be read during the meeting. A maximum of three written communications per side of a topic or issue will be read during the meeting.

Ms. Arredondo read an email from Mark Tobin regarding Agenda Item 6(j), which expressed opposition to the use of City funds to beautify existing and functional electrical towers in the Spring District.

An email from Leslie Geller expressed concern regarding the City's expenditure of \$1.6 million to replace two lattice towers in the developing Spring District with steel monopoles. She said the towers are functional and she did not understand the rationale for replacing them.

City Clerk Arredondo said there were six additional emails expressing either opposition or concern regarding the electrical towers in the Spring District.

Ms. Arredondo read an email from John Fisher, Inland Construction, who urged the Council to adopt Ordinance No. 6513 related to parking requirements for housing near transit services [Agenda Item 8(a)]. The email described the company's plans to provide affordable and workforce housing.

An email from Jane Broom recalled Microsoft's announcement in January 2019 regarding its \$500 million commitment toward affordable housing solutions in King County. She said that nine mayors, including Bellevue's, subsequently signed a pledge to help break down local policy barriers and to provide incentives for the development of affordable housing. Ms. Broom encouraged the Council to adopt Ordinance No. 6513.

An email from Gabriel Grant expressed support for Ordinance No. 6513, which reduces minimum parking requirements for certain housing developments located near frequent transit service. She noted that the expense of providing parking facilities makes it especially challenging to build affordable housing.

Ms. Arredondo said the Council received 11 additional emails expressing support for Ordinance No. 6513 prior to the 3:00 PM deadline, as well as eight emails expressing support for the ordinance after that time.

Ms. Arredondo read an email from Beth Osborne, Symetra, expressing support for the proposed use of Community Development Block Grant-Coronavirus (CDBG-CV) funding to provide homeless services, financial assistance, childcare, and legal assistance for domestic violence survivors [Agenda Item 8(b), Ordinance No. 6514]. She thanked the City for addressing these urgent needs.

5. Report of the City Manager

(a) Replacement of Seattle City Light Transmission Towers in Spring District

City Manager Brad Miyake noted that Agenda Items 6(c) and 6(j) relate to the replacement of Seattle City Light's transmission towers on 124th Avenue NE.

Ron Kessack, Assistant Director, Transportation Department, said that Seattle City Light owns an easement along 124th Avenue that actually predates Bellevue's establishment of the roadway.

He noted a joint roadway project with Sound Transit that requires the removal of a number of lattice towers adjacent to the west side of the roadway in order to widen the road and to provide pedestrian and bike facilities.

Mr. Kessack said the replacement of the towers is needed to complete the road project, and it is not a beautification project. The Council's approval of Resolution No. 9753 and of the project will allow Seattle City Light to disconnect the power to allow the City and Sound Transit to replace the towers with monopoles. The plans have been approved by the Washington State Department of Transportation (WSDOT) and the U.S. Department of Transportation as part of the TIFIA (Transportation Infrastructure Finance and Innovation Act) loan program.

Mayor Robinson thanked Mr. Kessack for the presentation.

Responding to Councilmember Robertson, Mr. Kessack confirmed that utilities providers with franchise agreements are typically required to relocate their infrastructure at their expense. However, in this case, Seattle City Light's easement predates Bellevue's roadway, which exists under the consent of Seattle City Light. Mr. Kessack concurred with Ms. Robertson's observation that the City's road travels over Seattle City Light's utility corridor.

Councilmember Stokes thanked Mr. Kessack for the clarification regarding the replacement of the transmission towers. Mr. Stokes encouraged the public to request more information regarding projects and topics when they have concerns or questions.

Councilmember Lee said he understood the concerns expressed by the public regarding the expense of replacing the electrical towers. However, he thanked Mr. Kessack for the clarification about the need for the project.

Councilmember Zahn thanked Mr. Kessack for the information and expressed appreciation for the City's partnership with Seattle City Light.

Responding to Mayor Robinson, Mr. Kessack said the replacement of the transmission towers was identified as a project well before the City received its federal TIFIA loan.

(b) Identity Theft and Unemployment Insurance Fraud

City Manager Miyake noted the increase in identity theft and unemployment insurance fraud during the current COVID-19 pandemic. He urged everyone to monitor their accounts for fraudulent activity, change their passwords frequently, and to never give away money or share personal information. He referred the public to the City's website for links to the Washington State Employment Security Department and other resources.

Mayor Robinson encouraged everyone to check the City's website daily for up-to-date information regarding COVID-related data and resources.

6. Consent Agenda

- Deputy Mayor Nieuwenhuis 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 May 4, 2020 Special Meeting
 - (b) Resolution No. 9752 authorizing execution of a five-year lease agreement with Multicultural Radio Broadcasting, Inc. for lease of property in the Mercer Slough Nature Park for the continued operation of an existing AM radio transmission facility located at 2205 118th Ave SE.
 - (c) Resolution No. 9753 authorizing execution of Supplement 1 of a Professional Engineering Services Agreement with HDR Engineering, Inc. (Contract No. 1950175) in the amount of \$128,071, plus all applicable taxes, for a total contract amount of \$286,978, plus all applicable taxes, to provide engineering support services during construction of the 124th Avenue NE Improvement Project, Seattle City Light (SCL) Transmission Tower Replacement (CIP Plan No. PW-R-191).
 - (d) Motion to approve payment of claims and payroll for the period April 1, 2020 - April 30, 2020.
 - (e) Resolution No. 9754 authorizing execution of a five-year Wireless Communications Facilities Site Lease Agreement with an automatic five-year extension with New Cingular Wireless PCS at the Clyde Hill Water Reservoir Site located at 9600 NE 22nd Street.
 - (f) Ordinance No. 6512 authorizing: 1) award of Bid No. 20002 for 136th Ave NE Inlet Station and NE 8th St Transmission Main to Interwest Construction Inc., as the lowest responsive and responsible bidder, in an amount not to exceed \$5,819,792.50 plus all applicable taxes (CIP Plan No. W-104, W-103 and W-16); 2) amendment of the 2019-2025 Utility Capital Investment Program (CIP) Plans by decreasing the total 2019-2020 available budget for the Small Diameter Water Main Replacement Program (CIP Plan No. W-16) by \$600,000 and increasing the 2020 budget for Increase Drinking Water Storage Availability for West Operating Area Program (CIP Plan No. W-103) by \$600,000.
 - (g) Motion to award Bid No. 20009, 108th Avenue NE Complete Street (CIP Plan Nos. PW-R-199, PW-M-1, PW-R-46, PW-M-20, PW-R-182, and G-38) to Award Construction, Inc. as the lowest responsible and responsive bidder in the amount

of \$1,287,326.00, plus all applicable taxes. This project is partially funded by the Neighborhood Safety, Connectivity and Congestion Levy.

- (h) Resolution No. 9755 authorizing execution of an amendment to the Agreement for Professional Services with Pacifica Law Group LLP, outside counsel for the City in the lawsuit of Greensun v. City of Bellevue (KCSC Case No. 14-2-29863-3 SEA), in an amount not to exceed \$250,000, plus all applicable taxes.
- (i) Resolution No. 9756 authorizing execution of a professional services contract with Hayre McElroy & Associates, LLC, for required independent third-party construction monitoring and inspection of the Bellevue Downtown Park - NE Gateway project, in an amount not to exceed \$130,797 plus all applicable taxes.
- (j) Motion to award Bid No. 20038, 124th Avenue NE Improvement project, Seattle City Light (SCL) Transmission Tower Replacements (CIP Plan No. PW-R-191) to Potelco, Inc as the lowest responsible and responsive bidder, in the amount of \$1,636,762, plus all applicable taxes.
- (k) Resolution No. 9757 authorizing the City Manager to enter into an agreement for the Community Homes for Shared Living Home #1 in the amount of \$46,010, as recommended by the ARCH (A Regional Coalition for Housing) Executive Board.

7. Study Session

- (a) Impact of COVID-Related Events on City Finances

City Manager Miyake introduced staff's update regarding the impact of the COVID-19 pandemic on the City's finances. He said the City is currently forecasting a \$28 million, or 13 percent, revenue loss in the General Fund. In response to the deficit, the City is using Rainy Day Reserves funds and has aggressively curtailed all spending. The City's 2021-2022 budget process will address the need to reduce expenditures in order to balance the budget. Mr. Miyake said the City will work to avoid staff furloughs if possible.

Toni Call, Director of the Finance and Asset Management (FAM) Department, said staff will continue to update the Council regarding the financial impacts of the pandemic. She noted that the forecast required assumptions about how businesses might recover as well as consumer spending habits. She said staff based its analysis, in part, on the experience in China as it reopened its economy. City staff has also been working with other jurisdictions.

Keyi Lu, Assistant Director, FAM, said the revenue impact of the COVID-19 pandemic is predicted to be substantial, and the business and occupation (B&O) tax and the sales tax are the two most economically volatile revenue streams. The City estimates a loss of up to \$31 million (24 percent) in sales tax and B&O tax revenues in 2020. The Council's policies split the two taxes with approximately 75 percent going to the General Fund and 25 percent to the Capital Investment Program (CIP).

Ms. Lu recalled that during the recession, the City lost approximately 21 percent in sales tax and B&O tax collections from 2008 to 2010. She noted that businesses involved in dining, accommodations, retail, auto sales, and construction are all significantly impacted by the COVID-19 pandemic and the temporary reduction in economic activity. Ms. Lu said that certain construction activity and auto sales may now resume operating. The City will receive its May sales tax collections in July. Ms. Lu said that the impact on B&O sales tax revenues is slightly less than the impact on sales tax collections.

Ms. Call said the City anticipates a loss of \$28 million in revenues for the General Fund. She noted that certain fees are no longer collected due to the closure of community centers and recreation programs, and fuel tax revenues have decreased with significantly reduced travel. She said that property tax and utility tax collections appear to be performing as projected. However, an increased loss of jobs would likely impact those tax revenues.

Ms. Call recalled the Council policy to maintain a 15-percent reserve in the General Fund and noted that the reserves are currently at 22 percent. She said the City is strictly monitoring all expenditures, has discontinued all non-essential travel and training, and will not fill job vacancies.

The federal CARES (Coronavirus Aid, Relief and Economic Security) Act provides funding for work by City employees related to the COVID-19 pandemic. Ms. Call said the City is working hard to avoid any workforce impacts. However, given the rate of revenue loss, unwanted actions could be warranted. Ms. Call recalled that during the recession, the City took a number of actions to address the budget impacts including substantial changes in certain programs that reduced staffing needs, the outsourcing of programs where it was found to be more cost-effective, changes in fleet maintenance and replacement costs, and the implementation of a new Emergency Medical Services (EMS) Basic Life Support (BLS) revenue.

Ms. Call said staff developed a number of planning scenarios based on national and local economic data to envision how the economy might rebuild. The current analysis anticipates a \$12 million reduction in revenues for the 2021-2022 budget.

Moving on, Ms. Call said that the reduction in sales tax and B&O tax collections also affects the CIP Plan. She said it is likely that real estate excise tax (REET) collections will decrease. However, she noted that the ongoing work on utilities and transportation infrastructure projects contributes to the health of the recovery by providing jobs and stimulating economic activity.

Councilmember Zahn thanked staff for their work during this difficult time of uncertainty. Responding to Ms. Zahn, Ms. Call said the City is receiving grant funds from a number of sources, each with its own requirements regarding the use of the money. The City anticipates the receipt of \$4.3 million from the State for COVID-related expenditures. Referring to the temporary hold on hiring, Ms. Zahn suggested discussing whether to leave public safety vacancies open.

Responding to Councilmember Lee, Ms. Call said staff is analyzing a number of scenarios. She said staff will provide more information to the Council in the future.

Councilmember Stokes thanked staff for the presentation. He said it is good to know that the City will receive funding from the state and federal governments. He said the City has the support of residents and the business community that many communities do not have. Mr. Stokes noted that this is a relatively short-term event and the economy will recover.

Deputy Mayor Nieuwenhuis thanked staff for the financial update. Responding to Mr. Nieuwenhuis, Ms. Call said the City's General Fund reserves dipped to 10 percent in 2010. She said the reserves were restored to the 15-percent level by 2013 or 2014. She said she would follow up with more information.

Mr. Nieuwenhuis asked whether there are core metrics to be used to determine whether furloughs or other significant actions should be taken to address the budget deficit. Ms. Call said the largest revenue source is the sales tax. She said the March data was released in early May, and more data analysis will be available by late May. She said the future receipt of April and May data will help determine whether the estimated revenue loss of up to \$28 million is an accurate projection. Ms. Call said staff works hard to provide accurate forecast information and to identify ways to reduce and streamline the budget.

Councilmember Barksdale thanked Ms. Call and her staff for their work. Mr. Barksdale said he hopes that furloughs will not be necessary. However, he questioned how that might be handled and whether employees would retain their health insurance and other benefits. Ms. Call said she would follow up with more information for Mr. Barksdale.

Councilmember Robertson said she is concerned about the number of people who are not able to work and the number of businesses that are closing permanently. She expressed interest in an update on the City's activities related to economic development and assisting local businesses. She would like to see Bellevue open for business again.

City Manager Miyake said the City is working with the Bellevue Downtown Association (BDA) and the Chamber of Commerce to coordinate marketing related to the reopening of the economy.

Councilmember Robertson asked whether the City is coordinating with the Governor's Office regarding restrictions on reopening. Mr. Miyake said that he, the Mayor, and the Deputy Mayor have met with the Governor's Office to express concerns regarding opening up certain types of businesses in a measured way.

Mayor Robinson said the City is advocating every day for the safest, most rapid reopening of the economy possible. She said the Governor has made it clear that the state can achieve reopening the quickest if we follow the multiphase reopening plan.

Deputy Mayor Nieuwenhuis said that some areas of the country have experienced declines in the number of COVID-19 cases even after reopening segments of their economies. He would like to

accelerate the reopening of businesses. However, he acknowledged the importance of avoiding outbreaks.

Responding to Mr. Nieuwenhuis, Mr. Miyake said that when the first phase of construction activity reopened, City staff was actively involved in conversations about how that would be implemented.

Responding to Mayor Robinson, Ms. Call said that Bellevue receives more sales tax from local versus online sales. Ms. Lu said that online sales represent approximately 10 percent of the total sales tax collections. However, that percentage is growing. Ms. Robinson noted that May auto sales have been better than April sales. However, overall business remains significantly lower than this time last year.

Councilmember Zahn said construction has continued throughout most of the pandemic by adjusting to meet requirements, such as social distancing and cleaning protocols. She believes that their practices could be useful to other industries.

Responding to Ms. Zahn, Ms. Call said the City is exploring every potential funding source, including through the State's FEMA (Federal Emergency Management Agency) coordinator.

Ms. Zahn questioned whether certain City employees could be redeployed to other areas in order to continue working. Ms. Call confirmed that approximately 51 individuals in the Parks and Community Services Department have been reallocated to other departments.

Councilmember Stokes expressed support for continuing to work with other cities, the State, hospitals, and others in the community to move forward. He said everyone is eager to get back to normal, and he cautioned against politicizing the issue of when to reopen businesses. He noted that certain states are experiencing an increase in the number of COVID-19 cases after reopening their businesses. He encouraged everyone to work together in a positive way. Mr. Stokes said that many businesses do not want to reopen too early and then take the chance of having to close again. He encouraged a focus on doing what is right for Bellevue and said he believes the City is on the right path.

Deputy Mayor Nieuwenhuis concurred with the importance of doing what is right for Bellevue's economy, which he believes will make a roaring comeback. He said he looks forward to continued guidance from the Governor's Office. He thanked Ms. Call and her staff for their work. He said the City made it through the recession and we will make it through this.

Responding to Councilmember Barksdale regarding the upcoming budget workshop, Ms. Call said staff will present the community survey results, an updated financial forecast, updated information regarding COVID-19 impacts, and other relevant documents. Mr. Barksdale said he was curious about the availability of any recent survey information from the community since the pandemic began.

Councilmember Robertson said it would be helpful to see a schedule soon for the budget process.

Mayor Robinson acknowledged that everyone looks forward to getting back out into the community to support each other and to support local businesses.

Councilmember Lee said it is important to have scenarios to analyze and to consider in order to be prepared in how to respond. He expressed concern that certain businesses will not be able to reopen. Mr. Lee wondered about the changes going forward in terms of people working from home, consumer spending, and other potential economic and lifestyle implications. He would like to discuss the most likely scenario for Bellevue based on the impacts of the pandemic.

Councilmember Lee said he wants to avoid furloughs and to keep people employed. He said public safety must remain a top priority. He encouraged innovative solutions for program delivery. He said he would like to discuss scenarios developed by staff to identify solutions and to determine what choices will need to be made.

8. Other Ordinances, Resolutions, and Motions

- (a) Ordinance No. 6513 imposing an Interim Official Control setting reduced minimum parking standards in the Land Use Code for certain housing developments located near frequent transit service; providing for severability and vesting; and establishing an effective date.

City Manager Miyake said that Ordinance No. 6513 imposes an interim official control regarding parking standards for certain housing developments near frequent transit service. He said the proposal responds to the Council's adopted Affordable Housing Strategy by lowering the cost of providing affordable housing. It also brings the City's Land Use Code into conformance with a recently amended state requirement regarding the minimum parking requirements imposed by cities.

Mike Brennan, Director of the Development Services Department (DSD), said that Ordinance No. 6513 amends the Land Use Code and reduces the minimum parking requirements for housing developments. He said the cost of providing parking facilities is a significant barrier to the development of affordable housing. He noted that new state legislation modified the minimum parking standards allowed by cities.

Trisna Tanus, Legal Planner, recalled that the Affordable Housing Strategy was adopted in 2017. The proposed adjustment to parking requirements is consistent with the objective of lowering the cost of building affordable housing. She said the cost of providing parking ranges from \$25,000 per parking space to significantly higher rates.

Ms. Tanus said the interim official control applies only to housing developments near frequent transit service. She said it is consistent with the policy goal in the Affordable Housing Strategy to reduce parking requirements for housing units around light rail stations. Ms. Tanus highlighted that the proposed ordinance aligns with the Comprehensive Plan and the Transportation Master Plan (TMP).

Ms. Tanus said the state legislature's Substitute House Bill 2343 entitled Urban Housing Supply was enacted to apply to cities that plan under the state Growth Management Act (GMA). The intent of the legislation is to increase the supply of housing in urban areas by making it more attractive and cost-effective to build housing. The bill amends RCW 36.70A.620, setting a cap or a ceiling for the minimum parking requirements that cities may impose for certain housing units that meet the criteria of frequent transit service within one-quarter of a mile. The bill goes into effect on June 11, 2020.

Eric Engmann, Code and Policy Senior Planner, said the proposed interim official control is consistent with the format of the state legislation. If a development includes one of four housing types and is within one-quarter mile of frequent transit service, the minimum parking standards would apply. Staff proposes requiring a minimum of 0.75 parking spaces per unit. However, he noted the option of requiring one parking space per bedroom.

Mr. Engmann highlighted a map of the areas in Bellevue that would be eligible for the proposed parking requirements: 1) eligible for affordable housing only, and 2) eligible for the four types of housing (i.e., affordable housing, market-rate multifamily housing, housing for senior adults, and housing for people with disabilities). He noted that developers may provide more parking than required, and the interim official control does not affect areas in Bellevue where parking minimum requirements are already lower. Mr. Engmann said that projects that submit a completed land use application during the effective period of the interim official control will be vested to those standards.

Ms. Tanus described the need to comply with the provisions of SHB 2343. She said staff's recommendation is based on input from developers and the increase in requests for lower parking requirements. She said the recommended minimum of 0.75 parking spaces per housing unit aligns with recently adopted standards the Council has endorsed in similar transit-oriented districts. She reiterated that the interim official control applies only to certain housing developments near frequent transit service.

If the ordinance is adopted, it becomes effective in five business days for a period of six months. A public hearing regarding the ordinance is required within 60 days. Ms. Tanus said the Council could extend the interim official control an additional six months if desired. She said the next step is to initiate public engagement, including legal noticing and scheduling the public hearing. She said staff maintains a website with current information and is establishing an online mailbox for public comments.

Mr. Brennan requested Council action regarding the adoption of Ordinance No. 6513 as recommended by staff.

Councilmember Lee expressed support for the development of affordable housing. Responding to Mr. Lee, Ms. Tanus said the requirement for staff and visitor parking applies to senior and disabled housing. She said the applicant typically conducts a parking study and proposes a certain number of parking spaces based on comparisons to similar projects. In further response to Mr. Lee, Ms. Tanus said the number of parking spaces is a function of the type of facility and the services it provides.

Responding to Councilmember Lee, Mr. Brennan said there is a requirement for visitor parking in the Downtown Code at the rate of one stall per 20 units in a multifamily project. Mr. Brennan said staff is not proposing to amend that provision. However, staff would like to review the requirement as part of the broader study to develop permanent regulations. Mr. Brennan said the provisions does not exist elsewhere in Bellevue. However, the City has heard from residents and tenants that visitor parking is a challenge. Mr. Brennan said staff's recommendation proposes amending the minimum parking requirement to 0.75 spaces per unit in the areas of Bellevue that currently have higher minimums.

Councilmember Barksdale expressed support for staff's recommendation, noting that it lowers the cost of housing and encourages the development of affordable housing.

Councilmember Robertson said the City has received a number of emails expressing support for Ordinance No. 6513. Responding to Ms. Robertson, Mr. Brennan confirmed that a Land Use Code Amendment (LUCA) is typically referred to the Planning Commission for review. However, the Council could choose to conduct the process itself.

Ms. Robertson expressed an interest in the anticipated duration of the interim official control. She said a number of developers have proposed a minimum parking requirement below 0.75 spaces per housing unit. She expressed an interest in addressing transportation standards, parking requirements, and impact fees in developing the permanent regulations. She encouraged flexibility in establishing minimum parking requirements and suggested considering the availability of street parking.

Responding to Councilmember Robertson, Mr. Brennan said staff is reviewing the departure process that allows developers to conduct their own parking studies. He said staff will look for ways to provide earlier certainty for developers regarding a project's parking requirements.

Councilmember Zahn expressed support for aligning parking requirements to encourage the development of affordable housing. Responding to Ms. Zahn, Mr. Brennan said the topic of curb management in the Downtown is an increasingly popular issue. However, a review of the topic is not included in the current work program. He said the topic of visitor parking is separate, and the City would rather see visitor parking needs accommodated within the development.

Responding to Ms. Zahn, Mr. Brennan said staff's recommendation tonight is focused on a specific, strategic amendment to address the cost of parking facilities and their impact on providing affordable housing, and to respond to the recent change in state law. Ms. Zahn encouraged exploring ways to accelerate the review of project-specific parking requirements as well as requests for lower parking requirements.

Deputy Mayor Nieuwenhuis concurred with Councilmember Barksdale's comment regarding the benefits of the proposal in the creation of affordable housing. Mr. Nieuwenhuis said that affordable housing advocates and the business and development community are supportive of the recommended interim official control. Responding to Mr. Nieuwenhuis, Mr. Brennan said that

parking requirements are a point of discussion for all affordable housing projects. Mr. Brennan said the proposed ordinance will provide a benefit as well as greater certainty for developers.

Councilmember Stokes expressed support for staff's recommendation. He thanked the public for their input regarding minimum parking requirements.

Mayor Robinson said she supports the ordinance as written. However, she observed that while it helps to create affordable housing by lowering the cost of development, it does not incentivize the development of affordable housing. She suggested consideration of the ability to reduce the 0.75 parking requirement to 0.50 spaces per unit if affordable housing is provided within the development. She said she looks forward to input from the public regarding the issues. Ms. Robinson noted the need for more visitor parking in the Downtown.

Councilmember Robertson said she would like to understand how visitor parking requirements are performing in the Eastgate and BelRed areas. She thanked staff for bringing the proposal forward. She said she would like to revisit the multifamily tax exemption (MFTE) program within the next one to two quarters and to continue to explore the barriers to the production of affordable housing.

Councilmember Zahn commented on the importance of matching the parking facilities to the needs of the housing occupants.

- Deputy Mayor Nieuwenhuis moved to adopt Ordinance No. 6513, as amended in the desk packet to correct a typographical error. Councilmember Robertson seconded the motion.
 - The motion carried by a vote of 7-0.
- (b) Ordinance No. 6514 accepting and allocating new Community Development Block Grant Coronavirus (CDBG-CV) dollars and reallocating unspent dollars from the prior year.

City Manager Miyake said that Ordinance No. 6514 executes Council direction provided during the May 11 meeting regarding the allocation of nearly \$1 million in Community Development Block Grant (CDBG) funds.

Nathan McCommon, Deputy City Manager, said that new CDBG funds are available in response to the COVID-19 pandemic. Ordinance No. 6514 allocates both new CDBG-CV funds and unspent CDBG funds from the previous annual grant cycle and authorizes the necessary amendments to the Action Plan and the Citizen Participation Plan as required by the U.S. Department of Housing and Urban Development (HUD).

Mr. McCommon recalled that HUD amended its process in response to the current public health emergency and shortened both its public comment period and plans review period to five days. He said that HUD's five-day comment period has been satisfied, and no public comments were received in direct response to HUD's notice. Mr. McCommon said communications were

received, however, in response to the City's public notice regarding Ordinance No. 6514. Two of the comments expressed support for the ordinance and one suggested increasing the funding for emergency financial assistance.

Mr. McCommon recalled the four principles identified for guiding the allocation of CDBG-CV dollars: 1) target the greatest needs, 2) find the best value for the investment, 3) seek the expedient approval of service providers, and 4) reach traditionally underserved populations with a specialized focus on cultural and linguistic diversity. Mr. McCommon highlighted the four funding areas discussed on May 11: homeless services, emergency financial assistance, childcare, and legal assistance (including a substantial portion for services related to domestic violence).

Mr. McCommon said the Council previously directed staff to identify an additional provider for emergency financial assistance that would also address the principle of reaching traditionally underserved populations. He recalled that the Council discussed the importance of the Human Services Commission's vetting of service providers. He said staff evaluated the potential provider's capacity to manage the complexity of CDBG documentation and to effectively deliver the requested services. Staff also examined the agency's past capacity for providing the service and its ability to navigate contracts with City funds in Bellevue and surrounding jurisdictions.

Mr. McCommon said staff recommends the selection of the India Association of Western Washington (IAWW), which has demonstrated itself to be a trusted messenger in serving Bellevue's diverse communities, including immigrants and refugees. He said the IAWW has already been vetted through the Commission's rigorous process and currently contracts with the City for other services. The IAWW has the capacity to provide additional services and to complete the necessary CDBG documentation.

Mr. McCommon noted that the other agency identified to provide emergency financial assistance with special CDBG funding is Hopelink. In response to the City's goal to reach traditionally underserved populations, Hopelink sent the City its commitment statement regarding its outreach to diverse populations.

Mayor Robinson thanked staff for expediting the Council's consideration of this item.

Deputy Mayor Nieuwenhuis, Council liaison to the Human Services Commission, thanked Mr. McCommon for the additional recommendation for a service provider. Mr. Nieuwenhuis said he is familiar with the organization and supports the selection.

Councilmember Stokes said he appreciates that the City can move so quickly when needed. He thanked staff for their work.

Councilmember Robertson expressed support for moving forward as recommended by staff.

Councilmember Barksdale said he is pleased with the extra CDBG funding available to assist the community. He questioned whether there is a way to determine the distribution of funds within

the community and to identify ongoing gaps in unmet needs and/or populations. Mr. McCommon said he would follow up with more information.

Councilmember Lee thanked staff for their hard work and swift action to serve the community. He reiterated his ongoing interest in identifying and engaging underserved populations. He expressed support for the selection of the IAWW to provide emergency financial assistance services.

Councilmember Zahn said the funds will save lives and meet critical needs. She thanked staff for identifying an additional service provider to meet the Council's objectives.

Mayor Robinson said she is grateful for the funding but realizes it is not enough to meet all of the needs within the community. She said the City will keep working to identify more funding and to distribute it where it is needed most. She noted the extensive paperwork requirements related to the use of CDBG funds.

- Deputy Mayor Nieuwenhuis moved to adopt Ordinance No. 6514, and Councilmember Stokes seconded the motion.
- The motion carried by a vote of 7-0.

Mayor Robinson thanked everyone for working together to move forward as quickly as possible.

9. Adjournment

At 8:43 p.m., Mayor Robinson declared the meeting adjourned.

Charmaine Arredondo, CMC
City Clerk

/kaw