

CITY OF BELLEVUE  
CITY COUNCIL

Summary Minutes of Regular Meeting

June 14, 2021  
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 6:05 p.m., with Mayor Robinson presiding.

2. Roll Call; Flag Salute

City Clerk Charmaine Arredondo called the roll. All Councilmembers were present and participating remotely. Deputy Mayor Nieuwenhuis led the flag salute.

(a) World Elder Abuse Awareness Day Proclamation

Councilmember Stokes read the proclamation recognizing June 15, 2021, as World Elder Abuse Awareness Day and urged everyone to commit to building safer communities for our aging residents.

Diana Thompson, a founding member of The Bellevue Network on Aging, thanked Mayor Robinson and the Council for the proclamation and recognition of World Elder Abuse Awareness Day. She said elder abuse includes financial exploitation, mental abuse, neglect, personal exploitation, physical abuse, self neglect, and sexual abuse. The Washington State Adult Protective Services (APS) Division received more than 65,000 reports of vulnerable adult abuse in 2020. Of the investigated allegations, nearly 7,000 involved physical abuse and almost 15,000 involved financial allegations. Ms. Thompson encouraged the public to report incidents of abuse and neglect by calling 1-877-734-6277 or by filing a report online.

(b) Juneteenth Proclamation

Councilmember Barksdale read the proclamation recognizing June 19, 2021, as Juneteenth in Bellevue and encouraged everyone to listen, reflect, and to act in support of racial justice.

3. Approval of Agenda

- Deputy Mayor Nieuwenhuis moved to approve the agenda, amended to add a discussion regarding residential tenant evictions as Item 7(b). Councilmember Stokes seconded the motion.
- The motion carried by a vote of 6-1, with Councilmember Robertson dissenting.

4. Oral Communications

- (a) Kaitlin Heinen said she lives in the Northup/Bridle Trails area of Bellevue and works as a staff attorney for the Housing Justice Project. She encouraged Bellevue to follow other jurisdictions, including Auburn, Federal Way and Seattle, in addressing tenant evictions. She expressed concern regarding increasing income inequality in Bellevue and a need for mid-range housing. She noted issues of racial justice related to higher rates of evictions for people of color.
- (b) Tim Hay expressed concern regarding the demolition of ramblers and other mid-sized homes in Bellevue to replace them with large, expensive houses. He asked the City to do more to protect and preserve neighborhoods and to manage the impacts of gentrification.
- (c) Tram Tran-Larson, Community Engagement Manager, Housing Justice Project, said the organization provides free legal aid to low-income renters facing eviction in King County. She encouraged the Council to adopt strong renter protections before the eviction moratorium expires at the end of June, and to implement an eviction moratorium through the end of the year. She noted that people of color experience a disproportionately high rate of eviction. She said it is inhumane for thousands of people to lose their homes while the rich in the community get richer.

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

6. Report of the City Manager

- (a) All-America City Award

City Manager Brad Miyake said the City was honored to receive the 2021 All-America City Award from the National Civic League on June 9. The underlying theme of this year's awards is building equitable and resilient communities.

Mark Heilman, Neighborhood Outreach Manager, recalled that Bellevue last received recognition as an All-America City in 1955. That year's theme focused on the progress achieved through intelligent citizen action. Mr. Heilman said the City's application for this year's award included this statement: "Bellevue's commitment to building an equitable and resilient community is shaped by our guiding principles to enrich the quality of life for all through access, equity, inclusion, opportunity, understanding cultural competence; and, we are always guided by

the “why.” Bellevue welcomes the world, our diversity is our strength, and we embrace the future while respecting our past.”

Mr. Heilman said the award highlights the investments the community has made in civic infrastructure including The Bellevue Network on Aging, Youth Link, adaptive recreation programming, police community advisory boards, Diversity Advantage plan, Cultural Conversations program, installation of assistive hearing devices in City Hall, adoption of universal design principles, and other initiatives. He highlighted the City’s involvement in the effort to preserve the Highland Village apartments as affordable housing, the work of Eastside Pathways and Jubilee Reach, and the community’s support following the fire at the Islamic Center for Eastside.

Elaine Acacio, Diversity and Inclusion Program Administrator, said the application and presentation at the national conference highlighted three community projects and initiatives that benefitted our diverse communities in Bellevue. City Manager Miyake and staff attended the conference as well as representatives of the Bellevue Rotary and the Jubilee Reach organizations. Ms. Acacio said the presenters discussed the City’s internal and external programming efforts through the Diversity Advantage initiative, highlighted the City’s partnership with the Bellevue Rotary to complete the Inspiration Playground in Downtown Park, and described the efforts by Jubilee Reach to assist families throughout the pandemic.

Ms. Acacio said the concluding statement of the application acknowledged the City’s multiple challenges over the past year and highlighted how well the community worked together to help each other and to support local businesses. She noted Bellevue’s continued commitment to being a resilient and equitable community.

Mr. Heilman said the award highlighted the Inspiration Playground project and noted that every princess should have a castle. He thanked Councilmembers for their support and congratulated the community for its role in making Bellevue an All-America City.

Mayor Robinson thanked staff for representing the City so well.

Mr. Miyake expressed appreciation to the community and to City staff for their work and to the Council for its leadership.

## 7. Council Business and New Initiatives

### (a) Appointment to Library Board

Councilmember Robertson recommended appointing Sarah Rock to serve a partial term on the Library Board expiring May 31, 2022. Ms. Robertson noted Ms. Rock’s library experience. Ms. Rock lives in north Bellevue, which has no representatives on the Library Board. Ms. Robertson said that the previous person in the position was the only Board member with minor children, and Ms. Rock has minor children as well. Ms. Rock works in outreach and community development for the City of Kirkland. Councilmember Robertson said that Ms. Rock was the unanimous first choice of the interview panel.

→ Councilmember Robertson moved to appoint Sarah Rock to the Library Board, serving a partial term expiring on May 31, 2022. Councilmember Lee seconded the motion.

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

(b) Residential Tenant Evictions

Councilmember Zahn observed that, in reading the State of Our Neighborhoods packet over the weekend, 50 percent of Bellevue households are renters. She expressed concern that the governor will not extend the statewide moratorium on evictions related to the pandemic. She suggested that the City provide a temporary moratorium on residential tenant evictions. She suggested directing staff to prepare an ordinance to that effect and to explore the legal implications. Ms. Zahn said that several cities on the Eastside are considering similar moratorium extensions.

→ Councilmember Zahn moved to direct the City Attorney's Office to evaluate the legal implications of the potential adoption of an ordinance to provide a temporary moratorium on residential tenant evictions in Bellevue due to the COVID-19 pandemic, only to be enacted if the governor does not extend the statewide moratorium. Councilmember Stokes seconded the motion.

Deputy Mayor Nieuwenhuis, liaison to the Human Services Commission, thanked Councilmember Zahn for raising the issue and concurred that the City wants to help residents. He referenced an estimate that 84,000 households in the Seattle area are potentially unable to pay their rent. However, he said no specific data is available for Bellevue.

Mr. Nieuwenhuis highlighted a number of actions the City has taken during the pandemic including the expenditure of more than \$600,000 from the Human Services General Fund in 2020 to serve approximately 700 households. For the first quarter of 2021, approximately \$30,000 from the Human Services Fund helped 130 households. The City provided \$200,000 in rental assistance to 280 households using Coronavirus Aid, Relief and Economic Security (CARES) Act funding. The City also provided rental assistance using Community Development Block Grant (CDBG) funds. Mr. Nieuwenhuis said the City has spent a little more than \$1 million to provide rental assistance to more than 1,200 households.

Mr. Nieuwenhuis said the Q2-Q4 2021 Human Services General Fund has approximately \$130,000 and there are additional CDBG funds totaling more than \$600,000. He said King County currently has a \$145 million rental assistance program.

Mr. Nieuwenhuis said the Human Services Commission will review the applications received for HB 1590 funding and provide a recommendation to the Council in July. He noted that one of the primary areas for the use of HB 1590 funds is rental assistance. Responding to Mayor Robinson, Mr. Nieuwenhuis said he would support directing staff to gather more specific data and to return for additional discussion.

Councilmember Stokes thanked Deputy Mayor Nieuwenhuis for highlighting the City's many contributions and efforts to date. Mr. Stokes expressed support for considering Councilmember Zahn's proposal. He said this is a crisis and the City needs to help its residents. He commended the City's assistance to local businesses. Mr. Stokes said he believes other jurisdictions will adopt temporary eviction bans. He expressed support for directing staff to gather more information and to address the legal implications.

Councilmember Robertson said that federal, state and local government resources have been provided for rental assistance. She opined that creating an eviction moratorium is not the legal or appropriate way to keep people housed. She said the motion is too narrow because it asks only for a legal opinion. While that is important, there are constitutional takings, property rights, and contract rights issues. Ms. Robertson expressed concern that the City could be the target of a future lawsuit. She said she would rather use government resources to provide rental assistance than to cover legal costs.

Ms. Robertson said there are too many state laws regulating the landlord-tenant relationship. She said that Senate House Bill 5160 does not allow tenants to be evicted even after the statewide moratorium is lifted without landlords offering them payment plans and the State providing legal counsel for low-income tenants. She said the Council needs to know how many tenants in Bellevue are potentially at risk of being evicted and how much rental assistance is needed. She reiterated that rental assistance has been available through the City, King County, and private organizations. She noted that Bellevue has the lowest unemployment rate in the state.

Ms. Robertson opined that Bellevue should not adopt an eviction moratorium simply because other cities are doing so. She noted an editorial in *The Seattle Times* which stated that 48 percent of rental properties in Seattle are being divested due to the burden of landlord-tenant regulations. She expressed concern regarding the potential for similar divestment in Bellevue.

Councilmember Robertson said she is comfortable with staff gathering additional information. However, she said the motion language is too narrow by focusing on obtaining a legal opinion. She said the City needs to look at the economic impacts, the need for rental assistance, and the implications related to private property rights and contract rights. She said that additional federal funding will be available for rental assistance. Ms. Robertson said this is not generally how we do things in Bellevue, where Councilmembers email a suggestion and it is placed on the Council's agenda that evening. She said more due diligence by the City is needed.

Mayor Robinson noted that Councilmember Robertson's suggestions could be proposed in a motion following comments by the rest of the Councilmembers. Ms. Robinson said that Councilmember Zahn did work within the confines of the Council Rules in proposing this agenda item.

Councilmember Barksdale expressed support for the motion. He said he is proud of the City's efforts to address homelessness and the need for affordable housing and to provide rental assistance. He highlighted the importance of preventing homelessness. He expressed concern that there are likely individuals who are not aware that rental assistance is available. Councilmember Barksdale said he owns rental property and he has been flexible with the tenants

while they have been unable to cover all of their rent. He believes that similar actions throughout Bellevue help to build a sense of community.

Councilmember Lee said the entire Council has supported assistance to the community throughout the pandemic. He said Bellevue is a compassionate city. He said the primary questions are: How do we solve the problem? How do we address the issues?

Mr. Lee concurred with Councilmember Robertson that the motion language is too narrow. He said the focus should be on solving the problem. He suggested addressing the merits of the proposal and whether it is the right thing to do before conducting a legal analysis. He thanked Mayor Robinson for her ongoing advocacy of affordable housing and he thanked Deputy Mayor Nieuwenhuis for the summary of the City's COVID-related human services and rental assistance.

Mr. Lee agreed with the need for more information before the Council can reach the right conclusions. He said the Council needs to understand the intended outcomes and benefits of potentially adopting an eviction moratorium. Councilmember Lee said he would like to receive more information to determine whether an eviction moratorium is the right choice for Bellevue.

Mayor Robinson said she would comment on her personal opinions and suggest an amendment to the motion. She acknowledged that the Housing Justice Project has donated \$96,000 to Bellevue households. Additional rental assistance has been provided by the City, other agencies, and large employers. Ms. Robinson said that one of the largest providers of affordable housing reported that 404 low-income units in Bellevue have rental delinquencies. Lifespring has helped an additional 419 families with rental assistance.

Ms. Robinson expressed support for directing staff to gather more information and to continue the discussion with the Council. She requested information regarding the number of households in Bellevue facing eviction if the state moratorium is lifted.

Councilmember Zahn thanked everyone for their questions and concerns. She said that a number of regional panels have been discussing how to prevent an eviction crisis if the state moratorium is lifted and there is no local moratorium in place. She said the Housing Justice Project and the Eastside Legal Assistance Project (ELAP) have expressed concern that the free legal assistance for renters during an eviction will not be available for several months as the State implements the program.

Ms. Zahn said she is proposing that the Council consider a limited duration, temporary moratorium only if the governor lifts the statewide eviction moratorium. She urged her colleagues to support staff conducting an assessment for an ordinance, recognizing that while the City is preventing people from being evicted, the Council will be able to receive a full report about the specific need for rental assistance in Bellevue.

Mayor Robinson made a friendly amendment to direct staff to include in their assessment for an ordinance: 1) legal opinion regarding a local rental moratorium and its ramifications, 2) data on Bellevue's population at risk of housing insecurity, 3) information regarding how much rental

assistance is needed and from what resources, 4) the effect of recent state legislation on rental moratoria, and 5) a summary of our City's response to housing insecurity brought on by the COVID-19 pandemic. Councilmember Zahn seconded the amendment.

Councilmember Zahn suggested that it is important to adopt a temporary moratorium in advance of the potential expiration of the statewide eviction moratorium on June 30.

Responding to Mayor Robinson, City Manager Miyake said the motions identify quite a bit of information for staff to bring back before the end of the month. He noted that redirecting staff to this work could impact progress on other projects (e.g., HB 1590 funding and legal analysis) that involve the same staff. Mr. Miyake estimated that the delay would likely be a few weeks. In further response to Mayor Robinson, Mr. Miyake said staff will work to develop a brief assessment of the resources needed to study the proposed eviction moratorium further. He suggested that the Council take action tonight to direct staff to move forward with the research.

Councilmember Robertson thanked Mayor Robinson for her friendly amendment and confirmed that it captures the information she would like to see. Ms. Robertson said she will support the motion as amended. She said it is important for the City to conduct its due diligence before passing an ordinance.

Responding to Mayor Robinson, Mr. Miyake said staff could bring back preliminary information in two weeks. Mayor Robinson suggested that, if the governor extends the statewide moratorium, staff be given the flexibility to refocus on HB 1590 funding as a temporary priority over the issue of an eviction moratorium.

Councilmember Lee said that adopting a moratorium is a serious and important issue for the City. He expressed support for exploring the information outlined in the motion and friendly amendment.

Responding to Mayor Robinson, the Council voted unanimously in support of the friendly amendment.

→ Councilmember Zahn's motion, as amended, carried by a vote of 7-0.

#### 8. Consent Calendar

→ 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) Motion to award Bid No. 21001, 105th Avenue SE Sidewalk Project (CIP Plan\ Nos. PW-R-199 and W-16) to Kamins Construction as the lowest responsible and responsive bidder, in the amount of \$676,857.35, plus all applicable taxes. This

project is partially funded by the Neighborhood Safety, Connectivity and Congestion Levy.

- (b) Resolution No. 9952 authorizing execution of an agreement with Avidex in the amount of \$124,100.88, inclusive of all applicable taxes, to complete an audio/visual upgrade to the Police Department's main training room and command post.
- (c) Resolution No. 9953 authorizing the acceptance of the Coronavirus Local Fiscal Recovery Fund grant funding in the amount of up to \$20.1 million, as provided by the American Rescue Plan Act and authorizing the execution of the Coronavirus Local Fiscal Recovery Fund agreement.
- (d) Ordinance No. 6578 amending Ordinance 6557, adopted December 14, 2020, as previously amended, to increase the appropriation to the 2021-2022 General Fund budget by \$1,355,000, which is offset by transferring the Council Contingency (G-107) budget as previously appropriated of \$1,355,000 from the Capital Investment Program (CIP) Fund to the General Fund to allow Council priorities to proceed within the 2021-2023 timeframe.

9. Public Hearings: None.

10. Study Session

- (a) 2021 State of Our Neighborhoods

City Manager Miyake introduced the presentation regarding the 2021 State of Our Neighborhoods report. He noted that staff created a new online dashboard for the public to access information regarding the health and growth of neighborhoods over the past decade.

Mike McCormick Huentelman, Assistant Director, Community Development Department, said the City prepares a State of Our Neighborhoods report every 8-10 years, in advance of the periodic major Comprehensive Plan updates. He said Bellevue neighborhoods are dynamic communities that grow and change over time. He noted the Council priority to leverage data and technology to enhance community engagement, equity and accountability.

Mr. McCormick Huentelman said that City staff conducted five focus groups and heard from more than 50 community leaders about their priorities. He said the top concerns are essentially the same as pre-pandemic concerns and include smart planning for growth, traffic congestion, noise issues, housing affordability, impact of residential redevelopment (i.e., mega-homes), homelessness, climate change, tree preservation, mailbox theft and car prowls, community connections across linguistic and cultural barriers, and an interest in more news about Bellevue.

Mr. McCormick Huentelman said that 94 percent of Bellevue residents rate their neighborhood as good or excellent. He described four key elements of neighborhood livability: 1) high-quality built and natural environment, 2) public safety services, 3) transportation improvements and



related services, and 4) fostering a caring community. He highlighted the growth in Bellevue over the past 10-12 years, including through annexations in the Eastgate area and development in the Downtown and Crossroads areas. He said the Downtown and Crossroads areas each have 14,000 residents.

Kate Nesse, Demographer, said that the world is in Bellevue with 44 percent of residents speaking a language other than English at home. Over the past 10 years, the diversity of the community has increased in every neighborhood. In some neighborhoods, more than half of the residents are non-white. The Asian population has increased the most in all neighborhoods, especially in Somerset, Crossroads, Lake Hills, Downtown, and Bridle Trails. The Lake Hills area has the highest number and percentage of Hispanic residents in Bellevue, and the percentage of Black residents increased the most in Factoria, Newport, and Wilburton. In 2020, more than half the population of the Crossroads and Bridle Trails areas were born outside of the United States, and more than 40 percent of Downtown residents were born in another country.

Ms. Nesse said that approximately 100 languages are spoken in Bellevue schools. The most common non-English languages are Chinese, Japanese, Spanish, and Korean. Nearly half of the adults in the Bridle Trails and Downtown areas have a Bachelor's degree or higher. Ms. Nesse said Bellevue has a disproportionately large share of residents in the first half of their careers compared to the region. She said the Downtown has experienced a significant increase in the number of residents aged 65 or older over the past 10 years.

Ms. Nesse compared the distribution of household income levels across neighborhoods. She said there are 375 students experiencing homelessness in the Bellevue School District (BSD), and the demand for adult and family shelters has increased.

Elizabeth de Regt, Senior Planner, described the lack of mid-sized housing in Bellevue despite the creation of more than 10,200 new housing units between 2009 and 2020. New multifamily housing units have averaged 1.6 bedrooms, and new single-family housing averages 3.8 bedrooms. Ms. de Regt said there is a need for middle-income homes with two to three bedrooms. She said approximately half of Bellevue's housing is owner-occupied and half is occupied by tenants. She highlighted permit activity for residential redevelopment across Bellevue's neighborhoods and compared neighborhoods based on the percentage of cost-burdened households.

Ms. de Regt said that 38 percent of renter-occupied households are cost-burdened, and 24 percent of owner-occupied households are cost-burdened. Bellevue has 2,418 regulated affordable housing units, which represent four percent of all housing units. She presented a map depicting the distribution of subsidized housing across Bellevue neighborhoods.

A high priority citywide is neighborhood mobility. Ms. de Regt said residents are interested in traffic calming projects, greater connections between neighborhoods, better access to public transportation, improved pedestrian and bike safety, and measures to reduce traffic congestion. Ms. de Regt presented a comparison of neighborhood mobility by commute mode (car, transit, carpool, and walking). She said there has been a large decrease in single-occupancy commuters.

Ms. de Regt commented regarding the environmental health of the community. She said there is strong community interest in tree plantings, education, and tree preservation. She said Bellevue's tree canopy is approximately 37 percent versus the City's goal of achieving a 40 percent tree canopy. She compared maps of the tree canopy in 2006 and in 2016.

Mr. McCormick Huentelman described the state of neighborhood safety, noting that in 2019, 87 percent of people surveyed indicated they feel safe walking alone in neighborhoods after dark. The Bellevue Police Department online dashboard provides data to increase public access, improve transparency and enhance community trust with the police. Mr. McCormick Huentelman said the Police Sector Captain structure has resulted in an enhanced focus on areas of the community by the three Sector Captains overseeing west, north and south Bellevue.

Mr. McCormick Huentelman said residents are always interested in capital investments and projects in their neighborhood and across Bellevue. He said extensive information is provided on the State of Our Neighborhoods online dashboard. Bellevue has 55 registered neighborhood associations and community associations, and the full list is provided on the City's website. Mr. McCormick Huentelman said staff created a community resource map to refer the public to health and social services. He thanked the City's Information Technology Department (ITD) staff for their work on the dashboard.

Councilmember Barksdale thanked staff for the presentation. He asked how and when the dashboard information is updated. Mr. McCormick Huentelman said that many of the storyboards embedded in the State of Our Neighborhoods dashboard are also supported by different departments. Some of the data is updated daily. The community demographic information is typically reviewed every 10 years.

Responding to Councilmember Barksdale, Mr. McCormick Huentelman confirmed that the information provides insight for future planning efforts, especially related to the Great Neighborhoods initiative and next major Comprehensive Plan update.

Councilmember Robertson thanked staff for the report. Responding to Ms. Robertson, Mr. McCormick Huentelman said the City's Boards and Commissions will have access to the neighborhood data when they process the next major Comprehensive Plan update. Ms. Robertson said the City is about to receive approval for its proposed growth targets for 2044, which include 35,000 housing units and 70,000 jobs. She said it will be a challenge to provide the needed housing and transportation infrastructure while maintaining a livable community. She thanked staff for creating the neighborhood data dashboard.

Councilmember Stokes commented on the rapid growth and significant changes in Bellevue over the past few decades. Responding to Mr. Stokes, Mr. McCormick Huentelman said that many of the City's initiatives are aligned with or in response to community concerns (e.g., environmental stewardship, tree preservation). Mr. McCormick Huentelman said that many people are concerned about environmental sustainability and cultural diversity priorities. He said staff is interested in exploring whether there are different, more effective ways for engaging the community. Mr. McCormick Huentelman said City staff is hearing directly from the community, and residents' priorities align well with the Council's vision and priorities.

Deputy Mayor Nieuwenhuis thanked staff for the presentation and the creation of the online dashboard. He commented on the diversity of Bellevue residents, noting that 41 percent were born outside of the United States. He said that he, Councilmember Lee, and Councilmember Zahn were all born outside of the United States.

Responding to Mr. Nieuwenhuis, Mr. McCormick Huentelman agreed that many neighborhood associations are very effective and others are less active. He said there is also a shift from neighborhood-based organizing to community organizations that focus on a specific platform or issue. He said the City will continue to support neighborhood associations as playing a vital role in representing the needs of residents.

Responding to Mr. Nieuwenhuis, Mr. McCormick Huentelman said staff has collected written comments from the public regarding neighborhood priorities, and many comments received during the City's budget process can be grouped by neighborhood. He said more information by neighborhood can be provided to the Council if desired.

Councilmember Zahn expressed strong support for the online dashboards and visual displays. She said that in a world filled with data, it is great to have the ability to translate the data into useful information for solving problems. She noted that Bellevue's populations of young professionals and senior adults are both increasing. She said that understanding the data will help identify community and business opportunities. Ms. Zahn concurred with the need for mid-size housing in Bellevue. She thanked staff for the thorough presentation. Responding to Ms. Zahn, Mr. McCormick Huentelman said staff will explore the potential for providing the dashboard data in different languages.

Councilmember Lee commented on the significant changes in Bellevue over the past few decades. Responding to Mr. Lee, Ms. de Regt said the City will begin receiving 2020 census data in August or September. She said only the statewide information is currently available. She said the results of the 2020 American Community Survey will be released in September as well. Councilmember Lee encouraged robust public engagement with diverse populations. He said he hopes the cross-cultural center project will provide the opportunity to engage the community this year.

Responding to Mr. Lee, Mr. McCormick Huentelman noted that extensive cross-cultural programming is provided by local organizations and partners, including the King County Library System. He commented on the importance of cross-cultural communication and inclusivity. He suggested that the City become more proactive in seeking out the concerns of the immigrant community and engaging them in local government.

Councilmember Lee commented on the importance of community and cross-cultural connections and gathering spaces. He encouraged an emphasis on community policing with more neighborhood police stations. He thanked staff for the thorough presentation.

Mayor Robinson thanked staff for all of the information and commended them for the creation of the online neighborhood data dashboard. She said Bellevue has residents from all around the world.

Ms. Robinson requested, for the next discussion regarding affordable housing, that staff provide a recommended balance of housing types. She expressed an interest in strategies for saving older, more affordable homes in the community.

At 8:03 p.m., Mayor Robinson declared a break. The meeting resumed at 8:17 p.m.

(b) House Bill 1590 Work Plan - Capital Funding and Housing Types

City Manager Miyake introduced discussion regarding the House Bill 1590 work plan and noted that staff would provide information about affordable housing development types and their specific funding models. He recalled that the Council approved a resolution on October 12, 2020, to allow the City to collect a sales tax for affordable housing-related services. The topic of HB 1590 planning was last discussed with the Council on May 3. At that time, staff received Council direction to initiate a request for proposals (RFP) process to identify behavioral health services and housing related services to be funded using HB 1590 revenues.

Mr. Miyake said applications for HB 1590 funding have been received and will be reviewed by the Human Services Commission before the commission forwards its funding recommendations to the City Council. He introduced staff to provide information regarding the affordable housing types that are eligible for HB 1590 funding.

Mac Cummins, Director of the Community Development Department, noted that the City is typically a funder through nonprofit organizations or developers to subsidize affordable housing units. He said staff would present the types of housing available for different populations. Mr. Cummins said that tonight's presentation and discussion would lead directly into the next two study sessions and making funding decisions about the use of HB 1590 revenues.

Mr. Cummins said that at least 60 percent of HB 1590 funding must be spent on facilities, services and programs serving specific populations at or below 60-percent of the area median income (AMI). No more than 40 percent of the funds may be spent on the operation, delivery or evaluation of behavioral health treatment programs and services and housing-related services.

Mr. Cummins recalled that the 2017 Affordable Housing Strategy contemplated serving a broad spectrum of AMI levels and supporting housing to create a complete community. He said the Council made a deliberate decision to target 80-percent AMI households for the City's multifamily tax exemption (MFTE) program. He said HB 1590 funds will allow the City to serve households at 60-percent AMI or below.

Lindsay Masters, Executive Manager, ARCH (A Regional Coalition for Housing), said the HB 1590 revenues are provided for capital funding in the form of loans or secured grants to pay for the costs of development (i.e., acquisition, construction and soft costs) and for operations and maintenance funding. She noted ARCH's history of leveraging resources to secure private

funding as well. She said local affordable housing financing involves local resources (e.g., ARCH cities general fund, land donations, fee in lieu funds, and the affordable housing sales tax) and other permanent funding sources (e.g., federal low-income housing tax credits, tax exempt bonds, State Housing Trust Fund, and King County sources). Ms. Masters described how the various capital funding sources can be layered together. She said the application process for funding assistance should be predictable and transparent to enable the development community to respond with strong proposals. The City contracts with agencies and continues its ongoing monitoring.

Ms. Masters described the types of housing eligible for HB 1590 funding: 1) affordable family housing, 2) senior housing, 3) transitional housing, 4) permanent supportive housing, 5) group homes for individuals with disabilities, 6) public housing, and 7) mixed-income housing. Affordable family housing serves a mix of populations (e.g., disabled, veteran, family) and income levels (30-percent AMI to 60-percent AMI). Existing projects on the Eastside include the YWCA Issaquah Family Village and the August Wilson Place in Bellevue.

Senior housing is targeted for 30-percent AMI to 60-percent AMI households and may include a federal subsidy. Eligible projects may be new construction or preservation, acquisition and rehabilitation of housing. Examples include the John Gabriel House in Redmond and Bellevue Manor in Bellevue. Transitional housing typically serves specific populations including youth and young adults experiencing homelessness, single adults and families, and domestic violence survivors. Housing is affordable up to 30-percent AMI. Examples of transitional housing are Kensington Square in Bellevue and Hopelink Place in Bellevue.

Permanent supportive housing serves mostly households up to 30-percent AMI, but sometimes up to 50-percent AMI. This type of housing includes 24-hour staffing and may include on-site behavioral and mental health services. The developments may receive federal, state and local funding to support operations and services. Some providers may also use Medicaid funding. Examples include The Estelle in Seattle and Compass Veterans Center in Renton. Group homes serve individuals with intellectual and developmental disabilities and are typically supported by the Developmental Disabilities Administration. Examples include Parkview Home in Bellevue and Community Homes in Newcastle. In public housing, tenants pay 30 percent of their income toward rent. The population served is extremely low income and at risk of homelessness. Ms. Masters said the federal government no longer provides public housing. Examples of public housing on the Eastside include Houghton Apartments in Kirkland and Brookside Apartments in Kenmore.

Mixed income housing serves households over a range of income levels and might include a market-rate housing component. Ms. Masters noted the challenges associated with implementing mixed income housing below the 60-percent AMI, level including complex financing, design and legal structures. She said there is a lack of developers who have experience in building both affordable and market-rate housing. Ms. Masters said the housing at the South Kirkland Park and Ride is a good example of a partnership between a nonprofit organization and market-rate developer.

Ms. Masters summarized the key takeaways regarding the use of HB 1590 revenues. She said leveraging other funds is critical to maximizing the impact of local resources. She recommended developing an application process that is open, predictable and transparent to attract strong developers and to build competition. A wide range of housing types is needed to increase access and equity for diverse populations, and on-site services or connections to services are essential for the success of many residents. Ms. Masters said that permanent, stable housing is an essential foundation to address other issues (e.g., behavioral and mental health). She said the City's success depends on building strong, long-term partnerships with housing providers.

Mr. Cummins said a broad range of housing types are eligible for HB 1590 funding. He noted the focus on underserved, vulnerable residents and addressing homelessness on the Eastside, including families in the Bellevue School District. He encouraged seeking opportunities to invest funds quickly as well as creating housing opportunities across neighborhoods. He said it is important to identify the right development partner and the right operating partner for a project.

Mr. Cummins said the City is currently talking with certain developers to explore the potential for early wins in 2021. He said staff plans to return in July to present preliminary program recommendations and to discuss the expenditure of funds model for land acquisitions.

Mayor Robinson thanked staff for the presentation. She said her top priority is preventing homelessness and the second priority is the Housing First model. She noted that she has served on the King County Mental Illness and Drug Dependency Advisory Board for more than five years. Every annual report indicates that no matter how much money you put into a program to help a person experiencing homelessness, they cannot benefit from the services unless they have stable housing.

Mayor Robinson noted her ongoing priority to identify housing for the students and families in the Bellevue School District that are experiencing homelessness. She asked how housing can be created to match the salaries of jobs in Bellevue. For every high-paying job in Bellevue, there are three low-paying jobs.

Ms. Robinson said she had a conversation with Kirkland's mayor in the past about creating a website for developers that would allow them to look up a property address and learn about the opportunities and incentives for developing affordable housing.

Councilmember Stokes said he is pleased with how quickly staff and the Council are moving forward to plan for the use of HB 1590 funds. He expressed support for staff's focused approach to a complex topic and said he looks forward to the next steps.

Deputy Mayor Nieuwenhuis said he too is pleased to see this work moving forward so quickly. He thanked staff for their work and the informative presentation. Responding to Mr. Nieuwenhuis, Mr. Cummins said staff and the Council will discuss more specific funding priorities in the next meeting. Mr. Cummins said staff will return with recommendations regarding the housing types and their feasibility. Mr. Nieuwenhuis suggested it is important to have a good understanding of what a healthy affordable housing ecosystem looks like in terms of the selection and distribution of housing types.

Councilmember Barksdale said that as staff considers the mix of housing types, he would be interested in the outcome if the Council prioritized 0-30 percent AMI households versus a balance of housing types.

Councilmember Robertson concurred with Mayor Robinson's priorities to prevent homelessness and to house the Bellevue School District students and families experiencing homelessness. Ms. Robertson said it is important to have mixed-income housing projects across the community. She suggested creating a packet of information regarding the multifamily tax exemption (MFTE) program and HB 1590 funding to be provided to every permit applicant for multifamily housing. Ms. Robertson expressed support for the preservation of affordable housing. She noted the need, however, to create 35,000 new housing units over the next 20 years. She encouraged using a variety of housing types.

Ms. Robertson noted that Bellevue chose to control its own HB 1590 revenues while King County partnered with certain cities. She asked whether there is a proposal to use HB 1590 funds across jurisdictional boundaries. Mr. Cummins said staff will address the roles and responsibilities of different entities during the next discussion with the Council. He said that ARCH is typically the administering agency for the City's affordable housing program. He said the City will be able to direct HB 1590 funds to ARCH or to specific Bellevue projects. Ms. Robertson reiterated the need for Bellevue to accommodate 70,000 new jobs and 35,000 new housing units.

Councilmember Zahn thanked staff for the information regarding housing types. She said King County recently released a new dashboard with information regarding housing needs. She suggested using the information to determine Bellevue residents' need for affordable housing and the appropriate AMI levels to be served. She encouraged the City to identify housing partners. She expressed concern regarding the cost of land in Bellevue. Given that the demand for housing is higher than available funding, Ms. Zahn said the City should explore the ability to bond against future revenues to take advantage of opportunities to purchase land. She said the City should stay as nimble as it can to ensure that HB 1590 funding is used in the most effective ways.

Councilmember Lee noted the longtime work of ARCH and the King County Housing Development Consortium. He concurred with his colleagues about the importance of offering a variety of housing types. He thanked Mr. Cummins and staff for their ongoing work with Bellevue and other cities. He commented on the importance of housing stability for families and youth. He encouraged flexibility in the use of HB 1590 funding.

Responding to Mayor Robinson, Mr. Cummins said staff anticipates bringing this topic back to the Council in July. Ms. Robinson thanked him and Ms. Masters for the presentation.

11. Land Use: None.
12. Other Ordinances, Resolution, and Motions: None.

13. Unfinished Business: None.

14. New Business: None.

15. Adjournment

At 9:21 p.m., Mayor Robinson declared the meeting adjourned.

Charmaine Arredondo, CMC  
City Clerk

/kaw