

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Regular Meeting

January 24, 2022
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 6:00 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. Councilmember Robertson led the flag salute.

(a) National Human Trafficking Prevention Month Proclamation

Deputy Mayor Nieuwenhuis read the proclamation recognizing January 2022 as National Human Trafficking Prevention Month in Bellevue and encouraged all members of the community to be vigilant and report suspicious activity, and to work toward solutions to end the practice of human trafficking. More information is available at WATraffickingHelp.org or call the national hotline at 888-373-7888.

Councilmember Zahn highlighted the Not Alone program sponsored by BEST (Businesses Ending Slavery and Trafficking). More information is available at www.bestalliance.org.

3. Approval of Agenda

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

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

4. Oral Communications

- (a) Leslie Geller noted that she submitted her comments in writing earlier in the day. She asked the Council to allocate money in the 2022 budget to add staffing and other resources to the Environmental Stewardship Program. She expressed support for requests previously expressed in Council meetings by representatives of People for Climate Action.
- (b) Barbara Braun thanked the Council for supporting the Environmental Stewardship Plan. She asked the Council to increase funding this year to add three staff positions as requested by People for Climate Action.
- (c) Chris Marks noted her longtime experience serving on the Bellevue School District Board and working as a trustee with the Bellevue Schools Foundation. She said today's youth are aware of the challenges related to climate change and they understand that government must play a critical role in implementing solutions. She encouraged the City to provide more resources to implement the Environmental Stewardship Plan.
- (d) Dick Thompson noted that he is following activities at the state legislature and he has observed testimony in numerous meetings by both Mayors and Councilmembers of six cities and the Association of Washington Cities (AWC). He said most of the testimony related to preserving local control for cities. He expressed concern that City of Bellevue representatives did not testify during those meetings. He recalled that the Council had stated in its 2022 state legislative agenda that the City strongly urges the legislature to honor local decision-making authority and to refrain from preempting the authority of local officials who are closest to the people they serve. He asked the City to provide better communication regarding the Council's legislative agenda.

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

6. Report of the City Manager: None.

7. Council Business and New Initiatives: None.

8. Consent Calendar

→ Deputy Mayor Nieuwenhuis moved to approve the Consent Calendar, and Councilmember Robertson 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 January 4, 2022 Special Meeting
- (b) Motion to award Bid No. 21092 for Somerset Reservoir 1 Decommissioning to Road Construction Northwest, as the lowest responsive and responsible bidder, in

an amount not to exceed \$719,283.30 plus all applicable taxes (CIP Plan No. W-85).

- (c) Motion to award Bid No. 21085 for AC Water Main Replacement 2021 Phase 2 to Kar-Vel Construction, as the lowest responsive and responsible bidder, in an amount not to exceed \$4,142,526.26, plus all applicable taxes (CIP Plan No. W-16 and W-67).
- (d) Ordinance No. 6640 amending Chapter 24.04 of the Bellevue City Code to revise provisions relating to sewer utility connection charges and establishing an effective date.
- (e) Ordinance No. 6641 amending Chapter 24.02 of the Bellevue City Code to revise provisions relating to water utility connection charges and establishing an effective date.
- (f) Ordinance No. 6642 amending Chapter 24.06 of the Bellevue City Code to revise provisions relating to storm utility connection charges and establishing an effective date.
- (g) Ordinance No. 6643 to amend Land Use Code (LUC) Chapter 20.10 Land Use Districts, Chapter 20.20 General Development Requirements, Chapter 20.25 Special and Overlay Districts, Chapter 20.30 Permits and Decisions, and Chapter 20.50 Definitions for general clean-ups to improve clarity and internal consistency, and correct inaccurate or outdated citations; providing for severability; and establishing an effective date.
- (h) Ordinance No. 6644 amending Bellevue City Code (BCC) Title 9, Chapter 9.09, Abatement of Junk Vehicles, and Chapter 9.11, Anti-Litter Code, to improve its function and usability; providing for severability; and establishing an effective date.
- (i) Ordinance No. 6645 amending Bellevue City Code (BCC) Chapter 1.18, Civil Violations, to improve its function and usability; providing for severability; and establishing an effective date.
- (j) Ordinance No. 6646 amending Bellevue City Code (BCC) Chapter 23.76, Clearing and Grading Code, to improve its function and usability; providing for severability; and establishing an effective date.
- (k) Resolution No. 10058 adopting “Newport Hills Woodlawn Park” as the name for the new park in the Newport Hills Neighborhood located at 11560 SE 60th Street.
- (l) Resolution No. 10059 authorizing execution of an amendment to the Professional Services Agreement with Jones Lang LaSalle Americas, development feasibility and strategy consultant supporting the City’s 130th Station area transit-oriented

development efforts, increasing the total contract amount from \$138,500 to an amount not to exceed \$225,394.71, plus all applicable taxes.

- (m) Resolution No. 10060 authorizing execution of Amendment Number 2 to the professional services agreement (#1850249) with Bang the Table USA, LLC, amending the contract value by \$5,000 to increase the total amount expended under the contract to \$94,950, plus all applicable taxes, and extending the termination date, in order to set up an online engagement site for the Periodic Comprehensive Plan Update.

9. Public Hearings

- (a) Public Hearing and action on Ordinance No. 6647 amending Ordinance Nos. 270 and 277 to release a public utility easement and a portion of a second public utility easement, all located at 10300 NE 8th Street, which have been declared surplus to the City's needs and are no longer required for providing continued public utility service; the release of these easements being deemed in the best interest of the public.

City Manager Brad Miyake introduced the public hearing regarding the release of public utility easements.

Ira McDaniel, Assistant Director, Finance and Asset Management (FAM) Department, described the proposed release of a public utility easement and a portion of a second public utility easement located at 10300 NE 8th Street. The easements have been declared surplus to the City's needs and are no longer required for providing continued public utility service. He said the easements were created through a street vacation ordinance. Staff proposes amending the ordinances to release the utility easements on the subject property. The public access easement will remain in place to the north of that property.

Mr. McDaniel said the City received one objection to the proposed easement release from an adjoining neighbor based on three issues. The first two points are related to the content of the City's public notice, and staff responded to them that the content of the notice was sufficient. The third concern was related to a Puget Sound Energy (PSE) vault that was relocated from the subject property to property north of the development. They state that the vault's location impacts their future development plans.

→ Deputy Mayor Nieuwenhuis moved to open the public hearing, and Councilmember Lee seconded the motion.

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

City Clerk Charmaine Arredondo noted that two written comments were received based on the public notice that was provided and those are included in the Council's desk packet.

The following individuals provided public comment:

1. Victor Sung spoke on behalf of the owners of the Moltissimo building located at 10223 NE 10th Street. He said the property owners have concerns regarding the proposed amendment of Ordinance No. 277 related to the partial public utility easement release. Mr. Sung said the property owner is currently involved in a legal dispute with Fortress Development, the developer of the subject property. The dispute is focused on the PSE vault that was relocated from the Fortress site to their property, which potentially affects future development. Mr. Sung said they are working to identify solutions to resolve the matter by relocating the vault. However, releasing the easement prevents them from doing so. He noted the property owner's objection to the partial easement release.
 2. Chris Brain said they have not heard anything from the owners of the property represented by Mr. Sung since February 2021. He said there is no current and has not been any legal matter between the two parties regarding the easement. He said this is a matter between PSE and the property owner. Mr. Brain said there are many locations around the property represented by Mr. Sung where the vault could be relocated, including along NE 10th Street. Mr. Brain said they attempted to work with Mr. Sung's property owner in relocating the vault. However, PSE is responsible for the vault. Mr. Brain referenced a statement in a public comment asserting that the approvals for the Fortress project include locating the vault in a garage on the project site. He said that is not accurate and there was no approval to locate the vault in the garage. He said there was a discussion in late 2020 between Fortress Development and PSE about that possibility. However, PSE indicated it would not consider that option due to issues related to access and public safety. Mr. Brain suggested that the relocation of the vault should be considered by Mr. Sung's property owners if and when the property is redeveloped. He asked the Council to approve the release of the easements.
- Deputy Mayor Nieuwenhuis moved to close the public hearing, and Councilmember Stokes seconded the motion.
- The motion carried by a vote of 7-0.

Mayor Robinson suggested deferring Council action to allow staff to look into the PSE vault issue.

Councilmember Robertson concurred. For the future discussion, she would like to know more about the PSE vault including the properties that it serves and whether the vault could be located on the property line if it serves two properties.

Mayor Robinson noted a Council consensus to defer action on the proposed easements.

10. Study Session Items

- (a) 2021-2022 Human Services Needs Report Update

Michael Shiosaki, Director, Parks and Community Services Department, introduced staff's update regarding the 2021-2022 Human Services Needs Update.

Ben Piper, Chair of the Human Services Commission, said the commission uses the information in the Human Services Needs Update to guide its evaluation and allocation of funding requests. During the last application process, the City received more than \$7 million in requests for the \$4.59 million in available funds. The needs update reflects Bellevue's growth and increasing diversity both culturally and economically. Mr. Piper said the report highlights racial disparities where possible. He said the commission hosted panels on immigrants and refugees, Bellevue School District students and families, older adults, the LGBT+ community, transportation options, East King County shelters, and a presentation from the King County Coalition Against Hate and Bias.

Chair Piper thanked the commission, staff and the Council for their ongoing work and support of human services in Bellevue. During the pandemic, the Council provided more than \$11 million in extra human services funding, which allowed many Bellevue residents to retain some level of stability during uncertain times.

Christy Stangland, Human Services Planner, said the Human Services Commission was established in 1986 to serve the role of a planner, facilitator and funder. The commission reviews requests from human services agencies and develops funding recommendations for Council review and approval. The City collaborates with East King County cities to identify and address the changing needs in the community, prioritize funding services across regional boundaries to maximize resources and services, and to hold joint commission meetings for training and discussions regarding mutual goals. She said staff contributes data and input to the subregional planning effort of the King County Regional Homelessness Authority.

Ms. Stangland said Bellevue has been a leader in producing the needs update and has maintained a biannual report since 1989. She said it is critical to have accurate and comprehensive data to guide funding and services. The needs update is used by human services providers, community groups and regional planners. Ms. Stangland said the report gathers qualitative and quantitative data in a number of ways, including a statistically valid phone and online survey. More than 400 residents participated in the survey, which included questions about the impact of the pandemic on household income and housing security and questions about discrimination. Staff held approximately 30 community conversations and key informant interviews and conducted a survey of both the providers and consumers of human services.

Continuing themes reflected in the 2021-2022 Human Services Needs Update include affordable housing, living wage, homelessness, behavior health, domestic violence, and transportation. Emerging themes included the impacts of the COVID-10 pandemic, culturally and linguistically responsive services, and racial/ethnic discrimination and inequity. Ms. Stangland said the pandemic has disproportionately affected communities of color and pre-pandemic safety nets were eliminated. The pandemic also led to increased isolation for individuals in the community, especially older adults and people with a disability. The lack of affordable housing continues to be a top concern and human services funding focuses on investments that help prevent

homelessness and that provide assistance to maintain housing stability including rental assistance, behavioral health services, and case management.

Ms. Stangland said the phone/online survey and the consumer survey both identified the inability to earn a living wage as a primary concern. She said that many human services providers are experiencing staffing shortages due to their inability to pay a competitive wage. Another barrier for families with children is finding affordable child care.

The need for low barrier emergency shelters for all populations continues to grow in East King County. During the phone/online survey, 46 percent of the respondents identified homelessness as a major or moderate problem in the community. The number of unsheltered individuals in East King County increased 32 percent from 2019 to 2020. In the Bellevue School District, 333 students were identified as homeless under the McKinney-Vento Act during the 2020-2021 school year. Ms. Stangland said that individuals experiencing homelessness are often referred to shelters and resources in Seattle or South King County, which forces Bellevue residents to leave their community to access assistance. She noted that preventing homelessness is an important strategy for ending homelessness. While an eviction moratorium was in place through October 31, 2021, service providers still anticipate an increase in evictions.

Ms. Stangland said that behavioral health services are needed to respond to the significant increase in respondents who rated anxiety, stress or depression that interferes with their daily life as a major or moderate issue. In the service providers survey, 58 percent reported that their clients need mental health care but cannot access it. The rate of youth suicidal ideation and suicide attempts has increased over the past few years, and the number of fentanyl-involved overdose deaths between March and June 2020 was triple the number in the same months of 2019.

Service providers have seen an increased need for counseling services, especially for BIPOC (Black, Indigenous and People of Color) communities and for substance use disorder services. Ms. Stangland noted that Bellevue has a lower rate of drug and alcohol related deaths than the state as a whole. In East King County, there were 60 confirmed drug and alcohol related deaths in 2020, and there were 45 confirmed deaths related to drug and alcohol use between January and October 2021.

Ms. Stangland said that survivors of domestic violence face barriers to housing and legal services, which threatens their ability to stay in their communities to maintain jobs and their support systems. Service providers note that domestic violence incidents are often not reported, and the number of incidents recorded by the Bellevue Police Department in 2020 were similar to past years. However, domestic violence homicides nearly doubled in 2020 compared to prior years.

With nearly 55,000 Bellevue households speaking a language other than English at home, the need for more culturally and linguistically responsive human services continues to grow. Service providers have highlighted the need for more diverse staff who are both bilingual and culturally competent, especially in the area of behavioral health services. Ms. Stangland said that racial and ethnic discrimination was identified by 35 percent of survey respondents as a major or moderate

community problem and hate and bias crimes and incidents have increased throughout East King County.

Ms. Stangland said that access to transportation was reported as a barrier to accessing services by 63 percent of the respondents to the service providers survey. In the phone and online survey, 41 percent of the respondents rate inadequate public transportation as a community problem and 41 percent rated the lack of transportation options as a community problem. The populations most significantly affected are older adults who can no longer drive, people with disabilities, lower income individuals who work shifts or cannot afford public transit, and youth who need to get to jobs or services.

Ms. Stangland said the funding application for human services grants will be available in mid-March, and completed applications are due by mid-April. The funding recommendations will be presented to the Council this fall.

Mayor Robinson thanked staff for the presentation, and thanked Chair Piper and the commission for their work. She thanked everyone for their extra efforts to work with providers to provide additional funding in response to the pandemic.

Deputy Mayor Nieuwenhuis, liaison to the Human Services Commission, thanked staff and the Human Services Commission for their good work and acknowledged that there will continue to be challenges going forward. Noting the increase in domestic violence incidents and homicides, Mr. Nieuwenhuis asked about the increase in individuals experiencing anxiety, stress and depression compared to prior years. He expressed concern that the lack of child care options affects the ability of parents to work, which impacts their ability to maintain housing and meet other basic needs.

Responding to Mr. Nieuwenhuis, Ms. Stangland said that based on the community conversations, there was a four percent increase in individuals reporting anxiety, stress or depression from 2019 to 2020. However, there was an eight percent increase from 2017 to 2020. Mr. Nieuwenhuis asked how the City is tracking inequity in BIPOC communities related to pandemic impacts. Ms. Stangland said that much of the information comes from King County and other regional resources. City staff collaborate with service providers to determine the best way to share resources and to make sure that people in the community are aware of the available human and health services.

Toni Esparza, Assistant Director, Parks and Community Services Department, said the chapter in the needs update report regarding COVID impacts describes the efforts across multiple City departments to adapt and to ensure that human services are able to reach the community. She said issues related to equity will continue to be an important priority beyond the pandemic.

Councilmember Barksdale thanked staff for the thorough presentation and expressed appreciation for the transparency around the methodology controlling for race and ethnicity in the data collection and discussions with service providers and the community. He suggested providing the information to the Communities of Color coordinating team. As the commission

prepares its recommendations, Mr. Barksdale expressed an interest in a prioritized list of needs for the purpose of the Council's discussion during its retreat in March.

Mr. Barksdale asked whether there is coordination among Eastside cities and A Regional Coalition for Housing (ARCH) related to data reporting requirements. Ms. Esparza said the City does not coordinate with ARCH. However, multiple cities coordinate by sharing in the application process and in reporting data to reduce the administrative burden on agencies.

Mayor Robinson said she liked the idea of talking about human services needs and priorities during the upcoming Council retreat.

Councilmember Robertson thanked staff for the comprehensive presentation and directed her comments toward behavioral health. She expressed concern about the need for services for the population as a whole and for youth in particular. She noted a 51 percent increase in suicide attempts by girls aged 12-17, according to the Centers for Disease Control and Prevention (CDC). Ms. Robertson said she would like to see more funding for behavioral health services for youth, including through partnerships with the Bellevue School District and human services agencies. Ms. Robertson said Bellevue schools will begin administering mental health screening in high schools in February, and the data generated through that effort would be very helpful for the City.

Councilmember Robertson said that HB 1590 tax revenues can be used for housing related behavioral health services. She would like to shift some of the general human services funding to needs that cannot be funded by HB 1590 revenues, including youth behavioral health services. She said it is extremely difficult to find mental health services for both youth and adults and there are long waiting lists, especially for certain types of care.

Councilmember Zahn said the information provided in the needs update report is critical in serving the community. She highlighted the importance of wraparound services and transportation options to access services. She said she has heard from providers that federal funding related to the impacts of the pandemic was critical in preventing evictions. She encouraged funding that would give nonprofit organizations some latitude in how the money is spent based on the community's needs. She encouraged a review of processes to streamline reporting for organizations. She would like to see a living wage for employees of human services providers and encouraged partnerships with the business community.

Councilmember Lee said he always has the highest admiration for the Human Services Commission. He thanked them for all of their work to assess and respond to the community's needs, which have been amplified by the impacts of the pandemic. He concurred with the suggestion to discuss human services needs during the Council retreat. Mr. Lee said he does not want to place a higher priority on one person's needs over another because everyone needs help in some area. He commented on the importance of culturally competent trusted messengers in working with the community.

Councilmember Stokes thanked the Human Services Commission and staff for their work. He asked the commissioners to think about anything they might need from the City to do more. He

noted the importance of using data and information gathered from the community to produce the desired outcomes. He said it is important to determine how to make a real, long-term difference for individuals. He is pleased to see the coordination between cities and service agencies.

Mayor Robinson noted the Council's interest in understanding how the funding is making a difference in people's lives and how the City could have an even greater positive impact. She said she appreciated the focus on the challenges related to child care. She said there is a lot of discussion on the MIDD (Mental Illness and Drug Dependency) Advisory Committee about the cost of behavioral health services and the lack of providers and counselors due to the low pay and high demands of the jobs.

Ms. Esparza said the City's investments in human services have always been generous, and they have been very responsive to the community's needs throughout the pandemic. She said it would be difficult at this point to assess the impact of the investments apart from the deepening needs created by the pandemic. She noted that the full range of human services needs have increased during the pandemic and it will be more meaningful to address long-term impacts when the community is able to move beyond the pandemic's increased impacts. Ms. Esparza said the Human Services Commission will be discussing at its next meeting the principles to be applied as they consider funding applications. She said she will share the Council's comments tonight with the commission as they go through that process, and she acknowledged Mayor Robinson's interest in adequate wages for service provider employees.

Mayor Robinson said the City directed millions of dollars into rental assistance and preventing evictions. She acknowledged the difficulty in assessing the impacts on individual lives at this point. However, she said the City helped thousands of families to stay in their homes since the beginning of the pandemic.

At 7:24 p.m., Mayor Robinson declared a short break. The meeting resumed at 7:36 p.m.

(b) House Bill 1590 Affordable and Supportive Housing Capital Funding Allocations

City Manager Miyake introduced discussion regarding the proposed capital funding allocations related to House Bill 1590 sales tax revenues

Mac Cummins, Director, Community Development Department, recalled previous discussion in which the Council expressed an interest in near-term projects that could be accomplished using the tax revenues. In response to that direction, the City issued a request for proposals (RFP) from human services agencies for approximately \$1.6 million, and those funds were awarded a couple of months ago. Tonight's discussion is focused on capital funding recommendations. He said staff will return by the end of the first quarter to discuss the 2022 funding cycle.

Mr. Cummins said staff is requesting Council direction to return with an ordinance approving the proposed funding allocation for the affordable and supportive housing capital funding recommendation.

Elizabeth de Regt, Senior Planner, recalled the history of HB 1590 funding, beginning with the Council's approval in Fall 2020 to collect the sales tax revenues. The human services RFP was issued in Spring 2021, and the Council approved the distribution of those funds in August 2021. The capital funding RFP was released in late August and pre-application meetings were held in September 2021 with service providers who were interested in applying for funding assistance. The panel review process was held during the fourth quarter of 2021, which led to the development of the capital funding recommendations. Ms. de Regt said staff is seeking direction tonight regarding those recommendations in order to distribute the funds.

Ms. de Regt said the ARCH (A Regional Coalition for Housing) Trust Fund recommendations will be presented in February. In late 2022, there will be continued discussion with the Council regarding the future uses of HB 1590 revenues. The City anticipates the collection of approximately \$8.5 million in HB 1590 tax revenues for 2021, and \$6 million has been generated to date.

Ms. de Regt said that no more than 40 percent of the HB 1590 tax collections may be spent on the operation, delivery or evaluation of behavioral health treatment programs and services and/or housing-related services. At least 60 percent of the funding must be spent on facilities and programs that serve specific populations earning at or below 60 percent of the area median income (AMI). Ms. de Regt said the funds may be used for: 1) the acquisition or construction of affordable housing, housing-related services, behavioral health facilities and land for those purposes, and 2) operations and maintenance costs related to new affordable housing, housing-related programs, and new evaluation and treatment centers. Eligible populations include persons with behavioral health disabilities, veterans, senior citizens, persons who are experiencing or at risk of becoming homeless, unaccompanied youth and young adults experiencing homelessness, persons with disabilities and domestic violence survivors.

Ms. de Regt recalled that the Spring 2021 human services RFP resulted in Council approval of \$1.66 million in funding distributions in August. Any remaining funds from the Fall 2021 RFP will carry over into 2022 HB 1590 funding. The evaluation of the RFPs followed an extensive list of criteria based on discussions with the Council, which is provided in tonight's meeting packet. In addition, three priorities were emphasized: 1) address and prevent homelessness and housing instability, 2) address households earning 0-30 percent AMI, and 3) focus on underserved and vulnerable residents in Bellevue.

Elsa Kings, ARCH Housing Trust Fund Program Manager, said ARCH staff worked closely with City staff to evaluate the funding proposals against the Council's previously discussed priorities. Respondents to the RFP were asked to focus on households earning at or below 30 percent AMI and underserved and vulnerable residents. ARCH staff conducted an initial review and analysis of the applications, which was discussed with representatives of the City Manager's Office, Community Development Department, Parks and Community Services Department, and the Development Services Department. Ms. Kings noted that there was extensive coordination with ARCH, King County, and the Washington State Department of Commerce.

Ms. Kings said staff recommends funding of up to \$1.6 million for LifeWire's Hope Starts Here project. She noted that LifeWire initially requested \$2 million. However, the organization later

received additional funding from other sources. Staff determined that the proposal meets the HB 1590 priorities. Ms. Kings noted that the total distribution could be less than \$1.6 million.

The Hope Starts Here project involves the rehabilitation of existing property into 25 affordable housing units for domestic violence survivors. The majority of the apartments will serve households earning 0-30 percent AMI, and the remainder will serve households earning 50 AMI. The project will consolidate existing programs with private apartments and will provide on-site support services through a separate funding source. The project is anticipated to be completed later this year.

Ms. Kings highlighted two projects not recommended for funding at this time: 1) Imagine Housing's 132nd Avenue redevelopment (\$100,000 requested), and 2) Evergreen Court/Glendale redevelopment (\$1 million requested). She noted that both organizations are encouraged to refine and clarify their proposals and to reapply for funding. While both organizations indicated a willingness to serve households earning 30 percent AMI, the extent of that commitment was unclear at this time because the projects are in their early stages. Ms. Kings said it is also unclear whether services will be provided and how they would be funded. She said the projects are not expected to be completed for at least 5-9 years.

Mr. Cummins said the City's experience to date will inform the future HB 1590 framework. He said extensive collaboration between a number of entities will be needed to create stable housing. He noted that funding applicants and service partners are now aware of the HB 1590 program and can anticipate this funding source. He said staff will be tracking the future balance between funding priorities, site control issues and other barriers.

Mr. Cummins said staff is requesting Council direction regarding funding for the LifeWire project.

Mayor Robinson thanked staff for the presentation and expressed support for the LifeWire project. She noted the importance of community outreach to determine the highest priority needs and potential solutions. She said on-site supportive services are critical to helping individuals.

Councilmember Zahn expressed support for the LifeWire project and encouraged moving forward as quickly as possible. She asked whether her colleagues would be interested in using 2021 funding for behavioral health and housing-related services in near-term projects.

Responding to Ms. Zahn, Mr. Cummins said the City has received approximately \$6 million in HB 1590 revenues to date. Assuming that the Council authorizes the LifeWire project tonight, there will be approximately \$3.3 million for the Council to allocate. Staff plans to bring back any unspent funds for the Council's discussion and decisions.

Councilmember Stokes expressed support for the LifeWire project. Responding to Mr. Stokes, Mr. Cummins recalled initial discussions about HB 1590 revenues where the Council talked about whether the City might transfer any extra monies to King County or ARCH. Mr. Cummins said that HB 1590 revenues are anticipated to be \$8 million to \$9 million annually. State law

allows the City to issue debt against 50 percent of that revenue stream. He said staff is developing scenarios for future Council discussion.

Deputy Mayor Nieuwenhuis expressed support for the LifeWire project. He noted that many domestic violence survivors will become homeless if they cannot find help. He asked whether additional outreach to housing developers and providers would generate more projects in the future. He wants to be sure that the City does not miss any opportunities. Mr. Cummins said that as the HB 1590 program progresses, awareness of the program will increase.

Ms. Kings said it typically takes a few years for developers to understand that a new program is available and will continue into the future. She said that some of the developers who did not apply have expressed an interest in the program for future projects.

Councilmember Robertson expressed support for the LifeWire project and said she is pleased to see there are other funding partners involved in the project. She acknowledged that setting up the HB 1590 program takes time and the City will be able to move faster in the future. She wondered about the ability to submit funding applications for smaller dollar amounts on a continuous basis instead of only allowing applications during a full RFP process.

Councilmember Robertson said it is normal to fund housing projects by nonprofit organizations. She said there are also incentives in the Land Use Code to stimulate the development of affordable housing. She suggested that the HB 1590 collections could be used to supplement private development projects with affordable housing units. She said one of the things that makes affordable housing more successful is mixing affordable housing units within market-rate developments and across Bellevue. She suggested that units for households earning 60 percent AMI or above could be integrated into market-rate apartment developments. She suggested considering those projects as one way to use HB 1590 funds. She recalled that the affordable housing technical advisory group recommended dispersing affordable housing units throughout market-rate housing developments and the community.

Ms. Robertson said she would not support bonding the tax revenues without a specific project in mind. She concurred with Councilmember Zahn's suggestion to provide more funding for behavioral health services. As an example, Ms. Robertson said that if Plymouth Housing needs funding to provide on-site services with permanent supportive housing, she believes the City should do so. She thanked staff for their hard work to implement projects and distribute funding.

Councilmember Lee expressed support for the LifeWire project. He noted the previous conversation regarding the Human Services Needs Update, which highlights the need for housing and services for domestic violence survivors. He concurred with Councilmember Robertson's comments about allowing providers to make funding requests on a continuous basis. He expressed support for Councilmember Zahn's interest in increasing behavioral health funding. Mr. Lee expressed an interest in taking steps to meet current needs as quickly as possible.

Mr. Cummins noted the tension between the critical need for housing, especially for lower income households in the specific populations identified in HB 1590, and the need to increase

human services and housing-related supportive services funding. He said staff will provide options for the Council's consideration during the next discussion.

Councilmember Barksdale expressed support for the LifeWire project and noted that he is pleased to see that it will serve households earning 0-30 percent AMI. He said he looks forward to staff returning with options that address balancing affordable housing units with supportive human services.

Mr. Barksdale said that Amazon has provided a \$21 million grant for real estate developers of color who are building affordable housing. He wondered whether that might be an additional avenue for identifying developers for projects in Bellevue.

Responding to Mr. Barksdale, Mr. Cummins said the City is coordinating elements of the housing needs assessment with other strategic initiatives such as the next major Comprehensive Plan update process. Mr. Cummins said there will not be a housing needs assessment in the next few months. However, a future analysis will study the jobs and housing imbalance and what that means for Bellevue overall, including the need for housing for the missing middle.

- Deputy Mayor Nieuwenhuis moved to direct staff to prepare legislation for future Council action approving up to \$1.6 million for the LifeWire Hope Starts Here project.
- The motion carried by a vote of 7-0.

(c) Regional Issues

Lacey Jane Wolfe, Assistant Director, Intergovernmental Relations, noted the legislative update provided in the meeting packet. She said bills in the state legislature must be voted out of their policy committees by February 3.

One of the City's top priorities is to secure funding to complete improvements along I-405 and to support the deployment of bus rapid transit (BRT). Ms. Wolfe recalled that the governor's proposed supplemental transportation budget included full funding for the \$450 million revenue shortfall for the I-405/SR 167 corridor. She said Mayor Robinson and Councilmember Robertson testified to the House and Senate transportation committees to urge legislators to identify a funding solution during the current legislative session.

Ms. Wolfe said affordable housing has been a frequent topic during this session, including discussions about increasing density to support affordable housing. She said several proposals have come forward that would preempt local control and land use authority. HB 1782 intends to increase the availability of land for missing middle housing within city limits, which includes duplexes through six-plexes, stacked flats, townhouses and courtyard apartments. Under the bill, cities must allow all missing middle housing types on residential lots located within one-half mile of major transit stops. It also places requirements on other single-family parcels based on the size of the city. Ms. Wolfe said the Association of Washington Cities (AWC) submitted a letter to the legislature and testified in opposition to the bill.

Ms. Wolfe said three bills addressing accessory dwelling units (ADUs) have been proposed. In general, advocates for ADUs argue that a statewide mandate to remove all local ADU regulations would increase the housing supply and affordability. She said local governments have responded in opposition to the proposal and highlighted the need to maintain local authority.

Ms. Wolfe said Bellevue supports efforts to clarify the many reforms enacted in 2021 to provide greater implementation direction due to the complexities and nuances of police practices and to provide for consistent implementation across the state. HB 1719 clarifies that bean bags can be used as a de-escalation tactic. The bill received nearly unanimous support during its public hearing. HB 1735 expands the scenarios where physical force is authorized, such as executing a court order, taking a minor into custody and behavioral health scenarios. At the public hearing, law enforcement representatives, community members, nonprofit leaders and others expressed general support for the bill while identifying several areas for minor revisions. Consistent with Bellevue's support of greater clarity and consistent implementation, Bellevue submitted technical feedback on the bills, and both passed out of the House public safety committee on January 20.

Ms. Wolfe said she will continue to update the Council throughout the legislative session.

11. Land Use: None.
12. Other Ordinances, Resolution, and Motions: None.
13. Unfinished Business: None.
14. New Business: None.
15. Executive Session: None.
16. Adjournment

At 8:26 p.m., Mayor Robinson declared the meeting adjourned.

Charmaine Arredondo, CMC
City Clerk

/kaw