

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Special Meeting

June 10, 2008
1:30-9:00 p.m.

Winters House
Bellevue, Washington

PRESENT: Mayor Degginger, Deputy Mayor Balducci, and Councilmembers Bonincontri, Chelminiak, Davidson, Lee and Noble

ABSENT: None.

1. Introduction

Mayor Degginger called the meeting to order at 1:30 p.m.

City Manager Steve Sarkozy opened the workshop by reviewing the long-range strategic financial planning effort over the past year. This was initiated by the City Council to address increasing operating and capital funding demands and to ensure that future budget development is on a sustainable course. The purpose of this workshop is to address capital needs and the capital budget.

Mr. Sarkozy reported that the community has significant financial capacity to address capital needs. The most recent budget survey indicates that residents are pleased with the City's services and programs. 95 percent rate the quality of life in Bellevue as good to excellent, 96 percent rate their neighborhoods as good to excellent, 81 percent report that they feel they are getting their money's worth for their tax dollars, and the top concern of residents is traffic congestion and transportation issues.

2. Long-Range Capital Planning – Roadmap and Council Presentations

Mr. Sarkozy said that downtown growth is expected to generate more than 7,000 employees over the next year, which will continue to increase demands on the transportation system. Redevelopment of the Bel-Red Corridor will involve significant long-term infrastructure investments as well. However, current Capital Investment Program (CIP) revenue will not fund these needs.

According to projections, more CIP revenue will become available after 2015. One potential strategy for addressing near-term needs is to borrow against the future tax revenue dedicated to capital investments.

Mr. Sarkozy said there are a number of options for addressing short-term facility needs without borrowing from the CIP Plan. These include shifting some of the infrastructure costs to new development, tapping into the unused property tax capacity, and presenting bond measures for voter approval.

Staff reviewed the overall long-range financial planning process, which was initiated in early 2007. Staff described materials in the meeting binder reflecting past Council discussions addressing the identification of early investments (April 14, 2008), parks and open space voters initiative (April 16 and April 23, 2007, and March 17, 2008), long-range financial planning workshops (October 8 and November 13, 2007), Utilities asset management and long-range planning (September 17, 2007), the Supplemental CIP Plan (April 2, April 23, May 14 and July 23, 2007), and Council's June 18, 2007 retreat.

3. Potential Capital Funding Scenarios

Staff presented two possible scenarios for 2009-2015 CIP Plan high-priority projects and potential funding sources, and responded to Council's questions.

There was a Council consensus to prepare a parks voter initiative for the fall election. The Council expressed support for five key transportation priorities: 1) West Lake Sammamish Parkway, 2) Pedestrian and Bicycle Plan Update, 3) Sidewalks, 4) Intersection capacity projects, and 5) Intersection safety projects.

Councilmember Noble listed his priorities as a downtown fire station, court facilities, affordable housing, potential purchase of the Metro site, and the Environmental Services Initiative.

Mayor Degginger said more discussion is needed before the Council considers reprioritizing the CIP Plan. He would like to reevaluate the HOV/transit function of NE 6th Street.

Deputy Mayor Balducci supports the transportation priorities and wants to ensure that the West Lake Sammamish Parkway project continues to move forward.

Councilmember Chelminiak supports a downtown fire station and new court facilities.

Councilmember Lee supports residents' requests for sidewalks and would like to see the implementation of an Intelligent Transportation System (ITS). He questioned the feasibility of obtaining grant funding for ITS projects.

Following Council discussion, staff indicated they would prepare a Scenario 3 project and potential funding sources list which incorporates the priorities reflected in today's discussion and assumes approval of a parks bond issue. High-priority projects identified by the Council are NE 4th Street, 120th Avenue NE, NE 15th (Bel-Red corridor), 124th Avenue NE, NE 6th Street extension, Lincoln Center acquisition, NE 2nd Street, intelligent transportation system (ITS)

capital improvements, downtown circulator, and pedestrian and bicycle network/neighborhood sidewalks.

4. Potential Bel-Red Funding Scenarios

Staff reviewed materials in the meeting binder including the Bel-Red capital cost summary, Bel-Red financial scenarios, Bel-Red revenues description, impact fee calculations, and capital project descriptions. Three funding scenarios were discussed, including an option for generating LID (Local Investment District) funding for infrastructure investments in the Bel-Red Corridor as the area redevelops.

Councilmember Chelminiak questioned how Bellevue compares with other jurisdictions in terms of development-related taxes and fees. He requested an estimate of the taxes to be generated within the Bel-Red area.

There was Council consensus to seek public comment regarding potential developer incentives for the Bel-Red area.

5. Strategies Related to Sound Transit Package

Staff and the Council reviewed the work of the Light Rail Best Practices Committee, and discussed how best to participate in light rail planning with Sound Transit.

Councilmembers commented on a number of Operating Budget priorities and interests. Dr. Davidson reiterated his ongoing interest in reducing utility taxes. Councilmember Lee supports updating the City's Cultural Diversity Plan. Deputy Mayor Balducci favors continued support of the Wrap-Around Services program.

Councilmember Noble listed his priorities as affordable housing, developing a long-range electrical utility plan with Puget Sound Energy, and reviewing the City's transportation concurrency model.

Mayor Degginger requested an analysis of how much it would cost to buy every resident a bus pass. He expressed an interest in alternative transportation systems that could be City or privately operated.

Mayor Degginger declared the meeting adjourned at 8:50 p.m.

Myrna L. Basich
City Clerk

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