

CITY OF BELLEVUE  
CITY COUNCIL

Summary Minutes of Extended Study Session

October 13, 2014  
6:00 p.m.

Council Conference Room  
Bellevue, Washington

PRESENT: Mayor Balducci, Deputy Mayor Wallace and Councilmembers Chelminiak, Robertson, and Robinson

ABSENT: Councilmembers Lee and Stokes

1. Executive Session

At 6:03 p.m., Deputy Mayor Wallace opened the meeting and declared recess to Executive Session for approximately 15 minutes to discuss one item of pending litigation.

The meeting resumed at 6:23 p.m., with Mayor Balducci presiding.

2. Oral Communications: None.

3. Study Session

(a) Council Business and New Initiatives

Mayor Balducci requested a motion to excuse Councilmember Robertson's upcoming absences.

→ Councilmember Robinson moved to excuse Councilmember Robertson's absence from regular meetings of the City Council for October 20, October 27, and November 3. Councilmember Chelminiak seconded the motion.

→ The motion carried by a vote of 5-0.

(b) Mini-Consent Calendar

→ Deputy Mayor Wallace moved to approve the Mini-Consent Calendar, with Resolution No. 8088 amended as reflected in the desk packet. Councilmember Robertson seconded the motion.

→ The motion to approve the Consent Calendar, as amended, carried by a vote of 5-0, and the following items were approved:

Resolution No. 8804 setting November 3, 2014 as the date for a public hearing to consider the vacation of a portion of right-of-way adjacent to 2227 Blarney Place SE.

Resolution No. 8805 authorizing execution of an Agreement with Seattle University (SU) for the installation of synthetic turf at Bannerwood Park and for the use of the Bannerwood Park baseball field; and a Memorandum of Understanding (MOU) with the Bellevue School District (BSD) that facilitates the use of the Bannerwood Park baseball field by SU.

Resolution No. 8806 determining that five sewer line easements on property adjacent to Bellevue Way NE, between NE 4<sup>th</sup> Street and NE 6<sup>th</sup> Street in downtown Bellevue, are surplus to the City's needs and are not required for providing continued public utility service.

Resolution No. 8807 determining that three sewer line easements at the southwest corner of Bellevue Way SE and Main Street in downtown Bellevue are surplus to the City's needs and are not required for providing continued public utility service.

Resolution No. 8808 authorizing execution of an on-call construction inspection services contract with Kristen Betty & Associates Inc. (KBA), in an amount not to exceed \$590,000, to provide on-call construction inspection and support for the 120<sup>th</sup> Avenue NE Widening Project, NE 7<sup>th</sup> Street to NE 12<sup>th</sup> Street, and other construction projects as needed to insure proper construction inspection and management through 2016.

- (c) Management Brief regarding 2015 School Impact Fees for Issaquah and Renton School Districts

City Manager Brad Miyake introduced the topic of 2015 school impact fees for the Issaquah and Renton School Districts. This is the first time the Renton School District has requested impact fees. This item will return during the November 10 Study Session for discussion and the November 17 Regular Session for Council action.

Mike Bergstrom, Senior Planner, noted that the new request from the Renton School District will require a slightly different process for the Council if the request is approved. The Bellevue City Code will need to be amended to add the Renton School District to the sections on impact fees. In addition, an Interlocal Agreement has been in force with the Issaquah School District since 1995. The Council will be asked to consider a similar agreement with the Renton School District.

Responding to Mayor Balducci commented, Mr. Bergstrom confirmed that the details of the Renton School District proposal will be presented on November 10. Deputy Mayor Wallace requested a map of the school district boundaries at that time as well.

Councilmember Robertson asked about the redevelopment potential in the portion of Bellevue within the Renton School District's boundaries. Mr. Bergstrom said the District estimates the development potential to be approximately 99 housing units.

- (d) Ordinance No. 6180 extending interim zoning controls, adopted by Ordinance No. 6133 B-1 and extended and amended by Ordinance No. 6156, regarding recreational marijuana uses.

Catherine Drews, Legal Planner, said staff is requesting an extension of the interim zoning controls for recreational marijuana uses. Staff plans to bring the Planning Commission's recommendation to the Council this fall, and Council action on the permanent regulations is anticipated for December 8.

Responding to Councilmember Robertson, Ms. Drews said staff anticipates Council action on the final regulations before the 60-day hearing deadline for Ordinance No. 6180.

- Councilmember Robertson moved to adopt Ordinance No. 6180, and Councilmember Chelminiak seconded the motion.
- The motion carried by a vote of 5-0.

- (e) Planning Commission transmittal of recommendation on Land Use Code Amendment (LUCA) to create a Camp and Conference Center (CCC) land use district in the Land Use Code. File No. 14-124608 AD.

Mr. Bergstrom said the Camp and Conference Center (CCC) Land Use District grew out of a Comprehensive Plan amendment adopted by the Council in 2009. The CPA was initiated by Sambica Sammamish Bible Camp, which consists of approximately 4.5 acres in three different zoning districts. It has been operating as a camp for 95 years. Sambica is seeking formal policies regarding the use of their property into the future.

Mr. Bergstrom said the purpose of this action is to create a Land Use District within the Land Use Code, which will allow Sambica to propose a rezone request. This issue was addressed during several Planning Commission study sessions through 2010 and 2011 before the Commission became more focused on the Shoreline Master Program work.

Mr. Bergstrom said the issue came back to the Planning Commission's attention earlier this year. The draft ordinance was revised and discussed, and the Commission held a public hearing in September. Staff participated in a courtesy hearing with the East Bellevue Community Council, which expressed unanimous support for the proposed Land Use Code Amendment (LUCA).

Mr. Bergstrom said there will be a master planning process for the entire Sambica site. The Planning Commission unanimously recommends approval of the ordinance.

Mayor Balducci noted that Council action is scheduled for November 3.

Responding to Councilmember Robinson, Mr. Bergstrom said concerns were raised initially about the proposal, primarily about a proposed restaurant use. However, a restaurant is no longer a part of the proposal and there has been no opposition to the current draft ordinance.

Ms. Robinson suggested that the East Bellevue Community Council's support for the Land Use Code Amendment be specifically reflected in the related written materials.

Councilmember Robertson questioned whether any other parcels in Bellevue could fall under the Camp and Conference Center (CCC) designation in the future.

Mr. Bergstrom said Vasa Park and the St. Mary-on-the-Lake (Sisters of St. Joseph of Peace) property could potentially fall under this designation. However, neither have expressed an interest in obtaining Comprehensive Plan policy support for their areas. Responding to Ms. Robertson, he confirmed that this issue was discussed by the Planning Commission.

Mayor Balducci thanked Mr. Bergstrom for the information.

(f) Quarterly Update on Economic Development Activities

Mr. Miyake introduced staff's first quarterly update on the Economic Development Strategic Plan.

Chris Salomone, Director of Planning and Community Development (PCD), recalled that the plan was adopted on July 7, 2014 and reflects a series of direct strategies and foundational strategies. Tonight's report will focus primarily on the direct strategies. The first is Cultivate Bellevue's Next Generation of Technology Entrepreneurs.

Emil King, Strategic Planning Manager, highlighted activities under Strategy 1, Cultivate Bellevue's Next Generation of Technology Entrepreneurs, which is focused on fostering creativity and continuing to support the information technology business sector. He reported on the Bellevue Tech Hive event held in September to work with potential entrepreneurs.

Mr. King noted upcoming events under Strategy 1 including CoderDojo on October 18, which focuses on participants age 8-18; and Startup Weekend Bellevue on October 24-26 at Bellevue City Hall. The latter will close with an event on Sunday night at Bellevue College.

Mr. King described potential incubator/accelerator space to be provided on a temporary basis by the City on 116<sup>th</sup> Avenue. City staff are exploring the details of using this temporary space while also working on identifying space for longer-term use.

Mr. Salomone said HB 2023 was passed by the state legislature in the spring to promote crowdfunding for startup businesses. Staff is actively investigating the options for Bellevue's potential participation, including the creation of a marketplace web site to direct entrepreneurs to opportunities.

Mr. Salomone described activities under Strategy 2, Position Bellevue as a Pacific Rim Gateway, including supporting foreign investors and businesses choosing to locate in Bellevue, hosting foreign delegations, and participating in the Global Cities Initiative's work on foreign direct investment.

Planning Director Dan Stroh said Strategy 3, Strengthen Bellevue's Tourism and Visitors Cluster, includes working with Visit Bellevue Washington and collaborating with the Meydenbauer Convention Center. Strategy 4, Develop a Multi-pronged Economic Development Marketing Campaign, includes upgrading the City's web presence. There have been discussions with other cities about a joint marketing campaign, with a strong focus on the tech sector.

Consistent with the Foundational Strategies, Mr. Stroh said high speed connectivity is a high priority and relates strongly to the technology economic focus. He said the Information Technology Department is the lead on this work and is examining ways to make it easier and less expensive for private companies to provide high-speed internet service to residents and businesses.

Mr. Stroh said improved connectivity is being addressed as part of the Comprehensive Plan Update currently underway. The City is working with two private providers to pilot new construction technologies and high bandwidth service. There is also a related budget proposal called Community Connectivity.

Mr. Stroh provided an update on the recruitment of a new Economic Development Director. There were more than 100 applicants and the top five were interviewed. The position reports to the Director of Planning and Community Development and staff hopes to have it filled soon.

Mr. Stroh highlighted 2015-2016 Operating Budget proposals corresponding to the strategies just presented and said staff will continue to provide quarterly updates.

Councilmember Robertson thanked staff for their work. She noted that the Economic Development Strategic Plan has attracted some attention and questioned whether the Council vision has attracted similar attention. Mr. Salomone observed that the Council vision statement is having an internal effect in causing City departments to develop or refine their mission statements.

Ms. Robertson expressed support for modifications to the City's web site with regard to marketing and economic development. She suggested an improved overall search function and larger font for the web site. She expressed support for enhancing community connectivity and working with other cities.

Councilmember Robertson said that processing building permits consistently and as quickly as possible is important for continued economic development.

Councilmember Robinson said she is glad to see the welcoming of entrepreneurs to City Hall and she has heard positive feedback. She recommended that the City provide white boards in the first floor conference rooms. She expressed strong support for the marketplace idea and said she hears a lot of comments about the need for inexpensive, short-term office space for startups.

Councilmember Chelminiak expressed support for working with the cities of Kirkland and Redmond. He suggested involving the Bellevue Downtown Association (BDA), Bellevue Chamber of Commerce, One Redmond, and the Kirkland Chamber of Commerce in the City's efforts.

Deputy Mayor Wallace said he would like the next update to address auto dealerships and efforts to continue to support this type of retail activity. He is concerned about where that is heading, given the constraints on space in Bellevue.

Mr. Wallace questioned whether there has been outreach yet to other economic development organizations including the Economic Development Council of Seattle and King County and State groups. Mr. Salomone said the City is collaborating with many entities including the EDC, King County, the Trade Development Alliance (TDA) of Greater Seattle, and the City of Seattle.

Mayor Balducci thanked staff for their work. She asked staff to highlight other community activities as they occur; for example, the Chamber's young entrepreneurs academy. She is ultimately interested in results and outcomes, and observed that now is the time to build those in. She acknowledged, however, that it can be difficult to always draw a direct line between certain efforts and results. Mr. Salomone said staff will start including that information in the updates.

Mayor Balducci said maintaining the business base is always going to be a high priority. She concurred with Councilmember Robertson's comments about the importance of ensuring that permits are processed efficiently and effectively.

Ms. Balducci noted that the City recently started having quarterly meetings with the Master Builders Association, at their request, to identify and work through permitting issues (e.g. workload, technical aspects). She said permit processing times have shortened as staff has been added this year.

#### 4. Discussion

- (a) Application of John McCullough, McCullough Hill PS (Bellevue 116<sup>th</sup> Avenue Rezone) to rezone 3.15 acres to change the land use district designation from General Commercial (GC) to Community Business (CB).

City Manager Miyake said the 116<sup>th</sup> Avenue rezone application was anticipated in relationship to the NE 4th Street extension project.

Carol Helland, Land Use Director, said no one attended the rezone hearing before the Hearing Examiner and no one has expressed opposition to the proposal. The subject property is on the north side of NE 4<sup>th</sup> Street between 116<sup>th</sup> Avenue NE and the BNSF right-of-way. The zoning change to Community Business (CB) will allow a few more types of retail and service uses as well as the construction of sports arenas, theatres and a broader range of residential uses. The Hearing Examiner recommends approval of the rezone application. Council action will be requested on October 20.

Councilmember Robinson suggested a broad look at the area along 116<sup>th</sup> Avenue and Wilburton to the east. Mr. Miyake confirmed that the topic was previously raised by the Council, and staff will be responding during the budget process.

Deputy Mayor Wallace observed that this is a continuation of earlier discussions with property owners about the NE 4<sup>th</sup> Street extension and the Target site. Ms. Helland confirmed that the rezone is part of a prior settlement agreement with the City related to NE 4<sup>th</sup> Street.

Mr. Wallace said to proceed with Mr. McCullough's application is consistent with previous actions. He questioned whether there are any plans for the property. Ms. Helland said the only change she is aware of is that Target is no longer pursuing an application on the southern parcel.

Mayor Balducci said this is part of an agreement that flows from decisions made a long time ago related to extending the road through existing properties. As part of the NE 4<sup>th</sup> Street project, the City made some adjustments to the zoning. Ms. Balducci said she feels strongly that the broader area along 116<sup>th</sup> Avenue between NE 4<sup>th</sup> and NE 8<sup>th</sup> Streets needs a thorough review and land use planning to develop in a way that complements the Downtown Plan, Bel-Red Plan, Wilburton Plan, and light rail as well as a potential walkway from Meydenbauer Bay to the future regional trail system along the BNSF rail corridor.

Mayor Balducci noted that this concludes the discussion of agenda items.

Councilmember Chelminiak brought up the issue of Council pay. He noted the recent communication from the City Clerk on this issue in response to inquiries from Councilmembers. He believes it is worthy of a discussion.

Councilmember Robertson believes the Council should discuss compensation and that it is worth a policy and process discussion. She said increasing the pay could attract a broader range of candidates.

Councilmember Robinson observed that it is essentially a full-time job, and she would like the opportunity to examine the time that is required to make good decisions for the City and community.

Deputy Mayor Wallace said he is ambivalent. However, he suggests addressing Council compensation by selecting an independent group to review the issue and make a recommendation.

Mayor Balducci asked the City Clerk to schedule the topic for a future Study Session when the full Council is present. She noted that no one can vote to increase their own salary. Any approved salary increase does not become effective until Councilmembers are reelected.

Deputy Mayor Wallace observed that the City has grown so much, and serving as a Councilmember is a time-consuming position.

At 7:30 p.m., Mayor Balducci declared the meeting adjourned.

Myrna L. Basich, MMC  
City Clerk

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