

CITY OF BELLEVUE  
CITY COUNCIL

Summary Minutes of Extended Study Session

January 28, 2013  
6:00 p.m.

Council Conference Room 1E-113  
Bellevue, Washington

PRESENT: Mayor Lee, Deputy Mayor Robertson, and Councilmembers Balducci<sup>1</sup>,  
Chelminiak, Davidson, Stokes, and Wallace

ABSENT: None.

1. Executive Session

The meeting was called to order at 6:08 p.m., with Mayor Lee presiding. There was no Executive Session.

2. Oral Communications

- (a) Alex Zimmerman, Stand Up America, expressed concern about red light camera fines and about revenue going to the camera vendor in another state. He said the cameras are a burden for him and other senior adults because their reflexes are not as quick as when they were younger.
- (b) Chris Jordan, a resident of the Enatai area, spoke about future light rail construction along Bellevue Way SE. He asked that construction not violate the City's noise ordinance and that it not be allowed 24 hours per day during the week. He wants the City to be sure that the train noise also does not violate the City Code.
- (c) Sam Bellomio expressed concern that Police investigators are not tracking how they spend their hours in a workday. He asked the Council to address the issue.
- (d) Bill Popp, a transportation planner, expressed concern about the impacts of the South Bellevue Park and Ride and light rail station on Bellevue Way SE. He said Sound Transit acknowledges that the South Bellevue Park and Ride is the major cause of southbound traffic delays leading to I-90. He said that expanding the Park and Ride from 500 cars to 1,450 will worsen the situation. He believes that Sound Transit should fund a southbound general purpose (GP) lane from at least 112<sup>th</sup> Avenue SE through SE 30<sup>th</sup> Street. Mr. Popp submitted his comments in writing.

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<sup>1</sup> Councilmember Balducci arrived at 6:15 p.m.

3. Study Session

(a) Council Business and New Initiatives

Councilmember Balducci noted that she missed last week's discussion about the advisory body for the Downtown Livability Initiative. She said she spoke with the Mayor since that time to suggest including a member of the Arts Commission and requested Council consideration of this proposal.

Mayor Lee noted Council concurrence to include a member of the Arts Commission on the Downtown Livability Initiative advisory committee.

Ms. Balducci said that some, if not all, Councilmembers received an email earlier in the day about a coalition of mayors drafting an interest statement regarding a transportation package. The group is asking Bellevue to join in the statement by the end of the month. Ms. Balducci said the majority of the statement is consistent with the City's legislative agenda. The statement supports consideration of a motor vehicle excise tax (MVET) and has been signed by Seattle, a number of Eastside cities, and other cities across the state. Ms. Balducci encouraged participation in the coalition.

Mayor Lee suggested a review by Intergovernmental Relations staff and a Council discussion the following Monday.

Dr. Davidson said he was uncomfortable with the short timeframe, which seems to be happening more frequently with new regional items. He suggested reviewing the matter and considering preparing a separate letter from Bellevue.

Deputy Mayor Robertson said she had not seen the letter. However, she suggested allowing the Mayor to sign the letter/interest statement if it is fully consistent with the Council's Legislative Agenda.

Councilmember Chelminiak said he had not seen the letter either. He concurred with having staff review the letter and returning for a discussion with the Council the following week.

Councilmember Stokes said he is open to considering the letter. However, he too is frustrated with the presentation of regional initiatives without sufficient time for review and discussion.

Councilmember Wallace reported that he spoke with the City Attorney to ensure that his participation in addressing the Downtown Livability Study is not a conflict of interest for him or his family. The City Attorney said there is no conflict of interest or appearance of fairness issue for him. He supports the request of fellow Councilmembers to develop an ethics code for the Council. He recalled that his interest in running for the City Council was focused on neighborhood protection, maintaining low property tax rates, and stimulating job growth. He was not focused on land use issues and continues to believe that the Downtown Livability Study is

not urgent. He observed that some individuals have implied otherwise with personal attacks on his integrity. He will withdraw from any further discussion about the Downtown Livability Study until the issue of an ethics code is completed. Councilmember Wallace asked the Council to address the ethics code as soon as possible.

Mayor Lee said he would like to address the ethics code in a timely manner as well and to dispel any rumors about Councilmembers. Mr. Lee commented on the value of full Council participation and on operating as one body. He said the Council must continue to be accountable and transparent, and Councilmembers must feel free to raise issues.

Moving on, Mayor Lee reported that the Council held a productive retreat over the weekend.

Councilmember Stokes expressed strong support for addressing the ethics issue. He believes the Council has worked well over the past year and continues to move forward. He encouraged continued mutual respect and resolution of the ethics code in order to ensure full Council participation within the law.

Mr. Stokes said he attended a meeting of the King County Regional Policy Committee (RPC) followed by a Sound Cities Association (formerly Suburban Cities Association) orientation session for RPC members.

Councilmember Chelminiak requested an update on the Emergency Medical Services (EMS) levy ballot measure scheduled for later this year. He noted that the City of Kirkland has raised an issue about advanced life support (ALS) services.

Joyce Nichols, Interim Director of Intergovernmental Relations, said an ALS unit would have to be reassigned from one of the other areas in Shoreline and East King County in order for Kirkland to have a unit. She said staff has scheduled February 19 [subsequently rescheduled to February 25] for a discussion of the resolution needed to be passed by cities with populations of 50,000 or greater. An update can be provided at that time. At this point, the RPC has not made a decision on its recommendations.

→ Deputy Mayor Robertson moved to modify the agenda to address Item (f) as the next topic. Councilmember Wallace seconded the motion.

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

(f) Regional Issues

(1) Briefing on the Amended and Restated Solid Waste Interlocal Agreement between King County and Cities

City Manager Steve Sarkozy opened discussion regarding the proposed King County Solid Waste Interlocal Agreement with cities. The current agreement ends in 2028 and the County is requesting an amended and restated agreement extending the termination date to 2040.

Ms. Nichols said the purpose of this agenda item is to provide an overview of the differences between the existing and proposed Interlocal Agreement. The County is requesting a non-binding statement of interest by January 31, 2013 indicating whether or not Bellevue intends to sign the proposed agreement. However, Ms. Nichols observed that she does not think it will damage the City's relationship with the County if definitive action is not possible based on tonight's discussion. The County is asking the cities to execute the proposed Interlocal Agreement by April 30, 2013.

Ms. Nichols clarified that the City has a contract with a local, private garbage pickup service and hauler, which takes the garbage to the transfer station. The Interlocal Agreement with King County takes over from that point and transports solid waste to the Cedar Hills Landfill.

Ms. Nichols said the County raised the question a couple of years ago about whether the cities would agree to extending the existing Interlocal Agreement beyond 2028 to provide a minimum 20-year period to bond the financing costs for the transfer station upgrades. This includes rebuilding the Factoria transfer station in Bellevue and relocating Kirkland's Houghton transfer station.

Kate Berens, Deputy City Attorney, explained that a legal review raised an issue about the existing ILA and its indemnification and liability provisions. The original agreement was negotiated in the mid- to late 1980s when environmental law was in its infancy. Legal staff conducted a review to determine whether it is consistent with current law. Language was drafted to clarify how the system will deal with the potential for environmental liability that might arise, especially around the use of the Cedar Hills Landfill. Legal staff will provide a written analysis of the ILA for the Council. A conference call is scheduled later in the week involving a number of the city attorneys.

Sheida Sahandy, Assistant to the City Manager, provided a general overview of the proposed agreement. She referred the Council to page 3-97 of the meeting packet for a table provided by King County highlighting the changes throughout the agreement. She said the purpose of tonight's discussion is to collect Council feedback including questions and requests for information for the next briefing. If the Council is prepared to provide a formal response to the County regarding proposed changes to the agreement, staff will prepare and transmit that.

Ms. Sahandy described the key differences between the existing and proposed agreement, which extends the term through December 2040 without an early termination provision. The new agreement's provisions do not change with regard to environmental liability. It attempts to create segregated sources for funding in the event that an environmental liability is found for the parties.

Cities that choose to not sign the proposed Interlocal Agreement will continue to operate under their existing agreements. However, the County has indicated that higher rates will apply to those cities' ratepayers, who will benefit from the capital improvements to be funded through 2040.

The potential rate increase for Bellevue customers, if the City does not extend its agreement, is estimated at 28 cents to 36 cents monthly for the average household.

Ms. Sahandy said the new ILA contractually establishes the right of the County to charge rent for the use of the Cedar Hills Landfill, which is the existing practice. However, the agreement indicates that the County would not be able to do this for any other property currently being used by the solid waste system. The agreement establishes the Municipal Solid Waste Advisory Committee as the body through which the cities can exert influence and provide feedback on the system's operations and policy issues.

Ms. Sahandy said the County will look into the availability of environmental liability insurance. If available under reasonable terms, the County will consider obtaining insurance but this is not required within the proposed agreement. The agreement establishes reserves for environmental liability extending 30 years beyond the closure of the Cedar Hills Landfill, and the County will pursue state and local grants to address any potential liabilities.

Ms. Sahandy said the Cedar Hills Landfill is anticipated to be closed between 2025 and 2030. The successor technology and business model is currently unknown, which creates uncertainty with regard to costs and rate impacts beyond that point. Additional uncertainties relate to the impact to cities not extending their agreements, the mechanism and impact of differential customer rate classes for non-extenders, the availability of environmental liability insurance, and the ability of the County to establish adequate reserves in a timely manner.

Next steps are to provide direction to the County regarding the non-binding statement of interest requested by January 31, Council discussion on February 25 [subsequently rescheduled to March 25], and final Council action before the County's April 30 deadline for executing the Interlocal Agreement.

Councilmember Davidson questioned the situation in South King County.

Ms. Nichols said the City of Algona has a transfer station along a heavily traveled road that is in need of repairs. The Mayor of Algona is seeking mitigation from the King County Solid Waste Division in the form of repairs to that road. Ms. Nichols said state law does not allow a jurisdiction to attribute all wear and tear on a roadway to one particular user. The proportion of money that could be provided as mitigation is not sufficient to complete the repairs needed on the Algona street. Ms. Nichols said these facilities do not pay property taxes.

Ms. Nichols said a related issue that arose during discussions relates to the siting of a new transfer station to replace the Algona facility. Several sites are under consideration. Ms. Nichols noted that tonnage for the overall solid waste system has decreased by 20 percent since the beginning of the recession. The question has been raised about whether the larger facility envisioned in the 2007 transfer station plan is needed. Ms. Nichols said that some parties have suggested revisiting the overall transfer station plan.

Dr. Davidson questioned the roles of the Municipal Solid Waste Advisory Committee and the Regional Policy Committee with regard to this topic.

Ms. Nichols said the Regional Policy Committee is one of the three charter committees formed when Metro and King County merged. Any policy issues that do not fall within the Regional Transit Committee or the Regional Water Quality Committee are addressed by the Regional Policy Committee. There have been discussions over the years about the requirements for referring items to the RPC. Certain items, including solid waste, require a mandatory referral to the RPC. The RPC will ultimately provide a recommendation on the proposed Interlocal Agreement to the King County Council.

Ms. Nichols said the City of Seattle is not part of the King County solid waste system. However, Seattle has voting representatives on the RPC. Ms. Nichols said there are a number of advisory committees related to issues involving the King County Solid Waste Division.

Responding to the Mayor, Ms. Nichols said the Solid Waste Advisory Committee (SWAC) is the state-mandated advisory committee which makes recommendations to the Solid Waste Division on many issues. The County receives input from a number of stakeholders and bodies. Ms. Nichols said Bellevue does not have a seat on the SWAC; however, Bellevue representatives attend the meetings involving topics of interest. She said that MSWAC (Municipal Solid Waste Advisory Committee) provides a seat for all cities served by the King County Solid Waste Division, and participation by cities varies. However, the state-mandated SWAC has a required membership including local government representatives (elected officials).

Deputy Mayor Robertson observed that there are a number of uncertainties and unknowns related to the proposed extended Interlocal Agreement. She observed that the contract includes a number of mandatory obligations for the cities and fewer for King County. For example, there is no certainty about environmental liability insurance and the current and proposed agreements do not allow early termination.

Ms. Robertson said she is interested in the legal analysis of the proposed agreement. She expressed concern about the uncertainty of how solid waste will be handled beyond the closing of the Cedar Hills Landfill. She noted that the City engages in multiple contracts with jail services providers, and she wondered whether this model could be applied to solid waste services. Ms. Robertson said she is interested in ensuring the best rates for ratepayers which is enabled by the ability to consider options from competitors.

Ms. Robertson said she is interested in the differential customer classes and whether that is consistent with the current Interlocal Agreement and with the concept of equity. She observed that the agreement reflects a fair amount of risk for the City, and suggested making certain obligations mandatory for the County including environmental liability insurance. Given the extent of uncertainty in the agreement, Ms. Robertson would like the ability to negotiate termination of the agreement. She questioned whether the County will consider short-term bonds at all, noting that long-term bonds result in higher total interest paid.

Ms. Berens said staff can provide more information on the discussions with King County. She said the City raised many items that it was not able to get into the contract.

Deputy Mayor Robertson requested input from staff regarding the extent to which the agreement is consistent or inconsistent with Bellevue's solid waste interest statement. She observed that there appear to be inconsistencies related to termination, dispute resolution, and maintaining options.

Councilmember Stokes concurred with concerns about the uncertainties and unknowns, which he noted affect both the City and the County. He questioned whether an alternative to the agreement exists at this point.

Ms. Nichols explained that staff contacted four private garbage haulers to explore possible technology advancements within the next 10-20 years. She noted that options do exist, although an analysis would be needed to determine their feasibility and validity. Ms. Nichols said the City of Seattle has a long haul rail contract for its garbage, which is taken to Oregon. If Bellevue was not a party to the County agreement beyond 2028, the City of Seattle indicated it would be open to exploring a possible contract to dispose of Bellevue's solid waste.

Ms. Nichols said staff researched landfill capacity in the northwest and found that a number of landfills have opened in the past few years. Additional technological alternatives could become available by 2028 as well because the industry is changing quickly. Ms. Nichols said there is also the option for the City to create its own facilities.

Ms. Nichols said that uncertainties exist with every alternative because the industry will change by 2028.

Mayor Lee said that alternative technologies to handle solid waste likely do or will exist. However, decisions on solid waste handling have traditionally been political and somewhat unpredictable.

Councilmember Chelminiak disclosed that one of his clients is the waste management hauler for Seattle. However, that has no bearing on his Council position because Bellevue will be in the County's solid waste system until 2028. He concurred that emerging technologies could provide more options in the future.

Councilmember Davidson observed that, given the landfill rental payments to the County's general fund, it is not within the County's interest to close the Cedar Hills landfill. He believes it is likely that alternative technologies for handling solid waste will enable the landfill to continue operating for a longer time period.

Ms. Nichols noted, for the public, that the Cedar Hills Landfill was scheduled to close in 2012. However, its capacity is now estimated to extend to at least 2025.

Councilmember Stokes requested more information on the alternatives before deciding about the proposed Interlocal Agreement extension.

Councilmember Wallace would like staff to come back with more comprehensive information on the alternatives. He noted the potential for regional cooperation between Eastside cities and for savings to ratepayers if options are available to the City.

Councilmember Chelminiak noted controls at the federal level and speculated that it could be difficult to implement multiple alternatives. He expressed his concern about environmental liability and noted that King County settled a lawsuit with residents around the landfill approximately 10 years ago regarding odor and noise. He noted that, although the landfill capacity has been extended, it will have to close at some point. He said King County purchased the old flour mill on Harbor Island some years ago, which he has never understood. However, it does have both rail lines going into it. Mr. Chelminiak said that Waste Management, Republic, and an additional hauler will take solid waste to California by rail for disposal.

From a policy standpoint, Mr. Chelminiak believes the City should be moving toward a zero landfill model. He said it is important for the County to explore new technologies and options for handling solid waste and for financing this activity.

Mr. Chelminiak said he would like a legal analysis of the dual charge system (i.e., the use of utilities revenue for landfill rental payments to the County's general fund). He noted that the County will continue to own the property even after the landfill closes, which he believes means that rent will continue to be paid to the general fund. Mr. Chelminiak said that regional human services are funded through this revenue.

Councilmember Balducci questioned what would happen with the Eastgate/Factoria transfer facility if Bellevue were to strike out on its own. Ms. Nichols said that is one issue that would be addressed.

Ms. Balducci said she shares concerns about the unknowns. She questioned the types of environmental liabilities and risks envisioned by legal counsel. Ms. Berens said they would fall under either the federal Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) or the state Toxics Control Act. Potential claims could relate to methane or other chemical releases into groundwater or the air.

Ms. Balducci questioned Bellevue's opportunities in 2028 if all or most of the other cities sign the Interlocal Agreement extending to 2040. Ms. Nichols confirmed that scenario would reduce the potential for partnerships.

Mr. Sarkozy commented that it is difficult to predict what could happen 15 years into the future. He recalled that when the City last established its contract with Allied Waste for local garbage pickup, the company indicated it could provide substantial savings if the City were able to contract with them for transport and disposal to the landfill. The current Interlocal Agreement with King County precludes that option at this time.

Mr. Sarkozy said staff is trying to sync up the local waste pickup/hauling contract with the regional disposal agreement to put the City in the position of being able to issue requests for proposals from private companies for all services. This is a potential option based on the 2028 termination of the King County Interlocal Agreement.

Responding to Councilmember Balducci, Ms. Nichols said solid waste services rates are set solely by King County.

Responding to Ms. Nichols, Mayor Lee said it would be acceptable for staff to communicate to King County that the Bellevue City Council is continuing to explore the issues related to the solid waste contract and is not ready to make a commitment.

At 7:56 p.m., Mayor Lee declared a brief recess. The meeting reconvened at 8:05 p.m.

(2) Proposed 2013 Federal Legislative Agenda

Ms. Nichols referred the Council to page 3-185 of the meeting packet for information on the proposed Draft 2013 Federal Legislative Agenda. There are very few changes and they are primarily updates based on congressional actions last year. She described changes in the Transportation section of the agenda related to adoption of the federal reauthorization of the Surface Transportation Program in the form of the MAP-21 (Moving Ahead for Progress in the 21<sup>st</sup> Century) Act.

The Map-21 legislation was adopted in July and is a short-term transitional bill extending through September 2014. Details of the bill are still being drafted, and the Legislative Agenda highlights the City's support for certain funding investments to be made under MAP-21. Staff wants to ensure that the proposed Legislative Agenda is consistent with the City's priorities including targeting high growth centers.

Ms. Nichols explained that City-specific investments are included in section B(1) and fall within completion of the I-405 Master Plan. Section B(2) addresses redevelopment of the Bel-Red area and improving access to I-405 and SR 520. Section B(3) urges Bellevue's congressional delegation to partner with the City and Sound Transit to achieve full funding of the East Link light rail extension in Bellevue's Downtown, including financial participation in the East Link Downtown Tunnel project.

Councilmember Davidson questioned whether anyone is working on the I-90 bridge, which he sees as a potential federal responsibility in order to provide the light rail connection.

Deputy Mayor Robertson said it is important to complete the SR 520 project, for which the west side of the project is not fully funded. She suggested adding this item as a priority because it is an important connection for Bellevue and the Eastside.

Councilmember Stokes said State Representative Ross Hunter has been questioning why the SR 520 corridor is not receiving more attention. Mr. Stokes noted that I-405 and SR 520 must work effectively together.

Mayor Lee concurred with Mr. Stokes.

Ms. Nichols noted a change in the Legislative Agenda regarding tax exempt municipal bonds. The issue was raised during federal “fiscal cliff” discussions, and staff is asking the Council to support retaining tax exemption for municipal bonds which are a primary funding mechanism for many infrastructure and transportation investments. Cities could end up paying 25-30 percent more for those projects if the tax exemption is not continued.

Ms. Nichols highlighted three key dates following the completion of the “fiscal cliff” discussions. March 1 is the date when automatic funding cuts (sequestration) go into effect unless legislative changes are adopted. March 27 is the deadline for Congress to pass legislation authorizing continued funding for federal agencies and federal programs. Mid-May is the deadline for Congress to take action on the debt ceiling.

Ms. Nichols said staff is requesting Council action on the Federal Legislative Agenda in February.

Councilmember Chelminiak noted the need to also change language in the State Legislative Agenda regarding the SR 520 project in order to be consistent with the Federal Legislative Agenda.

Mayor Lee commented on the importance of retaining the tax exemption for municipal bonds.

Responding to the Mayor, Ms. Nichols said staff will provide periodic updates to the Council. Staff works continuously with the City’s lobbyist, Congressional delegation, and other partners (e.g., federal transportation agencies).

Mayor Lee expressed an interest in possible opportunities for the Council to be involved in building and sustaining relationships.

With regard to the state legislature, Ms. Nichols said there are currently no bills relating specifically to Bellevue’s interests. A B&O (Business & Occupation) Tax bill is anticipated to be proposed by the Association of Washington Business, which could pose a problem for Bellevue if the legislation continues efforts to streamline state collection of the local portion of the B&O tax. Bellevue continues to work with four other cities to develop an online portal that will make it easier for businesses to make payments. Ms. Nichols said the City wants to ensure it does not lose its local authority to collect the B&O tax.

Councilmember Davidson reminded everyone that the Association of Washington Cities (AWC) holds its annual work session at the state legislature on February 13 and 14.

(b) Management Brief regarding Regulation of Roosters and Peafowl in Bellevue

City Manager Sarkozy opened discussion regarding the potential for regulating the ownership of roosters, peafowl, and other noisy fowl within the city limits.

City Attorney Lori Riordan said this issue was brought to the City's attention last fall by residents who reported a rooster waking them up at night. There is currently no law banning roosters in Bellevue. However, noisy animals are characterized as unlawful nuisances. The City contracts with King County for animal control services. Ms. Riordan said the City worked with County staff and the rooster owner to resolve the matter, and the owner now takes the rooster into the house at night.

Chickens and other fowl are permitted as household pets as long as there are fewer than six on a given property. More than six are considered small domestic animals and are subject to setbacks for animal enclosures. Ms. Riordan said that some cities ban roosters and peafowl outright, and some cities permit them in certain zones or on specific lot sizes.

Ms. Riordan said the City has a rooster program at Kelsey Creek Farm, and one neighborhood has a rooster that is popular with residents. If the Council wishes to consider regulating roosters and other fowl, it might want to take these anomalies into account in drafting legislation.

Ms. Riordan said staff is seeking direction about whether to add this item to the Land Use Code Amendment work program. This type of issue would typically be handled by the Planning Commission. However, Council has the option of addressing the issue on its own and holding a public hearing.

Mike Brennan, Director of the Development Services Department, noted significant items on the LUCA work program including East Link light rail amendments and the Shoreline Master Program update.

Responding to Councilmember Davidson, Ms. Riordan confirmed that the East Bellevue Community Council would have the authority to approve or disapprove any regulation of rooster or fowl within its jurisdictional boundaries.

Councilmember Stokes said he is open to addressing the issue after current major LUCA work items are completed.

Deputy Mayor Robertson recalled that the work plan reviewed by Council last year did not include the auto sales-related potential Land Use Code changes for the Eastgate area or the Newport Hills Shopping Center. However, those items are moving forward. She suggested that the Planning Commission address this item at the same time it addresses the Eastgate auto sales proposal. She would like to address roosters this year because she thought there already was an ordinance banning roosters, which can significantly affect the quality of life in neighborhoods.

Ms. Robertson expressed support for Option 1 presented in the meeting packet, which is sending the topic to the Planning Commission for study, SEPA (State Environmental Policy Act) review, a public hearing, and the development of a recommendation for the Council.

Councilmember Balducci questioned the extent of complaints over a period of time. Mr. Brennan said he could check on whether data is that specific for Bellevue. Ms. Balducci opined that she sees no reason to legislate roosters and other fowl unless there is a history of complaints.

Ms. Riordan said the Code Compliance Officer who worked with residents on the recent case indicated that King County receives very few complaints and has always been able to resolve situations without issuing citations.

In further response to Ms. Balducci, Mr. Brennan said the code could be written to ban roosters or to allow them and other fowl in certain situations and/or lot sizes.

Ms. Balducci said she would prefer to be able to address the issue without banning roosters altogether. She noted that the City receives complaints about barking dogs but dogs have not been banned.

→ Councilmember Wallace moved that the Council direct staff to introduce to the Planning Commission a proposal limiting ownership of certain types of fowl for study, SEPA review, a public hearing and development of a recommendation for the Council. Deputy Mayor Robertson seconded the motion.

Councilmember Chelminiak said he encountered a rooster problem when doorbelling in the Phantom Lake area during his last campaign. He described his online research of rooster regulation, which included a number of lengthy reviews and debates by local governments.

Mayor Lee expressed support for addressing the issue. However, he does not want it to distract attention from other high priority work items.

→ The motion carried by a vote of 5-2, with Councilmembers Balducci and Chelminiak opposed.

(c) Continued Discussion regarding Provisions Contained in the Draft Light Rail Overlay to Govern Permitting for the East Link Light Rail Project

Mr. Sarkozy introduced continued discussion regarding the draft Light Rail Overlay to govern permitting for the East Link light rail project.

Mike Brennan, Director of Development Services Department, said that tonight's discussion includes an overview of the light rail development outcomes anticipated based on the existing Bel-Red Overlay and the treatment of the proposed Operations and Maintenance Satellite Facility (OMSF) within the Overlay.

The schedule for the Light Rail Code amendment process continues with discussion on February 4 to wrap up issues for the draft Light Rail Overlay to be presented for public hearing comments on February 11. The State Environmental Policy Act (SEPA) threshold determination on the Code amendment is anticipated in early February, and comments will be accepted until the determination is made. The SEPA determination is required prior to final Council action, which is anticipated on February 19 or February 25.

Deputy Mayor Robertson suggested that draft options be presented for items in which the Council has not yet reached agreement. She said this would be helpful for her and the public.

Deputy City Attorney Kate Berens provided an overview of existing Bel-Red Overlay Codes, many of which are included in the Light Rail Overlay. These address design review (LUC 20.25D.030.C); landscape development (20.25D.110); parking structure standards (20.25D.120); Bel-Red development standards (20.25D.130); and design guidelines (20.25D.150).

Ms. Berens described conceptual illustrations of the light rail alignment through the Bel-Red corridor. This includes a Station/Park and Ride at 130<sup>th</sup> Avenue NE and surrounding mixed use development.

Responding to Mayor Lee, Ms. Berens said the Citizen Advisory Committee will be involved in addressing design guidelines for the public facilities along the corridor.

Councilmember Davidson noted a presentation scheduled for the following week on transit oriented development (TOD), which is anticipated in the Bel-Red corridor. Ms. Berens confirmed that TOD is allowed under the Bel-Red Overlay.

Responding to Deputy Mayor Robertson, Ms. Berens said concurrency standards are not applied to transit facilities or the Park and Ride. Ms. Robertson suggested that concurrency should be applied to Park and Rides because they attract vehicle traffic. Ms. Berens said the City retains its SEPA authority to deal with intersection operations and other impacts in the vicinity of the Park and Ride, and to address mitigation.

Ms. Robertson said she would like to have a discussion regarding concurrency and Park and Rides. When the South Bellevue Park and Ride is expanded to triple its current capacity, traffic will increase on Bellevue Way. Ms. Robertson questioned whether there are adequate Code provisions in the Bel-Red Overlay to ensure screening and softening for the Park and Ride lot.

Ms. Berens said the Bel-Red Code provides that type of direction, including the use of public art. It is not certain whether the parking would be a surface lot or parking garage. Staff is hesitant that investment in a parking structure could be a disincentive for TOD. The Bel-Red Plan is focused on encouraging street level pedestrian activity and access to private businesses.

Carol Helland, Land Use Division Director, said the Bel-Red design guidelines are similar to other Overlay Districts, including the Downtown. Surface parking is anticipated potentially as an interim condition in the Bel-Red Corridor with TOD, including housing, envisioned for the

future at the 130<sup>th</sup> Avenue node. Ms. Helland said one example of parking structure design guidelines is a development at NE 8<sup>th</sup> Street and 110<sup>th</sup> Avenue NE.

Ms. Robertson said she believes it is important to retain the Park and Ride, as well as TOD, at the Bel-Red Corridor location, similar to the South Kirkland Park and Ride development.

Councilmember Wallace observed that Sound Transit continues to look for ways to save money on the light rail project due to the economic downturn. The project is essentially trading options that do not provide as much mitigation for homes along the line because there is not sufficient funding. Similarly, tunneling has been excluded as an option for most of the alignment.

Mr. Wallace said Sound Transit's budget apparently includes the acquisition of four parcels of private property for the purpose of a surface parking lot, in an area across the street from a large concrete plant and surrounded by industrial property. He noted that full development of the Bel-Red Corridor will likely not occur for several decades.

Mr. Wallace believes it would be better for the City and Sound Transit to concentrate their efforts on prioritizing items like not having an at-grade crossing at 136<sup>th</sup> Avenue NE and NE 20<sup>th</sup> Street, keeping the line in the trench along Bellevue Way, and similar mitigation measures. Mr. Wallace questioned the cost for Sound Transit to purchase the Bel-Red properties, which he observed is not necessary at this point. He would like the first priorities to be mitigation in areas already developed.

Councilmember Davidson said it is important to be sure that the long-term plans for the Bel-Red Corridor are feasible. He is not sure that residential development will be compatible with the light rail line.

Ms. Helland said the Noise Code addresses new construction with an emphasis on noise mitigation in bedrooms.

Councilmember Chelminiak said the Spring District is focused more on residential and commercial development, while other areas are targeted more for residential and retail uses. He recalled that the concept of a Park and Ride was envisioned as an interim use.

Mr. Chelminiak concurred with Mr. Wallace's comments about appropriately balancing priorities. Mr. Chelminiak said that leaving light rail in a trench along Bellevue Way saves the City money by eliminating the proposed HOV lane project.

Ms. Helland described Sound Transit's proposed operations and maintenance satellite facility (OMSF) in the Bel-Red Corridor. The project was presented to the Council on October 8 but was not anticipated within the East Link Memorandum of Understanding between the City and Sound Transit. A smaller storage and support facility was identified in the MOU and taken into consideration in the drafting of the Light Rail Overlay. The Sound Transit Board identified two possible sites for the operations and maintenance facility in Bellevue, and the environmental review process has been initiated. The facility is considered an essential public facility which is

regulated subject to a Conditional Use Permit (CUP). The City would be allowed to impose reasonable mitigation based on the Land Use Code and Comprehensive Plan policies.

Ms. Helland said staff recommends revising the definition of regional light rail transit facility to exclude the OMSF, which would exclude the OMSF from the Light Rail Overlay Code amendment. The OMSF would be subject to a Conditional Use Permit under the essential public facilities (EPF) provisions of the Land Use Code. Standards for the facility would be created at a later date.

Councilmember Stokes expressed support for staff's recommendation.

Deputy Mayor Robertson concurred that the OMSF should be specifically excluded from the Light Rail Overlay. If the OMSF moves forward to be built in Bellevue, she would like to consider the creation of a more specific Land Use Code to provide exceptional, not just reasonable, mitigation.

Councilmember Wallace concurred with staff's recommendation as well. However, he believes that the topic of the OMSF should not be pushed aside. He questioned whether it is appropriate to have the facility in Bellevue at all. If Sound Transit imposes the maintenance base as an essential public facility, he noted the need to address how it can be appropriately sited and limited in scope. He believes this fits within the overall scope of the MOU discussions because it is part of the alignment. Mr. Wallace said he will be looking for provisions dealing with this issue in any agreements with Sound Transit.

Councilmember Davidson expressed support for staff's recommendation.

Councilmember Chelminiak concurred as well. He questioned the conditional use process related to an essential public facility.

Ms. Helland it would be a Process I matter subject to a Hearing Examiner decision. A public meeting is required, including a discussion of Development Services staff's review of the application and recommendation. The Hearing Examiner conducts a pre-decision hearing and renders a decision, which may be appealed to the City Council.

- (d) ARCH 2013 Administrative Budget and Work Program as recommended by the ARCH Executive Board

Mr. Sarkozy introduced discussion, noting that Council approval of A Regional Coalition for Housing's Budget and Work Program will be requested the following week. He said the ARCH program has received a number of national awards including the Kennedy School of Government's Innovation Award and the ICMA Program Excellence Award.

Dan Stroh, Planning Director, introduced Arthur Sullivan, ARCH Program Manager.

Mr. Sullivan noted the proposed 2013 Administrative Budget and 2013 Work Program provided in the meeting packet. The work program was developed through the input of staff from member cities, the ARCH Executive Board, and the ARCH Citizen Advisory Board. Mr. Sarkozy and Mr. Stroh actively participated in those discussions.

Deputy Mayor Robertson questioned the reason for initiating the item to develop administrative procedures for the Bel-Red land use incentive program now.

Mr. Sullivan said the City has the Code in place and therefore ARCH would like to consider how administration would be handled. Cities often use ARCH for this function, and ARCH would like to determine how Bellevue plans to proceed.

(e) ARCH Housing Trust Fund Allocation as Recommended by ARCH Executive Board

Mr. Sullivan referred the Council to meeting packet materials beginning on page 3-57 regarding the ARCH Housing Trust Fund allocation, which is developed through discussions of the ARCH Executive Board and the CAC. ARCH recommends three projects for funding: Foundation for the Challenged (FFC) Group Home; Imagine Housing Totem Lake Senior Apartments; and Friends of Youth Transitional Housing for Homeless Young Adults in Kirkland.

Mr. Sullivan noted a list of all ARCH projects since 1993 on pages 3-83 and 3-84 of the meeting packet.

Responding to Mayor Lee, Mr. Sullivan explained that decisions on specific projects include the consideration of available Community Development Block Grant (CDBG) funding. In further response, Mr. Sullivan said ARCH attempts to meet overall regional needs, including accommodations for the developmentally disabled.

Councilmember Chelminiak noted that the City of Bellevue is not being asked to contribute funding toward the FCC Group Home due to the availability of funding for respective projects. However, the home could be located in Bellevue or another Eastside city.

Councilmember Davidson expressed support for the ongoing success of the ARCH program and thanked Mr. Sullivan for his work.

Mayor Lee thanked Mr. Sullivan for the presentation and thorough information on this effective model program.

Mr. Sullivan referred to page 3-77 of the meeting packet for an itemization of funding partners including local, county and state governments as well as private fundraising. The Friends of Youth project is receiving nearly half of its budget from a private capital campaign.

Mr. Sarkozy noted page 3-42 which references a potential housing ordinance in Newport Hills to provide mixed use and senior housing.

Mayor Lee said it is important to have a balanced approach addressing both housing needs and economic development.

Councilmember Wallace observed that the Kirkland project with 95 units reflects considerably more favorable costs than past projects. He commended the proponents of this project for their work.

4. Adjournment

At 9:44 p.m., Mayor Lee declared the meeting adjourned.

Myrna L. Basich, MMC  
City Clerk

/kaw