

CITY OF BELLEVUE  
CITY COUNCIL

Summary Minutes of Study Session

June 7, 2010  
6:00 p.m.

Council Conference Room  
Bellevue, Washington

PRESENT: Mayor Davidson, Deputy Mayor Lee, and Councilmembers Balducci, Chelminiak, Degginger, Robertson, and Wallace

ABSENT: None.

1. Executive Session

The meeting was called to order at 6:04 p.m., with Mayor Davidson presiding. There was no Executive Session.

2. Study Session

(a) Meydenbauer Bay Park and Land Use Plan Recommendation

City Manager Steve Sarkozy opened discussion regarding the Meydenbauer Bay Park and Land Use Plan.

Patrick Foran, Parks and Community Services Director, welcomed Merle Keeney, former Chair and member of the Parks and Community Services Board, to the meeting. Mr. Foran provided background information on the Meydenbauer Bay Park and land use planning process during the past two and a half years. Goals for the project are to provide waterfront access for Bellevue residents, and to connect the waterfront to Old Bellevue, Downtown, adjacent neighborhoods, and the Downtown and Wildwood Parks.

The planning principles underlying the development of the Master Plan include memorable shoreline experience, range of activities, enhanced physical and visual access, pedestrian amenities, environmental stewardship, and neighborhood enhancement and protection. Mr. Foran reviewed the public process associated with the planning effort which included a Steering Committee appointed by the Council. Opportunities for public input were provided at numerous Steering Committee meetings, Council meetings, Park Board meetings, workshops and open

houses, Planning Commission and Transportation Commission meetings, and through email, letters, questionnaires, and interviews.

Mr. Foran reviewed photographs of existing conditions around Meydenbauer Bay. He described key features of the recommended Master Plan, including a gateway intended to provide safe pedestrian access, views, and connections to adjacent areas. The Steering Committee concluded that the closure of 100<sup>th</sup> Avenue would result in an exceptional gateway experience. However, it also concluded that there are traffic and access issues that must be resolved before the road could be closed. The Committee included a number of caveats in this regard in the Master Plan document. For example, one caveat states that improvements to NE 2<sup>nd</sup> Street should be completed before closing 100<sup>th</sup> Avenue.

Mr. Foran reviewed a number of visual simulations of Meydenbauer Bay Park as envisioned by the Master Plan. The marina would be reconfigured to expand public access, vary the shoreline and water experience, maintain long-term moorage, add public boating opportunities, and improve the environment. Piers 2 and 3 would be removed, and all new structures meet contemporary design standards for access.

Mr. Foran described the plans for the central waterfront including a restored shoreline, swim beach, playground, shoreline promenade, open lawn and picnic area, pedestrian access from the parking garage, and a curved pedestrian pier. The hillside area contains an outdoor classroom, enhanced hillside woodlands, a grand viewing terrace with vehicle pull-off, an activity building with underground parking, and parallel parking.

The recommended Master Plan reflects limited commercial uses including leased moorage, canoe and kayak rental, and a maximum of six vendor carts. The early idea of a café has been removed from the plan. The Steering Committee concluded that there should be no commercial uses west of 100<sup>th</sup> Avenue, with the exception of the allowed leased moorage and canoe/kayak rentals. Buildings and structures are limited to park uses, and are intended to maximize open space and traditional park uses. These include restrooms, an activity building, and the entry shelter.

Mr. Foran said the plan reflects an emphasis on retaining and enhancing views, as well as restoring and retaining historic buildings. Environmental stewardship is a key goal of the planning process, and the plan reflects a number of environmental enhancements including shoreline restoration, reductions in impervious surfaces and in overwater coverage, and the daylighting of the existing stream. The park provides an improved shoreline habitat, improved on-site storm water treatment, and green building techniques.

Dan Stroh, Planning Director, described the land use aspects of the plan, noting that the planning process explored the relationship between the privately-owned upland parcels and the City-owned park properties. He described the goals of enhancing the pedestrian experience, providing open space, and connecting to adjacent areas. The plan proposes modest redevelopment incentives with regard to streetscapes, pedestrian amenities, surface treatments, and public art.

Mr. Foran reviewed the proposed phasing of the plan implementation and estimated costs for park development. Next steps are Council review and adoption of the Master Plan, the Planning Commission's development of Comprehensive Plan and Land Use Code amendments, and Council adoption of Comprehensive Plan amendments and Land Use Code amendments.

Mayor Davidson thanked everyone for their work on this project.

Merle Keeney provided background information regarding the involvement of the Parks and Community Services Board in the development of the plan. He explained that all five components of the plan have been researched and thoughtfully designed, and removing any of the components jeopardizes the overall vision of the project. He encouraged the Council to approve the plan as presented.

Faith Roland, Chair of the Parks and Community Services Board, said the Board voted 6-1 to recommend approval of the Meydenbauer Bay Park and Land Use Plan by the City Council, in the form recommended by the citizen Steering Committee. The dissenting Board member was concerned that the elevated pier was misplaced, and that the reconfiguration of the marina did not achieve the goal of opening up the bay and the views. That Board member requests that the Council review the proposed reconfiguration. The Board member also felt that there should be three instead of six seasonal kayaks, but did support other prominent elements of the plan including the activities building, environmental improvements, closure of 100<sup>th</sup> Avenue, increased water recreation opportunities, and the preservation of the whaling building. Ms. Roland said the Board member felt that the Council should adopt the plan, and stated that she did want her perspective to detract from the overall message that this is, as a whole, a good project.

Mayor Davidson noted that staff is looking for Council feedback regarding the plan.

Councilmember Robertson, liaison to the Parks and Community Services Board, said she is excited about the future park. She thanked Mr. Keeney for his eight years of service on the Board, and the current Board for its work on the plan. She noted the consistent involvement of surrounding residents, and suggested that the Council conduct further review of the top neighborhood concerns.

Ms. Robertson said she is submitting a list of written questions to staff for clarification and additional information. She would like to look at the broad plan, in addition to coming up with some principles or guidelines on how the City will implement the project in phases. She would like the Council to address existing policies regarding development density and the protection of neighborhoods. Ms. Robertson is concerned with the timing of the process as it relates to the ongoing work on the Shoreline Management Plan Update. She also would like the Council to spend some time discussing the proposed closure of 100<sup>th</sup> Avenue.

Councilmember Degginger thanked the Parks Board and the Steering Committee for their hard work. He recalled that the acquisition of land has taken 10 to 15 years. He commended the extensive public process and community involvement, which he feels has developed a wonderful vision for the park. Mr. Degginger thanked Mr. Keeney for his years of service on the Board.

Councilmember Chelminiak said he has spent a fair amount of time in recent weeks with the Meydenbauer Bay Neighbors Association and members of the Steering Committee. He understands concerns related to residential access, particularly at the 10000 Meydenbauer Way community. While the text of the plan document guarantees continued access, this is not clear in the visual representations of the plan. Mr. Chelminiak noted the caveat that 100<sup>th</sup> Avenue would not be closed until completion of the long-term NE 2<sup>nd</sup> Street project.

With regard to the Council submitting written questions to staff, Mr. Chelminiak said he prefers public discussion, which will allow residents to be informed throughout the Council process. He feels that limited commercial activity is appropriate for selling food and beverage items as well as sunscreen and other relevant products. He said the number of boat slips at the marina must be ecologically and economically sustainable. He favors implementing the park project in stages. Councilmember Chelminiak thanked City staff, the Steering Committee, and Meydenbauer Bay residents for their work on the Master Plan.

Deputy Mayor Lee thanked the Steering Committee and residents for their dedication, hard work, and enthusiasm for this project. He is not yet ready to accept the plan as presented, noting that there are issues and concerns from residents who are active in commenting on the project. He said the City spent a lot of money buying the waterfront property over the past 10-12 years. The Council has held the property tax to a low level, but at the same time has continued to develop projects that will require funding. Mr. Lee would like for the Council to be able to engage the community in continued discussion about the vision and plans for Meydenbauer Bay Park.

Councilmember Balducci said she has been interested in seeing enhanced public access and development along Bellevue's waterfronts since she initially ran for the Council in 2003. She has supported the series of property acquisitions over the years, and feels that the Master Plan accurately reflects the principles adopted early in the planning process. Ms. Balducci added her thanks to the Steering Committee, Parks Board, and neighborhood representatives. She feels this has been a positive community building experience, and that there is generally broad support for the park. However, she acknowledged that there are issues to work through and to study further.

Ms. Balducci looks forward to discussing the principles and developing policy direction that will enable the plan to be successfully implemented. She invited Mr. Keeney to continue to participate in discussions. She noted that the Council has received a great deal of email about this project. One citizen wrote that 100<sup>th</sup> Avenue was the first road built in Bellevue. Ms. Balducci suggested honoring the historical significance of the road in the design of the park.

Ms. Balducci concurred with earlier comments that the park should be built in phases, which is necessary due to the anticipated costs and design issues to be worked out. Having a plan enables the City to move forward with partnerships, funding, and design that will give the community some certainty with regard to the park development.

Councilmember Wallace said he would like to explore how the plan relates to the Shoreline Master Program, and whether the project could provide the opportunity for less regulation of private property along the bay in exchange for the public recreational and environmental benefits associated with the park development, which includes improvements to wildlife habitats and water quality. With regard to shoreline habitat restoration, Mr. Wallace said he would be interested to know if the project could provide the opportunity for the City to engage WSDOT and Sound Transit in financing environmental mitigation measures, essentially in exchange for the environmental impacts (e.g., encroachment of wetlands) of the agencies' transportation projects within the community.

Mr. Wallace has concerns about moving forward with a project of this magnitude before completing the budget process. He would like to see alternatives to the pier and to the road closure that would optimize the goals of keeping the road open and reducing the pier to satisfy concerns about neighborhood compatibility. He would like more information about the marina proposal and whether it is economically viable. He questioned whether it would make sense to have vending machines instead of vendor carts and/or kiosks.

Mayor Davidson observed that three prominent themes raised by the Council are to maintain the project's original principles, continue to work as a committee of the whole, and to approach the project in phases or stages.

(b) Summary Report on the Wilburton Connections Local Improvement District (LID) Feasibility Study

City Manager Steve Sarkozy opened discussion regarding a feasibility analysis related to the proposal for a Wilburton Connections project Local Improvement District (LID).

Transportation Director Goran Sparrman introduced Francine Johnson, Senior Planner, and Bob Macaulay, a real estate appraiser and consultant, to provide the presentation regarding the consultant's work on assessing the feasibility of creating a LID.

Ms. Johnson recalled that the Wilburton Connections project is a component of the Mobility and Infrastructure Initiative plan adopted by the Council in January 2009. The Wilburton Connections package involves improvements to 120<sup>th</sup> Avenue NE, NE 4<sup>th</sup> Street, and NE 6<sup>th</sup> Street. Ms. Johnson reviewed project costs, budgets, and funding needs, noting a \$17.7 million funding gap for the NE 4<sup>th</sup> Street and 120<sup>th</sup> Avenue NE segments.

Ms. Johnson explained that an LID is a method of financing capital infrastructure improvements that provide a direct special benefit to properties within a defined district. LIDs can be created in response to a property owner petition or initiated by the Council through the adoption of a resolution. The LID formation process is established in state law (RCW 35.43), and the City's procedures are detailed in Chapter 15.04 of the Bellevue City Code. The proposed Wilburton Connections LID would fund a percentage of project costs associated with the NE 4<sup>th</sup> Street extension and 120<sup>th</sup> Avenue NE improvements between NE 4<sup>th</sup> and NE 8<sup>th</sup> Streets.

Ms. Johnson recalled that on February 2, 2009, the Council approved a contract for consultant services to conduct a feasibility analysis of creating a Wilburton Connections LID. The first phase of the study took a high-level look at the potential boundaries of the LID, as well as a range of special benefit. The second phase of the work would involve a detailed formation analysis to calculate the special benefit for each property within the LID.

Ms. Johnson reviewed the proposed timeline for the formation of the Wilburton Connections LID. She explained that this is the first step in the process, which will be directed by the Council on an ongoing basis. The project timeline anticipates establishing the LID by the end of this year, in order to maintain the construction schedule for improvements on 120<sup>th</sup> Avenue NE. The 120<sup>th</sup> Avenue project is set to begin construction in April 2011.

Mr. Macaulay said the feasibility analysis scope of work was to identify the potential LID boundary and to estimate the total special benefit range derived from the projects. Special benefit is the measurable difference in market value without the improvements, as opposed to the value with the LID improvements in place. The special benefit was estimated by segregating properties into classifications based on the highest and best use, as well as location within LID boundary. Four classifications were identified, and the overall special benefit is estimated at \$13 million to \$18 million. Approximately 50-60 percent of the special benefit would be assessed to properties located adjacent to or in close proximity of the NE 4<sup>th</sup> Street and 120<sup>th</sup> Avenue projects. Up to 100 percent of the special benefit can be assessed under State law. However, LID assessments typically range from the 50-75 percent cost-benefit ratio.

Ms. Johnson requested Council direction about whether to move forward with the LID formation analysis. The formation analysis will provide more detailed information about the special benefit associated with each specific property within the LID. The boundary could potentially be refined based on the analysis. Ms. Johnson reviewed the next steps which are to conduct the formation analysis through September, at which time staff will return to the Council to discuss the results and to consider the adoption of a Resolution of Intent. If a Resolution is adopted, a public hearing will be held in October. Council action on an LID Formation Ordinance will be requested in November.

Councilmember Wallace noted his understanding that this proposed LID does not meet the City's current financial policies, unless there is voluntary agreement among property owners within the LID area.

Mr. Sparrman said the potential use of the LID mechanism was discussed fairly extensively when the Mobility and Infrastructure Initiative finance plan was established. He is not aware of anything in the City Code that prohibits this type of LID from moving forward. He noted that LIDs can be formed at the request of property owners or as directed by the City Council.

Mayor Davidson said two potential LIDs were discussed early in the Bel-Red corridor planning process, and one did seem to have a fair amount of resistance.

Mr. Sparrman said the LID separate from the Wilburton Connections project affects infrastructure investments in the Bel-Red area that is north of NE 8<sup>th</sup> Street.

Councilmember Wallace reiterated his understanding that the LID does not comply with budget policies on LIDs.

Councilmember Chelminiak opined that the LID is in conformance with City policy.

Responding to Mr. Wallace about public outreach efforts, Ms. Johnson said the first open house on the Wilburton Connections project provided information about a potential LID. On May 25, the City held an LID informational meeting in the morning and in the afternoon, and property owners were invited. Tenants also received information about the LID and public meetings.

Councilmember Wallace said that tenants pay triple-net rents, and therefore need to be brought into the conversation.

Responding to Mr. Wallace, Ms. Johnson said the LID mechanism was heavily used in the 1970s and 1980s, including to fund projects along NE 8<sup>th</sup> Street. One of the last LIDs was formed in 1991 to complete improvements in the Crossroads area.

Mr. Sparrman said the last LID, to widen NE 10th Street to the freeway, was in the mid 1990s. The proposed Wilburton LID affects the Office and General Commercial districts, and does not include any Residential zoned properties.

In further response to Councilmember Wallace, Mr. Sparrman said the basic principle of the current work was to analyze the special benefit of public infrastructure investments to individual properties.

Mr. Macaulay commented on the delineation of the LID boundary. Residential properties are not included because they receive a general benefit from streets and other infrastructure, but they do not receive a special benefit.

Councilmember Wallace said he has a number of other questions on this topic.

At 7:59 p.m., Mayor Davidson declared recess to the Regular Session, noting that the Council can continue this conversation later.

Myrna L. Basich, MMC  
City Clerk

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