

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Study Session

September 4, 2007
6:00 p.m.

Council Conference Room
Bellevue, Washington

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

ABSENT: None.

1. Executive Session

Deputy Mayor Chelminiak called the meeting to order at 6:00 p.m. and announced recess to Executive Session for approximately 45 minutes to discuss one item of potential litigation and two items of pending litigation.

At 6:43 p.m., Deputy Mayor Chelminiak announced an extension of the Executive Session for approximately 20 more minutes.

The meeting reconvened at 7:14 p.m. with Mayor Degginger presiding.

2. Study Session

(a) Neighborhood Enhancement Program 2004-2006 Review

City Manager Steve Sarkozy opened discussion regarding the Neighborhood Enhancement Program.

Ron Matthew, NEP Manager, provided a report on the program's 2004-2006 activities. He reviewed the program's goals to facilitate communication with residents, help build a sense of community, and to identify and implement small capital projects. Requests submitted by residents are screened by staff. Proposed projects are then presented at a workshop and residents vote for their top priority projects. Voting participation varies throughout the community, and the highest level was in the Somerset area with 39 percent of residents voting.

Types of projects funded include trails, landscaping, park improvements, sidewalks, and play equipment/play areas. Mr. Matthew displayed photographs of projects completed during the 2004-2006 cycle. Residents generally rate the program favorably. Of 855 households surveyed during the 2004-2006 cycle, 92 percent reported being very satisfied or satisfied with the program. Citizens would like more funding for projects as well as the involvement of more residents.

Mr. Matthew said 58 projects were funded during the 2001-2003 cycle, while 31 projects received funding during the 2004-2006 cycle. Sidewalk project requests remain popular. However, the construction cost for sidewalks increased from \$150 per lineal foot during 2001-2003 to \$300 per lineal foot during 2004-2006.

Mr. Matthew explained that staff has discussed options for enhancing the program's effectiveness. One idea is to increase the project cost limit. However, this could result in fewer projects being funded, and in some areas the neighborhood's allocation is already below the current project limit. A second idea is to use an in-house construction crew to build smaller projects more efficiently. Staff is researching legal limitations under state law regarding the size of projects that could be completed.

Mr. Matthew reviewed the Neighborhood Match Program, which is funded with NEP monies. It was funded at a level of \$40,000 annually for 2004 to 2006, and was increased to \$50,000 this year. The City matches up to \$5,000 in dollars and/or labor for projects. The most popular types of projects funded through the Neighborhood Match Program are landscaping and mailboxes.

Councilmember Lee suggested consideration of increasing the City's match limit of \$5,000.

Responding to Dr. Davidson, Mr. Matthew explained that the high construction costs associated with sidewalks are in part because they are often smaller projects that contractors are not interested in doing. Also, construction costs in general have increased significantly in recent years.

Mayor Degginger questioned Council's interest in increasing the NEP project cost limit.

Councilmember Noble expressed support for increasing the project cost limit.

Deputy Mayor Chelminiak concurred. However, he expressed concern that sidewalk projects could preclude the completion of other projects. He expressed strong support for the Neighborhood Match Program.

Councilmember Marshall noted that the Council authorized a specific allocation for sidewalks during the last budget cycle in response to the high demand for sidewalks.

Councilmember Balducci is in favor of increasing the maximum cost limit for NEP projects.

Mayor Degginger suggested consolidating multiple sidewalk projects in an attempt to receive more favorable bids in terms of costs. Ms. Balducci said water quality requirements are a major factor in the cost of sidewalk projects as well.

(b) Puget Sound Regional Council (PSRC) Vision 2040

Planning Director Dan Stroh reported that the draft Vision 2040 Regional Plan and a Supplemental Draft Environmental Impact Statement (SDEIS) were released for public review on July 16. The public comment period extends to September 7.

Paul Inghram, Comprehensive Planning Manager, explained that adoption of the final plan and Final EIS (FEIS) is anticipated in 2008. Staff's review of Council's interest statement principles as they relate to components of the draft Vision 2040 plan begins on page SS 2-23 of the meeting packet. A key concept of interest to Bellevue is policy support of and funding prioritization for regional growth centers.

Mr. Inghram requested Council feedback on whether to send the comment letter to PSRC as provided in the desk packet.

Councilmember Marshall expressed support for sending the letter.

Responding to Mr. Lee, Mr. Inghram explained that the Vision 2040 plan is divided into five sections. Land use and transportation plans have been highly integrated in recent years.

Deputy Mayor Chelminiak commented on his involvement with the PSRC Growth Management Board and PSRC's efforts to integrate planning areas.

Mayor Degginger noted Council consensus to send the letter.

(c) Second Quarter Budget Monitoring Report

Budget Manager Jonathan Swift provided the quarterly budget monitoring report. Within the General Fund, B&O tax receipts remain strong and will be higher than planned due to unanticipated audit revenues. Utility taxes are projected to exceed the budget, and year-end expenditures are expected to be under budget.

Turning to Capital Investment Program (CIP) Funds, Mr. Swift said CIP resources are expected to be 19 percent over budget, and expenditures are projected to be 23 percent under budget. Mr. Swift reviewed photographs of key CIP projects including the Mercer Slough Environmental Education Center and the Robinswood Park sports fields.

Utility Funds began the year with a higher than anticipated beginning fund balance. Resources are projected to be over budget, and expenditures will be slightly under budget.

Mr. Swift summarized that the economy continues to grow at a modest pace. However, staff will continue to monitor national economic growth, the housing market, and fuel and energy costs.

Councilmember Davidson expressed his ongoing interest in reducing utility taxes. City Manager Steve Sarkozy said this issue will be presented for discussion during the upcoming mid-biennial budget process.

3. Discussion

- (a) Rezone application by Hossein Khorram, Milano Town Homes

[Item moved to Regular Session, Agenda Item 5]

At 7:59 p.m., Mayor Degginger declared recess to the Regular Session.

Myrna L. Basich
City Clerk

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