

CITY OF BELLEVUE  
CITY COUNCIL

Summary Minutes of Study Session

August 2, 2004  
6:00 p.m.

Council Conference Room  
Bellevue, Washington

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

ABSENT: None.

1. Executive Session

Deputy Mayor Noble opened the meeting at 6:04 p.m. and announced recess to Executive Session for 20 minutes to discuss one item of pending litigation.

The meeting resumed at 6:25 p.m. with Mayor Marshall presiding.

2. Study Session

(a) Critical Areas Update

Planning and Community Development Director Matt Terry opened discussion regarding the ongoing Critical Areas Update to comply with best available science, the Growth Management Act, and anticipated revisions to the City's Comprehensive Plan.

Kate Berens, Legal Planner, presented the status report. She recalled that the Critical Areas Citizen Advisory Committee presented its recommendation to Council in June 2003. The recommendation was then forwarded to the Planning Commission for its formal planning process. The Commission is scheduled to finalize its recommendation regarding the Comprehensive Plan, particularly the Environmental Element, on August 4. The Planning Commission's recommendation will be presented to Council this fall, and Council action on Comprehensive Plan revisions is targeted for late this year.

The critical areas update is driven by a mandate of the Growth Management Act that counties and cities must include the best available science in developing policies and development regulations to protect the functions and values of critical areas. Counties and cities must give special consideration to conservation or preservation measures necessary to preserve or enhance anadromous fisheries.

Ms. Berens reviewed the following guiding principles to be applied to the drafting of updated regulations:

- Focus on preventing further degradation.
- Protect existing functions and values, and mitigate unavoidable impacts.
- Include incentives to achieve additional protection.
- Balance best available science with other identified goals.

Proposed stream and wetland regulations focus on adopting the state's typing methodology, increasing buffers, and providing incentives for restoring degraded environments. Currently the most protected streams in Bellevue have a 70-foot buffer requirement, which may increase to 100 feet with the new regulations. For shorelines, staff will review buffer widths, consider revised requirements for dock and bulkhead construction, and explore the feasibility of mitigation with new construction and repair/replacement.

Ms. Berens noted the importance of redevelopment in urban environments. Staff will consider regulations and incentives to direct redevelopment away from critical areas and require mitigation for unavoidable impacts. Additional considerations include citywide impervious surface limitations, incentives, and opportunities for demonstration projects. Wildlife habitat regulations will be added to recognize the importance of existing areas, adopt strategies for special status species, and provide incentives for the retention of upland habitat and links.

Ms. Berens said a development manual is planned to provide a reference resource for the public. Topics include habitat evaluation, mitigation standards, monitoring requirements, evaluation criteria, templates/models, low impact development techniques, and permit submittal requirements.

Councilmember Degginger expressed concern that expanding the buffers, particularly when the scientific criteria and justification are unclear, will create an undue burden for homeowners. Ms. Berens said the Planning Commission and the public will likely have similar concerns. She noted 100 feet is typical for surrounding jurisdictions. Michael Paine, Environmental Issues Planning Manager, said a geotechnical consultant recommended 75-foot setbacks from steep slopes. Mr. Degginger asked staff to find out the cost of a geotechnical consultant for an average property owner interested in the redevelopment of their property.

Responding to Mayor Marshall, Mr. Paine said a geotechnical review can assist in making an informed judgment about whether a substantial setback is required. Additional options include retaining walls. Mr. Paine said the City's primary objective is enhancing personal safety by preventing landslides. Mayor Marshall cautioned staff against over-regulating in this area.

Dr. Davidson expressed concern about increased setback requirements over the past several years, which appear almost to be arbitrary. He encouraged a realistic approach to the issue and questioned the basis of best available science.

Mr. Terry said the science is clear in terms of its fundamental conclusion. However, the challenge is applying the science in an urban setting.

Councilmember Lee encouraged regulations with the least impact to property owners as well as policies focused on citizen and community interests.

Dr. Davidson expressed concern about how the changes in definitions could potentially affect property owners.

Mr. Chelminiak understands the effect of impervious surfaces but is concerned about the potential impact on homeowners, for instance someone wishing to build or expand a patio.

Responding to Mr. Degginger, Ms. Berens said the City is not looking to create obstacles for homeowners wishing to replace a deck or complete a similar project. She said the focus is on mitigating the impacts of new construction.

Mayor Marshall summarized Council's interest in balancing environmental regulations with personal property rights and Council's request for an analysis of the anticipated regulatory impacts to homeowners.

Mr. Terry noted extensive public outreach efforts on this issue including workshops, information on the City's web site, mailings, and future public hearings.

(b) Downtown Pedestrian Bridge

City Manager Steve Sarkozy opened discussion regarding the Lincoln Square pedestrian bridge, noting the City Council will conduct a design review of the bridge.

Patti Wilma, Land Use Planning Manager, showed drawings of how the bridge would look from street level. There are 16 development standards applicable to the bridge as well as three tests regarding the public benefit of the project. The Y-shaped bridge supports are intended to invoke tree branches in keeping with the "City in a Park" theme. Streetscape elements include lighting, benches, and planters.

Ms. Wilma encouraged Council to look at the bridge model in addition to the sketches. The bridge is slightly sloped, a minimum of 20 feet above street level, 12 feet wide, and 12 to 14 feet tall. In response to Council direction, the bridge design will be as open as possible while still providing protection from the rain. Staff will return in the fall for approval of the final right-of-way lease agreement and Council action on the bridge design.

Ms. Wilma responded to questions of clarification. Responding to Ms. Balducci, Ms. Wilma referred to the bridge model to demonstrate how the bridge will be accessed from the street.

Mayor Marshall is pleased with the elegant design and suggested additional public art incorporated into the bridge. She thanked Kemper Development for their work.

(c) Second Quarter Budget Monitoring Report

Finance Director Jan Hawn provided the second quarter budget monitoring report. The national and state economies are showing signs of recovery including a decrease in the state unemployment rate. Employment increased in the areas of service, retail, and construction. Boeing and Microsoft are planning to add 3,000 jobs each, and Bellevue's office vacancy rate continues to improve.

Turning to the General Fund, Ms. Hawn said B&O and sales tax collections are performing as targeted. However, telephone and electric utility tax revenues continue to decrease. Overall General Fund resources are expected to be \$700,000 or 1 percent under budget by the end of the year. General Fund expenditures are expected to be \$3.2 million under budget as expenditure controls continue.

For Capital Investment Program (CIP) Funds, expenditures are projected to be 69 percent of the available budget. Resources are projected at 93 percent of budgeted levels. The beginning fund balance for Utility Funds was \$5 million higher than budgeted due to operational savings in 2002 and 2003. The savings are earmarked for additional reserve requirements due in part to the water wholesale contract with Cascade Water Alliance. Expenditures are estimated to be \$2.8 million lower than originally projected due to the Cascade Water Alliance contract.

Expenditures for health benefits and workers compensation are expected to be 8 percent over budget. Health benefit costs are expected to be 12 percent higher in 2004 than in 2003. Reserves continue to be used to fund increased costs. Staff is monitoring this situation and will prepare a 2005 corrective action plan for both health benefits and workers compensation.

Responding to Mr. Degginger, Budget Manager Jonathan Swift discussed the decrease in telephone utility tax collections. A consultant has been hired to develop long-term revenue projections. The City of Seattle has experienced similar decreases and was successful in recouping some funds through audits. Bellevue plans to pursue similar audits but the process could take some time. Ms. Hawn said one factor is the change in technology with the introduction of Internet-based telephone service.

In reference to health benefit costs, Ms. Balducci encouraged an enhanced focus on wellness programs and similar cost containment strategies. Ms. Hawn confirmed the City is exploring a wide range of alternatives.

At 7:32 p.m., Mayor Marshall declared recess to a reception for retiring Board and Commission members, to be followed by the Regular Session at 8:00 p.m.

Michelle Murphy  
Deputy City Clerk

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