

*The Human Services Commission approved these minutes on November 5, 2013*

CITY OF BELLEVUE  
HUMAN SERVICES COMMISSION  
MINUTES

October 1, 2013  
6:30 p.m.

Bellevue City Hall  
City Council Conference Room 1E-113

COMMISSIONERS PRESENT: Chairperson Yantis, Commissioners Bruels, McEachran, Perelman, Stout

COMMISSIONERS ABSENT: Beighle, Plaskon

STAFF PRESENT: Emily Leslie, Alex O'Reilly, Joseph Adriano, Jessamyn Findlay, Department of Parks and Community Services; Janet Lewine, Planning and Community Development; Arthur Sullivan, ARCH

GUEST SPEAKERS: None

RECORDING SECRETARY: Gerry Lindsay

1. CALL TO ORDER

The meeting was called to order at 6:30 p.m. by Chair Yantis who presided.

2. ROLL CALL

Upon the call of the roll, all Commissioners were present with the exception of Commissioners Beighle and Plaskon, both of whom were excused.

3. APPROVAL OF MINUTES

A. September 5, 2013

A motion to approve the minutes as submitted was made by Commissioner Stout. The motion was seconded by Commissioner McEachran and it carried unanimously.

4. PETITIONS AND COMMUNICATIONS - None

5. STAFF AND COMMISSION REPORTS

Commissioner Stout reported that at the Downtown Livability Initiative CAC on September 18 there was a lot of discussion regarding the need for affordable housing for those who live and work in the downtown. There was consensus that the topic

needed additional discussion and that ARCH should be asked to make a presentation at a future meeting. The group also continued its discussion regarding the amenity system and the particular bonusable items on the list. Some of the items have never been used to obtain additional height or floor/area ratio (FAR), including child care, and the requirement for ground-level retail has resulted in some empty storefronts.

Commissioner McEachran said he attended the third workshop on the Transit Master Plan. He said he mentioned to the person sitting beside him that he had never ridden on public transportation, to which the gentleman offered to arrange a bus ride for him. The gentleman turned out to be Transportation Director Dave Berg.

Commissioner McEachran said he also recently spent some time with the Friends of Youth executive officer and took a tour of the new youth shelter, a facility that will house up to 18 unsheltered youth. He said he was very impressed with the impact the organization has across municipalities.

Commissioner McEachran said he would be attending the Congregations for the Homeless fundraising event on October 2, and that he had been invited to attend an open house at Bellevue Fire Station 2 which is ADA compliant to accommodate persons with different mobility levels.

Human Services Planner Alex O'Reilly said there is a training program at Bellevue College for adults with developmental disabilities. The program tries to find internships for the individuals throughout the community. One of the interns worked with the Bellevue Fire Department.

Ms. O'Reilly provided the Commissioners with copies of a flyer highlighting the event at the Crossroads Shopping Center where the Affordable Care Act will be rolled out. She noted that the Crossroads event is just one of several that are scheduled around the city and in other jurisdictions at which trained persons will assist people in signing up for health insurance.

## 6. DISCUSSION

### A. Housing Trends and Opportunities; Review Housing Element of Comprehensive Plan

Associate Planner Janet Lewine with the Department of Planning and Community Development noted that the Commission was provided with a briefing on the Housing Element in March prior to meeting jointly with the Planning Commission. In July the Planning Commission took a close look at the data; they will have the Housing Element before them again in December at which time they will begin looking at policy language. Comments on policy should be transmitted to the Planning Commission prior to December.

The effort to seek input from the community included a number of meetings held

around the city, including at the libraries, community centers, and even on downtown sidewalks. The Bellevue's Best Ideas website resulted in 126 different ideas about which 350 separate people provided comments. There have been participants at every Downtown Livability Initiative CAC meeting who have expressed interest in addressing affordability through the amenity incentive program. Neighborhoods have weighed in on a variety of topics, including single family room rentals and group homes. The Bellevue Network on Aging has provided comment on universal design and accessibility.

The data shows that Bellevue's population is aging and continues to become more diverse. Many families are struggling and an increasing number of households are paying more than 30 percent of their incomes for housing; some are paying as much as 50 percent.

Ms. Lewine said the city's housing target covers all types of housing, not just affordable housing. For the planning period pushing out to 2040, 17,000 new housing units are needed. The city's current zoning can accommodate that many new units, with most of the additional capacity in the mixed use districts like those in the downtown and Bel-Red. The bulk of the capacity, however, is in districts in which affordability is difficult to achieve. The need for affordable housing countywide is great and is not being met, particularly for the low- and very low-income households.

A Regional Coalition for Housing (ARCH) Director Arthur Sullivan pointed out that rents in East King County and parts of Bellevue are significantly higher than the countywide averages. Things have not gotten worse necessarily, but they also have not gotten better. Ms. Lewine said the data shows a \$300,000 gap between what a median income resident can afford to buy in both East King County and Bellevue.

Ms. Lewine said the Countywide Planning Policies have a big emphasis on identifying the need for affordable housing and taking the steps necessary to address the need. The need in Bellevue is particularly great for those households in the low- and very low-income range. Policies and strategies will need to be outlined in the Housing Element and on the city's work program to address the needs, monitor progress, and adjust strategies as needed.

There are 41 policies in the Housing Element, which is more than most Comprehensive Plan elements have. The work of updating the element will not focus on adding any policies and in fact some may be eliminated, particularly those that are repetitious or that reference completed work programs.

Commissioner Stout commented that the area on the east side of 112th Avenue NE between Main Street and SE 8th Street and west of I-405 is being looked at very carefully by the Downtown Livability Initiative CAC. There is an emphasis on redeveloping the area that is currently underutilized. She said there may be opportunity there to find some temporary space for the winter shelter program.



Ms. Lewine said the downtown and the Bel-Red corridor were not areas thought of as neighborhoods when the Comprehensive Plan was last updated. The downtown has become a significant and the fastest growing neighborhood, and the rezoning of Bel-Red makes it ripe to also become a significant neighborhood. There is a lot of policy language and discussion in the current Comprehensive Plan about maintaining the strength and vitality of the city's single family and multifamily districts, but the mixed use neighborhoods need to be addressed as well.

Answering a question asked by Commissioner Stout, Ms. Lewine said Newport Hills does not have the zoning in place to support much additional housing, and the zoning that is in place that does allow housing is not working. The work to rezone the Lake Hills, Crossroads and Factoria shopping districts to allow housing has been completed, and the city intends to also address the Newport Hills area.

Chair Yantis asked if a rezone must be requested by a landowner or it can be initiated by the city. Mr. Sullivan said it can be done either way.

Mr. Sullivan asked the Commissioners what issues should be given particular attention ahead of crafting new policy language.

Commissioner Stout said the site of the Newport Hills Shopping Center needs to be addressed. The current state of the shopping center is appalling and the surrounding neighborhoods need the services that used to be available there. The Bellevue School District is looking to build a permanent new structure on a site just around the corner from the shopping center. Clearly the city needs to pay attention to that neighborhood. Chair Yantis agreed that the area is ripe with opportunity.

Ms. Lewine said the issue of balancing jobs and housing is on her short list for inclusion in the Housing Element. Growth in the jobs market is anticipated but unless there is also an increase in the number of housing units housing prices and rents can also increase. There are currently 43,300 jobs in the downtown and the forecast is for that number to increase to 70,300 by 2030.

Commissioner Stout said she continues to be concerned about the fact that there are currently some 900 school-aged children living in the downtown. In the coming years that figure likely will double but the school district has not been brought to the table to discuss the need for additional educational facilities to serve those children.

Commissioner McEachran asked if there is any interaction with the city of Newcastle regarding affordable housing. Mr. Sullivan said Newcastle is a member of ARCH and as a city will also soon be updating its housing element. Commissioner McEachran suggested it would be worthwhile for the Commission to be kept informed as to when Newcastle will be discussing its affordable housing needs. When multiple municipalities agree to address issues that recognize no jurisdictional boundaries, the collaborative impact is bettered.

Ms. Lewine said locating affordable housing near transit should also be addressed both in regard to the light rail and major bus corridors. Low- and moderate-income families rely heavily on public transportation, and the efficiency of living close to jobs helps make housing more affordable for families. Universal design and accessibility in new housing is also an important issue.

Answering a question asked by Commissioner Perelman, Ms. Lewine said the voluntary program in place in Bellevue that allows developers to construct additional units where affordable units are included has not been successful in bringing new units online. Mr. Sullivan added that the program is aimed at providing moderate-income units rather than low-income units. In the early 1990s all new residential development in the city that had more than ten units had to include ten percent of the units affordable at the moderate-income level. That approach was eventually overturned in favor of the voluntary program which has only been used by one or two builders. Under the new zoning for the Bel-Red corridor, any developer wanting to exceed the base floor/area ratio will need to either provide affordable units or provide a payment in-lieu.

Chair Yantis asked which works better, requiring a developer to provide affordable units or contributing a payment in-lieu. Mr. Sullivan said it has been his experience that both have potential merit, but the dilemma lies in who gets to decide which approach will have the most merit. Some cities have left the choice up to the developer while other cities have said developers can make that proposal but it will be up to the city to decide which approach is preferred. Land use incentives usually yield moderate-income units, whereas payments in-lieu can be leveraged with other assistance and funds from other sources and used to provide units for low- and very low-income households. There is no one right answer. The Comprehensive Plan can include policy statements aimed at giving guidance to the conversation, but in the Bel-Red corridor the conversation has already occurred and a decision has been made.

Commissioner Perelman asked how affordable units constructed under city guidelines and requirements are tracked over time. Mr. Sullivan said ARCH tracks the relative changes in overall housing costs, and as comprehensive plans are updated overall affordability is determined based on the latest census information. ARCH does not go back and resurvey individual buildings. New units brought online affordable at the 70 percent of area medium income may not remain at that level over time, but chances are they will not go to 120 percent of area median income. If generally rents are tracked as going up twice as fast as incomes, the odds are affordable units are going up as well. It is easy to take data from a single year and claim that the sky is falling, but tracking over time gives a far clearer picture. New housing in mixed use centers have a tendency toward being more expensive, but in order to track with the market builders often will make units smaller in order to keep rents at an affordable level.

Commissioner Perelman pointed out that with Bellevue College making the move to offering four-year degrees, the need for affordable student housing has increased.

Commissioner Stout said that is a clear example of something that was not planned for by the policies in the current Comprehensive Plan. It has become a reality that needs to be addressed. She said there is also an adult family home issue in the same area.

Ms. Leslie said Congregations for the Homeless graduates men from its shelter into shared housing situations, but they have been impacted by the emergency ordinance handed down by the Council. That is another issue that will need to be addressed. Mr. Sullivan said the shared housing locations that got the attention of the community may in fact be inappropriate. The question is whether there are in fact appropriate ways to address the need for shared housing within the existing housing stock that would not be objectionable to the neighborhoods.

Commissioner Stout suggested every creative option for providing housing needs to be addressed, and the policies should be written so as not to limit the response in any way.

Commissioner Perelman highlighted the importance of solutions that allow for aging in place given the fact that Bellevue's population is growing older. At the same time, there is a need to accommodate the younger population just coming out of college and need affordable housing solutions. Accessory dwelling units is one effective approach to meeting the needs of both of those demographics.

Mr. Sullivan said most Eastside cities have come to the place where accessory dwelling units are allowed. Bellevue's rules are much like everyone else's except that Bellevue does not allow detached accessory dwelling units. Most other Eastside cities do allow detached accessory dwelling units. Kirkland has more detached accessory dwelling units, however, because that city has a floor/area ratio requirement for single family neighborhoods and the accessory dwelling units are somewhat exempt from that calculation, so in order to maximize development square footage the units are being developed. In the vast majority of cases, accessory dwelling units are part of the primary structure, and that can be expected to continue into the future because of the costs associated with developing detached units.

Chair Yantis suggested there is a need for senior housing options outside the normal multifamily option. Many seniors want to live in neighborhoods that feel more like single family, though in modest-sized homes that do not have stairs to climb or yards to take care of.

Commissioner Bruels highlighted the need for housing options that will accommodate diverse households, especially extended families. Mr. Sullivan agreed but said the question to be asked is what role the city should play in making that happen.

Commissioner Stout commented that the Asian and Indian communities in particular house extended families. She suggested people in those communities should be asked what steps the city could take to help ensure they will be able to remain in their homes and take care of their elderly relatives. Mr. Sullivan said the conversation focused on Spiritwood involves unrelated individuals. There is no city ordinance that would stop a family from taking in their elderly parents because in fact they are related. If there is a market for homes that can accommodate extended families, the question is what, if anything, is preventing developers from responding to the market. In a neighborhood in Vancouver a number of larger older family homes were falling apart because there were no big families that wanted them. The city stepped in and allowed for converting the homes into duplexes and triplexes provided there was design review aimed at assuring attractive results.

Commissioner McEachran said some time ago Highland Gardens attempted to address the issue by designing units that connected to other units.

Commissioner Bruels said there certainly is room for policy development around the idea of place matters, particularly culture. Community gardens are very important in some cultures; other cultures value keeping livestock and chickens. Neighborhood is more than individual homes, it is about creating spaces for the community. Reaching out directly to the various communities would be the best way to find out exactly what they do value.

Mr. Sullivan commented that Redmond is much like Bellevue in that most of its housing capacity is in mixed use zones, primarily in Overlake and their downtown. They have come to the realization that growth will depend on more than just single family neighborhoods and that success will be measured by the vitality and vibrancy of the centers over the long term. He said the Commission's conversation implies the same understanding.

Commissioner McEachran said the rumors around the Bellevue College campus are about the college snatching up nearby properties and building dormitories on them. If the rumors come to life, the way Eastgate works will fundamentally change.

Commissioner Stout suggested the women's center at Bellevue College should be asked to weigh in about the housing needs they are seeing in their clients.

Mr. Sullivan said ARCH will be conducting a needs analysis for all of the member cities and a separate analysis for each individual city. He said the Commission's conversation would help to inform that analysis.

Turning to a review of the Housing Trust Fund, Mr. Sullivan provided the Commissioners with a list of projects funded over the last 20 years, and a spreadsheet focused on parity with information dating back 15 years. He noted that to date ARCH has allocated almost \$39 million to fund 2800 units in four categories: family housing, senior housing, homeless and transitional housing, and special needs

housing. Prior to the formation of ARCH there was an attempt to pass a countywide levy to fund affordable housing. Many people met for a year to talk about the relative needs and how resources should be allocated should the levy be approved. When ARCH was formed it took the report and used it to bolster the need for a range of different housing types. Under the Growth Management Act each jurisdiction is required to produce a housing needs analysis that must include strategies for addressing a range of needs and the Housing Trust Fund was the chosen approach for doing just that. ARCH has consciously aimed to make progress in each identified housing area over time and by so doing has managed to stay relatively close to meeting the targets for each category. ARCH has worked with its member cities, with many different groups, including Imagine Housing, the YWCA, the King County Housing Authority and private builders, to bring units online. Almost all of the projects developed to date have affordability requirements stretching out for a minimum of 50 years.

Mr. Sullivan allowed that the Commission has for many years been earmarking some of the CDBG funds received by Bellevue for the Housing Trust Fund. Time is spent during each funding cycle to determine how much of the federal allocation should be put into the fund. CDBG dollars are more difficult to work with than general fund dollars because of the federal strings attached.

Commissioner Stout commented that during the limited discussion by the Downtown Livability Initiative CAC on September 17 regarding affordable housing the fact that ARCH does not as an organization build housing. That point caused some confusion given that the CAC members are not persons who typically take the wider view that crosses jurisdictional boundaries. Mr. Sullivan pointed out that a large number of the units brought online with the assistance of ARCH are in Bellevue. He also pointed out that the Bellevue Chamber of Commerce was instrumental in the creation of ARCH because it served on the Citizen Task Force in 1990 and 1991 that came up with the idea of pooling funds to address housing needs that are not defined by city boundaries.

Mr. Sullivan said contributions to the Housing Trust Fund are totally voluntary. About five years after ARCH was formed the member cities began a discussion of fair share. At the time the fund was receiving about a million dollars per year, but the identified need was not being met. The council representatives challenged themselves to get to the two million dollars per year level and to identify a fair share distribution system. The formula that was adopted and is still in use was developed by a Bellevue councilmember ; it is predicated on the population of each city, the housing growth target for each city, and the employment growth target for each city. The calculations include a low and a high for each city. The parity discussion also garnered agreement for the notion of allowing and in fact encouraging the various jurisdictions to be creative. The creativity has played out through the member cities finding ways to directly provide value to real projects; that has been done through land donations, fee waivers, and fees in-lieu.

Technically all funds allocated by ARCH are loans. Accordingly, some of the dollars that flow into the fund are from loan repayments. Any project that is found to no longer be in compliance with the affordability requirements can have their loans called in.

The ARCH format is about the only one of its kind in the country. The various jurisdictions put their money into a single pot willingly realizing the funds over time will come back to them in the form of the benefit that flows from having affordable housing regionally. The ARCH board makes recommendations for how to spend the dollars from individual jurisdictions, but the councilmembers representing those jurisdictions must ultimately approve the funding allocation involving their contributions. Bellevue's contributions over the years have been greatly appreciated.

With regard to the winter shelter issue, Mr. Sullivan said ARCH was asked late in 2012 to look into the issue of involvement on the part of the faith community. Some people were brought together and the question asked of them was whether or not the right questions are being asked about the winter shelter. ARCH helped to facilitate the group of people who have been working on the shelter issue for years. The approach taken to date has been to put a band aid on the wound by finding shelter space to get through the coming winter. The group, however, concluded that the wider view should be taken. Much has been learned about the various elements that go into making a winter shelter work, and the fact that those who need the shelter the most are typically those who do not want to be part of the system.

Mr. Sullivan said the final report lays out what is needed in a winter shelter space. It also documents the level of support the community has been giving and which can be built on in moving toward a permanent facility. Agencies and local planners were brought together and asked to forget the zoning maps and have a conversation about the location where shelters should be located. That resulted in the map that is in the report indicating the locations in east King County that are potentially appropriate. With the map drawn, the planners were asked to address the zoning question. Shelter is a happenstance use for which cities must find places, and there is no consistency across the board for one zone over another. The decisions made by cities as to where a winter shelter is allowed trigger how easy or hard it is to site a facility. The map drawn by the planners based on where the use would be either allowed outright or through a conditional use permit will be used in seeking to site a dedicated location.

The report also includes a list of principles outlining what an appropriate shelter system would consist of. The policy level comments state that shelter is part of a safe, civil community; shelter is a place of engagement providing access to services; and a local shelter system is needed to avoid ongoing siting issues. The report goes on to outline different shelter models and concludes with a recommendation that finding a dedicated location for a shelter is the best approach. That could mean trying to control some property. The winter shelter only operates four months out of every year, but a dedicated facility would also provide a location for a day center that

operates year round. A dedicated site would also help to create a focal point for the whole shelter system and all of its elements. Currently, agencies spend as much time trying to find a place for the winter shelter as they do in actually providing the winter shelter services, and it is a real drain on their resources.

The ARCH executive board concluded that a conversation among multiple jurisdictions should be held on the issue. Currently the jurisdictions that are explicitly supporting the men's and women's winter shelters are Bellevue, Redmond, Kirkland, Issaquah and Sammamish. The board believes all 14 ARCH member jurisdictions should be asked to weigh in and give their support. Some jurisdiction may already own property in an area the shelter could be located. The question of what entity should operate the shelter will need to be asked and answered. On the capital side, a system is already in place in the form of the ARCH trust fund.

Ms. Leslie reported that the Shelter Task Force made a recommendation to the governing board of the Committee to End Homelessness regarding the need for shelter outside the city of Seattle, and the governing board has since acted to set that as an investment priority. That gives entry in the future to potentially access some additional dollars. Mr. Sullivan added that the decision makes the King County capital fund eligible for shelter applications. The State Housing Trust Fund may also come into play as a result. There will still need to be operating support and that conversation is yet to happen. ARCH intends to continue playing a facilitator role. Ms. Leslie said the intention is to get the conversation lined up with the funding processes of the various cities to open a window of opportunity for garnering capital funding.

Commissioner Bruels asked what the outlook is for the short term relative to the winter shelter. Ms. Leslie answered that the cities had a check-in earlier in the day. Each city has options on the table that are still being explored. It appears clear there is a site for the women's shelter and there are potential options for the men's shelter but nothing definite yet.

Chair Yantis commented that most of the conversations held on the permanent site issue, including the meeting held jointly with other commissions, have not been overly hopeful. He said the information shared by Mr. Sullivan makes it appear that the tipping point has been reached. He asked if in light of the optimism someone is looking ahead to what the need will be five or ten years and incorporating it into the discussion. Mr. Sullivan said the service providers who have their boots on the ground are comfortable that trying to do 50 units for each population group is reasonable. Ms. Leslie added that there are a lot of system changes happening in the homelessness arena. One is a shift away from transitional housing and converting those units to rapid re-housing. People will be moving through the systems much more quickly than they have been and that will help to free up units to serve more people.

Ms. Leslie pointed out that if a dedicated permanent shelter lands in Bellevue, some of the areas identified by city planners as the most desirable may need to be rezoned.

7. OLD BUSINESS - None
8. NEW BUSINESS - None
9. PETITIONS AND COMMUNICATIONS - None
10. ADJOURNMENT

Chair Yantis adjourned the meeting at 8:46 p.m.

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Secretary to the Human Services Commission

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Date

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Chairperson of the Human Services Commission

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Date