CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Regular Session

February 1, 2016 Council Chamber
8:00 p.m. Bellevue, Washington

PRESENT: Mayor Stokes, Deputy Mayor Chelminiak, and Councilmembers Lee, Robertson, Robinson, Slatter, and Wallace

ABSENT: None.

1. Call to Order

The meeting was called to order at 8:00 p.m., with Mayor Stokes presiding.

2. Roll Call, Flag Salute

All Councilmembers were present.[1] Councilmember Lee led the flag salute.

3. Approval of Agenda

→ Councilmember Lee moved to approve the agenda, and Councilmember Robertson seconded the motion.

→ The motion to approve the agenda carried by a vote of 6-0.

4. Communications: Written and Oral

Mayor Stokes said Council rules allow three minutes per speaker wishing to comment to the Council. He said he would allow Mr. Marsh to speak for five minutes in lieu of three persons speaking on behalf of CENSE.

(a) Don Marsh, President of the Coalition of Eastside Neighborhoods for Sensible Energy (CENSE), commented on the Draft Environmental Impact Statement (DEIS) for Puget Sound Energy's Energize Eastside project. The DEIS studied three alternatives: 1) a 230 kV transmission line through the Eastside, 2) innovative "smart" technology, and 3) a plan for three times the current number of transmission lines on the Eastside. Mr. Marsh

[1] Councilmember Wallace took his seat at the dais at the beginning of Agenda Item 4.

said the third option is unrealistic and included by PSE to make the larger transmission line seem more favorable. Mr. Marsh said CENSE supports the implementation of smart technology, which is less expensive and will meet reliability needs while being flexible and adaptive to future emerging technologies. He said PSE prefers building large transmission lines because it is more profitable for them. He noted that the Northwest Power and Conservation Council has stated that energy efficiency and conservation are the most cost-effective ways to meet future electricity load growth. Mr. Marsh submitted his comments in writing.

(b) Andrew Miller, BDR Holdings, said he was representing the parcel on the northwest corner of 112th Avenue and Main Street as well as their neighbors to the west, John L. Scott. The properties are near the future light rail East Main Station. Mr. Miller asked the Council to study the area along Main Street between 110th Avenue and 112th Avenue in a more comprehensive manner. He expressed concern that the Council is considering a commercial street designation, wide sidewalks, and a large landscaping buffer, which will take a significant portion of the BDR-owned and John L. Scott properties. Mr. Miller asked the Council to send this issue back to the Planning Commission for further study and discussion.

(c) Dan Koch, Director of Electric Operations, Puget Sound Energy (PSE), thanked the Council and City staff for all of their effort so far on the Energize Eastside project. He said the City of Bellevue has worked diligently with other Eastside cities through the Environmental Impact Statement (EIS) review. He noted that multiple studies have demonstrated that the demand for reliable power on the Eastside will exceed capacity by the winter of 2017-2018. He said PSE is working hard to balance the community's interests with its obligation to maintain electrical service. Mr. Koch said PSE continues to gather community input and to use it to shape the project design. He encouraged the public to review and provide comments on the 700-page draft EIS.

(d) Mark Williamson, a Wisconsin resident and consultant for PSE, described the federal regulations that drive the need for the Energize Eastside project. He said the load demands are in danger of requiring corrective actions, potentially including blackouts, beginning in the summer of 2018. He said PSE has demonstrated the need for the project. Mr. Williamson said reliable energy is critical to the economic health of a city.

(e) Stacie LeBlanc Anderson, a Surrey Downs resident, asked the Council to intervene with Sound Transit to protect its constituents. She said Sound Transit is suing 171 residents and threatening to condemn their properties. She said this goes against what residents have heard over the past 12 years from past and present City Councils, and from City and Sound Transit staff. She said the recommendations of the Light Rail Best Practices Committee are being ignored and the City's noise code will be violated. She expressed concern regarding environmental impacts, especially to the wetlands and the Mercer Slough Nature Park. Ms. Anderson said Sound Transit's actions ignore two federal laws protecting and preventing adverse impacts to historical properties, including the Surrey Downs mid-century Mithun homes. Ms. Anderson urged the Council to protect residents and the Surrey Downs single-family zoning.

(f) David Applestone said Surrey Downs residents are being harassed by Sound Transit, most recently in the form of a condemnation lawsuit attempting to force the neighborhood to change its covenants to allow multifamily dwellings. He expressed concern about the lack of support from the City Council. He said residents have been given 20 days to respond to the lawsuit. He urged the Council to act quickly on behalf of its residents.

(g) Alice Wang expressed concern about the proposed marijuana store in the Factoria area, behind the McDonald's restaurant. She and hundreds of families have formed an organization called Parents Against Marijuana Near Schools (PAMNS). She presented a petition signed by 2,277 residents who are in favor of keeping marijuana stores away from children. She asked the Council to increase the 1,000-foot buffer between marijuana retail stores and schools to one mile, and to apply the buffer to additional uses frequented by children. She asked the City to ban marijuana advertising. Ms. Wang submitted her comments in writing.

(h) Synneva Wang said she was invited by Alice Wang to read a letter she sent to the Council a couple of weeks ago in support of a petition to ban marijuana dispensaries from opening in the Factoria area. Ms. Wang said this is a significant and personal issue for her family, including her son who recently completed eight months of rehabilitation due to marijuana addiction. She noted overdoses related to edible marijuana products. She asked the Council to ban marijuana-related advertising in the Bellevue Reporter and other publications. She urged the City to find ways to regulate THC levels in products and to require labeling. Ms. Wang noted the need for continued education of the community and more treatment facilities on the Eastside.

(i) Robert Wilkes concurred with his neighbors' concerns about retail marijuana stores. He expressed concern that older individuals will sell products to younger students. He said he admires his neighbors' commitment and activism to address this issue and protect their families.

(j) Alex Zimmerman, StandUP-America, said he has been coming to the City Council for several years, requesting that the City Manager hold monthly question and answer sessions.

(k) Sybil Glasby, Director of Housing Development for Imagine Housing, thanked the Council for supporting the Comprehensive Plan Amendment application for St. Luke's Lutheran Church. She requested additional Council support of the Hearing Examiner's recommendation to approve the rezone request, which will make the zoning consistent with neighboring sites.

Mayor Stokes interjected that the Council cannot take comments on the St. Luke's Lutheran Church rezone issue because it is a quasi-judicial matter and the Hearing Examiner's record has been closed.

5. Reports of Community Council, Boards and Commissions: None.

6. Report of the City Manager

(a) American Public Works Association (APWA) Re-Accreditation

City Manager Brad Miyake announced that both the Utilities and Transportation Departments have been reaccredited and found to be 100 percent compliant with all requirements.

Brian Ziegler, Director of Public Works and Utilities for Pierce County, said he is Chair of the American Public Works Association (APWA) Accreditation Council. He highlighted the history of the accreditation program, which began in 1995, and the extensive accreditation process. Bellevue's Utilities Department was originally accredited in 2004 and reaccredited in 2007 and 2011. The Transportation Department was first accredited in 2007 and reaccredited in 2011.

Mr. Ziegler said only 106 of America's 26,000 agencies are accredited. He presented the awards to Transportation Director Dave Berg and Utilities Deputy Director Andrew Lee. Mr. Ziegler recognized Kristi Oosterveen (Transportation) and Paul Manassero (Utilities) for their hard work as the accreditation managers.

Mayor Stokes congratulated staff on this significant achievement. At 8:42 p.m., he declared a brief break to take photos. The meeting resumed at 8:44 p.m.

(b) Management Brief regarding Status of Energize Eastside DEIS Council Comments

City Manager Brad Miyake said the Draft Environmental Impact Statement (DEIS) for the Energize Eastside project was issued on January 28, 2016. Staff is reviewing it with respect to how it responds to the Council's scoping comment letter and previously identified interests.

Councilmember Robertson questioned whether the public's ongoing comments to the City Council are captured in the DEIS comment process.

Deputy City Manager Kate Berens said emails and letters received by the Council, as well as oral communications during Council meetings, are forwarded to the appropriate staff.

7. Council Business and New Initiatives

Councilmember Lee commended Alice Wang, residents, and City staff for working together to address the community's concerns about the potential for a marijuana store in the Factoria area. Mr. Lee said he would like the City Manager to let the Council know what options are available for addressing the concerns and related issues.

Mayor Stokes said the Council is aware of all of the communications to the City and will be working with staff.

Councilmember Robertson requested information about the Sound Transit lawsuit against Surrey Downs residents. She expressed concern about Sound Transit's attempt to eliminate the neighborhood covenants protecting single-family residential use. If the covenant were removed, City zoning would control the land use. However, this is alarming for residents and she would like details on exactly what the litigation entails.

Ms. Robertson would like to know what Sound Transit is seeking. If the City has an ability to intervene, she would like to know the Council's options. She would like the City to communicate with Sound Transit about being more transparent with the City and community.

City Manager Miyake said staff will get back to the Council with more information.

Councilmember Robinson said she supports transit oriented development (TOD). However, she has never been supportive of it for the Surrey Downs neighborhood. Her understanding was that the Council had been assured that there would not be TOD or multifamily housing around Surrey Downs. Ms. Robinson said she was surprised by this and would like information to be shared with the Council in advance of meetings.

Ms. Berens clarified that there is no proposal for Sound Transit to develop multifamily housing at the location. She said staff will pursue the details of the potential condemnation action and work with Sound Transit to encourage transparency in the impacts of the lawsuit. She concurred with Councilmember Robertson that the City's Land Use Code controls uses within the area. She said Sound Transit's issue is related directly to the alignment and not to multifamily development.

Ms. Robinson questioned the City's flexibility in regulating marijuana stores within the guidelines of state law. Mr. Miyake said staff will get back to the Council with more information.

Councilmember Lee said he feels the City has a responsibility to investigate the Sound Transit and Surrey Downs issue further. He looks forward to receiving more information from staff.

Councilmember Slatter concurred with the requests for more information on the marijuana issues and the Sound Transit lawsuit against Surrey Downs residents. When information comes back to the Council, she would like to know what the Council can do and what data is available on crime and other impacts of marijuana stores. She understands that this is an emotional issue but would like data to better understand the impacts and issues as well.

Councilmember Wallace said the State is considering expanding the number of retail marijuana licenses from four to eight in Bellevue. He would like the Council to address that issue with the Liquor Cannabis Board and to request a delay in expanding the number of licenses.

With regard to Surrey Downs, Councilmember Wallace said Sound Transit's behavior in serving 171 residents with lawsuits on Sunday, without notifying the City, is appalling and unforgiveable. He noted that this coincides with light rail construction starting in the near future

and Sound Transit's efforts to develop its next ballot measure and tax levy for the November election.

Councilmember Wallace said he would like City staff to talk to Sound Transit about setting goals to ensure good faith and accountability with the City, Council, and the community. He said the City needs to be able to provide a resource for Surrey Downs residents, who should not be placed in the position of needing to hire lawyers to help them understand their rights and alternatives in this situation, especially when Sound Transit is offering to pay residents only $300. Mr. Wallace said this goes beyond Sound Transit's past lack of transparency regarding its plans to place a maintenance facility in the BelRed corridor.

Mayor Stokes concurred with the Council's requests for more information. He hopes the Surrey Downs situation is not as dire as it sounds. Councilmember Wallace said the law is quite clear that the decision to permit multifamily housing in a neighborhood falls under the City's decision authority. Mayor Stokes reiterated that more information is needed.

Referring again to the marijuana issue, Councilmember Robertson said she asked staff to provide an analysis of the maximum number of retail stores that could be sited in Bellevue, regardless of the number of licenses, based on the availability of properly zoned locations.

Councilmember Robinson said she would like staff to research the City's ability to increase the separation between marijuana business uses and schools. She recalled the Council suggesting 2,000 feet two years ago, at which time staff indicated that the City's regulations could not be more restrictive than state law. Ms. Robinson said she would like an update on the City's flexibility with its own regulations.

Councilmember Lee said he looks forward to more information. He said perhaps it is time for the Council to revisit some of the issues related to marijuana businesses.

Mayor Stokes confirmed that there will be further Council discussion going forward.

8. Consent Calendar

→ Deputy Mayor Chelminiak moved to approve the Consent Calendar, and Councilmember Wallace seconded the motion.

→ The motion to approve the Consent Calendar carried by a vote of 7-0, and the following items were approved:

(a) Council Meeting Minutes
Minutes for January 11, 2016 Extended Study Session
Minutes for January 19, 2016 Study Session
Minutes for January 19, 2016 Regular Session

(b) Resolution No. 9059 authorizing execution of a five-year general services contract with MoveFree Academy, for parkour/movement instruction at the South Bellevue Community Center/

(c) Ordinance No. 6269 authorizing execution of an interlocal agreement with the Washington State Department of Ecology to accept reimbursement grant funds from the Coordinated Prevention Grant (CPG) program to implement recycling and hazardous waste prevention and education programs; appropriate unanticipated and future revenues to the Solid Waste Fund; and authorizing expenditures of said grant funds.

(d) Ordinance No. 6270 to: 1) increase the NW Teambuilding contract from $440,000 to $1,080,000 through 2017; and 2) amend the 2016 General Fund budget to recognize $220,000 in increased expenses, which are fully recovered by the Bellevue Zip Tour operated by NW Teambuilding at Eastgate Park.

(e) Resolution No. 9060 authorizing an increase to the performance-based energy services Interagency Agreement with the Washington State Department of Enterprise Services by $268,097, for a total contract value of $2,240,569.

(f) Resolution No. 9061 authorizing execution of an amendment to the Professional Services Agreement with RH2 Engineering, Inc., for engineering services for the Horizon View #3 Water Pump Station Rehabilitation bid document preparation, and services during bidding and construction (Amendment No. 1), in the amount of $35,368 (CIP Plan No. W-91).

(g) Resolution No. 9062 authorizing execution of an on-call construction inspection services contract with Jacobs Project Management Co., in the amount of $400,000, to provide on-call construction inspection and support for the Northup Way Connection to the SR520 Trail (CIP Plan No. PW-R-146) and other construction projects as needed to ensure proper construction inspection and management through 2016 and into 2017.

(h) Resolution No. 9063 determining the anticipated shortfall in revenues for providing municipal services to the annexations areas of Eastgate, Hilltop, Tamara Hills and Horizon View (Eastgate Annexation Areas), setting a new threshold amount for the State of Washington fiscal year July 2016 to June 2017, continuing a sales and use tax, as authorized by RCW 82.14.415, Ordinance 6045 and Ordinance 6063 at the existing rate for such fiscal year; and authorizing certification of the City's true and actual costs to provide municipal services to the annexed areas.

(i) Resolution No. 9064 directing the City Manager or his designee to execute that certain Funding Agreement with Music Works Northwest in the amount of $75,000 from the Community Partnership Funding Earmark in the 2015-2021 Capital Investment Program (CIP) Budget.

9. Public Hearings: None.

10. Land Use

(a) Ordinance No. 6271 regarding consideration of the Hearing Examiner's Recommendation on the application of Demian Minjarez of SMR Architects to rezone a 4.3-acre site located within the North Bellevue Subarea from R-2.5 to R-20, to be consistent with the recently approved Comprehensive Plan Amendment #15-103696 AC. The property is located at St. Luke's Lutheran Church between NE 29th Street and NE 32nd Place at 3030 Bellevue Way. Permit file number 15-103697 LQ.

Mayor Stokes said information on this topic was presented to the Council on January 19, 2016. Ordinance No. 6271 requests approval of an application to rezone a 4.3-acre site at St. Luke's Lutheran Church from R-2.5 (2.5 units per acre) to R-20.

Deputy Mayor Chelminiak said the Hearing Examiner's Report reflects questions from neighbors regarding the setbacks. Carol Helland, Land Use Director, said the setbacks remain the same with the rezone, but building height is measured differently. For residential structures, the height is measured to the midpoint of a peaked roof or the top of a flat roof. The height is limited to 30 feet in the R-20 district, which will likely result in a flat roof. Responding to Mr. Chelminiak, Ms. Helland said the ultimate height and design for the project will be addressed during design review.

Mr. Chelminiak recalled the individual from Imagine Housing whose comments during the earlier oral communications were cut short because this is a quasi-judicial matter. He said he believed there was another speaker on the topic during a recent meeting. He suggested that this information be placed on the record as ex parte communications.

→ Deputy Mayor Chelminiak moved to adopt Ordinance No. 6271, and Councilmember Robinson seconded the motion.

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

(b) Ordinance No. 6272 regarding consideration of the Hearing Examiner's Recommendation on the application of Greg Kletzly of Public Storage to rezone a 2.9 acre parcel at 1111 118th Avenue SE from Office-Limited (OLB) to Light Industrial (LI), to facilitate warehouse and storage uses on site. The site is located in the Richards Valley Subarea. Permit file number 15-103771 LQ.

→ Councilmember Wallace moved to adopt Ordinance No. 6272, and Deputy Mayor Chelminiak seconded the motion.

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

(c) Ordinance No. 6273 regarding consideration of the Hearing Examiner's Recommendation on the application submitted by Mike McClure of MJR Development (JMS Ventures) to rezone 3.68 acres at the Belle-View Office Park located at 275/325 118th Avenue SE in the Wilburton Subarea. The requested rezone seeks to repeal a 1977 Concomitant Zoning Agreement. The applicant does not request any changes to the existing land use designation of Office (O) or to the Transition Area Design District Overlay. Permit File No. 15-107116-LQ.

→ Deputy Mayor Chelminiak moved to adopt Ordinance No. 6273, and Councilmember Wallace seconded the motion.

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

11. Other Ordinances, Resolutions and Motions: None.

12. Unfinished Business: None.

13. Continued Oral Communications: None.

14. New Business: None.

15. Executive Session: None.

16. Adjournment

At 9:06 p.m., Mayor Stokes declared the meeting adjourned.

Kyle Stannert
Acting City Clerk

/kaw