

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Study Session

March 21, 2005
6:00 p.m.

Council Conference Room
Bellevue, Washington

PRESENT: Deputy Mayor Noble and Councilmembers Balducci, Chelminiak¹, Davidson, Degginger and Lee

ABSENT: Mayor Marshall

1. Executive Session

At 6:00 p.m., Deputy Mayor Noble opened the meeting and announced recess to Executive Session for 20 to 25 minutes to discuss one item of property acquisition, one item of pending litigation, and one item of potential litigation.

The meeting resumed at 6:45 p.m. with Deputy Mayor Noble presiding.

2. Study Session

(a) Proposed Ashwood Plaza Master Plan

City Manager Steve Sarkozy opened discussion regarding the Ashwood Park Plaza Master Plan. Parks and Community Services Director Patrick Foran recalled that the plaza is a partnership project between the 1020 Tower/Su Development and the City. In October 2004 the City Council agreed to sell the plaza property to 1020 LLC, reserving a permanent pedestrian and recreational easement on the surface of the plaza.

Glenn Kost, Parks Planning Division Manager, explained that the property is located at the northeast corner of 108th Avenue NE and NE 10th Street. The City will use the proceeds from the sale of the property to 1020 LLC to develop the site based on a Council-adopted master plan. The City will retain a permanent public easement across the site, and the developer will construct an underground parking garage under the plaza. The initial design concept was reviewed by the Parks and Community Services Board in early 2003. During the next two years, significant work was done on developing and negotiating the purchase and sale agreement. The revised design

¹ Mr. Chelminiak arrived at 6:11 p.m.

was discussed with the Park Board in February 2005. Two community meetings were held (February and March), and a public hearing was held before the Park Board on March 8. Staff is seeking Council action on the Master Plan on April 4.

Mr. Kost said staff's proposed design is based on the following design guidelines:

- Design plaza as entry to Ashwood Park.
- Create a strong civic presence.
- The plaza should be accessible to and for the community.
- Allow flexibility for future development opportunities in Ashwood Park.
- Create a unified streetscape.

He described the surrounding neighborhood which includes Bellevue Regional Library, the future PACE (Performing Arts Center Eastside) building, the new Wasatch development, a smaller theatre in the 1020 Tower, and Ashwood Park. Following presentation of the initial design to the Park Board in early 2003, the Board suggested more green space, more seating, a revised water feature, alternative art, and elements to clearly identify the plaza as a public space. A revised design was discussed with the Park Board in February 2005, resulting in the Board's support of Alternative C.

Pam Fehrman, Project Manager, said Alternative C is titled "Art Walk." Distinct plaza paving extends to the street corner to invite citizens into the plaza. The design includes a circular metal trellis, or curtain, for the theatre; a water feature at the front entry; a pedestal for an art piece/sculpture; engraved quotes from literature and theatre integrated within the park/plaza; and seating.

Mr. Kost said Alternative C received favorable support from the community. Construction of the 1020 Tower and underground parking is scheduled for Spring 2006. Plaza construction is scheduled for Spring 2007.

Responding to Councilmember Lee, Mr. Kost said \$408,000 has been allocated to develop the plaza. Mr. Kost responded to additional questions of clarification from the Council.

Deputy Mayor Noble expressed support for the design and thanked the Park Board for its work.

(b) Robinswood Park Synthetic Turf Project

Mr. Foran posed the following questions for Council to consider: 1) Should the City pursue an opportunity for private financing of synthetic fields at Robinswood Park?, and 2) Should staff develop a professional services contract for field design and begin the public process?

Mr. Foran noted the year-round demand for high-quality lighted fields in Bellevue for soccer, lacrosse, football, and other sports. The Robinswood Park soccer fields represent an underutilized asset as they are only available four to five months during the year. The 2002 Sports Field Analysis identified synthetic fields as a top priority by all user groups.

After the last park bond measure failed by a narrow margin, Jeff Pyatt and the Eastside Football Club approached the City with a proposal to install synthetic soccer fields at Robinswood Park. He presented a business case indicating that user fees could repay the costs of the fields and expressed a willingness to arrange private financing to achieve this goal.

Doug Sanner, Parks Fiscal and Quality Control Manager, explained that the business model analysis: 1) analyzed market fees charged regionally, 2) analyzed historic demand for City fields and market demand for comparable fields, 3) evaluated operating and capital costs, and 4) reviewed the impact of increased field fees with user groups. A regional comparison of synthetic field fees involved 13 organizations operating fields.

Mr. Sanner reviewed the proposed field fees. For youth-resident use, the average market fee is \$38 per hour and the proposed Bellevue rate is \$30 per hour. The average market rate for youth-non resident use is \$49, and the proposed rate is \$50. The average adult market rate is \$78, and the proposed fee is \$75 per hour. He acknowledged that the proposed fees are a significant increase over current fees. However, two meetings with user groups indicate a willingness to pay the rates. The two Robinswood fields are used a total of 1,200 hours annually and usage is split nearly evenly between youth and adults. Demand is expected to increase to approximately 3,800 hours annually if fields are available 12 months out of the year.

Mr. Sanner noted that peak usage will be from 5:00 p.m. to 10:00 p.m. However, the fields will still be available for community use during large blocks of time. It is estimated the fields will generate approximately \$267,000 in revenue annually. A 10-year cash flow analysis anticipates a 3-percent annual inflation rate. It will be necessary for the City to continue to contribute its current \$30,000 annually in maintenance and operations funding to subsidize maintenance and field scheduling. The fields have a useful life of 10 to 12 years, and the capital payback period for the fields is seven years. One-time capital as well as field replacement (surface only) costs can be funded in approximately 10 years.

Mr. Foran reviewed the key business points of the proposed agreement:

- Private financing will provide \$1.74 million in funding.
- City will fund project design and permitting costs (\$160,000) and is responsible for constructing the project.
- City will conduct a public involvement process.
- City will remain responsible for field maintenance and scheduling.
- No preferential access will be allowed.
- City will set user fees to reflect market conditions over the life of the fields.
- City will repay private financing with fees in excess of current revenue.
- No equity interest or collateral will be provided by the City.

Mr. Foran cautioned that the synthetic field market could change significantly over time and the supply of fields could increase. However, this is not expected to happen for a long time. He noted the public process is likely to generate additional issues.

Proposed next steps are as follows:

- Council direct staff to pursue this opportunity to obtain private financing for the installation of synthetic fields at Robinswood Park.
- Request Council approval of professional services contract to complete the design at a later date.
- Staff will conduct a public involvement process.
- Staff will negotiate terms of agreement for private financing.
- Return to Council to report on public process and request approval of financial agreement.

Mr. Foran displayed a photo of fields at Grasslawn Park in Redmond as an example of the objective for Robinswood Park.

Mr. Degginger expressed support for the project and the innovative financing approach. He questioned the feasibility of charging different resident and non-resident rates. Mr. Foran said the new Class registration system to be implemented will allow the City to have more accurate information regarding where team members reside. The general rule is that a league should be 80 percent Bellevue residents to qualify for the resident rate.

Mr. Lee commended staff on the innovative proposal. He asked about the public-private partnership mentioned by staff in the proposal, particularly in the financing of the synthetic fields.²

Mr. Foran noted the private group's interest in providing financing and earning a tax write-off. He acknowledged there might be more cost-effective ways to structure the financing to benefit both the investors and the City. Finance Director Jan Hawn said a number of alternatives will be analyzed and compared to the option of the City funding the installation of the fields.

Responding to Mr. Lee, Mr. Foran said field fees will be set and will not be subject to fluctuations if demand varies. The fields will be accessible to the general public when not in use for team sports.

Ms. Balducci praised Mr. Pyatt and others for persevering and working with the City on this proposal.

Responding to Dr. Davidson, Mr. Foran said fees for existing fields in Bellevue will remain at current levels. Implementation of the synthetic fields is expected to free up other fields for leagues that have not been able to secure field usage.

(c) Parks and Community Services CIP Update

Mr. Foran provided a presentation of current and pending Parks Capital Investment Program (CIP) projects. Highlighted projects included the South Bellevue Community Center under construction at Eastgate Park, Lewis Creek Park (Lakemont Boulevard), Mercer Slough

² Minutes were amended and approved by Council during the April 4, 2005, Regular Session.

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Environmental Education Center (partnership with Pacific Science Center), Crossroads Community Park, Crossroads Community Center expansion, Crossroads Water Playground (to be completed in 2007), Crossroads Park Picnic Shelter (completed in 2004), skate parks to be developed in 2005/2006 (Lakemont Park, Crossroads Park, and Highland Park), Meadow Wood Park, the historic McDowell House (Eastside Heritage Center), acquisitions (Meydenbauer Bay, Boeing/Eastgate property, Coal Creek Open Space, Surrey Downs property), Ashwood Park Plaza (2007), Tateuchi Viewing Pavilion (2004), and Downtown Park playground and restroom enhancements. Neighborhood Enhancement Program (NEP) projects include six playgrounds, five trails, and a picnic shelter.

At 8:01 p.m., Deputy Mayor Noble declared a brief recess before the Regular Session.

Myrna L. Basich
City Clerk

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