

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Extended Study Session

September 11, 2006
6:00 p.m.

Council Chamber/Conference Room
Bellevue, Washington

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

ABSENT: None.

1. Executive Session

Mayor Degginger called the meeting to order at 6:00 p.m. There was no Executive Session.

2. Anniversary of World Trade Center and Pentagon Attacks

Mayor Degginger acknowledged the importance of this day in remembering and honoring those who were lost in the attacks on the World Trade Center and Pentagon on September 11, 2001. A joint Police and Fire color guard presented the colors and led the pledge of allegiance.

Mayor Degginger announced recess to move from the Council Chamber to the Council Conference Room for the remainder of the meeting.

3. Oral Communications

- (a) Sally Jarvis, a Sammamish resident, urged the City to become a financial partner in the Performing Arts Center Eastside (PACE) project. It will be a multipurpose facility with a diversity of players and audiences. Additional funding is needed to maintain the construction time line.
- (b) Mary Robinson, President of the Board of Trustees for King County Sexual Assault Resource Center, thanked Council for its ongoing support of this 30-year-old organization. In 2005, 85 Bellevue residents were helped by the agency; 30 of those were children between the ages of 0 and 10 years, 26 were teens, and 29 were adults.
- (c) Holly Kerr, Executive Director of International Ballet Theatre in Kirkland, expressed support for PACE, which will offer the opportunity for increased revenue and number of performances in the future. She asked the City to provide financial support to the PACE project.

- (d) Three representatives from Bellevue Youth Theatre described the upcoming production of *A Dragon's Tale* to be held September 15, 16, and 17 at the Ivanhoe theatre at 16661 Northrup Way.

4. Study Session

- (a) Council New Initiatives

Councilmember Lee encouraged citizen involvement in continued discussions of Sound Transit's proposal for light rail connections to the Eastside.

Councilmember Marshall noted Sound Transit is holding an open house in Bellevue on September 13 at Meydenbauer Center from 4:00 to 7:00 p.m. Mayor Degginger said a discussion of the proposal is scheduled for the September 25 City Council meeting as well.

Dr. Davidson suggested the idea of forming a Citizen Advisory Committee to address the issue. However, he noted the short period of time left to provide input to Sound Transit.

Councilmember Balducci said Sound Transit is conducting an extensive public process. However, she would like to hear a recommended course of action from Bellevue staff whether additional public outreach is feasible.

Mayor Degginger asked staff to return with additional information and feedback regarding potential public outreach by the City.

Mrs. Marshall said Sound Transit is closely involved with individual communities throughout the Eastside to discuss the proposal.

Mr. Lee said he is comfortable with Sound Transit's process. However, he would also like a process to address Bellevue-specific issues.

Resolution No. 7436 authorizing execution of a Settlement Agreement and Release to implement settlement in the amount of \$75,000 to resolve claims related to an employment dispute with Sheila Evans.

Cheryl Zakrzewski, Assistant City Attorney, requested Council approval of Resolution No. 7436 authorizing the City Manager to execute all documents necessary to implement the settlement of employment claims made by Sheila Evans against the City and former Deputy Police Chief David Gans.

- ☉ Deputy Mayor Chelminiak moved to approve Resolution No. 7436, and Dr. Davidson seconded the motion.
- ☉ The motion to approve Resolution No. 7436 carried by a vote of 7-0.

(b) Drug and Alcohol Resistance Education (DARE) Program Review

Police Chief Jim Montgomery recalled previous discussions with the Council regarding the DARE (Drug and Alcohol Resistance Education) program, which has been active in Bellevue for approximately 16 years. He noted the DARE program has not demonstrated effectiveness, however, in preventing later adolescent and adult drug and excessive alcohol abuse. Chief Montgomery praised Officer Bob Oliver's service in the program and his important role in connecting to youth in the community.

Chief Montgomery recalled his recommendation, supported by Dr. Mike Riley, Superintendent of the Bellevue School District, to discontinue the DARE program and transfer one of its officers to the School Resource Officer (SRO) program. Officer Oliver is retiring effective September 15 after 30 years with Bellevue Police Department.

Chief Montgomery asked Council to provide a statement of support for the School District to incorporate a life skills curriculum to include drug and alcohol awareness and resistance. The Police Department will continue to have a presence in elementary schools for programs and special events and will assign an additional School Resource Officer to the middle schools in the Bellevue School District.

Responding to Councilmember Marshall, Chief Montgomery said the 2006 funds allocated for the DARE program will be transferred to the middle school program.

Councilmember Lee commended Officer Oliver for his work over the years. Responding to Mr. Lee, Mr. Montgomery clarified that the School District will implement the life skills program and the new officer will be assigned for the current school year.

Mayor Degginger noted Council consensus to proceed as recommended by staff.

Councilmember Balducci encouraged the School District to ensure parents' suggestions and needs are incorporated into the life skills program.

Deputy Mayor Chelminiak suggested having a police officer participate in the life skills program, at least for one class session. Chief Montgomery will share this request with Dr. Riley.

Councilmember Noble acknowledged and thanked the community for the extensive public comment on this issue during recent months. Despite the popularity of the program, however, he supports Dr. Riley's and Chief Montgomery's analysis and recommendation.

(c) Vision 2020 Preferred Growth Alternative

Planning Director Dan Stroh opened discussion regarding the Vision 2020 Update process by the Puget Sound Regional Council. The Growth Management Policy Board is scheduled in October to select a preliminary preferred growth strategy for employment and housing. The Board will begin releasing updates to the Multicounty Planning Policies (MPPs) in September, which will be completed in November.

Paul Inghram, Comprehensive Planning Manager, recalled that the status of the Vision 2020 Update was provided to Council on July 31. Vision 2020 is the multicounty policy framework encompassing 25 regional growth centers designated in nine manufacturing and industrial centers in the region. By 2040, the region will grow by 1.6 million people and 1.1 million jobs.

The MPPs are under revision by PSRC staff based in part on direction from the Growth Management Policy Board. They have been reorganized into five categories and each will identify goals, policies, actions, and measures.

The four preferred growth alternatives considered in the Draft Environmental Interest Statement (DEIS) are known as: 1) Growth Targets Extended, 2) Metropolitan Cities, 3) Larger Cities, and 4) Smaller Cities. Under the DEIS analysis and evaluation criteria, the Metropolitan Cities and Larger Cities alternatives perform best. The process is likely to select a hybrid Metropolitan and Larger Cities alternative.

The Metropolitan Cities option focuses growth in Bellevue, Bremerton, Everett, Seattle, and Tacoma and results in fewer impacts in the EIS analysis than other alternatives. Mr. Inghram described concerns that growth levels identified in the Metropolitan Cities alternative are high and therefore potentially unrealistic and undesirable. For example, population projections for Bellevue are as high as 180,000 people, which would exceed the current zoning capacity.

Under the Larger Cities alternative, growth is distributed more broadly among urban centers. Mr. Inghram expressed concern that it overlooks major suburban cities as the growth is focused on suburban cities without regional centers. The Growth Targets Extended alternative uses current growth targets as a base, and growth is allocated by total shares for each jurisdiction.

Mr. Inghram explained that the Metropolitan Planning Policies provide a policy framework for the growth alternative and allow for regional coordination between jurisdictions. PSRC has assured cities that growth alternatives will not establish individual targets. However, it is unclear how the regional vision will become consistent with county targets and the Washington State Office of Financial Management's allocations.

Mr. Inghram reviewed the PSRC Vision 2020+20 Update Schedule:

- September 14 – Full Growth Management Policy Board meeting to begin comparing draft employment and population distributions and to begin the rollout of draft Multicounty Planning Policies.
- October 3 – GMPB Committee meeting to continue discussions.
- October 12 – Full GMPB meeting to select the preliminary preferred growth alternative.
- November 2006 – Full release of Multicounty Planning Policies.
- January – March 2007 – The GMPB reviews modeling and sensitivity tests and makes a recommendation to Executive Board on the preferred growth alternative for both population and employment.

Mr. Stroh requested Council approval of the draft letter to the PSRC Growth Management Policy Board [Beginning on page 4-11 of the meeting packet].

Councilmember Marshall expressed support for the letter and its position in favor of a hybrid approach.

Mayor Degginger suggested the letter state more clearly that population levels indicated by the Metropolitan Cities alternative are unrealistic for Bellevue and beyond its current zoning.

Deputy Mayor Chelminiak noted recent news coverage about Seattle's mayor endorsing the Metropolitan Cities alternative. However, demographers have opined that the scenario is not possible. Mr. Chelminiak feels a hybrid approach is most likely, with growth in the five largest cities as well as suburban cities containing urban centers. The City of Tacoma feels like it has accommodated a fair amount of growth already. Mr. Chelminiak questioned whether the ultimate alternative should be viewed as a specific plan or a guideline for future growth. He expressed support for the letter.

Dr. Davidson is concerned about the implications for land use planning, zoning, existing single-family neighborhoods, and infrastructure.

Councilmember Noble said the overall objective of the Vision 2020+20 plan is unclear. He agrees with others that the Metropolitan Cities alternative is not realistic. He encouraged a move toward the Larger Cities alternative.

Councilmember Lee feels the Larger Cities alternative is potentially feasible. However, each jurisdiction is different and Bellevue residents might be less likely to accept growth due to the high value they place on neighborhoods compared to those in other areas.

Councilmember Balducci acknowledged the value of the urban centers concept, which is reflected in the Larger Cities alternative. She questioned the implications when it comes time for PSRC to certify Bellevue's Comprehensive Plan since the agency does not have the authority to mandate local planning. Referring to the draft letter, she suggested including Bellevue as an example to illustrate population impacts. Ms. Balducci questioned whether compliance with the regional plan will affect competition among jurisdictions for federal funding for infrastructure improvements. She expressed support for the letter.

Dr. Davidson feels it is unrealistic to project 30 years into the future and to assume that current urban boundaries will remain in place.

Mr. Chelminiak explained that the plan will not require cities to meet population targets but is intended to prepare for inevitable growth and related transportation, environmental, and economic impacts.

Mr. Noble reiterated Ms. Balducci's question about whether compliance with growth targets will affect approval of cities' Comprehensive Plans.

Mrs. Marshall said the regional plan will not be used to control the City's Comprehensive Plan. Mayor Degginger suggested including in the letter a statement that the regional plan will not dictate local planning and zoning designations.

(d) Update on Overlake Urban Center Nomination

Mr. Stroh provided a brief update on the City of Redmond's proposal to have the Overlake area within its boundaries designated as an Urban Center under the Countywide Planning Policies. The King County Growth Management Planning Council is scheduled to take action on the proposal on September 20. In March, both the Bellevue and Redmond City Councils agreed to an outline for an agreement covering joint interests for future planning of the Bel-Red Overlake area. This extends joint planning beyond the current BROTS (Bel-Red Overlake Transportation Study) agreement, which expires in 2012.

Mr. Stroh noted packet materials beginning on page 4-21 reviewing the four areas to be addressed in the agreement: 1) Land use vision, 2) Impact mitigation, 3) Joint Planning, and 4) Transportation Advocacy. Bellevue staff recently received information regarding the level of growth envisioned by Redmond. This includes 4.4 million square feet of commercial development and 5,500 housing units, which is higher than anticipated by Bellevue. Staff will continue working with Redmond to reconcile the interests of the two cities.

Responding to Dr. Davidson, Mayor Degginger confirmed that the Council would like staff to set up a joint meeting with the Redmond City Council.

(e) Update on Wilburton/NE 8th Street Planning Study

Mr. Stroh introduced an update on the Wilburton/NE 8th Street planning study.

Mr. Inghram recalled the original study objectives:

- Encourage economic vitality and appropriate redevelopment.
- Strengthen the auto retail use on 116th Avenue.
- Improve the area's urban design and identity.
- Improve circulation in and adjacent to the Wilburton commercial district.

The Wilburton/NE 8th Street district is divided into three areas. Area A includes OLB (Office-Limited Business) zoning, connections to I-405 and downtown, and possible Sound Transit 2 routing. However, development constraints include the new Lexus dealership under construction on the old City Hall site, the post office, a substation, and wetlands.

Area B contains Auto Row, which is one of three auto sales corridors. Mr. Inghram noted a demand for retail space in the corridor and an interest by some in redevelopment. It is zoned GC (General Commercial) and is open to several uses. A vertical concept for auto dealerships has been discussed but is largely untested. However, the new Nissan dealership is two levels and the Lexus building will have three stories.

Area C is zoned mostly GC and includes Home Depot, Best Buy, the future GI Joe's (formerly Larry's Market), and a Bellevue School District bus facility. Traffic access to the area is somewhat restricted. A market study reflects continued demand for retail space and the potential for mixed uses. Improved access/circulation would be beneficial to retail uses. The area also contains the BNSF railway corridor, office buildings, and City University.

Four alternatives were identified in the study:

1. No zoning changes, some level of office and retail redevelopment, and street enhancements under current codes.
2. An Auto Row overlay to encourage or restrict properties to auto sales uses, except for a mixed-use retail development along 120th Avenue (East Retail Village).
3. Major new mixed retail and auto sales uses, East Retail Village, and new east-west street connections between 116th and 120th Avenues.
4. The same as #3 with a larger retail village.

Mr. Inghram said no one has stated an interest in restricting uses to auto dealerships. However, residents have expressed concern that redevelopment along 120th Avenue could block views, and additional streets could increase traffic.

Mr. Inghram reviewed the Planning Commission's recommended direction:

- Allow GC mix of auto and retail uses. Encourage auto sales and consider enhancement opportunities, particularly along 116th Avenue which is designated as a boulevard.
- Encourage larger East Retail Village with mixed uses. Consider building height/view issue and creating an affordable housing bonus.
- Explore area on west side of I-405 as a special opportunity area.
- Preserve the opportunity for NE 4th Street and/or NE 6th Street extensions. Square off 120th Avenue and NE 8th Street intersection. Consider traffic calming measures on NE 5th Street.

Next steps are to develop Comprehensive Plan and Land Use Code amendments, including implementation and mitigation measures. The Planning Commission will hold a public hearing in the fall or winter, to be followed by City Council study sessions and Council action.

Responding to Dr. Davidson, Mr. Stroh said NE 4th and NE 6th both provide potential east-west connectivity between 116th and 120th Avenues. One drawback is that the Comprehensive Plan states that NE 4th Street is not to be extended. A complication affecting the extension of both streets is a large Metro sewer trunk line under the railroad bed.

Kris Liljeblad, Assistant Director of Transportation, acknowledged that if the area develops more intensively, it will be necessary to have adequate streets to handle traffic. NE 6th Street could be utilized to enhance internal circulation and relieve surrounding arterial streets.

Referring back to the previous discussion about growth projections, Mrs. Marshall said she would not be quick to support using the railroad corridor as a trail when it might be better used

as a commuter train corridor. Mrs. Marshall noted the opportunity several years ago to purchase the parking lot at 120th and NE 8th to square off the intersection. She cautioned against trying to purchase the property now that it has been developed by Barrier Motors due to the anticipated significant increase in the cost. It is important to consider Barrier's substantial investment in the site.

Responding to Mr. Chelminiak regarding the area east of the railroad tracks on the south side of NE 8th, Mr. Inghram said retail development could occur in this area.

Mayor Degginger wants to continue analysis of options for extending NE 4th and NE 6th. He would like more information regarding what the Planning Commission has in mind for the special opportunity area west of I-405.

Mr. Stroh said additional information on the Commission's recommendation will be provided to Council later in the year.

(f) I-933 Briefing

Diane Carlson, Director of Intergovernmental Relations, noted agenda packet materials beginning on page 4-37 regarding Initiative 933 and whether the Council should take a formal position on the proposition. The stated purpose of the initiative is to protect the use and value of private property from governmental actions. The initiative proposes an extensive required impact analysis before adoption of any regulations that could damage the use or value of private property. Private property is broadly defined as real and personal property. The similar law in Oregon does not apply to personal property. Damaging the use or value of property is defined as to "prohibit or restrict the use of private property to obtain benefit to the public which in all fairness and justice should be borne by the public as a whole." It applies to any damage to the use or value of property for any use permitted as of January 1, 1996.

Ms. Carlson explained that compensation is defined as payment "equal to the amount the fair market value of the affected property has been decreased by the application of enforcement of the ordinance, regulation, or rule." Under the proposed law, the options for governments are to compensate the property owner or waive the regulation.

Kate Berens, Deputy City Attorney, noted a summary of questions and concerns about Initiative 933 beginning on page 4-39. The initiative is drafted to cover all real and personal property protected by the state constitution and the Fifth Amendment of the U.S. constitution. This encompasses all types of intangible property and property rights, which are difficult to analyze due to ambiguities in the language of the initiative.

Another question raised by the proposition is which local regulations are covered and which are exempt from the requirements of the initiative. Ms. Berens noted that a date of January 1, 1996, appears in one example, but not all, of land use regulations that would be affected.

Referring to the pay or waive concept in the initiative, Ms. Berens questioned the authority of governments to waive federal or state regulations (e.g., federal Clean Water Act and Endangered

Species Act, state Growth Management Act). Finally, Ms. Berens noted the question of whether the initiative prevents the City from eliminating uses from a land use district entirely. Additional implications and questions are reviewed in the packet materials.

Councilmember Marshall observed that potentially all land use regulations would be affected and endangered by the initiative. She described the challenge of being mandated by federal or state law to site an essential public facility and then being forced to pay an unknown number of residents as compensation. This will have significant budgetary impacts to governments and ultimately taxpayers.

Responding to Councilmember Balducci, Ms. Berens said regulations in place before 1996 are exempt from the initiative, which would include most of Bellevue's setback requirements in residential areas. The initiative is in part a response to recently adopted critical areas regulations. Ms. Berens said it will be difficult to determine the amount of compensation, if any, is due a property owner in the case of setbacks. Ms. Balducci observed that the initiative will trigger a great deal of litigation. She feels the Council should accept public comment and take a formal position on Initiative 933.

Responding to Mayor Degginger, Ms. Berens said the initiative includes a provision that attorney's fees are awarded as part of compensation to a property owner. There is also a prohibition against local government applying a fee to conduct the impact analysis to determine whether the initiative applies to a specific regulation.

Dr. Davidson is in favor of the Council taking a position on I-933. While he is a longtime advocate for private property rights, he typically finds initiatives are written from a narrow perspective that does not adequately consider the implications and consequences of the proposal.

Mr. Noble agrees with taking a position. He requested information projecting the impact to Bellevue in terms of damage compensation and administrative costs. Ms. Carlson said it would be difficult to evaluate with any accuracy the impact related to all land use regulations adopted since 1996. Staff will attempt to apply the methodology used by the Association of Washington Cities (AWC) to develop a general sense of the potential impact, however.

Mrs. Marshall said citizens have requested a fact sheet on the issue from her. Ms. Carlson replied that staff can provide a fact sheet.

Mayor Degginger noted Council consensus to schedule an opportunity for public comment on the initiative and to consider taking a formal Council position.

At 7:53 p.m., Mayor Degginger declared the meeting adjourned.

Myrna L. Basich
City Clerk

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