

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Extended Study Session

April 14, 2014
6:00 p.m.

Conference Room 1E-108
Bellevue, Washington

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

ABSENT: None.

1. Executive Session

Deputy Mayor Wallace called the meeting to order at 6:03 p.m., and declared recess to Executive Session for approximately 35 minutes to discuss one item of property acquisition and one item of potential litigation.

The meeting resumed at 6:52 p.m., with Mayor Balducci presiding.

2. Council Recognition of Retiring Police Chief Pillo

Acting City Manager Brad Miyake invited Police Chief Linda Pillo to the table for recognition. She is retiring on April 15 which is her 35th anniversary of public service.

Mayor Balducci read a commendation of Chief Pillo's 35-year career in law enforcement. Chief Pillo was the first female to serve as Bellevue Police Captain, Major, Deputy Chief, and Chief. The commendation highlights many of her accomplishments and leadership roles, as well as the decrease in violent crime in Bellevue since 2008.

Mayor Balducci said it has been a true pleasure to work with Chief Pillo and she will miss her. She congratulated Chief Pillo and presented the commendation to her.

Chief Pillo thanked the Council and said she has been privileged to serve 28 years of her 35-year career with the City of Bellevue, including the past seven years as Police Chief. She thanked the Council for its support over the years. She praised the dedication and professionalism of Bellevue staff and said she believes that Bellevue residents are getting a good value for their tax dollars. As she retires, she hopes to take 10 strokes off her golf game.

Councilmember Lee congratulated Chief Pillo on her impressive career rising through the ranks. He commented on the integrity of the Bellevue Police Department and thanked Chief Pillo for her leadership in keeping Bellevue a safe community.

Councilmember Chelminiak said Chief Pillo leaves Bellevue a safer and better place, and he has enjoyed the opportunity to work with her. He thanked her for her work and noted that she is appreciated by the community.

Councilmember Robinson thanked Chief Pillo for her responsiveness to the community over the years. Ms. Robinson said that when she was campaigning to serve on the City Council, she heard a lot of praise from residents about the Police Department's aggressive response to home burglaries.

Councilmember Stokes thanked Chief Pillo for her work and accessibility. He commended her leadership, which has involved Deputy Mayor Wallace as well, to address human trafficking within the region.

Councilmember Robertson said Chief Pillo is an inspiration and model for young women, for the men and women who have served under her, and for the community. She credited Chief Pillo's work in establishing the Bellevue Police Foundation and in leading the Police Department through accreditation. Councilmember Robertson noted that violent crime has decreased every year since 2008, the year that Ms. Pillo became the Police Chief.

Deputy Mayor Wallace thanked Chief Pillo for her effectiveness in leading the Police Department. He appreciates the strong relationships that have been developed in recent years between the Police Department and the business community.

Chief Pillo thanked the Council for the recognition. She commended Police Department staff and credited them with keeping the community safe.

→ Councilmember Robertson moved to amend the agenda to add Item 4(e), NE 4th Street Property Acquisition Settlement Agreements. Deputy Mayor Wallace seconded the motion.

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

3. Oral Communications

(a) Sam Bellomio, StandUP-America, said there is a great deal of discussion about good news and things that are going well. However, he believes there needs to be more citizen involvement in local government. He urged the Council to require that Police detectives track how they use their time and how money is spent. Mr. Bellomio expressed his ongoing opposition to red light cameras.

(b) Alex Zimmerman, StandUP-America, characterized local government as hypocrisy. He said that longer terms for elected officials and government management foster corruption.

Mr. Zimmerman said he has been expecting a response on an issue from the Acting City Manager since 2013. He has had trouble with the Bellevue Police Department for 25 years, and they evicted him from his apartment the previous week. Mr. Zimmerman asked for change in City government, including question and answer forums with the City Manager.

- (c) Marty Nizlek, representing the Washington Sensible Shorelines Association (WSSA), thanked each Councilmember for meeting with their members. The WSSA believes that the draft Shoreline Master Program (SMP), as recommended by the Planning Commission, is environmentally sensitive and balanced. He said shoreline residents represent less than three percent of Bellevue's single-family parcels. He said the update has been a long process. During that time, the State has clarified that: 1) not all shorelines are critical areas, 2) the goal of the Shoreline Management Act is to protect existing ecological function and not necessarily to restore shorelines to some previous condition, and 3) legally developed improvements can be considered as conforming. Mr. Nizlek left written material for the Council and staff.

4. Study Session

- (a) Council Business and New Initiatives

[There were no reports.]

- (b) Shoreline Master Program (SMP) Update, Study Session 2 – High-level review of the Planning Commission's Recommendation and Orientation to the State Adoption Requirements

Acting City Manager Brad Miyake opened discussion regarding the Shoreline Master Program (SMP) Update.

Carol Helland, Land Use Director, introduced Lacey Hatch, Assistant City Attorney, and Dick Settle, attorney with Foster Pepper and a Seattle University professor. She highlighted the meeting objectives to: 1) review the updated SMP completion process, 2) orient to the Shoreline Management Act and State adoption requirements, and 3) present a high-level review of the SMP Update transmitted to the City Council from the Planning Commission.

Ms. Helland reviewed the process timeline and SMP completion plan. The Council is scheduled to review the Cumulative Impact Analysis on April 28, and discussions of substantive topic areas will be held in May and June. In late June/early July, a public hearing will be held before the final SMP Update package is adopted and transmitted to the State Department of Ecology.

Mr. Settle provided a history of the Shoreline Management Act and Shoreline Guidelines, and noted that the Council has a great deal of discretion in these matters. The Shoreline Management Act was adopted in 1971 following a Washington Supreme Court landmark case, the Lake Chelan decision, in 1969. The case involved a property owner on Lake Chelan who was sued by his neighbors for adding fill along the shoreline of his property. This was determined to be

unlawful under the public trust doctrine, which states that the public has the right to navigation and recreation on state waters. The fill by the neighbor interfered with those rights.

Mr. Settle described how that case triggered widespread support for environmental protection, which was followed by the adoption of the State Shoreline Guidelines. A voter initiative was presented and approved as the Shoreline Management Act in 1972. The original Guidelines were not reviewed again until the late 1990s, and a new set of Guidelines was adopted in 2000. Several groups challenged these guidelines and appealed to the Shoreline Hearings Board, which held them to be non-compliant with the Shoreline Management Act. The State subsequently hired three legal experts, including Mr. Settle, to mediate and reconcile the interests of a broad range of entities, which ultimately reached a consensus on a new set of Shoreline Guidelines.

Mr. Settle said the State Shoreline Guidelines, adopted by the state legislature, are the most extensive constraints on the City's policy choices with regard to the Shoreline Master Program. He said the development of the Guidelines involved a great degree of compromise in balancing the utilization and protection of the shorelines. Mr. Settle said that local governments have discretion in creating their Shoreline Master Programs.

Mr. Settle said the Shoreline Guidelines incorporate the concept of no net loss of ecological function. He observed that no "net" loss implies there can be tradeoffs. However, the Shoreline Guidelines do not define ecological function or the potential tradeoffs.

Mr. Settle said there is a lack of precision in the law, yet the City has the daunting task of trying to satisfy the standards of the Guidelines and the law in its Shoreline Master Program. The City must also prepare a Cumulative Impacts Analysis to demonstrate that the SMP will achieve no net loss of ecological function. It is difficult to predict how the State and/or Courts will interpret local regulations. Mr. Settle said he believes the City has a great deal of discretion but it must also decide what level of legal risk might be involved in the final SMP.

Ms. Helland said there is a lack of clarity because there is no prescriptive requirement to meet. The Planning Commission knew this and was careful about maintaining balance in its choices and in the draft SMP Update. The Council's job is to review the draft and determine whether changes should be made. Ms. Helland said she is confident the City, in working with Mr. Settle, will be able to make a good argument in support of the appropriate regulations and tradeoffs for Bellevue.

Mayor Balducci thanked Mr. Settle for the history and overview of this policy area.

Ms. Helland referred the Council to an outline of the recommended Shoreline Master Program, which is provided beginning on page 4-9 of the meeting packet. She explained that each heading corresponds to tabs in the Council's notebooks. She said the purpose that evening was to provide a general overview of the plan recommended by the Planning Commission.

Responding to Mayor Balducci, Mr. Settle said that, if the State disagrees and/or disapproves the City's SMP, the City would need to do additional work until the State approves or the City could appeal the disapproval to the Growth Management Hearings Board.

Councilmember Robertson clarified that Shoreline Master Programs are typically negotiated between local jurisdictions and the State DOE.

Continuing, Ms. Helland said the Council's binders include a current version of the Shoreline Master Program Element policies of the Comprehensive Plan as well as Land Use Code Section 20.25E. She said both Lake Washington and Lake Sammamish are designated as shorelines of statewide significance.

Ms. Helland said the Planning Commission wants predictable standards and asked that the shoreline be measured from a specific elevation point. That method was in the City's Code several years ago but the State Department of Ecology asked the City to change it. The Planning Commission is asking staff to make another run at defending that static elevation line which is identified in the recommended SMP Update.

Ms. Helland described the types of shoreline environments including the land below the ordinary high water mark, urban conservancy (i.e., active beach parks), urban conservancy open space, shoreline residential (which is the bulk of Bellevue's shoreline area), shoreline residential canal (i.e., Newport Shores), and the recreational boating environment. Ms. Helland noted Section 20.25E.030, Shoreline Use Charts, and said that anything not specifically identified as a shoreline use is prohibited.

Ms. Helland highlighted topics covered by Section 20.25E.040, Nonconforming Shoreline Conditions, and Section 20.25E.050, Dimensional Requirements.

Ms. Helland said that compliance with LUC Section 20.25E.060 is intended to equate to compliance with the concept of no net loss of ecological function. She said this is similar to the approach taken with the Critical Areas Ordinance. As long as development stays within this "safe harbor," the use can be permitted. Ms. Helland noted that Bellevue followed the City of Mercer Island in this approach. She said there is flexibility to depart from the safe harbor, however, through a shoreline special report, variance, or conditional use permit process.

Councilmember Robertson said she likes the safe harbor concept because it allows property owners to complete projects without having to hire a group of experts or consultants to establish compliance.

Continuing, Ms. Helland noted additional sub-sections of 20.25E.060: archaeological and historic resources, critical areas in the Shoreline Overlay District, parking/loading space, maintenance access, public access, signage, vegetation/landscaping, water quality, stormwater, and nonpoint pollution. Under water quality, the City added language to acknowledge that responsibility for the control of water quality, stormwater, and nonpoint source pollution is not just an obligation for shoreline property owners.

Responding to Councilmember Robinson, Ms. Helland confirmed that the water quality, stormwater, and nonpoint source pollution regulations do apply citywide. Staff will demonstrate

to the State that the City has other citywide standards and programs that address water quality, beyond the shoreline regulations.

Councilmember Robertson said she appreciates that approach because water quality is a watershed issue. She said one of the biggest polluters for Lake Sammamish is runoff from I-90. Even if no one lived on the lake and it was returned entirely to native vegetation, the freeway pollution would still be going into the lake.

Deputy Mayor Wallace questioned whether the Cumulative Impact Analysis could also be considered a cumulative benefit analysis. Ms. Helland said yes, impacts can be either negative or beneficial. The SMP Update will describe the types of federal, state and local regulations the City applies elsewhere within the Code that contribute to ecological function.

Mr. Wallace observed that the City's stringent Stormwater Code, for example, leads to an enhancement of ecological functions citywide. Ms. Helland confirmed that the SMP references other regulations that benefit the shoreline condition.

Councilmember Robertson questioned whether The Watershed Company, which is performing the Cumulative Impact Analysis, has been given documentation about the City's programs within the Utilities Department and the Transportation Department that benefit the environment and water quality. Ms. Helland said the consultants are conducting both a regulatory and program analysis.

Moving on, Ms. Helland said the Planning Commission spent most of its time discussing Section 20.25E.065 (16 pages) on Residential Shoreline Regulations. Those issues will be discussed in greater detail with the Council in the near future. The Cumulative Impact Analysis will be presented on April 28 by The Watershed Company.

The remainder of LUC 20.25E is: 20.25E.070, Specific Use Regulations; 20.25E.080, Shoreline Modifications; several sections on procedures and types of decisions; several sections on permits; and sections on administration, enforcement, and definitions. Additional documents in the Council's binders are the restoration plan, maps, and comments from the Environmental Services Commission and from the Parks and Community Services Board. Light rail information and the Cumulative Impact Analysis will be added in two weeks.

Ms. Helland said the Planning Commission concurs with the process of Council approving the Shoreline Master Program as a Resolution as opposed to an Ordinance. This would trigger negotiation with the State Department of Ecology, and the final SMP Update will be adopted by Ordinance.

Responding to Councilmember Chelminiak, Ms. Helland said the DOE will likely hold its own public hearing on whatever plan it approves for the City. In further response, Ms. Hatch said the DOE would need to review any substantive changes made later by the City.

Councilmember Chelminiak expressed concern about obtaining approval by the DOE and then someone thinking of one more thing he or she would like to add/change when it comes back to the Council to be adopted as an Ordinance.

Councilmember Robertson said she sees a benefit to approving the draft plan first as a Resolution, and adopting it later as an Ordinance, because that makes the effective date clear. She said it also would be uncommon for the DOE to not make at least one change to the City's plan.

Ms. Helland offered another consideration. If the Council were to approve the draft SMP and conformance amendments as an Ordinance, that would delete all of the sections of the currently applicable Shoreline Code, but the SMP would not go into effect until the DOE approved it. That would leave a gap in regulations for the short term.

Responding to Councilmember Robertson, Ms. Helland said staff will conduct a constitutional analysis of the SMP Update.

Mayor Balducci summarized that this process requires balancing a number of priorities and objectives. She recalled that, with the Critical Areas Ordinance, the Council did make changes to what was recommended by the Planning Commission. She believes this resulted in a compromise that worked well for the community.

At 8:30 p.m., Mayor Balducci declared a short break.

The meeting resumed at 8:36 p.m.

(c) Bellevue Transit Master Plan – Draft Transit Capital Vision Report

Mr. Miyake introduced discussion of the Bellevue Transit Master Plan, which was initiated by the Council in July 2012 as an update to the City's 2003 Transit Plan. At that time, the Council approved project principles to guide the Transportation Commission in overseeing this process. The Service Vision Report was completed last fall, and the purpose of this presentation is a discussion of the Draft Capital Vision Report.

Franz Loewenherz, Senior Planner, said tonight's report will inform the Transportation Commission's final Capital Vision Report. Staff will return on May 19 with the Draft Transit Master Plan Report, which consolidates the service, capital, and policy elements of the project. A June 26 public hearing is scheduled with the Transportation Commission, and Council adoption of the Transit Master Plan Report is slated for adoption on July 7.

Mr. Loewenherz summarized the community outreach process for updating the Transit Master Plan which included the involvement of corporations, agencies, educational institutions, bus riders and non-riders, and the City's Boards and Commissions.

Transportation Commission Vice Chair Scott Lampe recalled that he and Commissioner Larrivee presented the Commission's transmittal letter to the Council on May 20, 2013, which outlined

support for a set of service-oriented strategies that will lead to the abundant access of transit services. The Transit Service Vision Report was released October 2013. Mr. Lampe said the Transportation Commission has worked during the past six months to identify the frequent transit network and capital-oriented strategies.

Mr. Lampe said the Commission worked with Transpo Group, the project consultant overseeing the micro-simulation travel demand modeling work. During the Council's November 12, 2013 meeting, the Council asked the Commission and staff to consider how the policy framework would translate into practical, achievable strategies in the near term and establish a foundation for longer term improvements through the 2030 plan horizon. Transportation Commission representatives and staff are here tonight to respond to this request.

Mr. Lampe said the Transit Capital Vision Report (March 2014) considers the types of infrastructure that support productive, accessible, and efficient transit services, and recommends investments that would help the City realize its proposed 2030 FTN (Frequent Transit Network). Capital elements include arterial HOV lanes, transit signal priority, commuter parking facilities, shelters, pedestrian and bicycle infrastructure, and a number of other elements. Mr. Lampe said the projects in the capital report are conceptual in nature and final design details will be developed in the future.

Commissioner Vic Bishop described how projects were ranked as high, medium, or low impact depending on the value they bring to improving transit speed and reliability on FTN corridors. He described proposed projects in North Bellevue and in South Bellevue, some of which are already in the City's Capital Investment Program (CIP) Plan or Transportation Facilities Plan (TFP). He said the NE 6th Street extension is important because implementation of the 2030 FTN route structure depends on that project's completion.

Mr. Bishop identified improvements on 116th Avenue NE that would have a high positive impact at a low/medium cost level. He described a proposal for eastbound peak period HOV-only lanes on Main Street and NE 10th Street between Bellevue Way and 112th Avenue NE. This concept was considered somewhat controversial because it would convert general purpose lanes to HOV usage, and the degree of improvement was found to be relatively minor compared to the improvements anticipated by other projects.

Mr. Bishop highlighted projects in South Bellevue including Bellevue Way from I-90 to the Y at 112th Avenue SE and access to Bellevue College from 142nd Place SE and 148th Avenue SE. Three high priority projects are one of the Bellevue College connections, turn lane and signal timing improvements at Coal Creek Parkway and 119th, and improvements to existing transit signal priority operations at the South Bellevue Park and Ride lot.

Commissioner Janice Zahn described the consideration of transit signal priority (TSP) treatments. She said a certain number of candidate projects were identified. Near-term projects are signalized intersections served by Route 271 and the RapidRide B Line that have not been eliminated by the early feasibility screening. She said the Transportation Commission determined that 14 intersection locations should be eliminated from consideration because light pre-emption would cause unacceptable delays to cross traffic.

Ms. Zahn described the need for Park and Ride facilities and the need to better balance the use of lots along I-90. Several lots east of Bellevue are under capacity. Metro's leasing of lots at churches is one alternative for providing additional capacity. She noted that land use permitting for transit leased lots varies by jurisdiction. Some cities identify this as an allowable use, while the City of Bellevue's Land Use Code requires applicants to secure an accessory conditional use permit. The Transportation Commission suggests that the City evaluate this topic further as part of a future Land Use Code amendment.

Ms. Zahn described a proposed project at 142nd Place SE and Snoqualmie River Road to improve access to Bellevue College. This involves roadway and other improvements to support very frequent transit service including a stronger road surface, sidewalks, bike facilities, bus stops, parking, and non-motorized improvements to the 142nd Place SE bridge.

Ms. Zahn said Sound Transit staff recently agreed to include this facility in its long-range plan, making this project eligible for consideration as part of the ST3 funding package. Bellevue's Eastgate/I-90 Citizens Advisory Committee identified this project as a catalyst for redeveloping the area and providing a multi-modal corridor.

Councilmember Robinson expressed strong support for the Bellevue College proposal and the usage of leased lots as Park and Ride facilities. However, she does not envision Main Street's use of HOV lanes as reflected in the proposal described earlier. Commissioner Bishop confirmed that this was a low priority project

Ms. Robinson commented on the creation of transportation corridors and retail corridors in Pasadena. She likes that concept and would like to preserve Main Street as a retail corridor.

Mr. Bishop said the Transit Master Plan identifies a number of streets by usage. The two primary transit streets are 108th Avenue from Main Street to NE 10th Street and NE 6th Street from 108th Avenue to I-405.

Deputy Mayor Wallace noted page 4-30 of the meeting packet [Page 8 of the Capital Vision Report Executive Summary], which refers to the Development Lot where all transit trips begin and the pedestrian/bicycle environment. He questioned the connections between those two entities, as well as to transit stops. He questioned how suburban transit users are to connect to transit services.

Commissioner Bishop said leased Park and Ride lots are intended for usage along the FTN corridors.

Mr. Wallace observed that Park and Ride lots are key to transit use, especially for the Eastside. He said this is a common topic of discussion among Eastside cities, businesses, and others. He believes this element is missing from the Transit Master Plan.

Commissioner Zahn referred to information in the Transit Stop section of the Capital Vision Report which identifies 36 potential leased lots within one-quarter mile and one-half mile of the FTN.

Deputy Mayor Wallace suggested reviewing Bellevue's requirement that leased lots obtain conditional use permits.

Mr. Wallace noted the ideas of queue jumps, transit signal priorities, and bus lanes, and questioned how the Transportation Commission balanced those with the concept of vehicle usage. He noted that 90-95 percent of trips citywide occur with cars. He said the Council spent four years fighting to keep light rail off City streets because the right-of-way is needed to support projected growth, especially in the Downtown.

Mr. Loewenherz said the Commission considered that issue. For example, the proposal for 116th Avenue NE compared person throughput to vehicle throughput during the PM peak period, and was found to have a high beneficial impact.

Commissioner Bishop commented on the Commission's review of projected levels of service at intersections through 2030. He said most of the proposed projects add lanes/new capacity for transit service. Mr. Wallace said he would not support the Main Street proposal using HOV lanes.

Responding to Mr. Wallace, Commissioner Zahn said the low priority/benefit projects are not likely to be implemented. However, the report documents the range of ideas that were studied and considered.

Deputy Mayor Wallace said he appreciates the report and the Commission's work. However, he would like to understand the implications, for future mitigation discussions, of keeping low priority/impact items in the report.

Councilmember Robinson said the Main Street proposal is actually a medium impact/priority project. Mr. Bishop concurred.

Mayor Balducci said that, when the Council adopts plans, there are potential ramifications for adjacent property owners. Mr. Wallace confirmed that that potential is his concern. She suggested a clear understanding of the implications of keeping low priority projects in the Transit Master Plan before it is adopted by the Council. However, she understands the importance of demonstrating what was studied and evaluated.

Councilmember Chelminiak suggested a counterpoint; that if projects are removed now, it might not be possible to ever get them back on the list for consideration.

Mr. Chelminiak thanked the Transportation Commission for the report. He observed that it is a positive step forward in recognizing the important role of transit services for the Downtown and citywide. He shares Deputy Mayor Wallace's interest in reviewing the current requirement for a

conditional use permit for leased lots. Mr. Chelminiak agrees with the importance of considering person throughout when comparing projects.

Councilmember Chelminiak said he has concerns about Bellevue Way SE projects. Mr. Bishop said these were not mentioned because they are in the existing Transportation Facilities Plan (TFP) and they are the base model for the Downtown Transportation Plan update. Mr. Chelminiak said he continues to have issues related to those projects.

Councilmember Stokes thanked the Transportation Commission and staff for the report. He commented on the challenge of balancing Bellevue's car-intensive history with increased transit usage. He noted that individuals will continue to use bus transit in and out of Bellevue even after light rail is implemented. He agrees with the need for commuter parking facilities and suggested it might be helpful to expand that section of the report [Page 15 of the Executive Summary]. Mr. Stokes said he strongly supports the proposals for access to Bellevue College.

Councilmember Robertson thanked the Transportation Commission for its work. She expressed support for expanding the use of leased lots. She noted that Councilmembers did not receive the full Transit Capital Vision Report tonight so she is commenting from the Executive Summary provided in the meeting packet.

Ms. Robertson questioned whether the capital proposals are anticipated as budget requests in the current budget cycle.

Mr. Loewenherz said that adoption of the Bellevue Transit Master Plan by the Council is requested for July 7. However, the projects are conceptual in nature at this point and staff is exploring the feasibility of key ideas.

Ms. Robertson referenced page 6 of the report's Executive Summary [Page 4-28 of meeting packet]. Under Figure 6, priority 3 states that "high-ridership frequent transit deserves a higher priority than low-occupant private vehicles in access to limited road capacity." She observed that this is inconsistent with the emphasis on people throughput and not vehicle throughput. Mr. Loewenherz said Figure 6 reflects themes identified during a workshop with the Boards and Commissions.

Councilmember Robertson said she concurred with her colleagues about the importance of Park and Ride lots. She questioned whether staff or the Transportation Commission have looked at the impact of Park and Ride lot capacity and locations, outside of Bellevue, on Bellevue traffic. She said some jurisdictions are more enthusiastic about Park and Rides than others, and they provide a benefit for everyone in the region.

Mr. Loewenherz said the Capital Vision Report contains approximately 20 pages addressing commuter parking, as well as extensive documentation in the appendices regarding demand along the I-90 and I-405 corridors for 2030.

Mr. Bishop noted that the leased lot approach is focused on providing access to transit for Bellevue residents who want to travel to Downtown Bellevue. He contrasted that to the purpose of the regional Park and Ride lots (e.g., Eastgate).

Councilmember Robertson questioned the consideration of other transportation modes including taxis, vanpools, ride shares, and private transit. Mr. Loewenherz said those items were not part of the discussion in developing the Transit Master Plan.

Responding to Ms. Robertson, Mr. Bishop said the 116th Avenue NE project is the only one other than Main Street and NE 10th Street that repurposes general capacity lanes to HOV usage. Ms. Robertson concurred with Councilmember Wallace's comments about light rail and the Council's interest that it not give up general purpose lanes for light rail use. She said the Council has had a similar discussion about I-405 and not wanting to see general purpose lanes turned into HOT (high-occupancy toll) lanes.

Mr. Loewenherz noted that plans for the 108th Avenue NE corridor are still unclear from the Downtown Transportation Plan.

Responding to Ms. Robertson, Mr. Bishop said the evaluation of candidate projects included careful consideration of their impact on the broader transportation network.

Councilmember Robertson thanked the Commissioners and staff for the report.

Noting the time, Mayor Balducci said Item 4(d) regarding the multifamily tax exemption would be postponed to a future meeting.

Councilmember Lee thanked the Commission and staff for their extensive work. He expressed support for the Bellevue College proposal.

Mr. Lee noted slide 27 of the presentation, which shows transit services connecting activity centers citywide. He questioned whether the proposed projects improve transit access from neighborhoods.

Commissioner Bishop said the Transit Master Plan focuses primarily on the Frequent Transit Network (FTN), but that is not the only transit network.

Mr. Loewenherz noted that the graphic on slide 27 is the report cover for the 2003 Bellevue Transit Plan. He said the current plan update is striving, to a large extent, to provide similar connections that move more people to reach more destinations in less time.

Councilmember Lee said it would help to have a bigger picture of where Bellevue fits into the larger regional network.

Mayor Balducci suggested that a map in the Service Vision Report reflects the broader network. Mr. Loewenherz noted the map of the 2030 FTN.

Mayor Balducci asked staff to develop a visual tool that might better reflect the context of Bellevue's transit master plan within the broader regional transit network.

Mayor Balducci commended the report for its use of performance data to guide the recommendations and priorities needed to support the Frequent Transit Network. She appreciates that the Commission considered transit projects within the broader context of the overall transportation system. She thanked all of the Commissioners for their work.

Commissioner Bishop said the plan triples transit ridership citywide by 2030.

Ms. Balducci said this work has been used in the past to advocate for added bus service for Bellevue. She observed there are no recommendations along 156th, 148th or 140th Avenues south of NE 8th Street.

Mr. Loewenherz said this work involved looking at all previous planning efforts, which included the 148th Avenue Mobility Improvement Program. He observed that what is included in the report are projects that will provide the highest positive impact.

Mr. Bishop said a number of projects dropped out of the analysis because they did not rate very high in terms of citywide mobility. He said more details are provided in the full report.

Ms. Balducci expressed strong support for the Bellevue College proposal.

Mayor Balducci thanked everyone again for their work and for staying so late for the meeting.

Commissioner Zahn thanked staff for all of their work with the Transportation Commission.

→ Councilmember Robertson moved to extend the meeting to 10:15 p.m., and Councilmember Stokes seconded the motion.

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

At 9:55 p.m., Mayor Balducci declared a short break.

The meeting resumed at 10:03 p.m.

(d) Multifamily Tax Exemption Discussion

[Postponed to allow Item (e) to be addressed.]

(e) NE 4th Street Property Acquisition Settlement Agreements

Mayor Balducci introduced discussion regarding settlement agreements for the NE 4th Street transportation project. She noted this is one of the City's highest priority projects. Copies of the applicable Resolutions are included in the Council's desk packet.

Kate Berens, Deputy City Attorney, said the Council is asked to approve two settlement agreements for the acquisition of property needed to complete the NE 4th Street project between 116th Avenue NE and 120th Avenue NE. Resolution No. 8729 represents the acquisition of property rights needed for Phase 1 of the project, and Resolution No. 8730 represents property rights needed for Phase 2.

→ Councilmember Robertson moved to:

Approve Resolution No. 8729 authorizing execution of a Settlement Agreement with Bellevue 116th Avenue, LLC, for acquisition of property rights necessary for Phase 1 of the NE 4th Street Extension Project, in the amount of \$6.2 million as the City's last best offer, and withdrawing this offer of settlement if not accepted by 5:00 p.m. on May 5, 2014; and,

Approve Resolution No. 8730 authorizing execution of a Settlement Agreement with 457 120th Avenue NE, LLC and Best Buy Store, LP, for acquisition of property rights necessary for Phase 2 of the NE 4th Street Extension Project, in the amount of \$12.84 million as the City's last best offer, and withdrawing this offer of settlement if not accepted by 5:00 p.m. on May 5, 2014.

Councilmember Stokes seconded the motion.

Councilmember Robertson said the City has been working on this project, one of the City's highest priority projects, for a long time. The City has been negotiating with the parties for some time to reach an agreement for acquiring the properties. It is time to conclude those negotiations. The settlement terms of the City's last best offers fairly reflect the impact and benefit of this project on the property owners.

Ms. Robertson noted that the dollar amounts are more than the City would like to pay. However, the project needs to move forward in order to retain grants funds for the project. If the settlement offers are not accepted, there will be significant project impacts and the City would need to reevaluate its position with respect to the settlement. She believes it is in the best interest of all parties to keep the project moving forward.

Deputy Mayor Wallace expressed support for the motion. While the settlements reflect a large price tag, he noted that the project provides significant benefits for the City's transportation network. This infrastructure supports private businesses which provide jobs, new shopping opportunities, and sales tax revenues. He believes it is important to retain the Best Buy store.

Mr. Wallace thanked staff for their hard work on these complicated agreements.

Councilmember Lee expressed support for the settlement agreements related to this important project connecting Downtown Bellevue to the Wilburton and Bel-Red areas and farther east. He said it is time to conclude the negotiations and he supports the agreements as the City's last best offers. He believes the agreements benefit both the property owners and the City.

Councilmember Stokes concurred with his colleagues' comments and expressed support for the settlement agreements. He wants to move forward with the completion of the NE 4th Street project.

Councilmember Chelminiak said the NE 4th Street project became a top priority because it is a critical link to other transportation projects in the Wilburton and Bel-Red areas. He commented that the City has gotten very close in negotiations before, to then be faced with new demands for more money from the property owners. He noted that this occurred as late as 5:30 p.m. tonight. He is ready to conclude negotiations. He is inclined to vote against the settlement agreements, but he will support the motion in order to move the project forward. He said the City has been more than reasonable, but is doing so within its fiduciary responsibility.

Councilmember Robinson said she believes this is a good faith offer by the City and she would like to move forward with the project.

Mayor Balducci said she fully understands the importance of the NE 4th Street project and shares in the desire to complete it. She noted that reasonable minds can differ, and she is not as unsupportive as she is about to sound. However, she will vote against the motion. She would like to go on record as saying that elements were injected into the settlement negotiations that go far beyond the City's obligations when condemning properties for a project.

Ms. Balducci said the City has been very flexible and has redesigned the project a number of times. The Council has had multiple executive sessions on the property acquisitions. She supports the overall transportation project but believes the settlement offers go too far.

→ The motion carried by a vote of 6-1 with Mayor Balducci opposed.

Mayor Balducci said the temporary room is in use for Council meetings while upgrades are made to the Council Chamber and Council Conference Room. She noted the extensive crew need to produce and broadcast the meetings and thanked them for their work.

Mayor Balducci declared the meeting adjourned at 10:14 p.m.

Myrna L. Basich, MMC
City Clerk

/kaw