

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Special Meeting
Council Retreat

February 3-5, 2011

Semiahmoo Resort
Anacortes, Washington

PRESENT: Mayor Davidson, Deputy Mayor Lee, and Councilmembers Balducci, Chelminiak, Degginger, Robertson, and Wallace

ABSENT: None.

Thursday, February 3, 2011

The meeting was called to order at 8:15 p.m., and all Councilmembers were present.

Mayor Davidson opened the retreat by reminding Councilmembers to listen to each other, keep comments to the issues, and to self-monitor how long they speak on any given topic. He said that the goal of the retreat is sound policy-making, and he noted that Council Rules will be discussed later in the retreat.

City Manager Steve Sarkozy reviewed the agenda for the retreat.

Deputy Mayor Lee commented on the retreat format. He noted that the Council has accomplished a great deal, but that there is much more work to be done. He said it is good to look at visions and goals, while keeping in mind the budget and resource constraints. Much of the retreat will focus on the 2011-2012 Budget and the 2011-2017 Capital Investment Program (CIP) Plan. He commented on the importance of economic development in addressing infrastructure needs.

Mayor Davidson noted that a significant number of identified CIP projects are not funded. General capital funding strategies and operating budget issues are included on the retreat agenda, as well as economic development issues.

Mr. Sarkozy turned to the *Retrospective* document, which is intended to capture major trends over the past ten years. He reported on a number of performance metrics identified by an outside committee that identified key indicators that the City is functioning well. The region's cardiac save rate may be the highest in the country. The proportion of residents who rate the City as a

good or excellent place to live increased from 91 percent to 97 percent over the past ten years. A similar percentage of residents feel that they are getting a good taxpayer value for the City's services and facilities. Mr. Sarkozy noted that, overall, the City has held its ratings despite the slowed economy. However, he acknowledged that the organization can always improve on processes and services.

Mayor Davidson praised City staff, and noted that service quality has not decreased despite staffing reductions. He is proud of staff for picking up the load that has been required in recent years. Mr. Sarkozy commented on staff's active management and proactive approach to constantly evaluating processes and looking for opportunities for improvements.

Responding to the Council, Mr. Sarkozy said that census data will be released in several phases. Mayor Davidson commented that the daytime population is becoming a significant factor, and that this increase in businesses and employment can potentially result in higher crime rates.

Mr. Sarkozy invited Councilmembers to comment on items that have gone well over the past year, as well as items that did not develop or resolve as anticipated.

- Developing the Meydenbauer Park and Land Use Plan in partnership with residents.
- The new Budget One process went very well, and included extensive involvement of both staff and the Council. The Council increased reserves in the budget.
- A key outcome of the budget process is a greater understanding among staff about what the different departments do, and how they can work together more effectively.
- The budget process was challenging, but things went well as a result of the careful work by the Council, City Manager, and staff.
- Progress on the SR 520 bridge replacement and Eastside HOV project. The SR 520 planning process demonstrated what cities and other groups can accomplish by working together.
- The City received an award for the Bel-Red Plan.
- The City worked with King County to develop a solution for the delivery of animal control services.
- The City avoided the need to build a municipal jail.
- Microsoft's decision to locate significant a portion of its work force in Downtown Bellevue. Opening of Microsoft store and other businesses even in a slowed economy.
- The City is working to expand cultural and economic ties. The top accomplishment of the Economic Development Program was building a relationship with the Indian consulate.
- The Council and staff continue to work on building trade relations with entities in India, China, and Mexico. The State has recognized Bellevue's ability to communicate with economic development proponents.
- Bellevue is successful in recognizing its multicultural population.
- The City received a grant from the State to build an economic development portal, which has been significant in fostering relationships. An ambassador from the Middle East and representatives from other countries have been involved with the City in promoting economic development.

- Ability to draw international businesses (e.g., Expedia, Clearwire, Motricity) to Bellevue. Councilmembers expressed an interest in creating an Economic Development panel to discuss ideas about bringing more business to Bellevue.
- The City Manager described a 4G-supported technology that enables faster downloading of data. Bellevue is viewed as center for this kind of technology (Microsoft, HCT) as well as gaming (Bungee, etc.) He noted an objective to bring a high technology conference to Meydenbauer Center.
- Councilmembers acknowledged the need to evaluate the costs and benefits of these economic development activities.
- Implementation of the Children's Hospital property transaction and environmental work.
- The City is continuing to support arts and cultural organizations despite the slowed economy.
- Opening of the new Lake Hills Library as part of Lake Hills Shopping Center redevelopment plan.

The Council reviewed areas and issues that have not gone as well as perhaps they could have.

- The Council/City could do a better job of communicating to the public about what is going on, what the Council is doing, and why they are doing it.
- Councilmembers noted the lack of a well-coordinated communications plan, and the need to move forward with social media. Councilmembers expressed an interest in expanding the participation of Councilmembers in media releases. However, they acknowledged the need to ensure equity and to be careful with regard to public records issues.
- Some Councilmembers expressed frustration with staff's lobbying on topics that are not part of the Council-approved legislative agenda, as this sends mixed messages to state legislators.
- Councilmembers want to receive complete information in the Council packets distributed on Thursdays, instead of receiving significant content, draft letters, etc., over the weekend or in the Desk Packet.
- Councilmembers requested a running calendar of agenda items planned for the coming month or so, or longer if possible. However, they acknowledged that many agenda items are out of the Council's control.
- Councilmembers expressed an interest in greater advance notice about the topics of Executive Sessions.
- Concern was expressed about an over-reliance on PowerPoint presentation materials in some cases, with insufficient information being provided in meeting packets.
- Council commented on a disparity in the level of information and quality of staff presentations, and suggested that coaching might be helpful in some cases. Feedback should be provided to staff on what went well and what did not.
- Some Councilmembers expressed an interest in more individual briefings to receive detailed information on complex matters. Council action should not be scheduled until the Council is ready to make a decision. More advance information and enhanced communication could expedite decisions once the Council feels ready.
- Some Councilmembers are interested in paperless packets.

Council's preliminary discussion identified the following short-term action items:

- The need to spend more time with Expedia.
- Develop appropriate measure for assessing the costs and benefits of Economic Development activities.
- Better use of communications tools, including social media, and enhanced participation of Councilmembers in media messaging.
- Memo to staff regarding lobbying in Olympia.

At 10:12 p.m., Mayor Davidson declared the meeting adjourned.

Friday, February 4, 2011

Mayor Davidson called the meeting to order at 8:41 a.m., and all Councilmembers were present.

City Manager Sarkozy introduced discussion of the community vision, audacious goals, and emerging opportunities. He reviewed the *Meeting the Challenges for Tomorrow* vision established by Council in 2004 as part of the Comprehensive Plan, and encouraged a focus on continuing to push to be an ever-better, world-class city. Mr. Sarkozy said that departments are well run, and staff is working to further hone their management skills.

Mr. Sarkozy reviewed the audacious goals identified by the Council in 2000 including ensuring that Bellevue is the Eastside transportation center, including a light rail Downtown tunnel and multi-modal facility; implementing a local circulator system; connecting the Downtown with Meydenbauer Bay; and partnering with the community to develop a performing arts center. Additional goals introduced at the 2001 Council Retreat include a Public Safety facility, evaluation of parks and open space land acquisition options, and continued partnership with public schools to provide recreation and meeting facilities.

Mr. Sarkozy noted that there are concerns by some in the community that the organization is not adequately focused on the future. He recalled that when he joined the City, the approach was to create a vision that was led by and endorsed by the Council, rather than department staff. He invited discussion about what the Council wants to accomplish and what opportunities it sees.

Deputy Mayor Lee observed that Bellevue does not have a true transportation center in terms of location, the overall system, and the broader concept of mobility. He believes that a local circulator system should be part of this vision.

Councilmember Chelminiak concurred that the transportation center should be more than a bus facility and should be multi-modal in nature.

Councilmember Robertson noted the need to assure that light rail is beneficial, and not detrimental, to Bellevue. Any new mobility systems should add capacity and throughput.

Councilmember Chelminiak believes the focus should be more on how the broader system functions, instead of on the details of light rail, a circulator system, and other elements. He noted

that streets can be blocked by both buses and light rail. He commented on discussions suggesting a large parking facility on the east side of I-405, and said it is important to consider the light rail Hospital Station, Pedestrian Corridor, and other key destinations.

Councilmember Balducci believes there is a need to get back to looking at arterials in East Bellevue (e.g., 148th and 156th Avenues). When the economy improves, there will likely be increased traffic impacts in those areas.

Mr. Sarkozy suggested looking at the tolling of pass-through traffic on City arterials via transponders, similar to what WSDOT is doing with SR 520 and other freeways.

Ms. Balducci believes it is important to complete larger regional projects first in order to determine how tolling is working. She encouraged considering “smart streets” as well.

Councilmember Wallace suggested taking a higher level look at the overall Downtown strategy, including rezone policies and a transportation study and how they interrelate. He believes there is a need to address incentive zoning and to plan for the projected growth in Downtown trips, which cannot be solved with light rail. He noted unfinished audacious goals including Downtown Park, Parks levy projects, and Bel-Red redevelopment, and commented on the challenge of finding adequate funding.

Councilmember Degginger suggested that each Councilmember articulate his or her vision for the Downtown over the next 10 to 20 years.

Councilmember Chelminiak believes that Bellevue should be a center of excellence in some area, whether that is education, research, private business, or nonprofit organizations. He acknowledged that the Bellevue School District has strong public schools. He noted that Barcelona, Spain, is centered around the media industry, and he suggested a similar vision around a type of industry for the Downtown and/or Bel-Red area.

Mr. Sarkozy noted that when he came to Bellevue, he spoke with prior Mayors. Many felt there was no good concept or vision for the Downtown, and that the City had reached a plateau in the development of parks and open space. The latter led to the renewal of the parks levy. Similarly, concerns about public safety facilities led to the development of the Public Safety Center in conjunction with the New City Hall.

With regard to Downtown zoning, Councilmember Degginger said it is important for the Council to determine its vision. He would like to see the development of at least a portion of the Bel-Red plan and the Meydenbauer Bay Park plan. He anticipates that, as Bellevue increasingly becomes a job center and new areas are developed, residential patterns will change.

Mayor Davidson would like to see a transit center built over I-405 that could be accessed from both sides of the freeway, and that would accommodate both buses and light rail.

Councilmember Balducci noted her audacious goals of a community center with a strong aquatics focus and enhanced partnerships with major institutions in the community including

schools, hospitals, and Bellevue College. She suggested involving more community organizations in the visioning process.

Mr. Lee noted that the population is becoming more international. He believes that Bellevue could become a world center for mobile technology, and he encouraged increased marketing of this potential.

Mr. Wallace believes there is a need to work more closely with businesses and constituents in addressing land use planning, identifying opportunities for growth, and marketing the community's assets and potential. He observed that second story retail outlets have not performed well in some areas. Mayor Davidson concurred, noting that there are more small shops in first floor retail spaces.

Councilmember Chelminiak noted that there are several strong grocery stores in the Downtown, which are driven by an increased residential population, demographic changes, and relative affluence. He said it would be helpful to better understand the overall dynamics of business growth in order for the City to be more flexible in its planning and regulations.

Mayor Davidson commented on the vision of a sports arena east of I-405, and noted the expansion of other development and the medical institution district east of the Downtown as well.

Councilmember Degginger noted his support for the performing arts center, and possibly an arena for professional sports. He suggested the Council needs to address interim steps to achieving these facilities.

Councilmember Robertson would like to see an aquatics center, arena, and development of the performing arts centers. She would also like to see a cultural center, possibly co-located with a Downtown Fire Station in Ashwood Park. The cultural center would provide the opportunity to learn about the Japanese farming community as well as Indian, Chinese, and Jewish communities, and would help to market Bellevue's multicultural population.

Mr. Chelminiak expressed interest in the cultural center, but noted that he is not sure that Ashwood Park is the appropriate location. He would like to preserve the park's open space.

Councilmember Balducci expressed support for a cultural center, and suggested partnering with the schools. She suggested including this in the City's Cultural Diversity Plan, which is to be updated this year.

Councilmember Robertson would like to talk more about single-family neighborhoods, infrastructure in residential areas, and updating the City's Subarea Plans before the full update in 2014.

The Council discussed its interest in developing a consolidated community vision incorporating all of the elements identified by the Council, as well as citizen involvement in planning and setting goals. A facilitator would be helpful in organizing and coordinating this process. The

visioning should evaluate Bellevue's role in the region, and within the context of the state and federal governments. It will be necessary to address long-term capital projects funding as well. There was some discussion about whether a community-wide process or a subarea-focused approach would be more beneficial.

Some Councilmembers expressed concern that there has been a lack of community input into certain planning activities and decisions. Some endorsed a subarea planning approach, while others were concerned that its individual neighborhood focus might not effectively address overall citywide objectives.

Councilmember Wallace stated that the City's building regulations provide an impediment to development, and that they require spending significant dollars on garages and ground floors, leaving less money to be spent on providing an attractive overall building design. He suggested that parking could be provided along the I-405 frontage. Mayor Davidson recalled that the original plan for the central business district called for four parking garages, one in each quadrant of the district.

Councilmembers discussed making the Downtown skyline more memorable and appealing, and encouraging more variation in building design rather than solid high-rise walls. Councilmember Degginger suggested that an increased reliance on transit in the future, rather than the automobile, could provide the potential for requiring fewer parking facilities. The Council acknowledged that a transportation study is a necessary component of the overall Downtown planning effort.

At 10:25 a.m., Mayor Davidson declared a break. The meeting resumed at 10:43 a.m. Joining the discussion were Diane Carlson, Director of Intergovernmental Relations; Jan Hawn, Finance Director; Goran Sparrman, Transportation Director; and Dan Stroh, Interim Director of Planning and Community Development.

The group moved to a discussion of other Eastside operations, opportunities, and potential threats.

Mr. Stroh described the Central Issaquah Plan, which is similar in many ways to Bellevue's Bel-Red redevelopment plan. While that plan includes higher densities, one major component parallels the Spring District development in the Bel-Red plan. Bellevue staff is beginning to analyze the projected development along SR 900 and how it will impact I-90, the Lakemont area, and other areas of Bellevue.

Council and staff discussed the potential impacts to the transportation system, Bellevue's Eastgate Plan, and Bellevue's retail community. They discussed whether the Council and City would like to formally comment on the Issaquah plan. Councilmembers expressed an interest in Bellevue staff working with City of Issaquah staff. There were questions about utility issues in South Cove, the use of underground parking in the Issaquah project, impacts on jobs and housing, and the potential for an Urban Center designation. Mr. Stroh indicated that Bellevue staff has been working with Issaquah staff.

The group discussed additional development initiatives on the Eastside including Microsoft's discussions about replacing its lowest density buildings with high-rise buildings, changing the criteria for designating urban centers, Bellevue's Eastgate/I-90 planning, traffic impacts, and the impacts of development in adjacent cities on Bellevue.

Moving on, Mr. Sarkozy described a proposal to use the City-owned Chapin property to partner with the Boys and Girls Club of Bellevue. He questioned the Council's interest in the proposal. Mayor Davidson suggested that this might provide the opportunity to provide a cultural center, as discussed earlier. Staff acknowledged that the Chapin property was originally purchased as a possible site for a Downtown Fire Station. Councilmembers expressed general support for the concept, as well as concern about potential neighborhood impacts. Mr. Sarkozy said staff will bring the proposal back for discussion at a future Study Session.

Council and staff discussed the remaining Potential Annexation Areas (PAAs) adjacent to Bellevue. Staff described current efforts to annex the Eastgate area, noting that there is a high level of interest in annexation among residents. Mr. Stroh described the available methods for annexation, and explained that the petition method is the preferred and most likely approach.

Councilmembers expressed general interest in annexing the remaining PAAs. Staff acknowledged that there will be capital and infrastructure needs within the areas. Responding to questions, Mr. Stroh said that annexation through the petition method requires the approval of 50 percent of the population in the PAAs. Responding to Deputy Mayor Lee, he said there are no legal constraints against Councilmembers participating in the annexation efforts under the petition method. Councilmember requested more information on the zoning implications.

Moving on, Ms. Carlson provided background information on fire service contracts, including service to Newcastle. The City of Newcastle has also asked whether the City would consider providing police services. She noted a white paper in the retreat binder regarding this issue. Councilmember Degginger stated his understanding that King County subsidizes police services for Newcastle. Staff responded to questions about the feasibility of Newcastle annexing to Bellevue. Ms. Carlson noted that Bellevue previously annexed the water district located in Newcastle.

At 12:33 p.m., a recess was called for lunch.

The meeting resumed at 12:50 p.m.

Deputy City Manager Brad Miyake questioned whether the Council wants to consider changing zoning to allow the potential relocation of Auto Row to the Bel-Red area. Mr. Stroh described the current locations of auto sales uses, the benefit to the City of preserving auto sales as a component of the City's revenue package, and how the relocation of Auto Row might benefit the City. He described potential areas within the Bel-Red corridor that would allow for the consolidation of auto sales. He noted that it is difficult to find a place for auto dealerships elsewhere in Bellevue, and some are adopting new urban forms.

Councilmember Balducci questioned whether this use would have a negative impact on residential development.

Deputy Mayor Lee questioned whether auto dealerships could be accommodated on 120th Avenue NE, and Mr. Stroh said he will review the design standards for that area. In further response, staff noted that they have been encouraging dealerships to work together to determine a desirable solution.

Councilmember Chelminiak asked whether auto dealerships are interested in the Bel-Red corridor, and whether auto sales uses could be expanded in the Eastgate area. He expressed concern about rezoning the Bel-Red area and losing sight of what the subarea plan is designed to accomplish. Mayor Davidson concurred.

Councilmember Wallace said he supports moving forward with additional analysis. He believes the area might provide a good opportunity for auto sales use.

Councilmember Robertson questioned the risk of not moving forward with further study of this concept. She expressed concern about the close proximity to future transit-oriented development.

Councilmember Balducci recalled that extensive study, discussion, and analysis went into the development of the Bel-Red Plan. She is hesitant to make changes, and is not sure whether auto dealers are interested in this alternative. Mr. Sarkozy said staff has had conversations with auto dealerships that are interested in pursuing sites within the Bel-Red corridor.

Mayor Davidson noted a lack of consensus among Councilmembers regarding the potential for the auto dealer use in the Bel-Red corridor. He reviewed that the Council is interested in knowing more about the type of design standards that would be imposed. He would like to see a sharing of space by dealerships.

Moving to a discussion of City partnerships, Mayor Davidson noted that Mercer Island has withdrawn from the Suburban Cities Association. Discussions among cities are underway to consider alternative ways to advocate for cities' positions at regional and sub-regional levels. Ms. Carlson confirmed that some cities question the value of their participation in the SCA.

Councilmembers talked about sharing more common ground with the City of Seattle in some areas than with the smaller cities. Mayor Davidson noted his recent discussions with Seattle's Mayor McGinn. Mr. Degginger recalled meetings held in the past with Seattle and other larger cities.

There was a general Council consensus that the Mayor should continue to meet with other cities to talk about similar issues. Ms. Robertson observed that Bellevue likely has more in common with the larger lakeside cities on certain issues.

Mr. Sarkozy described a forum for information sharing between Eastside City Managers, which helped to launch the eGov Alliance and other initiatives.

Councilmember Wallace would like to be able to influence better transit service. Councilmember Degginger suggested evaluating how service is currently deployed and how it is being used. Mr. Sarkozy noted the Microsoft circulator service, and suggested a partnership between traditional transit and Microsoft's system.

Mr. Sarkozy moved to a discussion about providing fiber and wireless connectivity to residential areas. He reviewed the history of installing fiber infrastructure for a portion of the Downtown, and noted the potential for future partnerships to expand fiber conduit to homes.

At 2:00 p.m., Mayor Davidson declared a break. The meeting resumed at 2:30 p.m.

The group discussed the alignment for the NE 4th Street Extension project. Mr. Sparrman reviewed the preferred alternative, and acknowledged that Best Buy is opposed to the alignment. He referred the Council to meeting materials regarding additional options, and described the alternate alignments and their impacts.

Mr. Sparrman reminded the Council of the upcoming discussion on the formation of the Wilburton Local Improvement District (LID). Staff and Council briefly discussed potential project funding, with and without the LID. They discussed impacts to Best Buy, Mutual Materials, and other businesses in the area, as well as the right-of-way implications.

Moving to the Capital Investment Program (CIP) Plan, Ms. Hawn reviewed the CIP funding strategy and sources, including the Mobility and Infrastructure Initiative projects and financing plan. Staff and Council reviewed and discussed the white papers contained in the retreat binder for each CIP funding source.

Ms. Hawn spoke to the potential for using debt as a way to cover the earlier costs of project construction. Councilmembers raised the issue of a levy package for transportation projects, and noted the available property tax banked capacity as an additional potential resource. Ms. Hawn described how a voted levy would be approached, and explained that it would include a specific list of projects to be placed on the ballot. Councilmembers agreed about the need for further discussion about revenue sources including LID assessments, impact fees, and the property tax.

Councilmembers commented on the additional challenge of identifying funding for the light rail Downtown Tunnel. Mr. Chelminiak questioned whether an analysis has been completed to value the right-of-way that might be contributed to Sound Transit as part of the funding agreement with the agency. Ms. Balducci requested an update on the tunnel evaluation and negotiations. Councilmembers discussed additional issues related to the tunnel including the pending release of the East Link Final Environmental Impact Statement (FEIS), concerns about Sound Transit's cost estimates, and sales tax and B&O tax estimates related to construction.

Councilmembers discussed mitigation measures related to the East Link light rail project, and identified a number of potential issues including tunnel portal options, noise, construction mitigation, impacts of construction to Downtown private parking garages and office buildings, arterial impacts, night-time construction, and implications for the NE 4th Street Extension project. The Council discussed the need for a full analysis of impacts and mitigation tools. There

was a suggestion to postpone discussion about mitigation until the City's consultant completes its study of the B7-Revised alternative. However, some Councilmembers favored identifying desirable mitigation in order to communicate that to Sound Transit.

Mayor Davidson stated his preference for waiting until the East Link FEIS is released before proceeding with negotiations on the Downtown Tunnel. He noted the need to address unfunded CIP projects, beyond the scope of the Mobility and Infrastructure Initiative.

The conversation moved to the topic of the Budget. Councilmember Wallace questioned and expressed concerns regarding health care costs, and whether the continued increases are sustainable.

Councilmember Wallace said he would like to take a look at impact fees, LIDs, and the property tax. He would like further discussion on bonding.

Councilmember Chelminiak commented that it would be helpful to compare a property tax increase versus bonding.

Deputy Mayor Lee believes the City should explore what can be done to raise revenues through economic development.

Mr. Wallace noted ongoing concerns about funding the NE 15th/16th Multi-Modal Corridor project in the Bel-Red area.

At 5:12 p.m., Mayor Davidson declared recess to break for dinner.

The meeting resumed at 7:50 p.m.

Councilmember Degginger suggested further discussion about the Wilburton area. Mr. Sarkozy provided a brief history of property ownership in the area, noting that the recession displaced dealerships from Auto Row and resulted in property available for sale between I-405 and 116th Avenue NE. This provides the opportunity to extend vehicle and pedestrian access from the Downtown to create an east anchor. This is consistent with looking for an ongoing revenue stream that could potentially finance cultural and arts groups through an endowment.

Moving on, Mr. Sarkozy reviewed the Bellevue Convention Center Authority (BCCA) white paper and the structuring of the debt for Meydenbauer Center. He described the long-term financing plan and the operations of the Convention Center. He noted options for increasing the sale of hotel rooms to provide additional revenues for the BCCA to pay off bonds.

Responding to Councilmember Wallace, Mr. Sarkozy described the bonding provisions for the Meydenbauer Center debt, and the significant future asset in the revenue stream that becomes available once the debt is repaid.

Councilmember Degginger noted that the Theatre at Meydenbauer Center is not part of the Center's core mission. He suggested that if the City were to take on the operation of the theatre

in partnership with the Bellevue Youth Theatre, this could achieve cost savings and reduce the financial burden of the theatre on Meydenbauer Center. He suggested that the Council review this issue in the future.

Mr. Sarkozy observed that achieving sustainability for cultural and arts organizations would help to assure Bellevue's role as the cultural center of the Eastside.

Councilmember Wallace raised concerns about traffic impacts to the medical institution district related to redevelopment of the 116th Avenue NE corridor's special opportunity zone. Councilmembers discussed the need for some specific City benefits resulting from development in the special opportunity zone. Mr. Wallace suggested looking at this issue within the context of the overall Downtown traffic study.

At 8:55 p.m., Mayor Davidson declared recess until the following morning.

Saturday, February 5, 2011

The retreat reconvened at 8:34 a.m., and all members were present.

The group resumed discussion of CIP financing.

Mayor Davidson said he would like to talk about what is not funded, who should pay for it, and in what timeframes. The Council would then be able to make decisions on changing the funding mechanisms.

Councilmember Balducci recalled an exercise during the Downtown Implementation Plan Update that identified what was needed and who pays. The City followed a modified version of that approach to develop the Mobility and Infrastructure Initiative financing plan, and perhaps it would be helpful to go through that again to reallocate funding sources.

Councilmembers discussed the funding sources identified in the 10-year Mobility and Infrastructure Initiative (M&II) Plan, and the option of extending the timeframe of the plan to match available funding. Councilmembers differed somewhat in their perspectives about whether the M&II Plan is feasible.

Councilmember Degginger recalled previous Council direction to staff in recent years to identify projects that would provide the greatest benefit in relieving traffic congestion relative to the project costs.

Councilmember Wallace requested staff's analysis from that time period. He expressed concern that the potential benefits of the Spring District development do not justify the costs of infrastructure projects. Staff explained that some of the expenses, such as right-of-way acquisition, would benefit the light rail project as well.

Councilmember Degginger suggested that one way to prioritize the M&II Plan projects would be to evaluate each project's relationship to the East Link light rail project, and the related

opportunities to share project costs. Mayor Davidson agreed that this would be helpful in considering priorities.

Councilmember Robertson opined that the value of property will decrease as impact fees and LID assessments contribute to project costs. She does not see the harm in delaying projects except for the risk of escalating construction costs. *[See June 20, 2011, Regular Session minutes for additional clarifying language proposed by Councilmember Robertson, and adopted by the Council.]*

Councilmember Wallace observed that projects on 120th Avenue NE and 124th Avenue NE can be achieved. He suggested then looking at Downtown projects that can produce greater mobility, such as NE 2nd Street, NE 12th Street, and/or Bellevue Way. He is concerned about the significant expense of the Bel-Red NE 15th/16th Multi-Modal Corridor.

Councilmember Chelminiak recalled that the Bel-Red plan is not simply a transportation plan, but the creation of new residential and commercial areas. He suggested that, when looking at scaling back transportation projects, it is necessary to study the impacts to the overall plan.

Councilmembers discussed additional aspects of the Bel-Red plan including pedestrian and bicycle facilities, the protection of surrounding single-family neighborhoods, and light rail implementation.

Mayor Davidson requested further discussion of the following topics during an Extended Study Session:

Capital Investment Program M&II Plan

- Project prioritization and rationale.
- What is achievable?
- How do projects sync up with Sound Transit East Link light rail?
- Consider a 12-year planning horizon and update projects costs and anticipated growth.

Overall CIP - Other unfunded projects

- Bellevue Way
- West Lake Sammamish parkway
- NE 2nd Street/Main Street – How does this address Downtown capacity?

Council discussed whether the original funding categories of General CIP, Supplemental CIP, and M&II Plan should be preserved, or whether they should be combined into one plan.

Councilmember Chelminiak stated that he does not favor the use of General CIP revenues to fund M&II projects. The adopted policy for the M&II Plan included using the property tax.

Deputy Mayor Lee said it is important for the community to understand what is being done in order to earn support for funding alternatives. He noted that the plan can be adjusted every one to

two years. He believes that the transportation system will look different in 20 years, and that it will go beyond just building roads. He noted the potential expansion of intelligent transportation systems and “smart freeways.”

Councilmember Wallace asked staff to update the Bel-Red corridor map to reflect the costs of improvements to NE 12th Street, west of the rail corridor. He suggested that eliminating Zone 3 and certain parts of Zone 1 of the NE 15th/16th Street project could make the project feasible in terms of cost. He would like a map with symbols to indicate the anticipated funding source for specific projects or segments of projects (e.g., Property tax, LID, impact fees, incentive zoning).

The meeting moved to a discussion of Council rules and roles.

Councilmembers noted concerns about the use of electronic devices during meetings, and about the sound quality and sound level of the Bellevue TV broadcasts of Council meetings.

They noted the need for a briefing by City Attorney Lori Riordan on the quasi-judicial process, and suggested that Council review and possibly direct changes to the types of quasi-judicial matters on which Council is the decision body.

Councilmembers described their general discomfort with functioning as judges, as opposed to their primary role as policy makers.

Additional housekeeping items were discussed as follows:

- What is the definition of “recognized organization” within the context of Oral Communications during Council meetings. Staff will draft a definition for Council’s consideration.
- Management of the 8-hour rule and Councilmembers respecting the rule. Acknowledgement that staff needs to be allowed to focus on work plan items.
- Mr. Lee would like to see the CRM system.
- The suggestions that Councilmembers presenting proposals at Council New Initiatives provide advance notice of their intent, and that Council take votes on whether to advance such proposed initiatives.
- Request for clarification of Open Meetings Act provisions relating to Councilmember communications outside of meetings.
- Agreement that Councilmembers should share information equally, listen and respect each other’s positions, and focus the debate and comments on facts.
- Need for more advance notice of agenda items.
- All meetings materials should be included with the distribution of packets on Thursday. The addition of information over the weekend is discouraged.
- More retreats might be necessary to address specific topics in greater detail.
- Remote participation in meetings should be used sparingly, and equipment to provide better sound quality should be implemented.
- Maintain deadlines for decisions on topics.

The City Clerk will formalize suggested changes to Council Rules and Board/Commission-related Code amendments for Council's consideration.

The meeting was adjourned at 12:02 p.m.

Myrna L. Basich, MMC
City Clerk

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