

East Bellevue Community Council
Summary Minutes of Regular Meeting

September 5, 2017
6:30 p.m.

Lake Hills Clubhouse
Bellevue, Washington

PRESENT: Chair Capron, Vice Chair Kasner, Alternate Vice Chair Hummer, and Councilmembers Gooding and Hughes

ABSENT: None.

STAFF: Terry Cullen, Comprehensive Planning Manager
Matt McFarland, Assistant City Attorney
Sally Nichols, Senior Planner

1. **CALL TO ORDER**

The meeting was called to order at 6:34 p.m., with Chair Capron presiding.

2. **ROLL CALL**

Deputy City Clerk Karin Roberts called the roll. All Councilmembers were present.

3. **FLAG SALUTE**

Chair Capron led the flag salute.

4. **COMMUNICATIONS: WRITTEN AND ORAL**

Don Marsh said Puget Sound Energy (PSE) is seeking a rate increase that is intended to assist in the decommissioning of coal plants and environmental cleanup efforts. He said the rate increase is the result of PSE's past decisions, and he suggested that better energy solutions (e.g., solar, batteries, wind, etc.) should be identified now to avoid future rate increases. He said the City Council is not taking a position on the rate increase. He encouraged the East Bellevue Community Council to encourage the City Council to come forward and make a statement.

Warren Halverson said Puget Sound Energy is up for sale. He said 31 properties are within eminent domain of future PSE projects. He expressed concern about the number and sizes of trees to be removed along 148th Avenue by PSE. He said an alternative along 148th Avenue for

the Energize Eastside project was not fully investigated. He asked the EBCC to continue to represent residents' interests.

Kara Durbin, Puget Sound Energy, spoke about the route selection for the Energize Eastside project. She described the benefits of the project, PSE's outreach efforts, and the project's route through the current infrastructure corridor. She said PSE's decision on the alignment was based on safety and environmental factors. She said the Willow 1 preferred design has the lowest potential for interaction with the Olympic pipeline. Ms. Durbin said there will be more trees than currently exist following the completion of the transmission line project, and there will be fewer poles along the utility corridor as well. PSE staff will continue to work with residents regarding the vegetation plan.

Ms. Durbin said PSE will be working with the City soon on the permitting for the southern portion of the project. PSE anticipates filing permits for the northern portion of the project, which includes East Bellevue, later this year.

Chair Capron requested a presentation from PSE staff in the future, perhaps for the EBCC's November 7 meeting.

Masoud Kayanda, Director of Operations, Islamic Center of Eastside (ICOE), provided an overview of the history of the center. He recalled that the building was badly damaged by a fire in early 2017, and there was an outpouring of support and assistance from the community. He spoke about moving forward to rebuild the center. He highlighted upcoming permit activities and preliminary plans for the facility, and asked for the community's continued support. He noted that ICOE members are currently praying at a number of alternate locations.

Chair Capron thanked Mr. Kayanda for the update.

Councilmember Hughes questioned the meaning of asking for support. Mr. Kayanda said the City has suggested that the ICOE will need the community's support. He noted past concerns regarding parking issues. In further response to Mr. Hughes, Mr. Kayanda said it would be helpful if the EBCC expressed its support of the project to the City Manager and City Council. Massan Rashid encouraged the community to share its concerns and suggestions about the center as well.

Councilmember Hughes suggested that the ICOE representatives attend the upcoming City Council candidate forum to be held by the Lake Hills Neighborhood Association.

Responding to Councilmember Kasner, City of Bellevue Senior Planner Sally Nichols confirmed that the center project will not become a quasi-judicial matter and does not involve a conditional use permit (CUP). In further response, Mr. Kayanda said the project is in the pre-application stage.

Responding to Councilmember Hummer, Mr. Kayanda said issues raised by the City include parking and the requirement for fire sprinklers inside the building. Mr. Rashid noted a potential modification to the prayer schedule to manage parking demand.

Stephanie Walter said the building is beautiful. She said traffic impacts will be important to the community as the project moves forward. Mr. Kayanda said the center plans to minimize impacts through its scheduling of prayers and services. He noted that many people walk to the center.

Lisa Leitner questioned whether the center plans to hold informational meetings to educate the public about the project and the Muslim religion. Mr. Kayanda said an open house was held primarily for City officials, and that additional open houses for the public are planned.

Responding to Chair Capron, Ms. Nichols said the project will be required to meet the City's parking standards before permit approval. Mr. Capron observed that the Chick-Fil-A business met the parking standards, however there continues to be issues with traffic congestion and parking.

Ms. Nichols said the City is working with ICOE to ensure that parking and traffic issues are appropriately resolved. She said the center is an unspecified use because it is a religious facility, which allows for some flexibility by the City.

Chair Capron said the artistic depiction of the new center is beautiful. He encouraged ICOE representatives to work with the EBCC and the public as the building project moves forward.

Councilmember Hummer asked City staff to work with the building inspectors to ensure the project is done right the first time. She recalled that the Fred Meyer store was inconvenienced by the building inspector during its redevelopment project. She does not want to see similar delays for the ICOE building.

At 7:20 p.m., Chair Capron declared a brief recess. The meeting resumed at 7:28 p.m.

5. REPORTS OF CITY COUNCIL, BOARDS AND COMMISSIONS

(a) Community Council Business and New Initiative

Councilmember Hughes reported that he and other EBCC members attended the community picnic at the Lighthouse Christian Church. He said he spent most of August in South America.

Councilmember Gooding said he spent most of August in Oregon and other places.

Councilmember Hummer said she has been attending the Bellevue College community meetings held on the third Wednesday of every month from 7:00-8:00 p.m. in Room L-100. She said the new student dorms will house nearly 400 students, with the majority of the residents being international students. The soccer field has been renovated. The next construction project is a five-story student services building, which will have a top floor available for event rentals.

Ms. Hummer said the Bellevue College meeting also addressed public safety, especially given the 400 students who will be living on campus. She said public safety is also an issue related to the proposed Eastgate homeless shelter and supportive housing project. She said the college was represented on the Eastgate/I-90 Land Use and Transportation Plan Citizen Advisory Committee (CAC) several years ago. However, the college was not notified about the shelter until six

months before the City's announcement regarding the project. Ms. Hummer noted Bellevue College's interest in having a bus line through the campus.

Councilmember Kasner said he met with Dan Stroh, before his recent retirement from the City's Department of Planning and Community Development (PCD), about the Comprehensive Plan. He said he would like the City to move forward with updating the neighborhood/subarea plans. Mr. Kasner also met with Mark Manuel, the City's Diversity Outreach and Engagement Administrator.

Mr. Kasner attended the Lighthouse Christian Church picnic and the meeting of the Eastside Transportation Association.

Mr. Kasner announced that the Lake Hills Neighborhood Association is hosting a candidate forum on September 14 at the shopping center, next to the library. He reported that he attended the City Council public hearing on proposed changes to the quasi-judicial process. He said that 28 of the 30 people who spoke were opposed to or concerned about the proposal to eliminate the City Council's quasi-judicial role.

Mr. Kasner said he spoke with residents adjacent to the new student dorms at Bellevue College. He said the college installed a fence between the dorms and the condo development.

Councilmember Hughes said quasi-judicial matters typically are handled by the Hearing Examiner, who issues a recommendation. If an appeal occurs, the City Council determines the final decision. Mr. Hughes said he hopes the Council will defer its decision on the quasi-judicial code amendment until after the election.

Chair Capron noted that his daughter is getting married on Saturday, so he did not participate in City-related events or meetings in August.

6. **APPROVAL OF AGENDA**

Councilmember Kasner moved to approve the agenda, amended to address Agenda Item 8(b) before Agenda Item 8(a), and to take action on the related Resolutions immediately following the discussion of each item. Councilmember Hughes seconded the motion, which carried by a vote of 5-0.

7. **DEPARTMENT REPORTS**

Chair Capron referred Councilmembers to the memo in the meeting packet regarding the Lake Hills public art project. Councilmember Kasner said the City changed its original location for installing the sculpture, called Delight in Green, following feedback from the EBCC and the community.

Mr. Capron noted the memo in the meeting packet regarding the implementation of Ordinance 6223 regulating single-family dwelling room rentals. Councilmember Hughes said the memo provides information on the number of enforcement cases and their outcomes. Mr. Hughes said

one case will go before the Superior Court, which could potentially set a precedent for future enforcement.

Councilmember Hummer expressed her concern over the “finding of no violation” for 46.2 percent of the cases. She said the staff memo states: “A property owner or tenant may simply decline to provide information about the number of unrelated adults and the living arrangements in the house under investigation. The Washington State Constitution accords strong privacy rights protection, and Code Compliance Officers cannot compel owners or tenants to provide information or to submit to inspections.” Councilmember Hummer expressed concern that those cases are ultimately designated as a “finding of no violation” versus noting the inability to inspect and/or gather information.

Ms. Hummer proposed that the EBCC promote the implementation of rental registration for all renters. She noted the safety concerns for the neighborhoods and for the tenants, and that other cities have adopted rental registration. Ms. Hummer noted that most of the complaints occur in East Bellevue, and she opined that the City would pay more attention to enforcement in other areas of Bellevue.

Councilmember Kasner said the data referenced in the memo is from a January report prepared for the Planning Commission, and the actual case list is from October 2016. He believes that room rentals enforcement should have a higher priority, and he would like more updated information every six to nine months. He said approximately one-third of the cases have not been resolved. He concurred with Councilmember Hummer’s suggestion to implement a rental registration program. However, he believes the City should enhance its enforcement efforts. Mr. Kasner said he is most concerned about property owners who do not live in the homes and are operating as businesses versus residents who live in their homes and rent rooms to others, often from economic necessity.

Councilmember Hughes said the program has had some success in the community since the ordinance was adopted on April 6, 2015. He agrees that improvements are needed. However, he does not see the program as a failure. He said Code Compliance Officers are restricted by state law. He noted that City staff can continue to monitor situations, even if the property owner or tenants are not providing information.

Chair Capron said he believed that the blatant violators have been shut down. He concurred with Mr. Kasner’s concern about property owners who are not living in the homes with room rentals. Mr. Capron said Code Compliance Officers have a difficult job, which is based entirely on complaints. He noted that many neighbors do not file complaints with the City. Mr. Capron said he would like a report from the City after the Superior Court cases are settled.

Mr. Kasner recalled that Airbnb’s were not a problem a few years ago and were not included in the ordinance when it was adopted. He would like to see an evaluation of the ordinance within the next year to determine its effectiveness.

Stephanie Walter noted that the individual room rentals are designated R-10 (10 units per acre) and above, which includes townhouses and other more densely developed neighborhoods. She said that Airbnb’s are not allowed in single-family neighborhoods, however they are allowed in

R-10 and above areas. Ms. Walter suggested that individuals submit complaints to the Code Compliance Division or through the MyBellevue app. She said boarding houses, with the owner living in the house and renting up to two rooms, are allowed in single-family neighborhoods but must be permitted through the City.

8. **PUBLIC/COURTESY HEARINGS**

- (b) Public Hearing to consider approving City Council Ordinance No. 6367 relating to the Legislative Rezone of two parcels within the EBCC's boundary, 2649 Landerholm Circle SE and 2659 148th Avenue SE, to the Community Business (CB) District.

Matt McFarland, Assistant City Attorney, described Ordinance No. 6367, which approves the rezone of two parcels within the East Bellevue Community Council's jurisdiction: 2649 Landerholm Circle SE and 2659 148th Avenue SE. The two properties are the Champions Centre and the Shell gas station, and both are rezoned to Community Business (CB). The purpose of the rezone is to create a gateway to Bellevue College as recommended in the Citizen Advisory Committee (CAC) report for the Eastgate/I-90 Land Use and Transportation Plan.

Mr. McFarland said the rezones are consistent with the Comprehensive Plan. The CB designation allows a coffee shop at the Champions Centre and potentially other retail uses at the Bellevue College gateway. Mr. McFarland said the majority of the Eastgate Land Use Code Amendment (LUCA) is outside of the EBCC boundary.

Responding to Councilmember Kasner, Mr. McFarland said the CB designation would not allow housing on the Champions Centre site adjacent to Bellevue College. Mr. McFarland said that, if the Champions Centre was demolished to be redeveloped, the project would need to meet the requirements of the CB district.

Mr. Kasner said that, with the student dorms going in, the neighbors next to the college are in a situation similar to the Children's Hospital rezone. The issue is how much density can be created next to a neighborhood without destroying the neighborhood character. He noted that College Hill is impacted by the student dorms, and now residents will potentially be affected by uses at the college gateway. Mr. Kasner noted the need for balance in development. He said the water table is high, and there could be flooding concerns. He expressed concern that the neighborhood will be affected by upzoning in the broader Eastgate area as well.

Responding to Councilmember Hummer, Mr. McFarland said there is a small difference in the density allowed in the Neighborhood Business (NB) and Community Business (CB) districts. He noted that the CB zone allows a broader range of uses.

Councilmembers Hummer and Kasner expressed their concern regarding potential building heights.

Mr. Kasner opined that the distinction between NB and CB zones is not standard throughout Bellevue. He questioned whether there are projects that residents want to restrict to NB. He also questioned whether having the two districts is still relevant in 2017.

Responding to Councilmember Kasner, Terry Cullen, Comprehensive Planning Manager, said the difference between the NB and CB districts is a matter of scale and the types of allowed uses. The CB district is meant to serve a larger community, while NB uses serve a neighborhood, typically within walking distance.

Mr. Kasner observed that the Shell station property is highly constrained. However, the CB designation allows for higher density development on that site.

Mr. Cullen noted that the EBCC approved the Comprehensive Plan Update, which included the CB district under discussion. He said the purpose of the proposed parcel-specific rezones is to be consistent with the CB district designation. He said the Eastgate/I-90 Land Use and Transportation Plan identified the parcels as a gateway, which led to the proposed CB district to allow certain business uses on 148th Avenue SE.

Mr. Kasner said Bellevue College's master plan contains 22 new buildings over the next 50 years. He wondered how the infrastructure will be able to support the plan.

Responding to Chair Capron, Raj Sandhu, owner of the Shell gas station, said he is not concerned about the change from NB to CB. His concern was that he would not be able to continue with his gas station on the property.

Mr. Capron noted that he owns the Chevron station on 148th Avenue at Main Street, which is zoned as Neighborhood Business. He said that, at one point, there was a proposal to rezone the property to Office, which does not allow a gas station. However, his business would have been grandfathered in and allowed to continue. Mr. Capron noted that you cannot have a car wash business in the NB district, but that the CB district does allow a car wash. Mr. Cullen also added that auto repair is allowed in the CB district but not in the NB district.

Kris Seibold, Business Director for Champions Centre, expressed support for the rezone of the two parcels.

Responding to Councilmember Hughes, Mr. Seibold said the Champions Centre is a nonprofit Christian church, which is subject to certain City taxes. In further response, Mr. Seibold said the church's property tax exemption is based on the percentage of square footage for nonprofit use. The coffee shop is 100 percent internal and the Centre is unable to market it to the public. The church would like to have a third party operate the coffee shop, which would be a for-profit use.

Responding to Councilmember Hummer, Mr. Seibold said the current coffee shop is permitted by the City. It is allowed to operate as nonprofit because the church manages it and does not market the shop. However, the church would prefer to bring in a third party to operate the shop.

Lindy Bruce said she was a member of the CAC for the Eastgate/I-90 study and planning. She questioned whether the property taxes for the gas station will increase with the change from the NB to CB designation. Mr. Cullen said he did not know the answer to that question.

Ms. Bruce noted her understanding that parking requirements can be adjusted if transit service is available. Mr. Cullen confirmed that there is flexibility in the Code when working through parking requirements for specific projects. However, the business would need to demonstrate that the transit service is usable for its customers. Ms. Bruce questioned whether the City considers available Park and Ride capacity near businesses. Mr. Cullen said he would research that issue to provide a response.

Councilmember Hummer said property owners have indicated that this is the first they have heard of the proposed rezone. Mr. Cullen said he would check into the notification process for the rezones. He said he was not sure whether notification to individual property owners was required.

Councilmember Kasner asked why the rezone is happening now, at the end of the summer, seven years after it was first discussed. He expressed concern that the two property owners were not notified.

Councilmember Hummer said the Eastgate planning process was delayed for three years after the CAC completed its work in 2012. She noted her understanding that the Downtown Livability Initiative study and related Code amendments were processed more quickly. She would have liked the Eastgate process to have the same steady progression.

Chair Capron closed the public hearing at 8:38 p.m.

9. **RESOLUTIONS**

- (b) Resolution No 563 approving City Council Ordinance No. 6367 related to the rezone of two parcels within the EBCC's Boundary, 2649 Landerholm Circle SE and 2659 148th Avenue SE, to the Community Business (CB) District.

Chair Capron noted for the record that both property owners are present and have expressed support for the rezones.

Councilmember Hummer moved to postpone action on Resolution 563 to the October meeting. Councilmember Hughes seconded the motion.

Councilmember Kasner acknowledged that the property owners support the proposed rezones. However, he expressed concern about the overall impacts of growth and development on the quality of life in East Bellevue.

Councilmember Hummer expressed her concern about public notice in advance of the rezones.

The motion failed by a vote of 1-4, with Ms. Hummer in favor.

Chair Capron moved to approve Resolution 563, and the motion was seconded. The motion carried by a vote of 4-1, with Councilmember Hummer dissenting.

8. PUBLIC/COURTESY HEARINGS

- (a) Public Hearing to consider approving City Council Ordinance No. 6366 relating to the Eastgate Land Use Code Amendments (LUCAs) creating the Neighborhood Mixed Use (NMU) and Office Limited Business 2 (OLB 2) Districts.

Councilmember Hughes moved to postpone the public hearing and action on EBCC Resolution 562 to the October meeting. Chair Capron seconded the motion.

Chair Capron spoke in favor of the motion, noting that he would like more time to review the information.

Councilmember Kasner said he would have liked to receive the meeting packet earlier. He noted that he is willing to pick up his packet from City Hall when there are tight timelines, including due to holidays, and/or when there is an extensive amount of reading material.

The motion to postpone the public hearing and Council action carried by a vote of 5-0.

9. RESOLUTIONS

- (a) Resolution 562 approving City Council Ordinance No. 6366 amending the Land Use Code to approve the Neighborhood Mixed Use (NMU) and Office Limited Business 2 (OLB 2) Districts and associated use tables, dimension tables, development standards, and design guidelines.

[Postponed to October meeting.]

10. **COMMITTEE REPORTS:** None.

11. **UNFINISHED BUSINESS:** None.

12. NEW BUSINESS

- (a) Discussion Regarding Potential Future Agenda Items
- Interim Official Controls Public Hearings (safe injection sites and homeless shelters)
 - Affordable Housing Strategy Presentation
 - Larsen Lake Culvert Replacement project

Chair Capron noted that the Eastgate Land Use Code Amendment (LUCA) would be rescheduled to the October meeting.

Deputy City Clerk Roberts said the interim official controls public hearings would be held in October.

Mr. McFarland said the City Council adopted two interim official controls ordinances on August 7 regarding safe injection sites and homeless shelters. He said shelters are currently considered under the transient occupancy use. However, the City Council is interested in addressing the siting of shelters citywide and requiring the conditional use permit (CUP) process for shelters. Mr. McFarland said the City Council must hold a public hearing within 60 days of adopting the interim control ordinances.

Ms. Roberts noted that the EBCC requested a presentation on the Affordable Housing Strategy. She said the Larsen Lake culvert replacement project is in the permitting stage, and that staff will provide a written update in November.

Councilmember Kasner requested that the City's new website provide EBCC meeting minutes back to 2010. He suggested a discussion in October about what EBCC members would like to see on their web page. He noted that other information formerly on the EBCC web page is no longer on the website.

Chair Capron concurred that he would like to see more information on the website as well, including the archive of EBCC meeting minutes.

Councilmember Hughes said he has not been able to find names and phone numbers for City employees on the website. Councilmember Hummer said that some of her searches on the new website no longer find information, articles, and employees' names that were formerly on the City's website.

Mr. Capron requested information on the interim controls ordinances as soon as possible via email.

13. **CONTINUED COMMUNICATIONS**

Sharmila Swenson, Puget Sound Energy, announced that the next step in the Lake Hills-Phantom Lake transmission line project is a public meeting at 5:30 p.m. on September 20 at the Crossroads Community Center.

Councilmember Hughes questioned whether PSE is up for sale. Ms. Swenson confirmed that the topic is currently under discussion. Mr. Hughes recalled that, several years ago, he commented a number of times that PSE is owned by a hedge fund in Australia that needs to make a return for its investors. He opined that PSE's current projects are intended to increase the value of the utility in preparation for selling the company. He recalled that Keri Pravitz of PSE said in the past that there was no possibility that the company would be sold.

Councilmember Hummer reiterated her ongoing concern about the loss of the park-like setting and urban boulevard along 148th Avenue related to the transmission line project. She hopes PSE will work with the community to address mitigation.

14. **EXECUTIVE SESSION**: None.

15. **APPROVAL OF MINUTES**

- (a) Minutes of the August 1, 2017 Regular Meeting

[Postponed.]

16. **ADJOURNMENT**

Councilmember Hummer moved to adjourn. The motion was seconded by Councilmember Gooding and carried by a vote of 5-0.

At 9:10 p.m., Chair Capron declared the meeting adjourned.

Karin Roberts, CMC
Deputy City Clerk

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