

MAY 19, 2020, TUESDAY

7:30 p.m. Regular Business Meeting

Consent 1	Approval of Minutes	Executive
Councilmember	Question	Staff Response
	No Questions	

Consent 2	Approval of Payroll/Direct Deposit and Claims Checks	Finance
Councilmember	Question	Staff Response
	No Questions	

Consent 3	Approval of the Final Contract with Road Construction Northwest Inc. of Renton, Washington, in the Amount of \$1,922,320.88, and Acceptance of Construction for NE 31st Street Improvements, Project No. 20021604	Public Works
Councilmember	Question	Staff Response
Forsythe	1. I see this is the first touch this new Council has had on this project. To clarify, we the money has already been allocated to this project by Council in 2018 and we are being asked to approve that it is coming in approx. \$4 million underbudget?	The funds for this project have been previously allocated and approved by Council. In this memo Council is being asked to approve the final construction contract amount for NE 31st Street and formally accept the project so that the construction contract can be closed and the retainage (funds held back until final acceptance) can be released to the Contractor. Council does not need to approve that the project is \$4,016,775 under the original CFD budget. Those funds will remain in the CFD and a portion of those funds have already been approved by both the CFD Board and Council to complete the funding for the NE 40th Street Grade Separation Project.

Forsythe	2. Can you please briefly describe how this project budget changed to come in \$4 million under budget? Are we cutting anything?	<p>The original cost estimate for the 31st Street project was prepared in 2015 prior to formation of the CFD 2016-01. That cost estimate of \$7,502,000 was based on a preliminary design that included significant contingencies because once the CFD was established Microsoft was not willing to add any additional funds to complete that project. After the budget was established, early work on the design of NE 31st Street included value engineering work that determined if all the street widening were done to the south rather than on both sides of the street than the work could eliminate the need to relocate the storm line and several private utilities on the north side. This design change substantially reduced the cost estimate for the project. In addition, there was some work at the intersection of NE 31st Street and 156th Avenue NE that was removed from the construction contract and deferred to the Microsoft Re-Fresh project.</p> <p>The City received excellent bids for construction and at the time the project was awarded on April 17, 2018 the project cost estimate had had been revised to \$4,287,167 in that memo. Work progressed and the final construction amount and other costs came in at \$3,485,225 as shown in this memo. The original budget amount for NE 31st Street included in the CFD was never revised because those unspent project funds remain in CFD 2016-01 and can be reallocated to other projects if approved by the Board and Council or returned to Microsoft after all the projects in the CFD are completed.</p>
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Consent 4	Approval of the Downtown Redmond Light Rail Extension Transit Way Agreement Amendment	Finance
<u>Councilmember</u>	<u>Question</u>	<u>Staff Response</u>
	No Questions	

Public Hearing	Public Hearing and City Council Action on Purchase and Sale Agreement Amendment No. 4 between the	Finance/Planning/Public Works
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	City of Redmond and Main Street Property Group, LLC	
<u>Councilmember</u>	<u>Question</u>	<u>Staff Response</u>
	No Questions	

Staff Report (a)	Redmond Comprehensive Plan Periodic Review: Detailed Scope, Budget, and Community Involvement Plan	Planning
<u>Councilmember</u>	<u>Question</u>	<u>Staff Response</u>
	No Questions	

Staff Report (b)	Recommended 2019-20 Comprehensive Plan Amendment Docket	Planning
<u>Councilmember</u>	<u>Question</u>	<u>Staff Response</u>
	<ol style="list-style-type: none"> 1. Could you explain in layman’s terms what the expansion of mezzanines in the original proposal on Affordable Commercial is meant to do? And what is the outcome the applicant envisions if this change were made? 	<p>A mezzanine is an intermediate level between the floor and ceiling of any story. In Redmond, mezzanines are allowed if they are no larger than 1/3 of the floor area of the story it serves. This is consistent with the International Building Code. The applicant’s request is to allow mezzanines that are 50 – 100% of the floor area of the floor it serves – but only for the first story of a structure.</p> <p>The applicant expressed (in the application) three reasons for expanding the floor area of mezzanines in the same building envelope:</p> <ol style="list-style-type: none"> (1) Commercial or mixed-use buildings can be built higher, relieving pressure on the demand for an expanded urban growth boundary, (2) Larger mezzanines create more commercial space which could allow rents to be pushed lower for local, small businesses, and

		<p>(3) More affordable commercial space means that local small businesses will come and stay in Redmond as commercial lease prices continue to rise.</p> <p>In the Redmond Zoning Code, Mezzanines are allowed on every floor, and in most zones, there is no height limit only a story limit. Generally, the use of a mezzanine does increase the height of a building, although the applicant's request is proposing an expansion of floor area where a mezzanine would already be allowed. At 100%, the mezzanine would essentially provide for an additional floor.</p> <p>Mezzanines are regulated in the zoning code. This item should be considered as a regulatory update and has been referred to Community Development and Implementation for consideration for inclusion on the docket of regulatory updates. Changes to height limitations will be considered in the community visioning project as part of Redmond 2050.</p>
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Committee Report	Approval of Committee Work Plans	
<u>Councilmember</u>	<u>Question</u>	<u>Staff Response</u>
	No Questions	

New Business (A)	Allocation of Sales and Use Tax Authorized Under House Bill 1406 for Rental Assistance	Planning
<u>Councilmember</u>	<u>Question</u>	<u>Staff Response</u>
Kritzer	1. In the memo, Hopelink, MCRC, and United Way are mentioned as providing rental assistance to Redmond residents. Why was United Way not included in the proposed allocations? Do we know how many of the 123 Redmond households	Using funds from Seattle Foundation, City of Seattle, and internal fundraising dollars, United Way of King County (UWKC) shifted away from its traditional role as a grant maker and provided a more direct response to rental assistance through an online application process. Directing funding to United Way wouldn't necessarily result in more Redmond residents being served since this

	noted in memo ended up having their applications approved?	<p>assistance was available to anyone in King County. With funds already being depleted, it is not known whether UWKC will reopen this program.</p> <p>Of the 123 Redmond households that applied, 18 were approved and 93 are still under review.</p>
Kritzer	2. Will the contract be drawn up to ensure the rental assistance is specifically provided to Redmond residents or could the grantees be anywhere on the Eastside?	Yes, these new resources would be targeted for Redmond households only.
Kritzer	3. Are there any specific ARCH or other affordable housing construction projects we were planning use this money to fund?	<p>For ARCH funds, there are two primary sources, Redmond Capital Investment Program (CIP) and Community Development Block Grant (CDBG) funds. Each year the City of Redmond receives an allocation of CDBG funds from the United States Department of Housing and Urban Development (HUD) administered by King County for human service needs, program administration and capital improvements. Typically, the City recommends that all but a portion of those funds are set aside for capital project awards through ARCH which is about \$120,000 each year. On March 3, 2020, City Council adopted a Resolution approving the allocation of \$488,980 from the City's CIP Housing Trust Fund and \$242,323 (included unexpended funding from 2019) in CDBG to ARCH projects.</p> <p>To date, no decision has been made about the allocation of 1406 dollars. There were early discussions about utilizing 1406 revenue to fill the gap in funding for the Together Center Redevelopment Project. However, as part of the Modera Overlake Alternative Compliance Agreement, funding has been identified that will contribute significantly to the capital costs associated with that project together with the anticipated CIP allocations.</p> <p>Utilization of \$100,000 of this year's forecast 1406 sales tax credit revenue to meet the immediate need of rental assistance does not preclude use of this year's remaining revenue, or future generated 1406 revenue, for new affordable housing projects.</p>

New Business (B)	Award of Bid to Klinge and Associates, Inc. of Bellevue, Washington, for the Amount Bid of \$1,699,125.45, and Approval of Supplemental Agreement No. 1, with ARC Architects in the Amount of \$100,738.00 for Additional Design and Construction Support Services, Redmond Pool Improvements Phase 2, Project No. 50021911	Parks
<u>Councilmember</u>	<u>Question</u>	<u>Staff Response</u>
Fields	<p>Originally the Redmond pool was planned to re open in October 2019 after completion of phase one, and then planned to be closed later to complete phase 2. The project is now way overbudget and over schedule and the scope appears fluid and unstable.</p> <p>1. Why is scope such as ADA compliance not in Phase one if it is a condition for re-opening the pool?</p>	<p>The Phase 1 improvements, which were primarily mechanical, electrical, plumbing and energy related, do not trigger the building ADA upgrade requirements. The pool could be re-opened to the public after the Phase 1 work is complete. The Phase 2 improvements, which will include changes to the locker room and lobby layout, do trigger the requirements for ADA upgrades. These upgrades would need to be completed prior to re-opening the pool.</p>
Fields	<p>2. What would be the cost of the Phase 2 project if we scoped it such that the pool could re-open at the completion of Phase one and delay Phase 2 until after the city has a complete understanding of the COVID impact on public health and the economic impact on city revenue for the 2021-2022 budget timeframe?</p>	<p>The current cost estimate to complete Phase 2 is \$2,640,532. The project would need to be re-bid at a later date. The cost would not be known until the re-bid date.</p> <p>Both LWSD and Wave, our operational partner, would prefer to have us continue construction to complete Phase 2 now, because the Fall swim program and pool opening is not certain with the current COVID situation.</p>
Fields	<p>3. When will Phase 1 be completed with a final project punch list and all costs and scope determined?</p>	<p>The current schedule shows the project being substantially complete at the end of June 2020. Final closeout and completion is first week of August 2020.</p>