

CITY OF BELLEVUE  
CITY COUNCIL

Summary Minutes of Study Session

January 5, 2009  
6:00 p.m.

Council Conference Room  
Bellevue, Washington

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

ABSENT: None.

1. Executive Session

Councilmember Bonincontri opened the meeting at 6:00 p.m. and declared recess to Executive Session for approximately 15 minutes to discuss one item of property disposition.

The Study Session resumed at 6:16 p.m., with Mayor Degginger presiding.

2. Study Session

(a) Mobility and Infrastructure Finance Plan

City Manager Steve Sarkozy recalled ongoing discussions regarding development of the Mobility and Infrastructure Finance Plan. Staff is seeking further input on the plan and requests that Council adopt the plan during its January 20 meeting.

Planning and Community Development Director Matt Terry referred Council to a copy of the draft finance plan in the desk packet. The plan responds to the most recent survey of Bellevue residents, which identified transportation investments as a top priority. The intent of the plan is to fund transportation and other infrastructure projects that can be delivered within the next seven years. He noted the project list endorsed by the Council on November 24, 2008.

Mr. Terry explained that staff would like more discussion on the appropriate revenue sources to fund the plan. Proposals regarding impact fees and local improvement district (LID) assessments have received the most public comments. He recalled that Council adopted a property tax increase and storm drainage rate increase on December 8, 2008, to partially fund the plan.

Mr. Terry explained that if the Council endorses the finance plan as presented, staff will initiate work on a LID benefit study. The study is required by state law to examine the benefits of infrastructure projects for property owners within the LID boundaries were one to be established.

LID assessments would be based on the relative benefit for each property. In addition, Council will be asked in March to amend the Capital Investment Program (CIP) Plan to include the projects listed in the Mobility and Infrastructure Finance Plan, and to adopt a new Transportation Facilities Plan (TFP) and Impact Fee Ordinance. Staff proposes that the Council consider the formation of the NE 4<sup>th</sup> Street LID in the fall.

Mr. Terry and Finance Director Jan Hawn responded to questions from the Council.

Responding to Councilmember Davidson, Mr. Terry said staff proposes the development of two LIDs: 1) NE 4<sup>th</sup> Street/120<sup>th</sup> Avenue project area (extending to north of NE 8<sup>th</sup> Street but south of Bel-Red Road), and 2) NE 15/16<sup>th</sup> Street from 116<sup>th</sup> to 124<sup>th</sup>.

Responding to Councilmember Noble, Mr. Terry confirmed that Council adoption of the Plan will approve the use of a combination of existing and new funding strategies in general, with the specifics to be determined later.

Responding to Councilmember Lee, Mr. Terry said the LID benefit study will determine specific benefits to a property from a given project. Mr. Terry added that staff has been conservative in its estimates of LID revenue.

Responding to Councilmember Bonincontri, Transportation Director Goran Sparrman confirmed the intent to complete the identified projects within seven years, as previously directed by the Council.

Councilmember Chelminiak wants to assure that projects previously discussed by the Council involving public safety, a downtown fire station, a court facility, and acquisition of the Metro site continue to be funded. Councilmember Lee concurred.

Responding to Councilmember Davidson, Ms. Hawn explained that specific revenue strategies, as well as borrowing costs, will vary according to the desired timeline for project completion.

Deputy Mayor Balducci expressed concern that the finance plan goes beyond policy direction to somewhat more specific provisions regarding project costs and revenue sources. She recalled her previous concerns in reference to the proposed NE 15<sup>th</sup> Street project regarding costs and the project scope. She would like more discussion of this project, and is reluctant to commit to the estimated \$84 million project cost cited in the finance plan. Ms. Balducci encouraged accelerating projects that provide the greatest congestion relief in the short term.

Councilmember Noble noted his understanding that estimated project costs and revenue sources in the plan are preliminary and approximate. Mr. Terry confirmed that this is staff's intent. Staff is seeking Council direction tonight to enable staff to prepare legislation for Council approval on January 20.

Responding to Dr. Davidson, Mr. Terry said the Bel-Red Plan has a provision allowing a property owner to preserve the area within a right-of-way for the purpose of computing the

overall intensity of project development. If the property owner chooses to dedicate the ROW, they are able to use the area in their density calculation. Staff anticipates that a number of developers and property owners will choose this option, rather than have the City purchase the ROW through the LID.

Following additional questions of clarification, Mayor Degginger noted Council consensus to direct staff to prepare a Resolution approving the Mobility and Infrastructure Finance Plan.

(b) Recommendations on 2008 Comprehensive Plan Amendments

Planning Director Dan Stroh opened discussion regarding 2008 Comprehensive Plan Amendments (CPAs), noting that the package of 2008 CPAs is slated for Council discussion on February 17. The purpose of tonight's agenda item is to present the Planning Commission's recommendations.

Vicki Orrico, Planning Commission Chair, reviewed the Sambica, Coal Creek Urban Growth Boundary, and Pedestrian and Bicycle Transportation Plan Update CPAs.

The Sambica amendment will create a new Camp and Conference Center (CCC) designation and apply it to the Sambica property on West Lake Sammamish Parkway. This designation better matches the long-established existing uses of the site, and provides greater predictability for future development of the camp for both Sambica and the community. The Planning Commission voted unanimously to recommend Council approval of the Sambica CPA.

The Coal Creek UGB CPA adds the City's Coal Creek Park to the urban growth area and Bellevue's planned annexation area in conjunction with a parallel amendment to King County's Comprehensive Plan. It establishes a P/SF-M (Public/Single Family-Medium) Comprehensive Plan designation for the unincorporated area of the park. The Planning Commission voted unanimously to recommend Council approval of this CPA.

The Planning Commission recommended by a vote of 6-1 that the City Council approve the Pedestrian and Bicycle Transportation Plan Update. Commissioner Hamlin dissented due to his concerns regarding the 140<sup>th</sup> Avenue NE corridor projects and the neighborhood's opposition to them. Residents are concerned that the addition of bike lanes will result in a wider, busier street as well as the loss of trees.

Kevin O'Neill, Transportation Planning, explained that most of the projects, including the 140<sup>th</sup> Avenue bike project, have been identified at a fairly conceptual level at this point. He acknowledged residents' concerns and noted potential modifications to respond to these concerns.

Councilmember Noble expressed concern that the Transportation Commission was not involved in review of the 140<sup>th</sup> Avenue project. He noted safety concerns regarding the width of the road. In reference to comparisons to a Redmond project, Mr. Noble noted that that project was a

comprehensive roadway project while this project addresses only the addition of bicycle lanes. He suggested an alternative bike route via NE 29<sup>th</sup> and the Overlake area.

Dr. Davidson spoke in favor of removing the 140<sup>th</sup> Avenue project from the Ped/Bike Plan.

Mr. Lee encouraged the consideration of other options and expressed concern about the estimated project cost.

Ms. Balducci described her bike ride along the route on a Sunday afternoon. She did not feel safe riding on the multi-use trail due to its narrowness and changes in the surface ranging from smooth and rough pavement to gravel. She questioned the explicit goal of the project as well as the best way to achieve the purpose. While she does not want to make decisions as to the design of the project based on what has been done in other areas, Ms. Balducci noted that the trail is a link in a regional system, which should be a consideration.

Responding to Ms. Balducci, Mr. O'Neill said the Ped/Bike Plan Update includes projects related to the Mountains-to-Sound Greenway.

In further response to Ms. Balducci, Ms. Orrico confirmed that there is no intent to build single-family housing in Coal Creek Park. In addition, there are restrictions on the title prohibiting development.

Staff responded to additional questions of clarification.

Mr. Chelminiak commented on the challenge of balancing the needs and preferences of the Bridle Trails neighborhood with the larger community. He is concerned about the cost of the project to add only bike lanes.

Mayor Degginger concurred with the general concerns of the Council that the project needs further discussion and study before it can be a funding priority.

Responding to Mr. Degginger, Planning Director Dan Stroh said one approach to the adoption of the CPA is for staff to revise the language to reflect the Council's concerns regarding safety, cost, and neighborhood character. Mr. O'Neill added that the project can be retained in the plan while its description and priority ranking can be modified.

Mr. Lee reiterated his interest in considering additional alternatives for the project route and design.

Mr. Noble reiterated his suggestion to explore an alternative route using NE 29<sup>th</sup> Street. He noted that the project is a community amenity versus a required project, and therefore residents' preferences and concerns should be taken into consideration.

Mayor Degginger summarized Council's interest in reviewing additional options for the 140<sup>th</sup> Avenue bike lane project and modifying language in the Ped/Bike Plan Update to reflect Council's concerns and priorities.

(c) Bel-Red Subarea Plan

At 7:58 p.m., Mayor Degginger declared recess to the Regular Session, and noted that the Council would resume the Study Session agenda at the conclusion of the Regular Session.

The Study Session reconvened at 9:51 p.m., with Mayor Degginger presiding.

→ Deputy Mayor Balducci moved to extend the meeting to 11:00 p.m., and Mr. Chelminiak seconded the motion.

→ The motion to extend the meeting carried by a vote of 7-0.

Mr. Terry noted Council's ongoing discussion regarding the Bel-Red Subarea Plan and related zoning and Code amendments.

Mr. Stroh referred Council to the beginning presentation slides, which recap the planning work and discussions to date. The Bel-Red Subarea Plan policies are provided in the meeting packet as Attachment B [Page SS 2-185]. Staff will request Council action on the Plan on February 17. In preparation for that action, staff would like to review the proposed Ordinance with Council as early as January 20.

Mr. Stroh reviewed the Bel-Red zoning map and its effect on the Legacy, Public Storage, Woosley, Sternoff, and Sherwood Center properties. He recalled the Bel-Red Steering Committee's discussions regarding the objective to retain existing land uses even if they would not be allowed as new uses.

Responding to Mayor Degginger, Mr. Stroh referred the Council to page SS 2-242 of the meeting packet for proposed Bel-Red Subarea Plan regulations on existing uses. The expansion of a use is allowed within a development node, as well as to another node if the property is already owned by the same entity. Uses may be expanded to newly acquired properties if they are outside of the nodes and residential Land Use Districts. Mr. Stroh noted regulations for proportional compliance [Page SS 2-245] applicable to situations in which proposed changes to an existing use exceed \$150,000 in value. These include landscaping, parking, and other potential requirements aimed at maintaining compatibility with surrounding uses.

Responding to Mr. Degginger, Land Use Director Carol Helland said certain alterations and improvements (e.g., ADA-compliant modifications, energy efficient measures) are exempt from the \$150,000 threshold. Ms. Helland said the threshold was established based on historical experience as well as regulations in other jurisdictions (e.g., Portland, Oregon).

Mr. Degginger expressed concern that the threshold is too low and does not allow much in terms of alterations to a facility. Staff responded that public comments have related more to the types of allowable uses versus the dollar limit of this threshold.

Paul Inghram, Comprehensive Planning Manager, described the request from Legacy Commercial for a zoning change from Residential (BR-R) to Commercial-Residential (BR-CR) to allow a greater flexibility of uses and to encourage retail uses. The BR-R designation is consistent with the Steering Committee's recommendation for moderate density residential uses on the edge of the transit-oriented nodes. It allows smaller retail businesses and restaurants, while BR-CR allows hotel, office, and larger retail uses.

Mayor Degginger said while he understands the intent of the BR-R designation for interior parcels, it is not an appropriate designation for property along Northup Way, which has commercial uses.

Councilmember Chelminiak commented on the importance of ensuring there is residential development within the Bel-Red corridor in order to fulfill the long-term vision of the Bel-Red Plan.

Councilmember Lee wants to encourage development and investment in the Bel-Red corridor, and he feels the vision for the area can be achieved without excessive restrictions. He observed that development of the area will ultimately be guided by market forces.

Mr. Terry explained that projections for 5,000 housing units and 4.5 million square feet of commercial development are based on a market forecast extending through 2030.

Councilmember Bonincontri stated that the BR-R designation makes more sense to her than BR-CR for the Legacy property, which is in the interior of the Bel-Red area.

Deputy Mayor Balducci said she is inclined to support the Bel-Red Subarea Plan as proposed, based on the extensive analysis and review involved in the planning effort. However, she is open to Mr. Degginger's suggestion against requiring the Residential designation along Northup Way, which already has commercial development.

Staff responded to additional questions of clarification regarding the Subarea Plan, land uses, and requested zoning changes.

Responding to Councilmember Chelminiak, Mr. Terry said the plan is designed to encourage viable near-term development while preserving opportunities for residential development in the longer term to fulfill the plan's vision.

Mr. Inghram described the Public Storage request to change the zoning designation from BR-R to BR-OR, consistent with adjacent Public Storage properties. The R designation is consistent with the Steering Committee's recommendation for moderate density residential uses between

nodes. Mr. Inghram noted view opportunities above the West Tributary from the hill on this property.

The Woosley proposal requests a change from BR-CR to BR-OR-1 or -2 for the Brierwood Center triangle, as well as an increase in the maximum floor-area ratio (FAR) to 4.0 and increased building heights (150 feet for OR-1 or 125 feet for OR-2).

Responding to Deputy Mayor Balducci, Mr. Inghram said the Woosley/Brierwood gateway concept was not discussed with the Planning Commission. Woosley Properties did discuss its interest in greater land use flexibility and development opportunity, however.

Regarding the Sternoff request for taller building heights and higher density development, Mr. Inghram said he has discussed the zoning requirements in the Subarea Plan with the owner, who is satisfied with the BR-ORT designation

Mr. Stroh reviewed the Sherwood Center request for higher FAR limits in the BR-CR and BR-RC-3 zones on the property.

Councilmember Bonincontri expressed support for the Public Storage request as well as the Woosley property request for BR-OR-2 zoning.

→ Deputy Mayor Balducci moved to extend the meeting by five additional minutes, and Mr. Chelminiak seconded the motion.

→ The motion to extend the meeting carried by a vote of 7-0.

Ms. Bonincontri supports the Sternoff development regulations as well.

Mr. Chelminiak would like further discussion of building heights as they relate to the Sherwood Center request.

Staff will return on January 20 for more discussion.

At 11:02 p.m., Mayor Degginger declared the meeting adjourned.

Myrna L. Basich  
City Clerk

/kaw