

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Study Session

February 2, 2009
4:00 p.m.

Council Conference Room
Bellevue, Washington

Mayor Degginger called the Study Session to order at 6:03 p.m.

PRESENT: Mayor Degginger and Councilmembers Davidson, Lee, Noble, and Bonincontri. Councilmember Chelminiak arrived at 6:16 p.m.

ABSENT: Deputy Mayor Balducci

1. Executive Session

None.

2. Study Session

- (a) Bel-Red Subarea Plan related Comprehensive Plan, zoning and Land Use Code amendments

Mr. Sarkozy opened for the staff presentation of the Bel-Red Subarea Plan Comprehensive Plan and Land Use Code amendments.

Matt Terry, Director of Planning and Community Development, reviewed Council's deliberations to date, stating tonight's discussion will center on the east edge area's height parameters and pattern of development. The presentation will conclude with a summary of the Subarea Plan changes that are slated to return to Council on February 17, 2009. Mr. Terry introduced Paul Inghram, Comprehensive Planning Manager.

Mr. Inghram reviewed the Comprehensive Plan amendment package. He described the East Triangle area and the Steering Committee's and Planning Commission's recommended heights. He also addressed building spacing, stepbacks, and existing height requirements.

Councilmember Lee questioned why the height requirements were in the Land Use Code and not the Subarea Plan. Mr. Inghram explained that typical dimensional standards are in the Land Use Code and that the Subarea Plan provides the policy guidance in support of the Code.

Councilmember Noble noted a letter received from Bel-Green related to setbacks and dimensional requirements. He requested a staff response.

Mayor Degginger concurred with Councilmember Noble's request.

Councilmember Noble briefly noted the content of the Bel-Green letter and its timeliness to this discussion.

In response, Mr. Terry reviewed the inequities perceived by Bel-Green and explained the differing circumstance related to site location. This particular site abuts open space and is adjacent to Sherwood Forest and other residential neighborhoods that have historically enjoyed a more suburban development pattern. The Planning Commission considered all concerns and were deliberate in their recommendation of height setback and building spacing requirements. He stated that staff would provide a full response prior to the Subarea Plan adoption.

Councilmember Chelminiak noted Bel-Green's particular concern related to achievable FAR (Floor Area Ratio) and residential development floor plates. He asked that those issues also be addressed by staff. Mr. Inghram responded that, in regards to floor plate, each building, depending on type of user, design and preference for architectural treatment, may see different types of floor plates. The FAR is not intended to be the ideal but instead sets an upper maximum consistent with other nodes.

Councilmember Chelminiak restated the developer's point that FAR would not be achievable with the proposed height limits. Mr. Inghram reviewed possible options related to FAR and building height, and the resulting impacts.

Councilmember Bonincontri questioned the effectiveness of the 40-foot building setbacks on 156th Avenue in preserving the view corridors when, directly behind and in the Overlake Village area, there are building heights of eight stories. Responding to Councilmember Bonincontri, Mr. Inghram said that it was not the intent to define a view corridor, but to recognize potential views, create a visual penetration into the Overlake site, and a visual pathway that would orient pedestrians to their surroundings.

Councilmember Bonincontri suggested open pathways or a visual portal as opposed to the building setbacks.

Mayor Degginger clarified the purpose of tonight's discussion and staff's request for policy direction.

Dr. Davidson stated his support of the Planning Commission's recommendation with the reservation that, upon staff response to Bel-Green's concerns, Council could amend the policy language if warranted.

Mr. Terry stated that adoption of the Bel-Red Subarea Plan would establish the proposed ultimate height limits. Dimensional requirements such as building separation are addressed in the Land Use Code and can be adjusted later.

Continuing the response, Mr. Stroh said both the ultimate height of 70 feet and the 45-50 foot depth along 156th are elements in the Subarea Plan.

Councilmember Lee concurred with the Planning Commission's recommendation with the caveat that if Bel-Green's request has merit that it be considered.

Councilmember Bonincontri questioned if the Planning Commission considered Overlake Village in the planning process and the maximum height of an eight-story building. Responding to Councilmember Bonincontri, Mr. Inghram said that Overlake Village allows eight stories which can measure from eighty-five feet to over a hundred feet tall depending on the individual floor heights allowed.

Councilmember Noble expressed concern related to Redmond's planning, but stated he would support the Planning Commission's recommendation.

Mayor Degginger commented that he supports the Planning Commission's recommendation on the height requirements. He would like to spend more time reviewing the forty-five foot versus the fifteen foot setback. Responding to Mayor Degginger, Mr. Terry said that the setbacks are specifically mentioned in the Subarea Plan Policy. So, if Council wished to delete its reference in the policy they could do so now or address it later.

Mayor Degginger noted Council consensus regarding the height.

Dr. Davidson questioned the wording of Redmond's policy concerning the eight-story buildings. Responding to Dr. Davidson, Mr. Inghram said the specific wording is eight-stories, however he was unsure how they describe the height limits to each story.

Councilmember Chelminiak concurred with Mayor Degginger's concerns regarding the setbacks and the difficulty of the design to meet residential needs. He stated he would like to give Bel-Green the opportunity to discuss their concerns with Council.

Mayor Degginger requested an alternative option for the Subarea Plan concerning the setbacks.

Responding to Mayor Degginger's request, Mr. Terry said that staff would prepare a version that would establish the height limit and a separate version that would deal with both the height limit and the setback.

Mr. Inghram continued the presentation, providing an outline of the Comprehensive Plan amendments including the Medical Institute District language changes; project description refinements for 15th and 16th; refinements to Subarea Plan to include walkability; and minor changes to the discussion text in the regional TDR policy.

Mr. Inghram next reviewed the three categories of site-specific requests. The first would increase height and FAR for the Woosley site and increase FAR for Sherwood Center. Staff believes both requests are inconsistent with the Steering Committee vision and recommends no change. The second request comes from the Legacy, Public Storage and Ostroff sites to change zoning from BR-R to CR, OR and GC. Staff recommends to modify the R district to allow greater retail use flexibility, but not to change the land use designations for these individual sites.

Mayor Degginger questioned the dollar amount of investment that could be made before thresholds were triggered. Responding to Mayor Degginger, Mr. Inghram said that the provision is addressed in the Land Use Code and provides a \$150,000 threshold. If that threshold is met or exceeded, it would require partial compliance with site standards. Specifically, the request references the 3,000 square foot size limitation on certain retail uses and is requesting increasing that limitation for individual uses and creating an aggregate limit for existing and new mixed use buildings on the ground floor to provide better use of space.

Mr. Inghram continued the review, stating the third request came from discussion of the Office/Residential transition on the south side of Bel-Red Road. Staff recommends the zoning change from BR-ORT to BR-CR.

Councilmember Lee asked if the proposed modifications to the properties have been discussed with all of the owners. Responding to Councilmember Lee, Mr. Inghram said that staff has spoken with all of the property owners over the last couple of months.

Dan Stroh, Planning Director, continued the presentation, stating the draft Bel-Red Subarea Plan includes a transportation plan map that indicates transportation system improvements and phasing. The phasing concept is intended to identify those projects that would be funded first and used as a regulatory tool in conjunction with the Land Use Code phasing limit. It is focused on linking land use to provisions of infrastructure and timing of development. With the adoption of a financial strategy, the City has established the first priority for Bel-Red transportation projects and has removed the need for a Land Use Code phasing limit.

Another recent development is the voter approval of Proposition 1 for the East Link Light Rail, which is scheduled for completion by 2021. Concurrency of traffic standards is still in place and will continue be a governor in the Bel-Red area in terms of land use phasing.

Mr. Stroh summarized staff's recommendation to refine Subarea Policy S-BR-A4, eliminating reference to Figures S-BR2 and S-BR3, and to amend Subarea Figure S-BR2, removing timing elements as they are addressed in the finance plan.

Mayor Degginger questioned the rationale for eliminating the phasing schedule. In response, Mr. Terry explained the premise of the financial plan and assumptions it contains relating to property taxes, local improvement districts and possible developer impact fees. Since there is no certainty to any of those assumptions, staff contemplates that continual adjustments will have to be made as the plan plays out. It has been understood from the beginning that this plan, while it sets basic policy direction, will change and evolve over time. Mr. Terry stated the challenges of finding the right balance to create a stable development environment given the uncertainties built into the finance plan. And, while the financial plan provides policy direction, the City controls many of the decisions that underlie the assumptions of that plan.

Councilmember Davidson questioned the residential node moving forward upon completion of Phase 1 and how the infrastructure will take care of that node. In response, Mr. Terry stated there are no phasing limitations related to residential development. There are two key pieces of infrastructure that serve that node, the first being the light rail line and the second an accompanying arterial street that is funded to 124th. There are two north/south streets (130th and 132nd) that serve the heart of the node and provide connection to Bel-Red and Northup. Frontage improvements are typically required of the developer. This node could develop, at least initially, with the light rail investment and the above north/south connections. Mr. Terry continued, explaining that the amenity incentive system is structured so that the tier 1 bonus focuses on affordable housing, parks and open space systems.

Councilmember Chelminiak voiced concern over not including funding for parks and open space in Phase I. In response, Mr. Terry reminded Council of earlier discussions related to park impact fees as part of the toolbox and a funding mechanism for the parks system. At the time, there appeared to be little interest in pursuing that direction. A second funding source is through an amenity incentive system. Staff has tried to find the right balance between development feasibility, ensuring that the environment works, and extracting contributions from private development towards this public investment. Currently, there is no other city in the Puget Sound Region using incentive zoning in a similar manner.

Councilmember Lee asked if staff has been talking to the development community related to their expectations. Mr. Terry confirmed that conversations are ongoing and that, for the most part, the development community likes the land use vision and are generally comfortable with the regulatory framework.

Continuing the response, Mr. Stroh further explained removal of the reference to BR-2 in Subarea Policy S-BR-A4. He stated that BR-2, a graphic of the parks and open space system, never had a phasing component included. He acknowledged its importance to the character of the area.

Councilmember Bonincontri stated that, in general, she supports staffs' recommendation related to the phasing. It provides a general framework. Flexibility and adjustments will be necessary as the project develops. She expressed concern related to open space as it is necessary to attract housing developments.

Mr. Terry agreed with Councilmember Bonincontri's comments on the importance of open space and reminded Council that \$32 million dollars has been designated for open space and stream corridor restoration in the finance plan. \$10 million will come from the increase in storm drainage rates with the balance to come from incentive zoning.

Dr. Davidson said that he would like clarification on how much the second phase is going to cost and how it will be funded. Mr. Terry responded that the City is making a down payment on the ultimate infrastructure investment. Historically, and important to note, the parks system has been primarily funded by bond issuance and City investments. Not until this Bel-Red Plan has the City looked to private development to support investment in the parks system. This is a fundamental shift in policy in terms of what the City is asking of new development. In the case of the transportation system investment, the past practice of funding through local improvement districts is being considered again along with the use of impact fees.

Dr. Davidson questioned if the proposed residential node project included a local improvement district. Responding to Dr. Davidson, Mr. Terry said that boundaries for the LID have not been established yet. Initial feasibility is focused on commercial nodes to support transportation investments. Participation in a local improvement district is based on whether or not a property receives a benefit, which will be decided by Council at a future date.

Continuing to respond to Dr. Davidson, Mr. Terry said that financing for the second phase has not been fully discussed. It is entirely possible that Council might conclude at a future time that extension of NE 15th Street from 124th further east should be funded in part by an LID.

In response to Mayor Degginger, Mr. Terry said that, unless otherwise directed by Council, this is the proposal that staff had intended to bring back on February 17, 2009.

Mayor Degginger reiterated his concerns with over investing and under-delivering infrastructure.

Councilmember Lee requested more information on open space plans for residential development. He wanted clarification on which comes first, commercial development or residential development.

Responding to Councilmember Lee, Mr. Stroh said that a main focus of transportation investment on infrastructure has been allocated to unlock the western area. This area contains a large amount of commercial development that has created major traffic

impacts. Typically, housing developments have enough critical mass to develop their own magnet. They come in with enough amenities on their own to make their developments attractive places to live and buy into the City's amenity incentive system to help create City parks and open spaces.

Mr. Stroh next presented the proposed project for the NE 15th/16th corridor and the draft regional Transfer of Development Rights (TDR), noting the removal of Lake Tapps as it is not in King County. Discussion of the TDR will be brought before Council again in March when the Land Use Code Amendments are presented for adoption.

Councilmember Bonincontri asked if the description, which includes the number of through lanes in the NE 15th/16th Corridor project, could be changed to just reference a multi-modal corridor incorporating east/west arterial capacity and light rail guide ways, leaving the details to later.

Responding to Councilmember Bonincontri, Mr. Stroh explained why the description needs to include the specific language including the number of lanes. He stated that width is a key consideration in this corridor and that the ultimate number of lanes were important in terms of preserving right-of-way.

Kevin O'Neil, continuing the response, said that including the language made the project consistent with the environmental analysis.

Councilmember Chelminiak concurred with Mr. O'Neil. He noted that there is no State prohibition that precludes a TDR from crossing a county line and suggested that the option remain open.

Responding to Councilmember Chelminiak, Mr. Terry stated if Council should elect to proceed with the transfer of development rights, an Interlocal agreement would need to be adopted. That agreement could designate both the sending and receiving sites. He provided the examples of Lake Tapps or the I-90 corridor.

Dr. Davidson stated concerns related to Lake Tapps and the description of the watershed.

Mayor Degginger said that removing Lake Tapps from the TDR language or leaving it in has no impact at this time.

Councilmember Lee questioned how many units will be used for TDR. In response, Mr. Stroh stated there are 5000 units in the 2030 forecast. He estimated the TDR number to be approximately 75 units.

Mayor Degginger asked Council to direct any additional questions regarding Bel-Red Subarea Plan to Mr. Terry or Mr. Stroh.

- (b) Traffic Standards Code Amendments to implement adopted Transportation Element amendments to Mobility Management Area boundaries

Mr. Sarkozy introduced Bernard van de Kamp to continue discussion on the East Link at grade alternative (C4A) that is being considered by Sound Transit.

Mr. van de Kamp, Regional Project Manager, briefly reviewed the two management briefs included in the Council packet. The first brief includes additional information on the staff analysis of existing policies and compatibility testing related to Segment B , specifically how the B-7 alternative would function with a new station at SE 8th and 118th. The second brief relates to Segment C specific to the C4A at grade alternative. He stated staff's intention to come back to Council on February 9, 2009 for a more involved discussion of all the alternatives.

Dr. Davidson noted that at-grade the train moves very slowly and wanted to review speed estimates and time differences compared to other options.

Responding to Dr. Davidson, Mr. van de Kamp said that Sound Transit has estimates available in their Executive Summary, segment by segment. In regards to Segment B, the travel time is essentially the same for all alternatives. Segment C shows variations in travel speed/time due to the assumptions related to light rail priorities in the downtown area. Generally, the train while operating at-grade will travel at or a little below the speed limit where conflicts exist. He noted the complication in the downtown area related to signal synchronization through the main arterials.

Dr. Davidson commented that the trains appeared to be traveling slower than the speed limits during site visits to San Diego, San Jose, and Portland with the Best Practices Steering Committee.

Councilmember Chelminiak noted that speeds vary in terms of at-grade, below-grade, above-grade, and the number of cross streets. He commented on the width and length of intersections in downtown Bellevue that often cause blocking at intersections.

Mr. van de Kamp concurred with Councilmember Chelminiak's observation related to intersections being blocked. He said that there is a mechanism that is placed in the signal that allows an additional minute in an attempt to clear the intersection prior to a train traveling through.

3. Discussion

(a) Council Business

Mayor Degginger reported on Councilmember Chelminiak's debut in a Bellevue Youth Theater production.

Councilmember Chelminiak discussed his experience and the wonderful contribution the Bellevue Youth Theater provides to the community.

Councilmember Lee concurred with the value the Bellevue Youth Theater provides the community. He reported on his attendance at a Regional Transit Committee meeting and the election of Cathy Huckabee as Committee Vice Chair.

Councilmember Bonincontri reported on her attendance at the Eastside Human Services Board Meeting. She also attended the One Night Count on the eastside and reported that the homeless rate numbers have not increase from last year.

Dr. Davidson reported on his attendance at the Metropolitan Water Pollution Abatement Advisory Committee. He also reported on the appointment of Chuck Clark as the Chief Executive for the Cascade Water Alliance.

Councilmember Noble reported on his attendance at the Mental Illness and Drug Dependency Oversight Committee meeting and the impacts of the State and County budget cuts to this group's programs.

At 7:52 p.m., Mayor Degginger declared recess to the Regular Session.

Myrna L. Basich
City Clerk