

CITY OF BELLEVUE  
CITY COUNCIL

Summary Minutes of Study Session

March 2, 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

The meeting was called to order at 6:05 p.m., with Mayor Degginger presiding. There was no Executive Session.

2. Study Session

(a) Bel-Red Land Use Code Amendments

City Manager Sarkozy introduced the agenda item, which is part of the ongoing planning effort for the Bel-Red corridor.

Carol Helland, Land Use Director, recalled Council's adoption of the Bel-Red Subarea Plan and related Comprehensive Plan Amendments (CPAs) on February 17. Tonight's presentation focuses on a review of the draft Land Use Code (LUC) provisions including revisions made since the Planning Commission's recommendation, responses to recent comments, and potential participation in the County's transfer of development rights program. A discussion of the Wright Runstad proposal will be scheduled for a future study session.

Ms. Helland recalled that staff presented the LUC package to the Council on September 22, 2008, and followed up with discussions on October 6 and 13. A November 10 memo responded to a number of Council's questions. The January 5, 2009, Council packet provided an updated LUC including revisions based on Council direction and additional staff review. This update reflects a number of technical changes for the purposes of clarification, consistency, simplification, and improved flexibility in administering the code.

Ms. Helland reviewed a substantive change regarding references to the floor-area ratio (FAR) limitation. She noted that Council adopted the Mobility and Infrastructure Finance Plan for the community, and Proposition 1 was approved at the polls approving funding for transit. As a result staff removed LUC section 20.25D.040 related to phased development, and the Council modified Subarea Plan Policy S-BR-4. Staff recommends deleting sections 20.25D.040A and 20.25D.040C for consistency.

Ms. Helland described a change pertaining to floor plate maximum size. The Planning Commission originally recommended no floor plate maximum for mid-rise residential buildings. However, staff is concerned this could result in bulky building types and recommends a maximum floor plate size of 28,000 square feet for residential buildings above 40 feet. The Planning Commission reviewed this proposed change on January 7 and did not object.

Ms. Helland reviewed a substantive change to the residential mixed-use requirement. The Planning Commission is interested in encouraging mixed uses in the Bel-Red corridor with a significant amount of residential development. The Commission originally recommended requiring 20 percent residential development in projects on OR-1 and OR-2 zoned sites larger than five acres. Following further discussion with developers, staff recommended a change to allow the residential requirement to be met over a phasing plan. The Planning Commission reviewed the proposed change on January 7 and did not object.

Councilmember Lee spoke in favor of allowing the flexibility. Ms. Helland clarified that the revision means that residential development must be identified as part of a project master plan, but all non-residential components of the master plan could be constructed before the residential use is developed. As currently drafted, the code does not demand any timing in the delivery of the residential component.

Responding to Councilmember Davidson, Ms. Helland explained that a Master Plan is tied to the land, so the only thing that could be constructed on the remaining 20 percent of a site would be the residential component of the Master Plan.

Responding to Councilmember Bonincontri, Planning Director Dan Stroh said staff estimates that 800 to 1,000 residential units will be developed initially in the western Bel-Red node, in association with office development.

Councilmember Chelminiak wants to ensure that residential development occurs within 10 to 15 years.

Mayor Degginger said he shares Mr. Chelminiak's concern. He cautioned that desired retail development might not occur if residential development is not provided.

Ms. Helland said that one option discussed by staff and the Planning Commission is a requirement that the residential component be met sometime around the midpoint of the Master Plan construction. Another approach, as suggested by Councilmember Chelminiak, is to discuss this requirement in relation to the concept of a catalyst project for the area.

Responding to Deputy Mayor Balducci, Mr. Stroh acknowledged the challenge of planning and encouraging specific development when development is ultimately subject to what will be supported by the market economy. He noted that residential development is currently outperforming office development, which is likely to balance out in the future.

Ms. Helland said staff will bring back a range of options for Council consideration.

Continuing, Ms. Helland reviewed Land Use Code revisions that incorporate Council direction provided in October regarding the FAR (floor-area ratio) amenity incentive system for the Bel-Red area (Beginning on Page SS 2-58 of Council packet, Section 20.25D.090 of Bel-Red Land Use Code). The revisions were recommended by the City's consultants and the ULI panel. The changes increase the maximum FAR in the development nodes to 4.0, adjust the incentive ratios to be based on a value of \$15 per development square foot, and modify the Tier 1 and 2 incentive levels.

Councilmember Chelminiak questioned the incentive for child care and nonprofit organizations. Comprehensive Planning Manager Paul Inghram recalled discussions by the Planning Commission from the previous year, noting that he believes the intent was to apply the incentive to a wide range of organizations including arts and cultural groups as well as social services. In further response, Ms. Helland said the concept is that a development may set aside space for a nonprofit function. Mr. Chelminiak encouraged staff to make sure this provision does not have potentially negative legal implications.

Deputy Mayor Balducci questioned the difference between parks dedication and parks improvements. Ms. Helland explained that the former refers to the dedication of new land for a park, while the second term represents improvements to existing park property. Responding to Mr. Chelminiak, Ms. Helland said the incentive related to the use of private property for a park function requires a public easement. Mr. Stroh added that bonus parks on private property must be signed and function as part of the City's park system.

Ms. Helland reviewed changes to the Bel-Red residential district (BR-R) designation. In response to Council review of the Subarea Plan and public comments, staff recommends increasing flexibility for commercial uses by: 1) Adding some new commercial and recreation uses to the BR-R district, 2) Eliminating the 3,000 square feet individual use size limit in favor of the larger 10,000 square feet aggregate limit, and 2) Allowing developments to exceed the aggregate limit for the reuse of existing buildings and for the ground floor of new mixed use buildings (with an individual use limit of 10,000 square feet).

Referring to regulations for existing development [Page SS 2-25 of the Council packet], Mayor Degginger expressed concern that the \$150,000 threshold for improvements is too low. For example, the amount would likely be insufficient to replace a roof on a large structure. Ms. Helland said there are additional provisions requiring upgrades to existing uses/structures. Of the \$150,000 expended, a property owner would be required to allocate 20 percent of that total toward an upgrade consistent with the design requirements for the district (e.g., sidewalk

improvements, landscaping). Ms. Helland said the Council may modify the threshold dollar amount and/or other related provisions. Some have suggested exempting maintenance expenditures from qualifying as required improvements.

Mayor Degginger suggested that maintenance items such as the replacement or repair of a HVAC system or roof should be exempt. He noted that the code exempts Energy Star and other industry-recognized standards that improve operational efficiency.

Ms. Helland said staff will bring back examples of maintenance items to be considered as exemptions to required improvements of existing structures.

Responding to Deputy Mayor Balducci, Ms. Helland said existing restaurants are allowed to continue with their normal hours of operation. A permit is required for a new restaurant in a residential district that is seeking to extend its hours of operation to the time period between 9:00 p.m. and 6:00 a.m.

Responding to Ms. Balducci, Ms. Helland said staff's plan is to draft a final version for Council review during the second half of March, with adoption anticipated in early April.

Ms. Helland recalled Council's concerns related to group quarters (i.e., dormitories, fraternal houses). This has been removed as a permitted use in Bel-Red residential districts. However, a footnote has been proposed [Page SS 2-44 of Council packet] indicating that dormitories associated with a college or university may be permitted as a component of the primary use.

Mayor Degginger expressed concern with the proposed dormitory use provision, noting that the use has not been previously allowed.

Responding to Councilmember Chelminiak, Ms. Helland said the proposed footnote was suggested by the Legal Department, which advised that the allowance of dorms would not apply to secured community transition facilities (SCTF).

Ms. Helland confirmed Council's interest in not allowing group quarters as a permitted use and in removing the proposed footnote that dormitories could be considered in conjunction with a college or university.

Moving on, Ms. Helland reviewed LUC revisions related to building heights and dimensions for the east area of the Bel-Red Subarea. Council previously confirmed a general height limit of 70 feet, with a height limit of 45 feet along 156<sup>th</sup> Avenue NE (extending 50 feet from the street). Staff recommends increasing the maximum building façade length from 150 feet to 190 feet. This would allow properties to be developed in two-building configurations with 40-foot building separations.

Deputy Mayor Balducci expressed concern that the regulation for building facade length was not previously discussed with the Council. Ms. Helland noted that staff's proposed revision responds to comments received from BelGreen Development and Opus Northwest.

Councilmember Chelminiak said he shared Ms. Balducci's concern. Ms. Helland suggested maintaining the 150-foot façade length language for now, pending outreach with the community to obtain feedback on the proposed change. Deputy Mayor Balducci said it is important to explain that the purpose of allowing the longer building façade is to facilitate the preservation of a 40-foot gap between buildings, which is consistent with residents' interests.

Responding to Councilmember Chelminiak, Ms. Helland noted staff's position that corrugated metal siding can be integrated into a building's siding in an appealing manner, and that allowing its use provides some flexibility in design. As an example, she noted that Westminster Church incorporates corrugated metal siding into its structure.

Responding to Mayor Degginger, Ms. Helland said cementitious lap shingle siding is prohibited due to a lack of durability and an inability to maintain the material's appearance.

Mayor Degginger noted that a similar building material, hardy plank, has been used in houses in other areas of the city. Ms. Helland said staff will provide additional information, noting that the intent is to specify building materials that will maintain their quality over time.

Responding to Councilmember Chelminiak, Ms. Helland said the shooting range in the Bel-Red area is a permitted use as a recreation activity. The use is permitted in four districts, excluding the Medical Institution, Residential, and Office-Residential districts.

Mr. Stroh described the proposal to implement the County's regional transfer of development rights program in the Bel-Red zoning incentive system. The concept is a market mechanism to preserve land in rural areas and to relocate growth into designated urban areas. Rural landowners receive compensation from private developers to preserve the rural land, and the developers can use these credits or development rights for compact development in urban receiving areas.

King County recognizes that if developers receive Bel-Red zoning incentives by purchasing regional TDRs, less developer funding will be available for the City's zoning incentives in the Bel-Red area. King County proposes providing a \$750,000 TDR amenity payment to the City toward the creation of parks and open space to offset some of this loss in incentive payments. Mr. Stroh said the payment would be provided this year, and participation in the program provides a direct regional benefit in preserving rural lands.

Deputy Mayor Balducci recalled the previous Council discussion on this issue and noted her continued support for the program. It preserves open space and provides a known payment to the City for its use in the Bel-Red corridor.

Councilmember Davidson disagreed. He noted that city residents are restricted by critical areas regulations, yet they are unable to benefit from their preservation of natural areas as is provided by the transfer of development rights program for rural areas. He feels the City does a great job

of conserving land within Bellevue and that it should continue to do so instead of extending its efforts into the county.

Responding to Mayor Degginger, Ms. Helland confirmed that the City's regulations allow for the transfer of some development intensity in connection with the development of properties containing critical areas within the city limits.

Responding to Councilmember Bonincontri, Mr. Stroh explained that the proposal would allow 75 TDR units to be purchased by developers for use in the Bel-Red area. Based on the consultant's assumption of an average value of \$20,000 per unit, the program would generate approximately \$1.5 million toward parks and open space development. Each development right/unit represents five to 20 acres, depending on the type and location of rural land. In further response, Mr. Stroh said the other Tier 1 bonuses provide one square foot of FAR (floor-area ratio) per each \$15 spent in developer bonus.

Councilmember Noble stated that the concept has positive aspects. However, he does not think it works well for Bellevue's current situation of pursuing specific benefits for the Bel-Red area, which include affordable housing and park/stream improvements. He feels it does not make sense to allow developer incentives that will preserve open space outside of Bellevue instead of here within the community.

Councilmember Chelminiak expressed support for participating in the regional TDR program.

Responding to Councilmember Lee, Mr. Stroh said an interesting aspect of the County's proposal is that the City Council would be able to identify the rural areas to be preserved. The areas could be selected based on their connection to a Bellevue interest such as farmland used by vendors of Bellevue's Farmers Market or land that provides view corridors for the Bellevue community. In further response, Mr. Stroh noted the consultant's study in the meeting packet which addresses the calculation of FAR values.

Councilmember Bonincontri expressed support for the regional TDR program because it will facilitate the development of parks in the Bel-Red corridor, which will foster residential development as well.

Mayor Degginger views the TDR program as an opportunity for regional leadership. He further noted that as Bellevue develops its Bel-Red corridor, including the implementation of light rail, it will seek cooperation from regional interests to meet local goals. He feels it is therefore important to support regional objectives such as the preservation of open space through the TDR program.

Councilmember Davidson reiterated that he is uncomfortable with the concept of directing developers' payments to preserve areas outside of the community, especially when there are open space needs within the city's boundaries.

Mr. Stroh responded to additional questions of clarification. He summarized that the program benefits Bellevue by allowing the City Council to identify the rural areas to be preserved and providing \$750,000 in payment from the County for parks and open space needs.

Mayor Degginger noted four Councilmembers in support of the TDR proposal, with Councilmembers Davidson, Lee and Noble opposed.

(b) Traffic Standards Code Amendments

Kevin McDonald, Senior Planner, reviewed updates needed to the Traffic Standards Code to be consistent with recently adopted Comprehensive Plan Transportation Element amendments applicable to the Bel-Red area. He recalled that mobility management areas (MMAs) are geographic areas within the city with specific traffic management standards, known as level of service (LOS). LOS is currently a measure of the volume to capacity ratio for vehicles at an intersection during the peak evening period. However, multi-modal concurrency options are being studied with the Puget Sound Regional Council.

Mr. McDonald explained that the Transportation Commission recommends amending the Traffic Standards Code LOS for the Bel-Red Subarea from D (.90) to E+ (.95). The change recognizes the mixed land uses and multiple transportation options in the area. The LOS standard for downtown Bellevue and the Factoria area is E+. The amendment is consistent with the recent adoption of Comprehensive Plan policy TR-36 which provides guidelines for revising the LOS based on the existence of multiple travel options (e.g., transit, walking).

Responding to Councilmember Lee, Mr. McDonald said the concept is that an area can tolerate more congestion as new travel options emerge. The change in the LOS standard or target helps to establish transportation infrastructure for the future, which for the Bel-Red area will be more mobility options including light rail and pedestrian/bicycle facilities. The change to E+ tolerates more congestion but lowers the requirement for building roadway infrastructure because there are other transportation options.

Kevin O'Neill, Assistant Director of Transportation, clarified that the existing level of service is not the LOS standard. A policy amendment of the LOS standard will impact the threshold for concurrency, but it will also be used in the design of Bel-Red facilities including the NE 15<sup>th</sup>/16<sup>th</sup> corridor, 120<sup>th</sup> Avenue, and 124<sup>th</sup> Avenue.

In further response to Mr. Lee, Mr. McDonald said light rail will enable a higher volume of movement through the Bel-Red Corridor and greater mobility at the transit/development nodes. Amendment of the LOS standard to E+ allows the City to use its infrastructure investments wisely and to improve roadway capacity enough to preserve its function, while acknowledging that there are alternative mobility options.

Mr. McDonald responded to additional brief questions of clarification. He noted that action on the Traffic Standards Code will be presented at a later date along with the adoption of Bel-Red LUC amendments.

(c) 2009-2020 Transportation Facilities Plan Update

Mayor Degginger suggested that this item be moved to the Regular Session under the City Manager's Report [Agenda Item 5].

At 7:59 p.m., Mayor Degginger declared recess to the Regular Session.

Myrna L. Basich  
City Clerk

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