

## CITY COUNCIL STUDY SESSION ITEM

### **SUBJECT:**

Discussion and direction regarding a proposed ordinance amending the Bellevue City Code to allow signs at the upper levels of high-rise buildings downtown for corporate headquarters with at least 120,000 NSF of leased space and enterprises with at least 180,000 NSF; amending Sections 22B.10.020 and 22B.10.025 of the Bellevue City Code.

### **STAFF CONTACT:**

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### **POLICY CONSIDERATION:**

#### **Comprehensive Plan Policies re: Downtown Signage:**

Comprehensive Plan policies related to urban design and signage provide the context for the City's existing Sign Code regulations and any amendment. Policies that particularly influence the City's sign regulations include:

POLICY EC-6. Encourage high quality design and development in working or trading areas.

POLICY UD-1. Encourage unique designs for major buildings in order to create distinctive reference points in the community.

POLICY UD-2. Support designs for the built environment that are visually stimulating and thoughtful and which convey excellence in architecture and workmanship, and durability in building materials.

POLICY UD-25. Assure that sign design and placement is compatible with building architecture.

POLICY UD-26. Ensure compatible signs in commercial development with multiple businesses.

POLICY UD-27. Ensure that signs are compatible with their surroundings. Signs should provide information and make a positive visual contribution to the character of the community.

POLICY UD-44. Establish attractive gateways at all key entry points into the City and into smaller districts and communities within the City.

POLICY UD-66. Encourage rooflines which create interesting and distinctive forms against the sky within the Downtown.

**POLICY UD-72.** Discourage signs at upper levels of high-rise buildings with limited exception for hotel names and logos when compatible with the buildings [sic] architecture.

These policies uniformly emphasize the look of the built environment, recognizing its impact on the perception of the quality and livability of areas in the city, including the downtown. Over the years, much effort has been focused on creating policies and development regulations to ensure an architecturally distinctive, attractive downtown. This vision for the downtown translates to what we see today, a skyline that defines the city for both its residents and its visitors. Outside of Seattle, Bellevue has the only concentration of high-rise buildings in the region, and offers dramatic views of the downtown buildings against the backdrop of the Cascades, Lake Washington, and the Olympic Mountains. Unlike building facades seen from the freeway corridors, the downtown skyline is a visual backdrop that helps define a number of Bellevue neighborhoods, and the skyline view is an amenity that positively impacts neighborhood property values. Its distinctiveness as a visual element is comparable in some ways to the role played by Bellevue's dramatic lake and mountain views.

This iconic vision of the downtown has evolved through sometimes vigorous debate, and has been carefully crafted to address both business and resident interests. Features that we see implemented in downtown architecture today flowed from those efforts, including a focus on interesting rooflines to help distinguish and identify the city's skyline as unique, the "wedding cake" approach to heights in the downtown land use districts, with lower heights in the perimeter areas, and a focus on building materials.

Of particular sensitivity during past planning efforts has been the impact of building height on the character of the downtown and its adjacent communities. Prior to the 2004, signage had not been a significant focus of discussions surrounding building height and the character of the City's skyline. As is described in more detail below, at the time the City first amended the sign code to allow for signs at the top of high-rise buildings, there was some concern that allowing such signage could be viewed as an erosion of commitments the City had made in past efforts. The limitations placed on the number, size and placement of signs at the top of high-rise buildings was a response to the importance of the skyline to those who work there, and to the many people who see it from their residences. This practice is reflected in Policy UD-72.

The word "discourage" in Policy UD-72 does not mean that such signage must be prohibited. It does mean that any allowance for signs at the tops of buildings be carefully considered in light of all of the interests affected by this change. The near-decade of experience the community has gained with downtown building-top signage since the adoption of the 2004 amendment suggests that further amendment, if done carefully, can occur with little or no negative effect.

**DIRECTION NEEDED FROM COUNCIL:**

- Action
- Discussion
- Information

Following review and discussion, staff is seeking direction on whether to schedule action on the proposed ordinance at the June 3, 2013 Council meeting or other future Council meeting.

**BACKGROUND/ANALYSIS:**

***2004 Sign Code Amendment***

In 2004 during the process of amending the Sign Code for Downtown buildings the City became aware of the importance large companies place on the ability to install corporate signs at the top of high-rise buildings. It is an important factor to their visibility and image, and it weighs heavily into decisions about where to locate their headquarters or business branches. The Sign Code was amended to allow no more than two signs at the top of high-rise office buildings when the business occupies at least 180,000 net square feet (NSF) of floor area in the building. The maximum area of each sign is limited to 300 square feet. Building-top signs have long been allowed at the top of hotels without any minimum building size requirements.

While the Council discussion in 2004 included consideration of limiting building-top signs only to corporate headquarters, as opposed to allowing them for any major employer, Council at that time acknowledged the great value of the significant employee base brought to downtown by large employers, such as Microsoft, and chose not to restrict this signage allowance just to corporate headquarters. As a result, the Sign Code now allows building-top signage for any enterprise that occupies at least 180,000 NSF in a single building.

***Proposed Code Amendment***

In recent discussions with companies interested in locating their corporate headquarters in Downtown Bellevue, the topic of the limitations included within the Sign Code provisions for high-rise signage has surfaced. The requirement to occupy a minimum of 180,000 NSF has deterred large companies from locating or expanding their operations in Bellevue when their initial plans do not warrant leasing space sufficient to allow those employers to install top of building signs.

Ongoing efforts to encourage the economic development and vitality of Bellevue suggest that modest modifications to the high-rise sign regulations could attract corporate headquarters to the Downtown and increase diversity of employers. Steps to attract significant corporate headquarters to Bellevue would be particularly positive.

Staff proposes that the Sign Code be amended to add a provision that is specific to signage at the tops of high-rise buildings containing corporate headquarters. While the 180,000 NSF threshold would remain in place for major employers that are not corporate headquarters, that threshold would drop to 120,000 NSF for corporate headquarters. The table below compares existing Sign Code provisions with those that are proposed:

	<b>Existing Code Provisions</b>	<b>Proposed Code Provisions</b>
Qualifying user	180,000 NSF for any enterprise	120,000 NSF for corporate headquarters or 180,000 NSF for any enterprise
User	Only one user per building	No change
Sign Size	300 SF Max	No change
Sign Number	2	No change
Sign Location	Façade most directly facing I-405	No change

**Effect of Amendment on Existing/Under Construction High-Rises:**

Though Downtown leases are not tracked, jobs data for individual businesses in existing high-rises indicates that four to five existing downtown businesses are above 100,000 NSF but less than 180,000 NSF. Of those, staff has been able to identify two buildings that would potentially qualify for building-top signage if the proposed amendment is adopted. Given the efficiency with which many corporations now operate, the 180,000 NSF limit could be an impediment to their decision to move their corporate headquarters to Downtown Bellevue.

Currently 11 towers have building-top signs, two of which are for hotels. Six existing buildings and one hotel under construction would qualify for high-rise signs under the current Sign Code provisions. Two additional buildings would be eligible for high-rise signs if this code amendment is adopted. The towers with existing signs, the qualifying high-rises, and the potential qualifying high-rises (if the amendment is adopted) are shown in the table below.

<b>Existing High-Rise Signs:</b>
2 Hotels
Hyatt
Westin
9 Office Buildings
Expedia
PSE
PACCAR
Eddie Bauer
Symetra
Microsoft (3)
City Center II
Bravern I
Bravern II
Plaza Center

<b>Qualifying High-Rises – Without Signs:</b>
1 Hotel (Under Construction)
Marriott
6 Office Buildings
Skyline Tower (451,800 SF)
One Bellevue Center (373,067 SF)
City Center One (487,000 SF)
Key Center (477,899 SF)
Bellevue Corporate Plaza (216,117)
Bellevue Place Tower (320,813 SF)
<b>2 Potential Qualifying Office Buildings (with proposed amendment):</b>
Plaza East (147,802 SF)
Pacific Plaza (137,349 SF)

**ALTERNATIVES:**

1. Direct staff to prepare a Sign Code amendment that allows signage at the top of a high-rise for corporate headquarters that occupy at least 120,000 NSF.
2. Retain existing Sign Code provisions regarding signage at the top of downtown high-rises.
3. Provide alternative direction to staff.

**RECOMMENDATION:**

Alternative 1