



DATE: November 21, 2007

TO: Chair Robertson and Members of the Bellevue Planning Commission

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SUBJECT: Courter Enterprises Comprehensive Plan Amendment (07-104709 AC)  
December 12, 2007 Public Hearing

## **I. PROPOSAL**

This privately-initiated Comprehensive Plan Amendment (CPA) seeks to amend Factoria Subarea policy in the Comprehensive Plan to support retail auto sales in the OLB district at 13231 and 13291 SE 36th Street. If the CPA is adopted, a subsequent Land Use Code Amendment would also be needed.

### ***DRAFT Policy S-FA-26.5***

Retail auto sales and leasing are appropriate in OLB districts along SE 36th Street west of the ravine located at about 133rd Avenue SE and east of the Newport Corporate Campus located at 132nd Avenue SE.

See Attachment 1 for a map of the area of the proposed change.

Courter Enterprises operates Honda Auto Center located at 13291 SE 36th Street and owns the adjacent property at 13231 SE 36th Street. These properties are zoned Office Limited Business (OLB), which, generally, does not allow retail auto sales. This makes Honda Auto Center a legal non-conforming use. Expansion and remodeling of Honda Auto Center could be considered through the Land Use Code's existing non-conforming use provisions, which utilize the Administrative Conditional Use and Conditional Use processes, although the applicant indicates that making the use permitted would improve its business operations and remove ambiguity about its future.

The plan amendment would recognize this location in the subarea as appropriate for providing retail auto sales to the community. In doing so, the plan amendment and subsequent code amendment would alleviate the existing non-conforming status of the Honda Auto Center under the Land Use Code, and would also facilitate future use of adjacent property owned by the applicant. Honda Auto Center would become a "conforming use" under the city's Code, which would support its ability to expand within the area of the amendment.

The policy amendment proposed is similar to one in the Wilburton/NE 8th Street Subarea Plan that supports retail auto sales in the OLB designated portion of Auto Row along 116th Avenue NE.

## II. STAFF RECOMMENDATION

This proposal satisfies the Decision Criteria for a Comprehensive Plan Amendment (see Section III) and **staff recommends approval of the Comprehensive Plan Amendment to support retail auto sales in a portion of the Factoria Subarea.**

## III. DECISION CRITERIA

The Decision Criteria for a Comprehensive Plan Amendment are set forth in the Land Use Code, Section 20.30I.150. Based on the criteria, Department of Planning and Community Development staff has concluded that the proposed amendment merits **approval**. This conclusion is based on the following analysis:

### A. **There exists obvious technical error in the pertinent Comprehensive Plan provision, or**

Not applicable to this proposal.

### B1. **The proposed amendment is consistent with the Comprehensive Plan and other goals and policies of the city, the Countywide Planning Policies (CPP), the Growth Management Act and other applicable law; and**

The proposed amendment is consistent with the Comprehensive Plan and other goals and policies in these planning documents for urban growth development.

#### **Comprehensive Plan**

The amendment to the Factoria Subarea Plan is consistent with the land use vision expressed in the Factoria Subarea Plan and the economic development and land use strategy expressed in the general elements of the Comprehensive Plan. This amendment would establish a policy in the Factoria Subarea similar to one that exists in the Wilburton/NE 8th Street Subarea that supports retail auto sales.

The **Land Use Element** supports economic development in those areas designated for commercial use, including those commercial areas outside of Downtown.

**Land Use Element Policy LU-31.** Encourage and foster economic development in areas designated for commercial uses.

**Land Use Element Policy LU-32.** Maintain commercial areas outside the Downtown which can provide additional business opportunities and serve other parts of the community.

The **Factoria Subarea** is described in the Subarea Plan as two districts. The core of the subarea, District 2, is recognized as the city's commercial employment and high-density residential activity center south of I-90. District 2 is intended to be a well-integrated, transit supportive, pedestrian oriented, mixed use neighborhood in Factoria's commercial core.

The area of the subject amendment is located in District 1 in the Office Limited Business (OLB) area, immediately east of District 2. District 1 is largely designated for single family uses and includes all the subarea outside of District 2. The portion of District 1 along SE 36th Street, which is adjacent to I-90, is designated OLB.

General land use policies in the Factoria Subarea Plan include, but are not limited to:

**S-FA-2** Protect single family neighborhoods from encroachment by more intense uses.

**S-FA-3** Maintain land use densities that will not create vehicular congestion that exceeds adopted level of service standards.

While the Factoria Subarea Plan does not directly address retail auto sales, the proposed amendment is consistent with the subarea's land use designations. Honda Auto Center is located just outside of District 2, thereby locating an auto-oriented use outside of the subarea's core that is intended for more pedestrian and transit supportive uses. It is also located within the commercial area of the otherwise residential District 1.

While auto sales are an auto-oriented use, compared to retail and other commercial uses they generate a relatively modest rate of peak hour transportation trips, consistent with Policy S-FA-3, and would be expected to result in fewer peak trips than a typical office use on the same site. Under the proposed policy change, the area would remain OLB. Therefore the potential for trips is not reduced considering that office uses could continue to occur.

### **Growth Management Act**

The proposal is consistent with GMA Planning Goals.

### **Countywide Planning Policies**

Countywide Planning Policies for King County are organized by topics in nine separate chapters. The framework policies in each chapter are implemented through local plans and regulations. Evidence of the consistency of the proposal with the framework policies is as follows:

- I. **Critical Areas** *The proposal will not affect the implementation of regulations dealing with critical areas.*

II. **Land Use Pattern** *The proposal is consistent with the implementation of the desired urban land use pattern, by maintaining opportunities for commercial use expansion within urban areas.*

III. **Transportation** *The proposal will not affect the implementation of regional transportation systems.*

IV. **Community Character and Open Space** *The proposal will not affect the implementation of regulations dealing with historic resources, urban design, human and community services, and open space lands and corridors.*

V. **Affordable Housing** *The proposal will not affect housing.*

VI. **Contiguous and Orderly Development and Provision of Urban Services to Such Development** *Inside the UGA services are available to developed areas, and the site is already developed.*

VII. **Siting Public Capital Facilities of a Countywide or Statewide Nature.**  
*Not applicable to this proposal.*

VIII. **Economic Development** *The proposal supports continued investment within the designated area.*

IX. **Regional Finance and Governance** *Not applicable to this proposal.*

**B2. The proposed amendment addresses the interests and changed needs of the entire city as identified in its long-range planning and policy documents; and**

The amendment addresses the interests and changed needs of the entire city. The city's interest is in maintaining the health of its commercial areas and encouraging reinvestment. The proposed amendment will make it clear that the continued operation of and reinvestment into Honda Auto Center is supported by the city's Comprehensive Plan.

The amendment also addresses the city's interest in making retail auto sales available within the city. If the city were to encourage Honda Auto Center to relocate to another commercial area, the result might be for them to move to a location outside of the city considering both the increased market demand for commercial area in the city and the state law regarding relocation of auto dealerships that could restrict Honda's ability to move either north or south.

**B3. The proposed amendment addresses significantly changed conditions since the last time the pertinent Comprehensive Plan map or text was amended. See LUC 20.50.046 [below] for the definition of "significantly changed conditions;" and**

**Significantly changed conditions are defined as:** Demonstrating evidence of change such as unanticipated consequences of an adopted policy, or changed conditions on the subject

property or its surrounding area, or changes related to the pertinent Plan map or text; where such change has implications of a magnitude that need to be addressed for the Comprehensive Plan to function as an integrated whole. *This definition applies only to Part 20.30I Amendment and Review of the Comprehensive Plan (LUC 20.50.046).*

The proposed amendment addresses the change in the retail auto context in the city. Demand for land for retail auto sales in Bellevue has grown progressively over the years. In accordance with the Land Use Code, there are several areas where auto sales are permitted within the city, providing flexibility for where dealerships might locate. However, over the last several years the city has seen significant changes in most of those areas.

- Downtown Bellevue has seen rapid redevelopment toward high density office and residential developments and a corresponding increase in land values. Lexus recently relocated from downtown to the Auto Row area.
- The Bel-Red corridor has been subject to a major city planning effort that supports redevelopment into higher density office, housing, and retail uses.
- While Auto Row is anticipated to continue to include auto sales uses, there is increasing economic pressure to redevelop portions of the Auto Row area into more intense uses.
- The Eastgate Corridor has seen the development of a new Toyota dealership and additional office development, largely consuming available commercial space.

The conclusion is that while auto sales will remain a permitted use in many of the commercial areas in the city, new planning efforts and economic activity is increasing the competition for commercial land. In some cases, rising land values will increase pressure for properties to convert from dealerships to more intense land uses. As more intense development occurs opportunities for retail auto sales are becoming more constrained reducing their opportunity to relocate within the city.

Most of Bellevue is built out with established residential and commercial uses, which combines to limit the places in the city in which auto dealerships can locate and restricts the ability for existing dealership to relocate. State law and corporate restrictions also limit the ability for auto dealerships to relocate. Meanwhile, the Honda Auto Center dealership has been successful at its location and has grown over time, maximizing its operations on its available property.

In the past, it may have been reasonable to assume that the Honda Auto Center could relocate to a different commercial area consistent with the city's land use designations. Now, relocation, while staying within Bellevue, would be more challenging.

**B4. If a site-specific proposed amendment, the subject property is suitable for development in general conformance with adjacent land use and the surrounding development pattern, and with zoning standards under the potential zoning classifications; and**

Honda Auto Center is an existing use on one of the subject parcels and would remain suitable in general conformance with adjacent land use and the surrounding development pattern and with the potential zoning standards.

The area the policy amendment would apply to is just south of I-90. The Newport Corporate Campus and more intense retail and office uses are located to the west toward the core of the Factoria Subarea. Less dense office developments are located along SE 36th Street to the east. South of Honda, rising up the hill, is a hotel and Sunset Elementary School. The school is accessed from the neighborhood to the south.

The policy amendment will allow the Honda Auto Center to continue as a legally conforming use and may facilitate its expansion to the parcel to the west.

At this time, Courter has not indicated any plans to change the existing office building, which may remain, whether used for auto sales, office, or other allowed uses. Similarly, the site of the office building could ultimately be redeveloped either for retail auto sales or a new office use. Office uses would continue to be allowed. The change to include retail auto sales is not anticipated to result in any increase in vehicle trips over the current use.

**B5. The proposed amendment demonstrates a public benefit and enhances the public health, safety and welfare of the city.**

Amending the designation for this site provides the public with the continued benefit of convenient access to auto sales consistent with the city's overall policies and standards for public health, safety and welfare of the city and its residents.

**IV. STATE ENVIRONMENTAL POLICY ACT**

The Environmental Coordinator for the City of Bellevue has determined that this proposal will not result in any probable, significant adverse environmental impacts. A final threshold determination of non-significance (DNS) was issued on November 19, 2007.

**V. PUBLIC NOTICE AND COMMENT**

Notice of the Application was published in the Weekly Permit Bulletin on February 22, 2007. A public hearing on the threshold review of this application was held with the Planning Commission on May 23, 2007. The Bellevue City Council initiated this CPA on June 25, 2007.

Public comments included a call from a representative from the UW Physicians clinic who inquired about the nature of the application. They also asked about Courter Enterprises plans for future use of the UW Physicians site. The geographic scope of the application and its proposal to allow retail auto sales was explained noting that the application does not disclose Courter Enterprises long term plans for the UW Physicians site.

Notice of the final review Public Hearing before the Planning Commission was published in the Weekly Permit Bulletin on November 19, 2007.

## **VI. NEXT STEPS**

**We request the Planning Commission to conduct and close the public hearing, discuss the proposal, ask questions of staff, and make a recommendation.**

## **VII. ATTACHMENTS**

1. Site map

