



**Planning Staff Report**

DATE: November 19, 2007

TO: Chair Robertson  
Bellevue Planning Commission

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SUBJECT: SRO Factoria Comprehensive Plan Amendment (CPA) (07-104704 AC)  
December 12, 2007 Public Hearing

**I. PROPOSAL**

This site-specific, privately initiated Comprehensive Plan Amendment (CPA) proposes to:

- Amend Policy S-FA-57 and the Glossary definition of Office to allow additional office development of up to a total .75 Floor Area Ratio (FAR) in Office Limited Business (OLB) and Office (O) designations on 12.33 acres of F2- and O-zoned land located at 3505-3545 128<sup>th</sup> Ave SE and 12600 SE 38<sup>th</sup> St.

The proposal for .75 FAR could allow up to 175,000 square feet of additional office space at the subject location. Currently, the area of the amendment request has 227,760 square feet of office space along with a multi-screen movie theater. These sites taken together count toward an existing office FAR of .58. It is presumed that, under the proposal, the movie theater building would be replaced by a new office building.

**II. STAFF RECOMMENDATION**

- **This proposal does not satisfy the Decision Criteria for a Comprehensive Plan Amendment (see Section III), therefore staff recommends denial of the proposed Comprehensive Plan Amendment referenced above.**

**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 **does not** merit 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, the Growth Management Act and other applicable law; and**

The proposed amendment is inconsistent with the Comprehensive Plan and other goals and policies in these planning documents.

**Comprehensive Plan**

The following are significant inconsistencies between the existing Comprehensive Plan and the proposal referenced above.

1) The site is located in District 2 of the Factoria Subarea. District 2 is surrounded by other neighborhoods and is described by Policy S-FA-28 as the city's commercial, employment and high-density residential activity center south of I-90. The FATS Update (Factoria Area Transportation Study Update completed in 2005) recommends a well-integrated, transit supportive, pedestrian oriented, mixed-used neighborhood in Factoria's core (District 2). The specific OLB Comprehensive Plan designation for the area of the request provides the opportunity for a mix of office, hotel, entertainment and service uses as part of District 2. This vision of a mixed use area complementing the mall is in contrast to the applicant's proposal, which would result in a single use, high intensity office node. This is inconsistent with the Subarea vision.

2) Moreover, office intensities (FARs) at the level proposed are inconsistent with the manner in which the Comprehensive Plan treats office intensity from a City-wide perspective. The Plan identifies office intensities beyond 0.5 FAR as "medium and high intensity," and provides for these types of office intensities only in the Downtown.<sup>1</sup> The intent of this long-standing, city-wide policy direction is to concentrate medium and high

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<sup>1</sup> Excerpt from Bellevue Comprehensive Plan, Glossary:

**Office** - A land use designation that provides for the location of business, financial, administrative and professional services.

*Discussion: A low intensity office is an office building or office portion of a building with a floor area ratio (FAR) of 0.5 or less and where the following sliding scale is used: At 0.5 FAR, no office building or portion of a building may exceed 50,000 square feet of gross floor area; at 0.3 FAR, 100,000 square feet; at 0.1 FAR, 150,000 square feet.*

*To provide significant permanent open space and to allow a shift of development potential, office intensity of no more than .5 is allowed on properties designated OLB-OS. In this district, the sliding FAR scale does not apply.*

*A medium intensity office is a building of at least 0.5 FAR but not exceeding 3.0 FAR. A high intensity office is a building of at least 3.0 FAR.*

*Medium and high intensity offices are only located in the Downtown with the following exception: The 1993 Factoria annexation agreement created special circumstances for development in Factoria from 1993-2000 to permit office buildings of higher intensities.*

intensity office in certain designated locations, where land use, transportation, and other appropriate plan components can be well integrated. The City may choose to modify or provide exceptions to this policy in the future, as for the Bel-Red corridor. However, such significant policy departures will most likely be made through a comprehensive planning effort, as opposed to a single property approach.

Historically, an exception was made for certain Factoria properties addressed in 1993-2000, on account of the area's annexation from King County just prior to that time frame. An unusually high FAR was provided for this property in recognition of the potential the site could have under King County zoning in effect prior to the area's 1993 annexation. The adjustment on the subject site was already made for those unique circumstances.

3) Another factor very specific to this property is staff's review of the development files from earlier development under the same ownership. This revealed that some additional FAR was provided for this property at the time of annexation, as explained in the paragraph above and the footnoted excerpt from the Land Use Code. However, this additional office FAR for the movie theater site was "used up" by the adjacent office development in the same ownership, Sterling Plaza II, at 3545 Factoria Blvd. The project limit by which its FAR was calculated includes both the land it sits on, and the movie theater site. The applicant is in effect requesting significant additional intensity beyond the special provisions made at the time of annexation, and regardless of the fact that this property already has exhausted the additional intensity approved at that time.

4) The subject site is in an area that experiences considerable traffic congestion, a long-standing concern for the Factoria area. The recent FATS update emphasized transportation and urban design strategies to create a well-integrated, transit-supportive, pedestrian-oriented, mixed-use urban neighborhood, so as to achieve long-term mobility and safety for transportation system users. While additional office development will not result in an immediate concurrency violation, it is likely to further stress an already congested area. See B4 (below).

5) Procedurally, the nature of this proposal is highly unusual. The applicant is requesting the creation of unique intensity provisions for a specific property and its existing Comprehensive Plan designation, as opposed to working within the designations set from a broader, plan-wide perspective. This approach is especially troubling to the extent that the unique treatment requested is inconsistent with broader policy direction in the Comprehensive Plan; i.e., the treatment of office intensities outside the Downtown as explained above.

In summary, concentrating office uses at this location is inconsistent with the Factoria Subarea's vision. Moreover, the proposed FAR is not consistent with the manner in which the Comprehensive Plan considers office intensity outside the Downtown. Reasonable development alternatives are available that are more consistent with the City's overall planning framework and the specific direction of the Factoria Subarea Plan and the FATS Update.

### **Growth Management Act**

In its current form, the proposal is consistent with GMA planning goals: Urban growth, Reduce sprawl and Economic development.

The proposed amendment is not consistent with the GMA goal for Transportation, in that the proposed intensity of land use in the subject location does not encourage an efficient multimodal transportation system, and is not well coordinated with the City's overall Comprehensive Plan.

GMA Goals regarding Housing, Property rights, Permits, Natural resource industries, Open space and recreation, Environment, Citizen participation, Public facilities and services, Historic preservation, and Shorelines are not applicable.

### **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 or inconsistency of the proposal with the framework policies is as follows:

- I. **Critical Areas.** *Not applicable to this proposal.*
  - II. **Land Use Pattern.** *The proposed amendments are inconsistent with the subject area's designation for community-oriented, mixed-use, integrated commercial uses. The proposal is inconsistent with countywide planning policies defining an activity center: "activity areas are envisioned as areas [locally determined to meet community goals and] containing moderate concentrations of commercial development and housing that function as a focal point for the local community..."*
  - III. **Transportation.** *The proposed amendments could exacerbate the delicate transportation planning balance between accommodating past office development activity and improving Factoria's congested transportation infrastructure.*
  - IV. **Community Character and Open Space.** *The intensity of the proposed amendments are inconsistent with the community-oriented, mixed-use character envisioned for this area.*
  - V. **Affordable Housing.** *Not applicable to this proposal.*
  - VI. **Contiguous and Orderly Development and Provision of Urban Services to Such Development.** *Urban services are available in the study area and the site is contiguous to developed areas.*
  - VII. **Siting Public Capital Facilities of a Countywide or Statewide Nature.** *Not applicable to this proposal.*
  - VIII. **Economic Development.** *The intensity of office development proposed by this amendment at this site is inconsistent with the adopted comprehensive plan.*
  - 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**

This amendment proposes an intensity of office development that is inconsistent with these interests and changed needs. The city's interests and changed needs are identified in the amendments adopted into the Comprehensive Plan (FATS Update, 2005) and the Land Use Code (2002). The FATS Update re-emphasized the community goal of a renewed—and coherent—mixed-use corridor along Factoria Boulevard emphasizing all of the F district areas. The vision is articulated in the **Subarea Plan goals**, which intend to:

- “...manage change in the commercial district to improve its cohesiveness, compatibility, and accessibility to Subarea residents [**Goal 1**];” and
- “...create a well-integrated, transit-supportive, pedestrian-oriented, mixed-use neighborhood in Factoria's commercial core [**Goal 2**].”

The current proposal for .75 FAR could allow up to 175,000 square feet of office here in addition to the 227,760 square feet of office that already exists in the F2, at its current .58 FAR, under the special Factoria annexation zoning agreements. But the Subarea Plan vision remains that of integrating these uses into Factoria, not extending them in a new round of continued, intense office development. Moreover, the expansion of office FAR here is not consistent with the citywide application of FAR limits, and rather than addressing the needs of the entire city, would be providing special treatment for this site.

There are other reasonably alternative land uses to more intense office which are more consistent with the community vision for this key activity center under **Policy S-FA-28** for Planning District 2.

**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.** 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.

The proposal does not prove the case for significantly changed conditions, where such change has implications needing to be addressed by the Comprehensive Plan.

The Factoria Subarea Plan and the Land Use Code both recognize the influence of the unique circumstance and effect of the Factoria annexation agreements on this designated activity center, and have done so since the last time the pertinent Comprehensive Plan sections were amended, including the adoption of the Factoria Subarea Plan in 1994 and the FATS Update in 2005. These agreements were a realistic acknowledgement of the potential intensity of commercial uses under King County regulation. The FATS Update in 2005 acknowledged the “built out” status of the F2-zoned area for office, confirming its suitability for mixed use redevelopment efforts, as opposed to a new round of more intense, single use office.

The removal of the movie theater land use would be a changed condition on the subject property. But because there are other potential land uses that are reasonable alternatives to more intense office, and because these alternatives are more consistent with the community vision for this key activity center, the change does not need to be addressed for the Comprehensive Plan to continue to function as an integrated whole.

Finally, the proposal suggests that FATS Update policies—and specifically **Policy S-FA-57**—create opportunities for changed circumstance in support of an intensification of office development, as an incentive for an enhanced pedestrian orientation.

*Policy S-FA-57: Explore providing incentives to developers on the Factoria Boulevard commercial corridor to build underground parking that would enhance the pedestrian orientation of a site.*

This argument is not persuasive. Typical office development, particularly in a single use configuration, does little to enhance pedestrian activity and experience. Increasing the intensity of use enough to force parking underground is not in itself adequate to demonstrate consistency with this subarea policy intent to enhance pedestrian orientation.

**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**

**Land Use**

The two parcels that make up the movie theater site—and which are the target of this proposal—are not currently suitable for office development because the construction of the Sterling Plaza II office building exhausted the potentially available FAR, as described in Section B1 above. The proposal is also incompatible with a number of other provisions in Bellevue’s land use planning, as described with more specificity in Section B1.

**Traffic**

City staff’s conclusion is that the proposed FAR change has the potential to exacerbate long-standing traffic congestion issues in the Factoria Subarea, and should not be approved.

The City is in receipt of the applicant’s preliminary traffic impact assessment for the Factoria Cinema conversion to office, and here recites the applicant’s own numbers for the proposed conversion.

Land Use	Trip Rates	Total PM Peak Hour Trips	In-bound/Out-bound
Cinema @ 2700 seats	0.08 trips/seat	216	In-bound 36% Out-bound 64%
Office- 130,000 sf	1.49/1000	194	In-bound 17% Out-bound 83%

Using these same trip generation rates, the potential 175,000 sf office across the entire site of the proposal would generate 261 PM peak hour trips, with the same 17/83 shares of in-bound vs. out-bound trips.

For the applicant's stated goal of 130,000 sq. ft. of new office on the cinema site, the overall pm peak hour traffic load generated by the office use is very close to the traffic generated by the cinema use. But for Factoria Cinema, the applicant's own admission, and review of the facility's age and condition, show that this is not a healthy and fully functioning theater. As such we can assume it is generating substantially fewer trips than a healthy and vibrant theater; i.e., the standard ITE trip generation numbers likely

substantially over-state the theater's existing trip production. When this factor is taken into account, the theater's overall pm peak generation is likely considerably less than a new office use.

Even if the theater were generating trips consistent with the ITE standard numbers for a fully functioning theater, the *characteristics* of the trips are very different. Per ITE, a much smaller share of the pm peak theater trips are out-bound vs. the outbound share of office trips (64% cinema out-bound vs. 83% office out-bound.) The substantially larger share of out-bound trips from the office use would exacerbate the outbound trip concentration already occurring from other employment uses exiting Factoria employment sites in the pm peak.

Congestion issues associated with the additional office FAR would be an even greater issue with the additional floor area that would be authorized if the applicant's proposed FAR increase were realized across the entire site of the proposal. The additional 45,000 sq. ft. of office use would generate overall trips substantially in excess of even a healthy cinema (261 PM peak hour office trips vs. 216 cinema trips), along with a problematic higher office share of out-bound trips.

Again, staff's conclusion is that the proposed office FAR change has the potential to exacerbate long-standing traffic congestion issues in the Factoria area, and the applicant for this privately initiated amendments has not proved the case that the site is suitable for this intensity of use, either from a land use or transportation perspective.

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

The applicant justifies this amendment largely on two factors: 1) the anticipated demise of the movie theater and opportunities associated with site redevelopment, and 2) the need for increased employment opportunities along the I-90 corridor. The applicant holds that an amendment increasing allowable office intensity will provide more employment opportunities and spur redevelopment. The argument is that the city in turn could leverage this redevelopment into developing improvements for Factoria such as gateway enhancement, pedestrian movement, and transit consideration.

Notwithstanding the proposal's potential for public benefits in redevelopment and economic development, it would ultimately change the balance and character of the Factoria community activity center. The subject site has options for redevelopment that better enhance the community-oriented, mixed-use goals for Factoria. The applicant has not demonstrated that the proposal substantially enhances the public health, safety, and welfare of the city.

**V. 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.

**VI. PUBLIC NOTICE AND COMMENT**

Notice of the Application was published in the Weekly Permit Bulletin and in the Seattle Times on February 22, 2007. The Bellevue City Council initiated this CPA on June 25, 2007. The amendment proposal was presented to the Planning Commission during study sessions in 2007. Notice of the Public Hearing before the Planning Commission was published in the Weekly Permit Bulletin and in the Seattle Times on November 19, 2007.

Pursuant to the requirements of the Growth Management Act, state agencies must be given 60 days to review and comment on proposed amendments to the Comprehensive Plan. A list of the 2007 amendments to the Bellevue Comprehensive Plan was provided to state agencies on November 19, 2007 for review.

Public comment on this CPA has included telephone calls asking about the proposal.

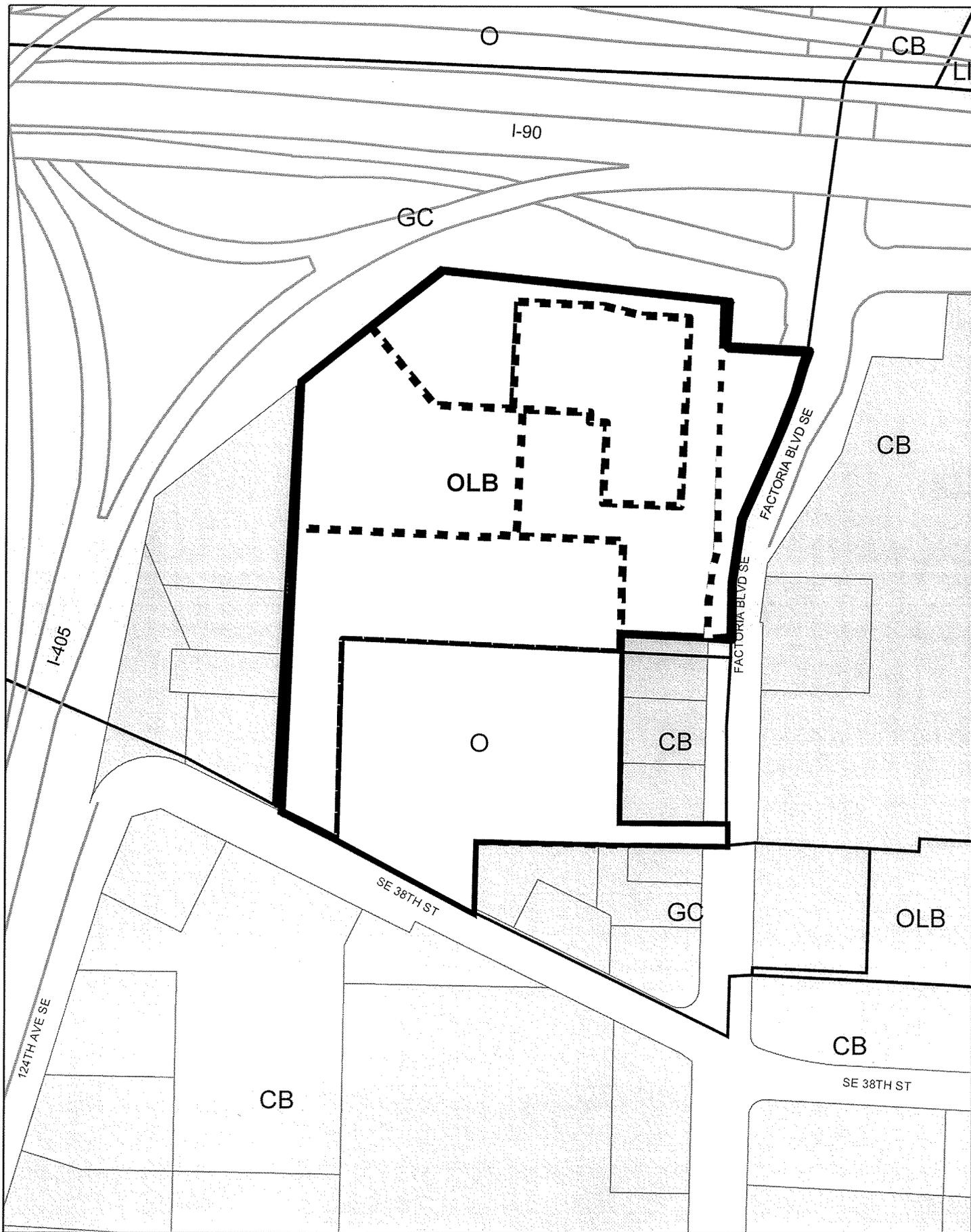
*Please note: copies of all written comments have been provided in a separate notebook.*

### **NEXT STEPS**

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

### **ATTACHMENTS**

1. Site map
2. Comprehensive Plan Factoria Subarea map
3. Preliminary Traffic Impact Assessment for Factoria Cinema Conversion to Office—  
Mirai, October 19, 2006



### SRO Factoria

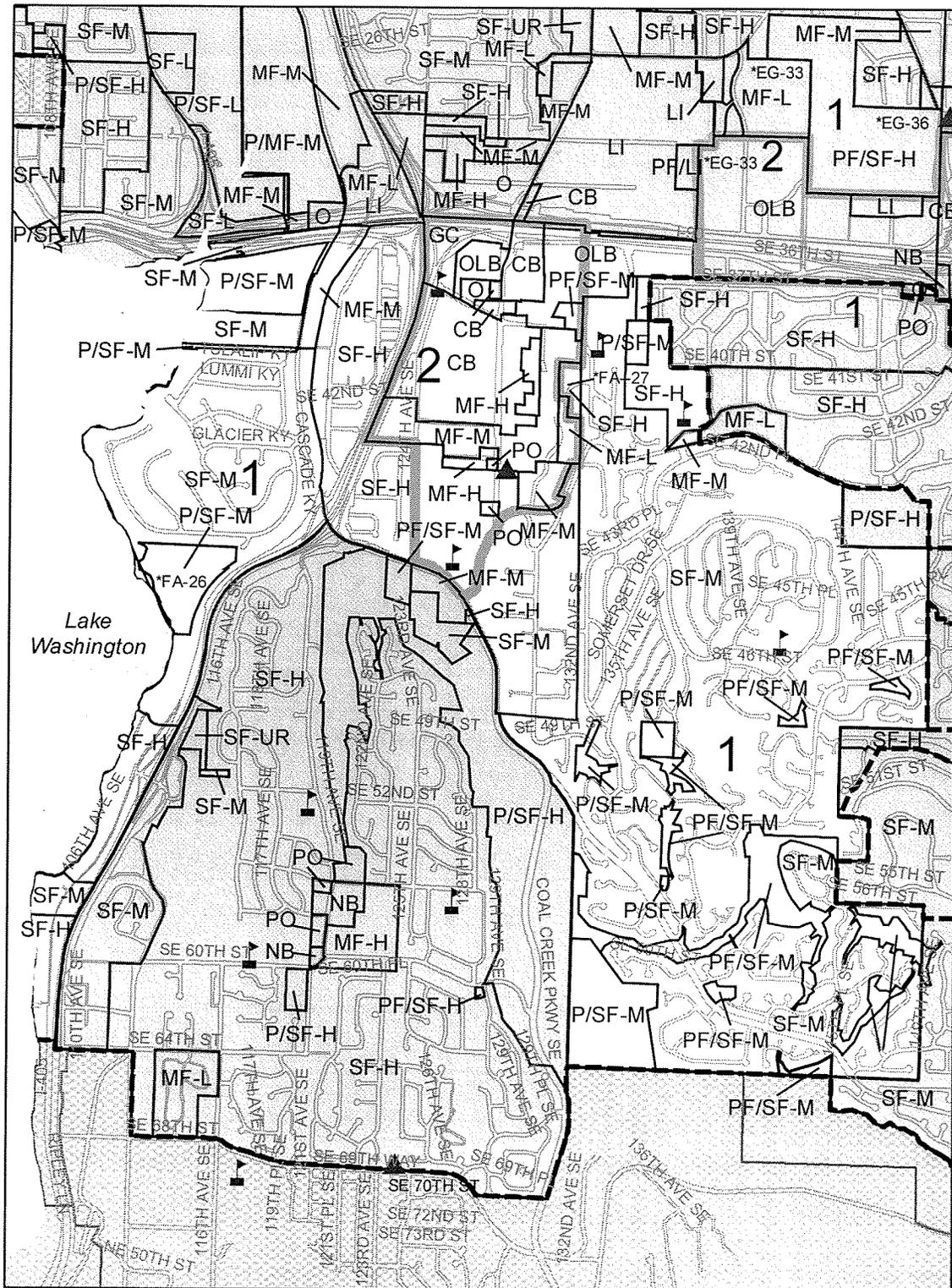
Proposed Comprehensive Plan Designations  
 Proposed 0.75 FAR applicability

3505-3545 128th Ave SE, 12600 SE 30th St



March 2007





**FIGURE S-FA.1**  
**Factoria Land Use Plan**

SF Single Family  
 MF Multi Family  
 -L Low Density  
 -M Medium Density  
 -H High Density  
 -UR Urban Residential

PO Professional Office  
 O Office  
 OLB Office, Limited Business  
 OLB-OS Office, Open Space  
 NB Neighborhood Business  
 CB Community Business

GC General Commercial  
 LI Light Industrial  
 PF Public Facility  
 P Park

▲ Fire Stations  
 🏫 Public Schools  
 🌳 Planning Districts  
 — Bellevue City Limits (6/2005)  
 🌊 Lakes



## MEMORANDUM

**To:** David Schooler, Sterling Realty Organization  
**From:** Tom Noguchi, Mirai Transportation Planning and Engineering  
**Subject:** Preliminary Traffic Impact Assessment for Factoria Cinema Conversion to Office  
**Date:** October 19, 2006

Sterling Realty Organization, owner of the property that houses Factoria Cinema, is evaluating the possible conversion of the building to an office use. This property is located at the southeast corner of the I-405/I-90 interchange in the area known as Factoria in the City of Bellevue. This memo describes our assessment of the traffic impacts if the conversion were to occur and outlines our conclusions. Please note, since we have not conducted a detailed traffic impact analysis, this memo should be viewed as a preliminary evaluation.

### Existing Use and Trip Generation

Factoria Cinema is a multiplex movie theater with the following characteristics:

- The total seats: 2,700 (Building floor area: 60,000 square feet)
- Theater Access: enter from either Factoria Boulevard or SE 38th Street

We estimated the number of PM peak hour trips (one hour between 4 and 6 PM) generated by the cinema for a typical weekday using the ITE Trip Generation Manual as follows:

- The total PM peak hour trips: 216 trips (trip generation rate - 0.08 trips per seat)
  - Inbound trips: 78 trips (36 percent of the total)
  - Outbound trips: 138 trips (64 percent of the total)

Cinemas typically generate a higher number of trips on Friday than other weekdays. We applied a PM peak hour trip generation rate based on the total seats for a typical weekday to estimate trips generated by the existing use.

### Office Use Trip Generation

We estimated the number of trips that would be generated, if the Factoria Cinema building were converted to an office use with 130,000 square feet of gross floor area. A typical office generates 1.49 trips per 1000 square feet of gross floor area during the PM peak hour.

The following number of the trips would be generated by the potential office use:

- The total PM peak hour trips: 194 trips
  - Inbound trips: 33 trips (17 percent)
  - Outbound trips: 161 trips (83 percent)

We found that the existing cinema generates a total of **22 trips more** than the office use would do during the PM peak hour. However, the inbound and outbound percentage splits are not the same; the cinema generates higher inbound trips than the office, and conversely, the office, higher outbound trips than the cinema. While the office use would generate a total lower number of trips when the inbound and outbound trips are combined, it may have cause traffic impacts at some locations. We would not be able to identify precisely where these traffic impacts might occur without conducting a detailed study.

Based on this trip generation analysis, we can conclude that the traffic impacts of the conversion to office would be very minor or negligible.

### **Future Traffic Conditions**

The City of Bellevue updated the Factoria Area Transportation Study and issued the final report in July 2005. The study analyzed traffic impacts of the proposed developments in the Factoria area. The study assumed that the following land use changes would occur by 2030:

- 685 multi-family units, which have been approved, would be built;
- Approved 50,000 square feet of retail on the Factoria Mall property would be completed; and
- Additional 100, 0000 square feet of retail on the Factoria Mall would be constructed.

The study developed a travel demand model that reflected the approved and proposed land use changes in Factoria and calculated levels of service for 2030. It concluded that . . . *the additional 100,000 square feet of retail commercial space on the Factoria Mall site would not create any significant additional impacts in the study area.* All intersections in the Factoria area would operate better than LOS E in 2030 - except for the intersections with the I-405 and I-90 ramps.

### **Preliminary Conclusion**

If the conversion of the Factoria Cinema to office use with 130,000 square feet of gross floor area were to occur, it would generate less overall trips than the existing cinema use during the PM peak hour. We estimated that there would be few changes to the 2030 levels of service identified in the Factoria Transportation Study. We expect that the levels of service would operate satisfactorily at the intersections in Factoria except for the intersections with the freeway ramps with all City's proposed land use changes and the Factoria Cinema conversion.