

CITY OF BELLEVUE
BEL-RED CORRIDOR PROJECT
DRAFT ENVIRONMENTAL IMPACT STATEMENT
PUBLIC HEARING
MINUTES

February 15, 2007
6:30 p.m.

City Council Chambers
Bellevue City Hall

Land Use Director and Environmental Coordinator Carol Helland noted that she is responsible for the preparation of all environmental documents, including Environmental Impact Statements (EIS) under the terms of the State Environmental Policy Act (SEPA) and the city's Environmental Procedures Code. She explained that the Bel-Red corridor study is the subject of the Draft Environmental Impact Statement (DEIS) is a plan level EIS, otherwise known as a programmatic or non-project EIS. Accordingly, the document evaluates changes in planning documents, including potential Comprehensive Plan amendments, subarea plan amendments, and amendments to the Land Use Code. The non-project action will not provide entitlement to any specific project; further project-level review will be required at the time any application is submitted for future development.

Ms. Helland said the Bel-Red corridor study DEIS 45-day public comment period will end on March 12. In addition to providing comments during the public hearing on the DEIS, she invited the public to fill out the comment forms and mail them in, or offer comments via email. Ms. Helland asked those providing public comment to be as specific as possible regarding the adequacy of the evaluation, the methodologies used, the mitigation measures outlined, and any other relevant aspect. The Final Environmental Impact Statement (FEIS) will include a response to all comments received and may include modifications to the alternatives, entirely new alternatives, and/or supplemented information.

Ms. Helland declared the public hearing open.

Mr. Rich Wagner, Baylis Architects, 10801 Main Street, commented that the study appears to suggest that the line of demarcation is 156th Avenue NE. The fact is the commercial corridor continues past that point, as do the various uses. That factor should be addressed in the document. As drawn, the map makes it appear as though the transit node in that area is on the edge of the commercial district when in reality it is not given that the uses continue on into Redmond. At a minimum, that point should be addressed in the BROTS agreement.

Mr. Daryl Banks, Bellevue Auto Rebuild, 1424 130th Avenue NE, voiced concern regarding the possible changes in zoning. He said the businesses like his that are located in the corridor are needed in support of the car dealers in the area. The number of dealerships that have their own collision repair or auto body shops is very limited, thus the dealerships are very dependent on the independent shops and vice versa. In addition, the insurance companies with policyholders in the area are getting more aggressive with regard to convenience, thus they rely on the independent shops to take care of their customers. Comments have been made about having the garages and auto body shops move, but in fact there is no where to move to in the immediate vicinity. There has been a lot said about the need to improve the area for traffic, but little has been said about specific plans for either Bel-Red Road or Northup even though the vision for the area calls for a lot of housing. Aside from side streets and intersections, the talk has been about light rail going through the corridor. He said a lot of small business owners in the

area are counting on their businesses and properties providing them with a retirement when the time comes, and the plans being made for the area may have a negative impact.

Mr. David Plummer, 14414 NE 14th Place, said he would also be submitting written comments on the DEIS. He said the DEIS does not adequately nor accurately describe the likely development of the corridor under the no action alternative in that it fails to account for the wide variety of permitted uses in the corridor under the existing Bel-Red/Northup subarea plan and zoning, and the likely changes that would occur instigated by property owners in contrast to the project action alternatives.

The DEIS should clarify the characterization of Sound Transit's plan to deploy light rail transit as part of the East Link project; it should especially note that one route to be examined by Sound Transit's East Link EIS is along SR-520. The DEIS also needs to revise the light rail transit station locations to more closely coincide with the similar vicinity locations shown by Sound Transit in their documentation for the East Link project.

The DEIS does not explain the rationale or objectives for the proposal, especially with reference to the city's Buildable Lands Report, and with reference to the presentations made to the Bellevue Planning Commission in September 2004. The Buildable Lands Report and subsequent staff analyses concluded that there was no need to change the city's Comprehensive Plan or to rezone additional properties to higher densities or intensities to accommodate the city's 20-year growth targets.

The City Council and the city's Comprehensive Plan have long espoused the theme that future employment and residential growth will be concentrated in the Downtown subarea. As proposed under the DEIS Alternatives 1, 2 and 3, approximately 2.4 to 4.5 million square feet of commercial development, 4700 to 9200 new employees, and 3500 to 5000 residential units, with a population of approximately 6300 to 8700, would create a wholly separated and isolated business and residential center. In spite of the expansive unsupported rationale in the DEIS, the three alternatives would constitute the creation of a small-scale city within Bellevue in direct conflict with the city's commitment to concentrate growth in the Downtown subarea.

The Washington Administrative Code states that non-project proposals should be described in terms of objectives rather than in terms of design solutions. The discussion of alternatives for a comprehensive plan EIS for non-project proposals is to be limited to a general discussion of the impacts of the proposal. The published DEIS goes far beyond those requirements and provides excessive and unsupported detailed rationale and data based on unsupported and very limited studies performed by city consultants. The DEIS does not define or rationalize any specific objectives for the Bel-Red project; rather, there is a set of broad, ill-defined goals established, or at least endorsed, by the Bellevue City Council that were not subjected to any public review or input. The DEIS should be revised to identify the specific objectives instead of the so-called goals for the proposal.

The DEIS should also be revised to include a reasonable life-cycle cost estimate for the construction, operation and maintenance of the various transportation and other supporting public infrastructure that would be required for the no action alternative and each action alternative.

The DEIS vastly overstates the extent of public and business or property owner participation in the development of the three action alternatives, and for the project as a

whole. There has been very limited input from a broad range of Bellevue citizens and only a limited input from very few business and property owners. In addition, neither the city or the project steering committee ever allowed public or business property owners to make presentations to the steering committee. Thus they were insulated from differing views of possible alternatives to the city's proposals.

Much of the material in the DEIS cannot be verified by careful review or evaluation because there is inadequate disclosure of sources and methodologies. In addition, there appear to be omissions and conflicts in the information in various sections of the DEIS, especially in those chapters dealing with watershed processes, noise, transportation, and utility services.

The information in Appendix H should be incorporated directly in Chapter 11. It is not stated why it was isolated as a separate chapter. It should include reference to Puget Sound Energy's long-range electric power generation source and natural gas supply plans.

Mr. Chris Mool, Cresentview Investments, 2211 156th Avenue NE, said he is a new landowner in the Bel-Red corridor, having recently taken ownership of Angelo's Home and Nursery Center. He said the opportunities for that site are exciting. It is good that the land at the very eastern end of the study area has been included; it holds opportunity for a gateway to the corridor. In developing the property, the focus will be on senior citizens and independent living. In addition, there will be a mixed use component that could include retail and other uses. The plan does not at the moment include much definition as to the types of uses that could fit into the mix; he said as he continues to explore his site he looks forward to offering the steering committee with observations regarding the development opportunities.

Ms. Cindy Ludwig, 12336 NE 24th Street, said the Bridle Trails Community Club will be submitting written comments at a later date. Speaking for herself, she voiced concern over the fact that nothing in the DEIS reflects the comments made by the Bridle Trails community at the public meeting held in June 2006. The current light industrial zoning in the Bel-Red corridor is the most conducive use with the Bridle Trails neighborhood; the use complements the Bridle Trails neighborhood. There are a lot of businesses there the residents use. The level of detail contained in the DEIS is not sufficient to determine if allowing the area to convert to retail and commercial uses would be a good idea or not. If the area is rezoned, the neighborhood will lose the opportunities it has had to comment on requests for variances to bring in different uses. Good decisions have been made in the past because of that process. Preliminarily, it appears the no action alternative will be best for the neighborhood. The transportation numbers listed in the EIS are suspect; the sources are not disclosed and the formulas used are not clear. The numbers appear to be understated and calculated to support the proposal. The Bridle Trails neighborhood experiences a lot of cut-through traffic on NE 24th Street and is not interested at all in the proposed exits and entrances at 124th Avenue NE and SR-520. There are just too many unknowns. If the basis of the study is to rezone the Safeway properties sensibly, that should be the focus rather than rezoning the entire corridor. There is no reason to make any other change to the corridor.

Mr. Greg Johnson with Wright Runstad, address not stated, said the company is under contract to purchase a portion of the Safeway property between 120th Avenue NE and 124th Avenue NE. He complimented the city on the DEIS in that it captures the vision of the steering committee and the public input offered to date. Wright Runstad is excited to be part of

the process, which is utilizing solid planning principles. He encouraged the city to go as far as possible in addressing impacts and mitigations, and in developing as much data as possible. In addition, the role of the city in providing the necessary infrastructure should be identified. The key will be in providing a clear and concise framework that will allow for predictability through 2030 so that when project-level environmental work needs to be done it will not be necessary to generate a lot more new data. The intent of Wright Runstad is to develop the old Safeway site with a state-of-the-art sustainable project that will respect what exists in the corridor currently and helps to realize the potential for the future.

Mr. Todd Woosley, co-owner of Briarwood Center at NE 12th Street and 120th Avenue NE in the western section of the Bel-Red corridor study area, said he has been following the process from the beginning. He noted his support for the programmatic EIS approach used, a method that will obviate the need for individual property owners to go through the process again and again. He agreed with the previous speaker that the city should pursue the generation of data to assure predictability for everyone involved. Within the next ten to twenty years it is possible that Briarwood Center will be redeveloped to a higher and better use. However, three of the four alternatives will result in no increase in the value of the property. Worse yet, a road is proposed to run through the middle of the property, something that was never communicated in all the conversations held with the city. Furthermore, the intersection that is shown to experience the largest increase in traffic is the main intersection that serves the tenants and customers accessing Briarwood Center. It is, however, early in the process and there is reason to be optimistic that as the process moves forward solutions will be found.

There are concerns with regard to the accuracy of some of the information included in the DEIS. The CH2MHill report talks about the need to acquire right-of-way. For the extension of NE 10th Street from 116th Avenue NE to 124th Avenue NE, the report indicates that up to two retail buildings, portions of an auto dealership and two warehouses might be impacted or displaced; in fact, closer to 20 properties will be impacted, and the assessed valuation of those properties is over \$46 million. The assessed valuation of the properties between 120th Avenue NE and 124th Avenue NE is over \$16 million. The city does not have the nearly \$80 million it will need to purchase the properties needed for projects that will likely not offer commensurate benefits for congestion relief in the area; the focus should be on a more practical approach. In addition, more information should be included with regard to mode splits, including the category of transit/walk, which needs to be separated out so it can be determined how each mode will affect the overall traffic picture in the Bel-Red corridor.

The accuracy, detail and accessibility of the information needs to be improved. The city should also seek to significantly refine its recommendations and bring in fiscal realities for transportation infrastructure as well as market realities for private redevelopment in the area.

Mr. T.J. Woosley, co-owner of Briarwood Center and a commercial real estate broker and manager, allowed that it will take a very long time for the Bel-Red corridor to redevelop. One of the things that seems to be missing from the DEIS is the need to retain as much flexibility in allowed uses as possible to avoid creating legal nonconforming uses. The steering committee, the Planning Commission and the City Council should be encouraged to make sure that will not occur as zoning changes occur in the area. Where legal nonconforming uses exist, tenants tend to shy away and long-term vacancies can result. The flexibility to allow all of the existing uses in the area to continue operating as

the area redevelops will be critical.

Originally, it was understood that the steering committee would be made up of community members, property owners and business owners from the Bel-Red subarea, but that is not the case. While the steering committee has openly engaged in discussions with the community, there should be representation by involved business and property owners.

Ms. Linda James, owner of Evergreen Center located at 1800 through 1950 13th Avenue NE, and the owner of properties on 132nd Avenue NE and NE 16th Street beyond 136th Avenue NE, said she has followed the study process carefully and remains concerned that a sufficient number of business and land owners from the Bel-Red area have not been heard in the process. It is unfortunate that business and land owners do not have representation on the steering committee. While there are two members of the business community on the steering committee, their businesses are not currently located in the corridor and their lives will not be impacted a great deal by the decisions that will be made. Change is inevitable, but the change would be easier to take with more input. With rezoning will come an increase in taxes and rents, and that will force some tenants out. Redevelopment will burden long-time businesses with having to move to another location; the businesses that may have to relocate include Angelo's Restaurant, Flowers First, Little Gym, and Olympic Office Supply.

At the most recent steering committee meeting, the consultant CH2MHill mentioned the idea of doubling the setbacks for properties near streams. The City Council only recently acted to adopt the critical areas ordinance that establishes the current setbacks. Ms. James said three of the properties she owns in the corridor have streams running through them; two of the properties are very narrow, and if the setbacks were increased it would be very difficult to rebuild.

The new Zoning Code needs to allow for a wide variety of uses, including contractors, warehouses, and auto work. Flowers First moved from NE 20th Street to its current location on 130th Avenue NE and found the use was not permitted under the LI zoning. The owner worried for ten years that the city would eventually force the business to move elsewhere; eventually the city concluded that because the business includes the creation of products from raw materials it is in fact allowed in LI.

Six months ago a high-end used car company wanted to rent space in Evergreen Center. The city concluded that the zoning would not allow the business to operate there. A car rental business is now interested in the same space and the city has concluded that such a use is allowable.

Table 1.3 on page 113 of the DEIS states that mitigation could include city assistance in finding relocation opportunities in the corridor or elsewhere in Bellevue, and revisions to the Zoning Code to allow certain types of industrial services uses in the Bel-Red corridor mixed use zones. Ms. James suggested the statement should be changed to read "...the city needs to include assistance in finding relocation opportunities...."

Mr. Leonard McGhee with Sound Transit, 401 South Jackson Street, Seattle, said Sound Transit has worked closely with the city for more than a year on the Bel-Red corridor project. He noted that Sound Transit will be providing written comments regarding the DEIS prior to the public comment deadline. The Sound Transit board recently took a large step toward bringing a light rail extension package to the voters in the fall of 2007. The board

adopted a package that would expand light rail to the north, south and east to connect even more communities to the light rail system. Under the package, light rail would extent north from the University of Washington to Lynnwood, south from SeaTac Airport to the Port of Tacoma, and east as far as Redmond's Overlake transit center via downtown Bellevue and the Bel-Red corridor. The board also included funding for planning, preliminary engineering and some property acquisition, emphasizing its commitment. Sound Transit is pleased to see the city of Bellevue looking to leverage the opportunities created by the potential of light rail transit in the corridor. The actions are consistent with the objectives of Sound Transit, the state Growth Management Act, and Vision 2020. Sound Transit and the city of Bellevue share a common interest in the Bel-Red corridor.

Three of the four alternatives under study by Sound Transit utilize the NE 16th Street corridor, part of which is developed and part of which is proposed to be developed. The light rail alternatives under study by Sound Transit support the development nodes in the corridor that are being studied by the city in the DEIS. In making alternatives viable and working to identify savings to allow for the extension of East Link as far as possible, support from the city will be critical. The NE 16th Street corridor has the potential for providing a lucrative transit market, but it will be necessary for Sound Transit to also study an alignment along SR-520 should the city decide not to change land uses in the corridor or should the NE 16th Street alignment be found to be infeasible for some reason.

In the December 15, 2005, letter from Sound Transit to the city regarding the Bel-Red corridor project, it was stated that in addition the East Link project will require the siting of a 15- to 20-acre maintenance facility site to the east of I-405 in the corridor. In addition to identifying routing and station alternatives to be studied in detail in the East Link DEIS, the Sound Transit board has directed its staff to identify four alternative maintenance facility sites; three of them are located in the Bel-Red corridor. Those locations are not identified in the Bel-Red DEIS. It will be important for the Bel-Red corridor project to permit the siting of the essential public facility.

Mr. Darin Croston with the Coca Cola Bottling Company located at 124th Avenue NE and Bel-Red Road, thanked the steering committee, city staff and local business and property owners for allowing Coca Cola to be part of the process from the beginning. He said the company has had ample opportunity to offer comments at critical stages and has been made to feel welcome.

Coca Cola intends to maintain its status in the corridor for both the short and long terms. The DEIS appears to treat all light industrial activities as somewhat of a dying breed. That is definitely not the case for Coca Cola, and the intent to remain in the corridor will require an appropriate zoning. The company recently made investments in excess of \$17 million at the Bellevue facility, including more than 80,000 square feet of new space, most of which is being used for warehouse and distribution. The company employs hundreds of people directly in operations and contributes indirectly to thousands of businesses in the Puget Sound region. The company has a significant economic impact on the area and participates in local programs such as youth development and education, neighborhood revitalization programs, many local charitable causes and sponsorships, and various environmental activities, including energy conservation and recycling. Coca Cola is committed to being a responsible corporate citizen and will continue to make a positive difference in the community.

Coca Cola does not wish to become a nonconforming use under the Comprehensive Plan

or development regulations. The company desires the steering committee to select an alternative that will allow the company to stay and thrive in the corridor as a permitted use.

Mr. Bob Sternoff, 255 7th Avenue South, Kirkland, said he has been associated with the Bel-Red corridor for the past 50 years. He noted his dismay at not having every area that will be affected included in the study area. He said he owns property that lies just outside the study boundaries. Whenever an impact statement is developed, it must take into consideration all of the areas and people that may be affected. For the properties along the south side of Bel-Red Road, that has not happened. Those property owners were told by the steering committee that they will not be included. Whatever happens across the street will impact those properties directly. The fatal flaw in the DEIS is that those property owners were not considered. There are some six properties between 124th Avenue NE and 130th Avenue NE that will probably be redeveloped in the next several years. At the same time, the uses in place currently are rather limiting and do not represent well what the future holds.

The degree to which property and business owners have not be invited to participate as part of the steering committee is bothersome. A significant number of local property owners should be involved in order to offer different perspectives.

The Bel-Red corridor is home to several light industrial uses, and once light industrial is force out it will be hard to bring it back. The goods and services that come from light industrial areas are necessary to the city as a whole; they should not be driven to other cities.

Change is always difficult. Where a change is going to be made, it should be predicated on all the possible input from everyone who may be affected currently and on into the future.

Absent additional speakers, Ms. Helland declared the public hearing closed and thanked everyone for their participation.