CITY OF BELLEVUE
BELLEVUE PLANNING COMMISSION
MEETING MINUTES

March 14, 2007 | Bellevue City Hall
7:00 p.m. | City Council Conference Room 1E-113

COMMISSIONERS PRESENT: Vice-Chair Robertson, Commissioners Bonincontri, Bach, Ferris, Orrico, Sheffels

COMMISSIONERS ABSENT: Chair Mathews

STAFF PRESENT: Paul Inghram, Janet Lewine, Department of Planning and Community Development

GUEST SPEAKERS: None

RECORDING SECRETARY: Gerry Lindsay

1. EXECUTIVE SESSION

Vice-Chair Robertson convened an executive session to discuss an issue of possible litigation.

2. CALL TO ORDER

The meeting was called to order at 7:14 p.m. by Commissioner Robertson who presided.

3. ROLL CALL

Upon the call of the roll, all Commissioners were present with the exception of Chair Mathews who was excused.

4. APPROVAL OF AGENDA

The agenda was approved by consensus.

5. STAFF REPORTS

Comprehensive Planning Manager Paul Inghram provided the Commissioners with information about the upcoming Sound Transit East Link public workshops, one of which will be held at City Hall on March 27.

The Commissioners were also provided with copies of a comment letter received from Mr. David Plummer regarding the Bel-Red corridor study, and copies of comments received from citizens regarding the Wilburton/NE 8th study.

6. PUBLIC COMMENT – None

7. COMMUNICATIONS FROM CITY COUNCIL, COMMUNITY COUNCILS, BOARDS AND COMMISSIONS

Mayor Degginger reported that the City Council had a study session on March 12 regarding the Factoria amendments. He said the recommendations were very well received. The matter is slated for Council action on March 19. He thanked the Commission for its work on the issue.

8. STUDY SESSION

A. Comprehensive Plan and Land Use Code Amendments – Wilburton/NE 8th

By way of background, Mr. Inghram explained that that the Wilburton/NE 8th study is a Comprehensive Plan and Land Use Code amendment that is part of the 2006 Comprehensive Plan work program. The Commission held a public hearing on the amendments on January 17 and approved a recommendation to the City Council on January 31. Since then, additional information was received from KG Investments along with a request to modify the recommendation. Staff have had a chance to review the proposal from KG Investment, have talked with other property owners in the study area, and have formulated a recommendation.

Mr. Inghram said the recommendation approved by the Commission includes a special opportunity area bounded by 116th Avenue NE, NE 4th Street, NE 8th Street, and the Burlington Northern-Santa Fe right-of-way. In addition, the recommendation highlights the area between west of the railroad right-of-way, south of SE 8th Street, west of 120th Avenue NE and north of NE 4th street, as appropriate for a change in designation to GC/CB. Policy S-WI-3 clarifies that the zoning change should occur following the connection of NE 4th Street between 116th Avenue NE and 120th Avenue NE.

The first request of KG Investments is to redraw the boundary of the special opportunity area to remove a parcel on the east side of 116th Avenue NE and include it in the area to be designated GC/CB. Mr. Inghram said the recommendation of staff is to not make the boundary change and to keep the special opportunity area as drawn. The special opportunity area has value and to remove parts of it will defeat its cohesiveness and value. There is potential for light rail to come through at NE 6th Street, and being able to redevelop and plan for new uses on those properties can best be done by looking at the area as a whole.

Mr. Inghram said KG Investments has also requested allowing building heights of up to 75 feet in the GC/CB area. On the west side of the railroad right-of-way there is a elevation drop, and the area is well separated from the residential districts to the east of 120th Avenue NE. The west side is also adjacent to I-405. The area to the west of 116th is designated OLB which allows for a 75-foot height limit on all properties within 475 feet of the freeway. The 475-foot limit takes in most of the properties in the OLB area, but does leave out some small slivers of land. Staff concurs that a taller height limit for the GC/CB area east of 116th Avenue NE and west of the railroad right-of-way may be appropriate. However, for the area to the east of the railroad tracks, the proposed change to CB designation will increase the allowable height limit from the current 45 feet to 60 feet. Previous investigation determined that view impacts for the residential properties east of 120th Avenue NE begin to occur at about 60 feet; allowing buildings taller than 60 feet would create more of a view impact.

Mr. Inghram reminded the Commissioners that when the Wilburton/NE 8th Study was first initiated, the overall area was divided into three separate areas. Policy S-WI-3 applies to portions of all three areas. The area east of 116th Avenue NE and west of the railroad right-of-way was identified as appropriate for more intense commercial uses with a mix of auto and other retail uses, while the area between the railroad right-of-way and 120th Avenue NE was identified as a potential retail village area with a mix of commercial and residential uses and pedestrian

amenities. He said staff has suggested a revision to the Land Use Code regarding the limit of 100,000 square feet for retail uses. The current limitation applies to the CB zones throughout the Wilburton area, but as the area becomes CB the limit should be modified to apply only to the study area. Staff believes it would be appropriate to retain the 100,000 square foot limit on the retail village area only.

Referring to a memo titled "Supplemental draft policy amendments for consideration," Mr. Inghram called attention to proposed new language for a discussion section tagged to Policy S-WI-2. He said the language is intended to make clear the range of different types of retail and auto sales uses that occur in the subarea. He said Note 36 in the Land Use Code outlines the 100,000 square foot limit. He proposed revising the language to have it apply to the area north and east of the Burlington Northern-Santa Fe rail corridor and the alignment of NE 4th Street. He stressed that the 100,000 square foot limit on large retail uses would apply at the time the area is converted from GC to CB zoning.

Mr. Inghram explained that KG Investments wants to see a phasing of the NE 4th Street extension. In the recommendation approved by the Commission, Policy S-WI-3 allowed for rezoning the area following the construction of NE 4th Street. He offered the Commission a revised version of the code in which the last sentence of the policy was revised to read "The city may process a rezone to CB for this area concurrent with or following the street extension." The staff proposal also included a sentence in the discussion section of the policy reading "The rezone process may begin prior to completion of the NE 4th Street extension, provided that the extension must be fully committed to prior to approving the rezone."

Mr. Inghram suggested addressing the height issue by adding a new policy to the community design section. He offered Policy S-WI-53 reading "Recognize the area between I-405, 116th Avenue NE, the Burlington Northern-Santa Fe corridor, SE 1st Street, and the designated special opportunity area as appropriate for a taller height limit due to the area's proximity to I-405, topography, and separation from residential districts. For the area east of 116th Avenue NE, changes to the height limit are appropriate at the time the area is rezoned consistent with S-WI-3." Mr. Inghram said staff believes the OLB area to the west of 116th Avenue NE that is more than 475 feet from I-5 should be permitted a 75-foot height limit, and when the change to CB is made, the area to the east of 116th Avenue NE and west of the railroad corridor should also be allowed a 75-foot height limit.

Mr. Inghram informed the Commission that in discussing the potential height limit for the area on the west side of 120th Avenue NE in the retail village, staff did take a look at the affordable housing incentives included in the Land Use Code. He noted that a six-foot height limit is offered as an incentive in the R-10 through R-30 zones, but not in the CB zone. Staff believes it would be appropriate to consider allowing the same incentive in the CB zone, but not as a part of the Wilburton/NE 8th amendments.

Commissioner Sheffels asked if the present landowners of the properties within the special opportunity area will be precluded from doing anything they currently are permitted to do. Mr. Inghram said generally speaking the application of the special opportunity area will not preclude them from doing anything that is allowed under the current zoning and Comprehensive Plan designations. The special opportunity area designation is intended to serve as an identifier for staff and the public that the area is appropriate for specific redevelopment opportunities, and will help guide staff in the event that property owners seek Comprehensive Plan amendments affecting their properties. If a property owner with a parcel zoned OLB were to seek a Comprehensive Plan amendment to support a zoning change, staff would review the policies, including the special opportunity area, and make a determination whether or not the request is

consistent with the desire of the city to plan for the area as a special opportunity area.

Mr. Steve Kramer, KG Investments, said the company owns the seven-acre site along 116th, and is under contract with properties to the east of the railroad corridor, including the Bellevue School District property. KG Investments is offering to completely build and finance privately the NE 4th Street extension provided the recommended changes to the Comprehensive Plan and Land Use Code are approved. The value of NE 4th Street is evident to all. Adding the 1.7-acre site to the GC/CB area, removing it from the special opportunity area, is crucial because of the way the roadway cuts through the area. Dedicating a 0.7-area sliver of land for the roadway will render .35 acres virtually undevelopable, and will leave 1.66 acres with few good alternatives for development given the shape of the parcel and its topography. Moving the 1.7 acres out of the special opportunity area will allow for more realistic market-driven development opportunities and will serve as a good relocation opportunity for Best Buy, which is currently situated on the 12-acre site to the north. The goal is to assemble the properties that will be necessary to construct the urban village the Comprehensive Plan amendment envisions.

Mr. Jack McCullough, 701 5th Avenue, Suite 7220, Seattle, said there are four issues of concern for KG Investments. A fifth issue, allowing for building heights of up to 75 feet to the west of the Burlington Northern-Santa Fe right-of-way, is addressed by the new policy language proposed by staff. He said he also believes there are ways to resolve the view issues without penalizing any aspect of the Comprehensive Plan amendments that have been proposed and recommended to the Council; KG Investments believes that can be addressed through a separate Land Use Code amendment.

Continuing, Mr. McCullough said land use is heavily tied to the game of attracting capital. The way to do that is to provide some level of certainty one which those putting up the capital can rely. The four requests of KG Investments are focused on bringing about that certainty. Assembling the properties to the west of 120th Avenue NE will cost tens of millions of dollars and will unlock a puzzle that people have been trying to solve for at least ten years. In order to spend the money, however, there will need to be certainty with regard to proceeding with some portion of the project. Unfortunately, the package of amendments approved by the Commission ties the certainty needed to the construction of NE 4th Street, or at least a commitment to complete the roadway. KG Investments wants to see the implementation of the CB rezone phased. The area on the west side of the tracks should be allowed to be rezoned to CB when the road is constructed to the tracks by the private applicant at no cost to the city. If that is possible, it will allow KG Investments to make the decision to invest on the east side, even though there are remaining issues. Under the setup the current recommendation envisions, it is an all or nothing thing: the road in its entirety must be committed to or no rezone will be permitted. In an all or nothing scenario, the road will not get built by the private applicant, because the decision to invest on the east side of the tracks will not be able to occur in a timely manner, and the opportunity will go away.

The third issue involves taking the 1.7-acre parcel out of the special opportunity area and moving it into the CB rezone area. That needs to be done to avoid ending up with a split-zone lot. The loss of 1.7 acres will not compromise the integrity of the special opportunity area.

The fourth issue is the suggestion that the development on the east side of the tracks should be a retail village. That has never been the concept KG Investments has been proceeding on. The goal of the project has been to avoid competing with the downtown and to provide retail opportunities different from those in the downtown. The language that has carried through in the drafts has said that the 100,000 square-foot limit would not apply in any of the area to be

rezoned to CB. KG Investments has had conversations with four or five prospective retail users based on that understanding; each of the users needs space larger than 100,000 square feet. If the opportunity goes away, the site is too large to be able to develop with just small retail stores, which are the kinds of stores that would compete with the downtown. The language of the proposal approved by the Commission provides for 100,000 square-foot users on the east side of the tracks; no changes to that approach should be made.

Mr. McCullough reiterated that the height and view issues should be tackled at a later date. The suggestion of staff is that the recommendation of the Commission to the City Council should include a new statement focused opportunities to expand the city's affordable housing incentives to include the CB zoning district. KG Investments believes that statement should not be limited to affordable housing only; there may be other reasons for allowing an additional three or four feet of height for mixed use projects. The recommendation of the Commission should indicate that the investigation of additional height in the CB area to the east of the tracks is appropriate for any use.

Mr. McCullough allowed that being in the position of coming to the table so late in the process is less than ideal. If matters of critical importance were not involved, KG Investments would not be making the effort. The construction of NE 4th Street through private investment hangs in the balance.

Answering a question asked by Commissioner Bonincontri, Mr. Inghram said the square footage of Whole Foods is around 65,000 square feet, and Home Depot is 106,000 square feet.

Commissioner Bonincontri asked if the alignment of NE 4th Street cuts through the special opportunity area. Mr. Inghram said it does not, noting that the expectation is the roadway will angle to the north and intersect 120th Avenue NE close to its true alignment.

Commissioner Ferris asked if the allowable height of 60 feet in the CB zone can only be achieved by providing underground parking. Mr. Inghram said in both the GC and the CB zones there is a 15-foot height bonus for underground parking. The base height limits are 30 feet and 45 feet respectively, so the full 60 feet in CB is achieved only by including parking under at least 75 percent of the building. Nothing in the code precludes including other parking on the site, either surface parking or additional parking above the ground floor retail uses.

Answering a question asked by Commissioner Ferris, Mr. Kramer said if NE 4th Street is extended through, the remaining 1.6 acres will be very undevelopable with the types of uses that could afford to be there. The site has a significant slope which calls into question how much of the full site is actually usable. The financial hardship can be cured by including the full 1.7 acre site in the GC/CB area.

Arlin Collins with Collins Woerman explained that the real issue is the topography. If the site were small and flat, it could be developed. Because it is not flat, a great deal of money would need to be put out for excavation and shoring, and the site is too small to adequately recover those costs.

Mr. Kramer added that while the topography is a challenge, in one respect it is a benefit in that it will be able to produce access to the three-acre site from both 116th Avenue NE and NE 4th Street, allowing for the possibility of a stacked use.

Mr. Inghram clarified that the last sentence of Policy S-WI-3 in the package approved by the Commission reads "…Community Business uses are appropriate and the city may process a

rezone to CB."

Commissioner Orrico asked where the 100,000 square-foot issue arose. Mr. Inghram said the original Land Use Code amendment identifies that there is an existing use, Home Depot, that exceeds 100,000 square feet and notes that some additional uses in the study area may exceed that limit even as the change to CB is made. The limit of 100,000 does not apply to GC, but does apply under the current code to CB. Since the Commission acted in late January to approve the package of amendments, staff has concluded that there is some appropriateness for taller height areas along 116th Avenue NE, and therefore potentially larger buildings, but not along 120th Avenue NE. The proposal of staff is to modify Note 36 to specifically refer to the area north and east of the rail corridor and the alignment of NE 4th Street so that the 100,000 square-foot limit would apply to the proposed retail village area. Staff concluded that uses greater than 100,000 square-feet would be incompatible with the retail village vision. The proponent supports the language of the original recommendation, which would allow uses larger than 100,000 square feet in the area west of 120th Avenue NE.

Mr. McCullough clarified that KG Investments would like to see a revision to the language of Policy S-WI-3 that would accomplish a phasing. The rezone of the west side of the tracks would be done at the time NE 4th Street is built at the sole cost of the applicant. The rezone on the east side would occur when the eastern portion of NE 4th Street is committed to be constructed.

Mr. Kramer added that the reality is the two segments of NE 4th Street will not happen concurrently. KG Investments is prepared to proceed in 2007 with the parcel it owns west of the tracks. There are still the possibility that the land assembly east of the tracks will not occur; the negotiations are close but not signed, sealed and delivered. Delivery of the eastern portion cannot be guaranteed.

Mr. Inghram said the concern of staff is that only half of the roadway will get built. If NE 4th Street were extended only to the tracks, the city would be put in the position of having to construct the eastern half, which would require the condemnation and destruction of Best Buy. The city would prefer to see Best Buy made part of a redevelopment agreement for the properties in question. The city is willing to work with KG Investments or other property owners that would facilitate the redevelopment and getting the road extended to 120th Avenue NE. The language proposed by staff allows for the construction of the roadway concurrent with the rezoning process. The city wants to see a commitment to construct the entire roadway, not half of it.

Mr. McCullough agreed that there is a risk that only the west side of the roadway will be constructed by the applicant. Even so, however, the city would still benefit from having not had to pay to construct the west segment. If the city wants the road constructed, it will have to deal with Home Depot and Best Buy one way or the other. Hopefully KG Investments will find a way to do it all.

Commissioner Bach asked what obligation the city would be under to complete the roadway if KG Investments were to construction only the western segment. Mr. Inghram said redevelopment of the area will require the benefit of the road. If only half of the road is built, the city will be left to potentially construct the other half. The city is not ruling out the notion of contributing financially to the project, but would prefer not to be put in the position of having to condemn an existing and operating business.

Commissioner Orrico suggested the issue could be addressed at the time of the application for a rezone following construction of the west half of the road. The city could argue that the

infrastructure will not support a rezone to CB until the roadway is punched all the way through to 120th Avenue NE. Mr. Inghram said the proposed policies lay the groundwork for that discussion. If reworded to allow the roadway to be constructed half at a time, it would be very difficult for the rezone process to say it cannot be done that way.

Mr. McCullough agreed that specificity is called for in order to create certainty.

With regard to the 1.7-acre parcel currently included in the special opportunity area, Commissioner Sheffels asked why staff is recommending it remain in the special opportunity area and not allow it to be included in the GC/CB area. Mr. Inghram said KG Investments has not acquired the property yet, though they are interested in acquiring it. Initially the area on the east side of 116th was looked at as a special opportunity area. Some of the different major uses that could occur there were reviewed along with the size of different types of facilities. Staff concluded that a use might locate on one side but need a parking garage on the other side of 116th Avenue NE. Adding to the mix the high possibility of having some sort of transit facility coming through at NE 6th Street, which bisects the property, staff concluded that shrinking the size of the special opportunity area would make it more difficult to plan for the different components of a facility. If KG Investments had owned the property before the special opportunity area boundaries were drawn, it is possible they would have been drawn around the site. However, moving the lines from how they are currently drawn would weaken the special opportunity area.

Mr. Kramer said KG Investments is currently in discussions with Best Buy about relocating the store to the area being discussed, which is closer to the freeway. The city wants to stay away from having to engage an a condemnation action to get the land needed to extend NE 4th Street, and if the 1.7-acre site is transferred into the area to be rezoned CB, the problem will be solved to the city's satisfaction.

Commissioner Ferris asked if Best Buy could be located on the south side of the future NE 4th Street. Mr. Kramer said they are too small as a single use for that size site. Talks are under way with other users for that site. Commissioner Ferris asked if KG Investments could develop what it has envisioned for the area west of the railroad tracks without a change from GC to CB. Mr. Kramer said the change to CB is needed in order to develop the vision.

Commissioner Ferris pointed out that the Commission went through a long process in studying the area. The process included a lot of public notice, yet at no time did KG Investments step forward to say plans were in the works. Mr. Kramer noted that they did testify at the public hearing. Mr. McCullough allowed that it is uncomfortable to be in the position KG Investments finds itself in. He stressed that they would not be seeking a change at such a late date if it were not critically important.

Commissioner Ferris noted that the vision brought to the Commission previously was for big box retail with a 25-foot height limit, combined with a ten-foot parking garage and three levels of housing, all of which pushed up to 70 feet. It was said the height was needed because it would cost $11 million more to put the parking underground. However, if parking is put underground, even at the greater cost, an additional level of housing could be constructed up top. That would mean an additional 75 housing units with a value of $20 million. Mr. McCullough said KG Investments wants to go over the height issues at a later time.

Commissioner Orrico asked what would happen if the Commission acquiesced to all the KG Investment asks but the Land Use Code Amendment does not go through. Mr. Kramer said that will not have an impact on what happens relative to the ultimate vision for the west side of the

tracks. It will be critically important to allow for phasing, to include the 1.7-acre parcel, and to override the 100,000 square-foot limit.

Commissioner Bonincontri agreed the 1.7-acre parcel should be placed in the GC/CB area, noting that the Commission never has been clear on what the special opportunity area is all about. With regard to the phasing issue, she asked if construction of the western segment of NE 4th Street only would support the GC zoning. Mr. Inghram answered that a roadway going only halfway would not provide connectivity with 120th Avenue NE and would not provide alternative routing.

Mr. McCullough said KG Investments has, and is willing to share, traffic studies that show a development buildout on 116th Avenue NE can be accommodated without NE 4th Street in the mix at all.

Commissioner Sheffels commented that the special opportunity area was presented to the Commission in a somewhat hasty manner. There was very little discussion about where the specific boundaries would be. The concept is quite nebulous overall and was originally tied to the notion of the Sonics locating a sports arena there, something that has since fallen off the table. She noted her support for drawing the lines to put the 1.7-acre parcel in the CB rezone area.

Commissioner Orrico said the city will benefit from seeing the area redevelop. The city should not scoff at the fact that a developer has stepped forward wanting to build at least half of NE 4th Street. She said her real sticking point has been the height issue, and with that at least temporarily taken off the table there is less cause for concern. The 100,000 square-foot issue should be left as it was originally approved by the Commission, and the 1.7-acre site should be incorporated in the GC/CB area. It is highly unlikely that the eastern segment of NE 4th Street will go undeveloped given how attractive the area is.

Commissioner Bach concurred that the special opportunity area boundary should be redrawn, and agreed that the phasing approach should be permitted. He said it would be a huge burden for the developer to be expected to carry all of the costs until such time as NE 4th Street is punched all the way through. Even if only the western segment gets constructed, the city will only have to pay for the second half. In addition, no change should be made to the original proposal regarding the 100,000 square-foot limit.

Commissioner Robertson said she personally does not object to the bulk of the requests brought forward. However, there are just too many issues to consider and decide on in a hurry and without adequate public involvement. At the same time, approval of the 2006 package of Comprehensive Plan amendments should not be held up. Any determination of emergency status should be left to the Council. She recommended saying no to all of the requests and let the Council direct the Commission to study the issues if they want to go down that road.

Commissioner Robertson said she cannot support the language proposed by KG Investments for Policy S-WI-3 regarding the phasing issue in that it states categorically that the city shall rezone the area to CB. She commented that NE 4th Street, if completed only on the west side of the tracks, will serve as nothing more than a driveway to access the developer's own property. At the very least, there should be a plan to construct the entire roadway as a prerequisite for converting to CB.

There was consensus not to change the language of the Commission recommendation with regard to the 100,000 square-foot limit, and to accept the new policy S-WI-53 which provides a

basis for entertaining a future Land Use Code amendment aimed at allowing building height of up to 75 feet in the area west of the railroad right-of-way.

Commissioner Bonincontri indicated her support for the proposed revised language for Policy S-WI-2.

Commissioner Orrico argued that the new discussion language outlining the retail village concept with a mix of community- and neighborhood-oriented retail uses does not fully mesh with the language of the policy itself, which sets a vision for large retail and auto sales.

Commissioner Robertson said her vision for the area east of the railroad tracks and west of 120th Avenue NE has always been that of a retail village.

Mr. Inghram clarified that the first paragraph of the new Policy S-WI-2 discussion section is talked about the entire subarea. The reference to the small commercial sites to the east denotes the eastern part of the subarea, not the eastern part of the study area. The language is intended to bring definition as to where within the subarea the different uses are appropriate. The discussion section does not preclude large-format retail uses.

Commissioner Orrico asked what prompted staff to propose changes to the policy language approved by the Commission. Mr. Inghram said the request brought forward from KG Investments led staff to reviewing the vision for the area and the approved policy language. It was concluded that while there was a lot of discussion in the staff memos, the policy language is limited in scope and that there would be value in adding a greater level of definition.

Commissioner Ferris said the new discussion language for Policy S-WI-2 helps to capture the previous discussions about the vision for the area east of the railroad tracks and west of 120th Avenue NE. The focus of the Commission's discussions always was on the notion of a pedestrian-oriented retail village with some housing included but not dominated by large format retail stores.

Commissioner Sheffels said she could accept the discussion language. She pointed out, however, that nothing is said in the vision about the special opportunity area. The special opportunity area remains a concept without much definition, and if it is to be retained it is going to have to be described more accurately.

Commissioner Robertson reiterated her desire not to make any changes to the Commission's original recommendation unless directed to do so by the Council. She noted, however, that if there are to be changes to the policy language, the proposed discussion language for S-WI-2 would be an acceptable addition.

Mr. Inghram pointed out that Policies S-WI-3 and S-WI-4 include language that specifically refer to the boundaries of the special opportunity area. If the 1.7-acre parcel is to be left out, the language of both policies will need to be revised accordingly.

Mr. Inghram asked if staff would be satisfied with changing the last paragraph of the Policy S-WI-3 discussion section to read "The rezone process may begin prior to completion of the NE 4th Street extension, provided that the extension must be fully designed prior to approving the rezone." Mr. Inghram suggested that no compromise language will be found that will satisfy all parties. The two options are allowing for a phased approach, or a recommendation for the street to be fully committed.

Commissioner Orrico argued against the proposal of KG Investments to use the word "shall" in place of "may" in the last sentence of Policy S-WI-3. Mr. McCullough said KG Investments is attempting to achieve a degree of certainty, and that is why the suggestion was made to use "shall." If the company can be assured that the rezone will occur, it will be in a much better position to making a financial commitment relative to the east side.

Commissioner Orrico pointed out that without a full rezone process, the public will be cut out of its opportunity to provide input. She said she would not be at all comfortable proposing a rezone with a public process.

Commissioner Sheffels said she could not see the public having any objections to the specific details of how a landowner intends to develop a property. Commissioner Robertson said there is nothing to say the public would come forward with objections or observations, but they should not be denied the opportunity.

Commissioner Robertson supported the revised language for the discussion section of Policy S-WI-3 calling for a full commitment to extend NE 4th Street before allowing the rezone. She said a half a road does not represent better access; it would be just a bigger driveway.

Commissioner Bach disagreed. He pointed out that the KG Investments proposal includes self condemnation of a large part of their property for a roadway that they would not otherwise have to construct. That would be a very expensive driveway.

Commissioner Ferris noted that the Commission has not received any information regarding the potential traffic impacts to the intersection of 116th Avenue NE and NE 8th Street by having only the eastern segment of NE 4th Street along with an increase in the land use intensity east of the tracks.

Commissioner Bonincontri asked if the rezone process has a traffic impacts component. Mr. Inghram said there is a level of traffic review associated with the rezone process. However, it would largely rely on the designation established by the Comprehensive Plan. The city does not want to be in a position of supporting a future zoning in the plan but not allow it for some reason, thus creating an inconsistency.

Commissioner Orrico questioned how far down the road of understanding the traffic impacts the Commission should go in determining a Comprehensive Plan amendment. She suggested that level of detail is more appropriate for the permitting stage and project development. Mr. Inghram said Comprehensive Plan designations establish the general long-term vision for an area. He stressed that the Commission is not being asked to evaluate a specific development proposal. There was traffic study information generated as part of the study as part of the alternatives that were considered. An individual project on one or two of the parcels is unlikely to trip the concurrency standards. However, upzoning the area will have long-term implications for traffic demand.

Commissioner Bonincontri said the question is whether or not the Commission is comfortable that redevelopment of the area west of the railroad tracks, where the vision is for auto sales and retail, can happen without the extension of NE 4th Street. If the answer is yes, phased approach should be approved. Mr. Inghram said the appropriateness of splitting the two sides into different segments is a question for the Commission to answer. He said in the opinion of staff, there is some level of risk that if the western segment of NE 4th Street is allowed to be constructed as a stand-alone project, the eastern segment may not be constructed in the mid-term.

Commissioner Sheffels proposed replacing "shall" in the language of Policy S-WI-3 with "intends to." Commissioner Orrico suggested that that language could give the applicant a pretty good argument should the city decide to say no. Mr. Inghram said if the Commission's interest is in supporting the phased approach, Policy S-WI-3 could be amended to support it. Essentially, that would involve deleting the proposed new language for the discussion section, and adding a sentence to the policy itself reading "The rezone to CB may be phased commensurate with the extension of NE 4th Street."

Motion to add to the three proposed discussion paragraphs to Policy S-WI-2; to make no change to the Commission recommendation regarding the large retail threshold boundary; to revise the last part of Policy S-WI-3 to read "At such time as an extension of NE 4th Street (project #582) is constructed to increase access to the area, Community Business uses are appropriate. The City may process a rezone to CB for this area concurrent with or following the street extension. The rezone may be phased commensurate with the extension of NE 4th Street," and to not include the second paragraph of the discussion section; to include the proposed new Policy S-WI-53; to modify the map to include the 1.7-acre parcel in the CB rezone area and make the necessary policy language changes regarding the description of the special opportunity area; and to revise Note 7 by adding "Specifically, consider opportunities to expand the city's affordable housing incentives in LUC 20.20.128 to include the CB zoning district, was made by Commissioner Orrico. Second was by Commissioner Sheffels and the motion carried 5-1, Commissioners Bonincontri, Bach, Ferris, Orrico and Sheffels voting yes, and Commissioner Robertson voting no.

Commissioner Robertson stressed that she was not opposed to the changes but believed there should be a public process for those changes to occur.

Mr. Inghram said the proposal will be introduced to the Council on March 19. It was agreed that Commissioner Orrico should represent the Commission.

B. Land Use Code Amendment
– Community Retail Design Guidelines

Associate Planner Janet Lewine explained that the community retail design guidelines will apply to all CB and NB zoning districts, not just those in Wilburton and Crossroads. She said the February draft and summary represent the sort of guidelines that will need to be crafted in order to address the promotion of pedestrian-oriented mixed use developments, to improve pedestrian connections, to address large retail uses, and to address the need for development in the CB and NB to be compatible with residential and parks uses.

Ms. Lewine shared with the Commissioners photos of projects throughout the city to which the design guidelines would apply. She suggested that parking may need to be addressed differently for different types of development to avoid implementing a one-size-fits-all approach.

Commissioner Orrico asked if the objections raised by some to the notion of including underground parking at the Crossroads Shopping Center represent an anomaly or a trend. Mr. Inghram said there are two camps, those who do not want to see a sea of parking and those who believe underground parking increases security concerns. The fact is, the security issues can be adequately addressed. The design guidelines will impact more how underground and structured parking will look, but issues of security can also be included.

Commissioner Ferris commented that everyone's vision for a small neighborhood commercial district includes small shops, Starbucks, and a sidewalk with street trees and awnings. The

reality is, however, that zones that require commercial uses on the ground floor create too much commercial space, diluting the demand. In the University Village there is a lot of bad retail that exists only because it was required. With more supply than demand, rents go down and the spaces end up converting to offices. Conversely, in Vancouver there are two streets lined with retail uses fronted with green space and residential live/work units set back from the sidewalk. Consideration must be given to where Bellevue's designated commercial streets will be because retail cannot be put everywhere and still be successful. One standard can then be applied to the concentration with awnings and the small shops having retail frontage with actual doors and not just transparency.

Commissioner Orrico commented that the retail street approach works in large areas, but Bellevue has a number of business areas that are quite small and focused just on the neighborhood. In those instances, the businesses can have parking right in front. Ms. Lewine suggested that while one size will not fit all, putting the principles that are under review into the Community Retail Design District will be easier than creating a design plan for each individual area.

Mr. Inghram noted that in addition to the design guidelines, the city is working to update the street design standards, with a particular focus on boulevards and providing green landscape standards.

Commissioner Ferris said boulevards are generally wider than the standard 60-foot right-of-way, and very wide streets are not optimal for the retail uses on either side because it is just too difficult for pedestrians to cross the street. Boulevards do not typically coexist with neighborhood retail.

Mr. Inghram said Home Depot serves as a good example for how to screen a large retail use from the adjacent screen with landscaping, making the pedestrian space reasonable. The arrangement of Home Depot makes it possible for pedestrians to walk from the sidewalk into the store without having to cross the parking lot. Best Buy offers the more traditional approach with the building set way back from the street and behind a sea of surface parking. In Wilburton there may be 100,000 square-foot stores with R-30 residential stacked on top. While most customers will likely drive to the store in typical suburban style, the people living there will still need pedestrian options.

Commissioner Ferris said one solution is to concentrate parking in a given structure that has retail at the ground level. Quite a few urban developments are utilizing that concept, and they find that people are willing to park once and then walk to the different places.

Mr. Inghram commented that 148th Avenue SE is a designated boulevard and in the Eastgate area is seen as a gateway into the city. In addition, the I-90 corridor in that vicinity carries with it the Mountains to Sound designation. What is needed is a combination of street improvements and improvements on private property. Michaels Toyota is a good business and certainly it is welcome in the city, but the aesthetics it presents to people entering the city there could be better.

Mr. Inghram said the draft code language includes standards and guidelines. He said the Commission will need to determine what should be standards and what should be guidelines, and if a series of exceptions to the standards will be necessary to deal with the odds and ends issues.

Commissioner Sheffels called attention to page 5 of the draft code language and suggested the language relative to views and parks should be clarified. With regard to the third bullet on page

11, she asked if the language is calling for public entrances on several different sides of a building. Ms. Lewine said the language is intended to encourage the main entrance to be on the activated pedestrian street.

Commissioner Sheffels suggested the language on page 9 regarding views from public properties and rights-of-way is too prescriptive.

9. NEW BUSINESS

Mr. Inghram briefly reviewed with the Commission the agendas for upcoming meetings.

Commissioner Ferris said as the city looks at the urban village concept, it will find it very difficult to apply the urban tools that include housing densities of thirty units per acre maximum. If the city really wants to accommodate more housing density in the coming years, new tools will be needed. An urban village designation could be created to encompass all of the particulars.

Mr. Inghram said other jurisdictions develop specific and detailed zones for each portion of the city. He agreed that the zones Bellevue has on the books will not be sufficient to address the need as the city grows and redevelops with more density.

Commissioner Bonincontri said the current approach is based in large part on protecting existing neighborhoods from surrounding growth. The city will need to figure out exactly where it wants to increase density and develop tools to be applied in those areas. Mr. Inghram said to some extent that is the driving force behind the design review update. The CB zone allows for a combination of retail and residential density, but the zone was developed before mixed use multilevel developments ever came about, so the zone itself is not crafted to accommodate that kind of focus.

10. OLD BUSINESS – None

11. APPROVAL OF MINUTES

A. January 17, 2007

Motion to approve the minutes as submitted was made by Commissioner Orrico. Second was by Commissioner Bonincontri and the motion carried unanimously.

B. January 31, 2007

Motion to approve the minutes as submitted was made by Commissioner Orrico. Second was by Commissioner Bonincontri and the motion carried without dissent; Commissioner Sheffels abstained from voting.

12. PUBLIC COMMENT – None

13. ADJOURNMENT

Commissioner Robertson adjourned the meeting at 10:23 p.m.

_____	_____
Staff to the Planning Commission	Date
_____	_____
Chair of the Planning Commission	Date