CITY OF BELLEVUE
BELLEVUE PLANNING COMMISSION
STUDY SESSION MINUTES

November 28, 2007
7:00 p.m.

Bellevue City Hall
City Council Conference Room 1E-113

COMMISSIONERS PRESENT:	Commissioners Ferris, Lai, Orrico, Sheffels
COMMISSIONERS ABSENT:	Chair Robertson, Vice-Chair Bach, Commissioner Mathews
STAFF PRESENT:	Paul Inghram, Department of Planning and Community Development
GUEST SPEAKERS:	None
RECORDING SECRETARY:	Gerry Lindsay

1. CALL TO ORDER

The meeting was called to order at 7:02 p.m. by Commissioner Orrico who presided.

2. ROLL CALL

Upon the call of the roll, all Commissioners were present with the exception of Chair Robertson, Vice-Chair Bach and Commissioner Mathews.

3. APPROVAL OF AGENDA

The agenda was approved by consensus.

4. STAFF REPORTS

Comprehensive Planning Manager Paul Inghram provided the Commissioners with copies of the formal written staff reports for the Comprehensive Plan amendments. He noted that the public hearing has been scheduled for December 12. He also provided copies of written comments from David Plummer regarding the Bel-Red project, and from members of the public on the neighborhood character project.

5. PUBLIC COMMENT

Ms. Pamela Toelle, 14845 NE 13th Street said she was involved in the Crossroads sector study. She noted that the CB section of the area in the triangle area disappeared from the Crossroads study and appeared in the Bel-Red study. She commented that since the 1970s the area fronting 156th Avenue NE has been Office, and the balance has been CB. She said she was surprised when the decision was made to take a part of Crossroads and put it into Bel-Red. The area in question is not contiguous to Bel-Red, it is not historically related, it has never had any LI or GC areas, and has never had a relationship with Bel-Red. It has always been LI and GC, with Office along the front facing 156th Avenue NE. The Commissioners were asked to leave the land use designations as they exist in the Crossroads plan, and not to dissect the area from Crossroads and

put it into Bel-Red. There is no benefit to the community as a whole, certainly not to the Commissioners community.

Commissioner Orrico asked Ms. Toelle what her specific concern is about moving the area from Crossroads to Bel-Red. Ms. Toelle answered that the area simply is not related to Bel-Red in any way; the area is related geographically and historically to Crossroads. The final recommendation of the Bel-Red steering committee was to leave the height limit as it exists, which is not inconsistent with what exists in Crossroads or with what has been undertaken with the Crossroads center.

Mr. Bob Sternoff, 255 7th Avenue South, Kirkland, said he owns the property at 1600 124th Avenue NE in the Bel-Red study area, and the red cannon Banner Bank property right across the street which for some reason has been deemed to be outside the Bel-Red study area. He said for the 1600 building he is looking at redeveloping the site and include cleanup of the stream on the property. He asked the Commission to consider creative incentives to encourage property owners to redevelop stream corridors. With regard to the Banner Bank building property, he said consideration should be given to changing the current zoning and height limit.

Commissioner Sheffels pointed out that the site on which the Banner Bank building is located is in fact inside the study area boundaries, but agreed that no significant changes are projected for the land uses there.

Mr. Dave Robertson, 4236 140th Avenue NE, said he owns property fronting Bel-Red Road between 132nd Avenue NE and 134th Avenue NE. He said Goff Creek runs through the middle of his property in a culvert. The steering committee has envisioned opening the stream, something that would make his property worthless. He said he would like to see the value of the property protected. The stream was put in a culvert by permit from the city 36 years ago, and some effort should be made to grandfather that use. If the city decides there is an advantage to open it, some incentive or tradeoff will need to be offered.

Ms. Laura Valant, 12650 NE 7th Street, said her property in Wilburton is a quarter mile from the Banner Bank building mentioned earlier. She noted that many in the Wilburton community are seriously concerned about increased height and density in the Bel-Red corridor, and with how the proposed street changes will affect traffic in the neighborhood. At the open house preceding the Commission meeting, the representative from Wright Runstad said there is no question that redevelopment of the area will bring more traffic to the Wilburton area.

6. COMMUNICATIONS FROM CITY COUNCIL, COMMUNITY COUNCILS, BOARDS AND COMMISSIONS – None

7. REPORTS FROM COMMISSIOERS – None

8. STUDY SESSION

   A. Bel-Red Corridor Project

Mr. Inghram reminded the Commissioners that a number of different steps will need to be taken in order to implement the recommendations of the Bel-Red corridor steering committee, including the development of public projects, capital funding, financing, and amending the Zoning Code. The key item the Commission will be focused on over the next several months will be the development of a subarea plan to serve as the repository for policies supportive of the long-range vision. While different property owners have come forward with concepts for

developments, those proposals remain developer plans at the moment; the subarea plan and the actions the city will take in the relative near term are not actions that will immediately result in redevelopment. There is currently no link between what the property owners are thinking about and what the subarea plan will recommend at the policy level.

The process of developing a subarea plan is in its early stages. The next step will be for the five boards and commissions working on the project to review draft policies and projects. They will then feed their draft policies and projects to the Planning Commission for review in January or early February, and from all that individual work will flow a consolidated draft subarea plan. Additional Commission and public review will follow the release of the draft, including a public hearing before the Planning Commission.

Mr. Inghram said the intent is to organize the subarea plan similar to the outline of the downtown subarea plan, beginning with an overview section followed by subsections corresponding to specific topic areas. As proposed, the overview section would contain an outline of the evolution and history of the subarea. That section would be followed with an outline of the vision for the future of the subarea based on the steering committee report. An overall subarea goal would be next; staff's first take on the overall goal is "To develop a compact and sustainable urban development pattern while allowing the Bel-Red area to transition gracefully from its past."

The overall goal would be followed by a description of the location of the area, its relativeness to the downtown and other parts of the Eastside. Next would be a set of general policies establishing the overall framework for the subarea addressing sustainability; coordination of planning and implementation to take advantage of the location of the subarea; the creation of an economic niche; enhancing the environment; providing community amenities and a quality of life that encourages social interaction; encouraging transit-oriented development; encouraging designs for an active community that is both walkable and bikeable; protections for nearby neighborhoods from the impacts of redevelopment as it occurs; and the phasing of growth to make sure infrastructure and amenities accompany new development.

The next section would address land use, beginning with a goal and a discussion about the overall land use pattern. The policies would be grouped by topic area, including the nodal development system, mixed uses and the incentive structure to encourage the provision of amenities. There would also be policies talking about maintaining and utilizing the traditional light industrial and service uses that exist in the area as the area transitions.

That section would be followed by a section on urban design with policies centered around the goal of having a design character that results in aesthetically beautiful and long-lasting places evoking a strong sense of Bellevue and the Northwest.

Environment was a key topic area throughout the corridor study, so that would be given a section of its own. The policies in the section would talk about the need to improve current conditions and hold up the area as a model of environmental sustainability through the use of low-impact development techniques that reduce stormwater flows and the need for stormwater systems.

The section on parks and open space will be based on the goal of creating a robust, aesthetically beautiful and functional parks and open space system serving both the area and the broader community. There is currently very little by way of parks and open space in the area currently. The parks and open space policies will build on the environmental goal of restoring stream areas.

The section on housing will have as a goal the development of a diversity of housing type, including workforce housing. The policies will build on the housing policies already in the

Comprehensive Plan but will also be specific to the Bel-Red corridor. The policies will set the stage for a Land Use Code system that encourages having a certain percentage of units affordable at different levels, first in Bel-Red and then citywide.

The arts and culture section will highlight the recommendation of the steering committee to develop an arts district in the vicinity of where the Pacific Northwest Ballet school is currently located, and will recognize the potential for public art at transit stations and other public places. The Arts Commission has been busy discussing how the arts district should be defined.

The emphasis on transportation in the subarea plan will not be solely on light rail. The intent is to create a land use pattern that is transit-supportive, but not one that is strictly dependent on light rail coming to the corridor. Prior to the vote on Proposition 1, there was a recognition of the fact that the corridor will build out to some degree in advance of light rail coming to the area, which will mean there will need to be a transit system in place and transportation improvements made. The policies will outline the need for a multimodal approach to mobility within the area.

Commissioner Ferris asked if it will be possible to anticipate what the traffic load will be as a result of the master plan for the Bel-Red area to see what impact there will be on the surrounding communities. Mr. Inghram allowed that traffic is a key factor. An EIS has already been done that included a great deal of transportation modeling and analysis based on the various alternatives. He said time can be scheduled with the Commission to review those findings. In addition, the city is working with the city of Redmond to update the BROTS agreement focused on managing traffic in the Bel-Red/Overlake area. Finally, staff has been looking at the technical analysis and relating it to the land use phasing question. Commissioner Ferris said it would be helpful for the Commission to have an update with regard to the plans Redmond is making for the Overlake area.

Mr. Inghram said there will be a section in the subarea plan focused on various neighborhoods and districts, and the nodes based on the transit station locations. There will also be a section with non-land use policies and a section on implementation. There will also be the land use map and lists of specific transportation, parks and environmental projects.

Commissioner Ferris allowed that it is not the role of the boards and commissions charged with working on the subarea plan to figure out how to fund the various pieces of the master plan. There are, however, some very large pieces comprising the wish list that will need to be weighed against the available resources. It would be a waste of time and resources to develop a plan only to find in the end that the city will not be able to get there. Mr. Inghram said the full menu will certainly be very expensive and run into the hundreds of millions of dollars, which is significant considering the city's current backlog of projects which totals around $500 million. At the staff level work is under way to identify the universe of needs, develop a rough estimate of cost, and put together a shopping list. Of course, many of the items could be brought about through a strong incentive system and regulatory regime. New types of financing are also being studied, such as tax increment financing. It should be kept in mind that the current CIP allocates dollars to specific projects in the Bel-Red corridor for capital improvements. Ultimately, the responsibility for all decisions related to financing will fall to the City Council.

Answering a question asked by Commissioner Lai, Mr. Inghram allowed that staff has been scratching their heads about the issues of phasing and timing. He suggested that the phasing question, the incentive process and the financing strategy are the most complex aspects of the overall project. There is no suggestion yet from staff as to what the best approach will be. Concurrency is a phasing tool, but it is not a big picture tool; it is focused only on specific projects. On the far other end of the spectrum would be the development of a proscriptive

approach with specific dates for bringing areas of the corridor into the redevelopment picture. The best approach will be one that synchronizes the developments with the programming for infrastructure. Under that approach, as new infrastructure is developed opportunity for additional development to occur will be created. Developers wanting to speed up the process could participate in making the infrastructure available sooner.

Mr. Inghram reminded the Commissioners that the Planning Commission will be meeting jointly with the Environmental Services Commission on December 6. The focus of that meeting will be the NPDES review. The Commission will not have another opportunity to focus just on Bel-Red until reconvening in January.

Commissioner Ferris noted that ARCH gave the Council a housing 101 briefing and suggested the same briefing would be helpful for the Commission to receive. Mr. Inghram said that would be a good idea.

B. Wilburton/NE 8th Street Comprehensive Plan Amendments

By way of background, Mr. Inghram said the Commission studied the Wilburton/NE 8th Street area extensively during 2006. A recommendation for Comprehensive Plan amendments was developed toward the end of the year. A public hearing was held in January 2007. At that time, some additional discussions and recommendations were brought forth by KG Investments, one of the major property owners in the study area.

The recommendation of the Commission was forwarded to the City Council. The Council was concerned that additional information from the property owner had been submitted after the public hearing and directed the Commission to conduct an additional public hearing. Since then, there have been additional discussions with some of the stakeholders, including KG Investments, in an attempt to resolve some of the key issues.

Mr. Inghram reviewed the boundaries of the study area and the land uses involved. He said one of the unique features 116th Avenue NE has is an auto unloading area for the benefit of the various auto sales uses. He explained that one of the original objectives was to look for appropriate ways to encourage economic vitality and redevelopment. Other objectives included looking for ways to strengthen the auto retail activities; encouraging better urban design and identity; and improving circulation in and adjacent to the area. There were a variety of opportunities for the public to be involved during the study.

The area along the freeway is zoned Office/Limited Business (OLB), which allows office and hotel uses. Most of the balance of the study area is zoned General Commercial (GC), which allows for a broad array of different commercial and retail uses, but which does not permit mixed use developments and has a lower height limit.

Mr. Inghram shared with the Commissioners the sketches that were developed for the study to help visualize what the area might look like as redevelopment occurs over time, including improved urban design treatments. He noted that the study included an analysis of auto dealerships citywide, the changes the industry is undergoing, and the restrictions they face when it comes to moving from one area to another. The study included a view and height analysis. Also studied were the various zoning opportunities. It was shown that the Community Business (CB) zone potentially accomplishes some of the objectives better than GC zone in that it encourages design review, has more of a retail focus, allows for mixed use, and has a higher height limit. CB does carry with it a 100,000 square foot retail use limit in most areas of the city, so the Commission originally discussed allowing for an exception for auto retail uses in the zone

along auto row.

Mr. Inghram confirmed for Commissioner Ferris that the allowable height in the GC zone is 30 feet, but with under building parking it can go up to 45 feet. The CB zone allows 45 feet but with under building parking it allows up to 60 feet. The OLB area allows heights up to 75 feet within a set number of feet from the freeway. One of the provisions in the recommendation forwarded to the Council was to allow an increase to 75 feet for the area to the south along both sides of 116th Avenue NE where the topography is lower.

Mr. Inghram noted that the study included a review of planned and potential transportation projects, including NE 4th Street, NE 6th Street and Main Street, as well as local access connections throughout the system. The topography makes connecting NE 6th Street at grade to 120th Avenue NE impractical. Main Street also does not work unless a very high bridge over 116th Avenue NE and the BNSF right-of-way is constructed. It was found, however, that extending NE 4th Street to 120th Avenue NE will work and provide both local and system circulation improvements.

The recommendation included the extension of NE 4th Street and policy language tying the extension to redevelopment. The recommendation also called for traffic calming measures to prevent traffic from using NE 5th Street through the residential neighborhood.

While extending NE 6th Street to 120th Avenue NE at grade is impractical, there is merit to extending it over 116th Avenue NE and connecting it to the HOV interchange on I-405. In doing so, the rapid ride transit connection between the downtown transit center and east Bellevue would be greatly improved. The project could also allow for a new pedestrian connection across the freeway, connecting the downtown with the future BNSF trail.

Mr. Inghram reviewed with the Commission the key changes from the previous recommendation. He said the policies are clearer with regard to the vision for the various commercial areas of Wilburton. The recommendation continues to support the idea of timing the zoning change from GC to CB with the extension of NE 4th Street. The wording is crafted to make sure the city will be able to adequately secure the right-of-way needed for extending NE 4th Street all the way through to 120th Avenue NE. There is also policy support for the 75-foot height limit, but only on the 116th Avenue NE side of the study area. The recommendation is for the OLB zoning to remain along the freeway frontage. The language of the original recommendation regarding a special opportunity area has been removed. New language is included highlighting the formerly identified special opportunity area as appropriate for additional land uses if a new transit station is located there in the future. The new recommendation also modifies the study area boundaries at the request of KG Investments by extending this area one property to the North, and removes the Home Depot property to avoid any conflict with the 100,000 square foot limit associated with CB.

Answering a question asked by Commissioner Orrico, Mr. Inghram said there is no direct funding identified for NE 6th Street, either locally or at the state level. By putting the project into the plan, transit agencies or the state may see the merit in expanding the freeway interchange. A great deal more work will need to be done before determining just how the extension would work.

Mr. Inghram said the recommendation includes a policy supportive of a multiuse trail along the BNSF corridor. There is also language recognizing the downtown as part of the existing view policy, and language supporting the project to square off the intersection of NE 8th Street and 120th Avenue NE.

Mr. Inghram proposed including the Wilburton/NE 8th Street package as part of the public hearing on Comprehensive Plan amendments on December 12.

Commissioner Ferris asked what public benefits are to be gained in exchange for permitting an increase in the height limit to 75 feet along 116th Avenue NE. He suggested that one approach would be to allow the additional height only through incentives that would yield public amenities. Mr. Inghram said the transportation improvement costs will likely be shared with the private property owners, and the transportation improvements will have to occur before the rezoning can be approved. In addition, changing to CB will create the opportunity for redevelopment but will bring with it a requirement for design review, which means there will be additional opportunities for private development to make some of the streetscape enhancements.

Affordable housing could be part of the negotiation as well. However, while there is a policy included that speaks to affordable housing, there is yet no clarity with regard to how affordable housing incentives along the lines of those contemplated for Bel-Red should be implemented. The current affordable housing incentive system is not functioning well, in part because it applies only in residential zones. Policy 21 talks about encouraging mixed use developments to include housing that is affordable to a range of buyers and offers one opportunity to address the issue. Policy S-WI-3 could be modified to talk more about requiring future incentives before the rezones go fully into effect.

Mr. Inghram added that the Bel-Red study is looking to create a new set of zoning tools. The focus in the Wilburton/NE 8th Street study, however, is on applying existing city zones. The potential increase of up to 75 feet is consistent with the zone being proposed; it is not the product of a new zoning category.

Commissioner Lai suggested once the BNSF corridor is converted to a trail use, it will serve as the primary method for bicyclists to get to and from the downtown from both the north and the south. He asked if consideration has been given to accommodating bicyclists in the discussions with the property owners. Mr. Inghram said the city will insist on having bicycle lanes on NE 4th Street and a connection to the street from the trail. The long-term goal is to have a new pedestrian/bicycle access at NE 6th Street.

Commissioner Lai asked if there has been any discussions about including civic plazas or other amenities at the major intersections. Mr. Inghram said the assumption is that the trail will cross over NE 8th Street rather than be at-grade. Policy S-WI-30 recognizes that when development occurs adjacent to the trail corridor it should take the trail into account and not interfere with its future use.

Commissioner Orrico asked Mr. Inghram to walk through the memo received from Jack McCullough on behalf of KG Investments. Mr. Inghram noted that the call for a 75-foot height limit west of the BNSF corridor is supported by the recommended policy language. He said the language proposed by Mr. McCullough relative to phasing the implementation of NE 4th Street is not included in the recommendation, though the language of Policy S-WI-3 has been revised to support a phasing-type approach.

Mr. Inghram noted that the Planning Commission concurs with the proposal to add an additional parcel and remove it from the special planning area. The subarea map has been modified accordingly.

With regard to building size west of 120th Avenue NE, Mr. Inghram explained that the matter is a

Land Use Code issue. Staff sees the area where the school bus parking and GI Joe's is located as appropriate as a transition between more intense commercial uses and more neighborhood-friendly commercial uses, so the 100,000 square-foot limit is appropriate. For the area along 116th Avenue NE, staff is comfortable with having the future Land Use Code amendment creating an exception to the building size limit.

Mr. Inghram said the transfer of density issue is also a code issue that is not currently before the Commission. The city might be able to support the practice by allowing density credits of some kind for areas of right-of-way that get dedicated to the city.

Commissioner Ferris said his reading of the memo from Mr. McCullough is that the proponent is anticipating getting the additional height without a requirement to provide some public benefit in exchange. He suggested that December 12 is too soon to take the issue to public hearing given the need to give more consideration to the issue of incentives. Mr. Inghram explained that there are timing issues involved. The NE 8th Street/Wilburton amendments are only one part of the overall package of Comprehensive Plan amendments up for discussion and action; under the Growth Management Act, amendments to the Comprehensive Plan can only be made once each year. Unless the matter is acted on according to the time table, it will have to be delayed for a year, unless the City Council determines that the issue constitutes an emergency. The Commission can, however, recommend removing the issue from the package.

Continuing, Mr. Inghram said staff has not conducted a detailed economic study to determine the value individual properties owners will gain by the proposed change to a new zone compared against the cost of different transportation improvements. However, staff has determined that there is a connection between the two and sees both opportunities and benefits. Staff believes the proposed policies do address the creation of a better vision for the area, including public benefits. He pointed out, however, that the proposal will not increase the development capacity as far as commercial uses are concerned, but will usher in the opportunity to create housing units, which will benefit the city.

Answering a question asked by Commissioner Sheffels, Mr. Inghram said his recommendation is to include the Wilburton/NE 8th Street amendments in the public hearing on December 12. If nothing else, it will provide the public and property owners alike opportunity to voice their opinions. If, following the public hearing, the Commission finds itself uncomfortable with making a recommendation to the City Council, the Commission will have the liberty to direct staff to sort out additional issues which may or may not trigger additional delay.

Commissioner Sheffels said the practice of the Commission is to hold public hearings on the most extreme position and to scale back the final recommendation accordingly if warranted. She agreed that the addition of housing, including workforce housing, will be a worthwhile tradeoff for the additional height. She supported moving ahead with the public hearing as planned.

Answering a question asked by Commissioner Lai, Mr. Inghram said the key differences between GC and CB is that CB allows housing and more height.

Mr. Inghram pointed out that the discussion section of Policy S-WI-21 says additional incentives may be needed to encourage the market to provide housing for a range of income levels. One approach would be to modify the policy language to encourage new mixed use developments in the subarea through an incentive approach.

Commissioner Ferris said he would support incorporating the concept of capping the height limit of the CB zone to what is permitted in the GC zone, and allowing additional height to 60 feet

only through the provision of identified public benefits, one of which could be affordable housing. Frontage improvements in front of a private property are a public benefit, but do not rise to the same level; such improvements are expected of development even without a request for a change in zoning use. Mr. Inghram said they would not be a development requirement under GC, at least not at the same level, in that CB requires design review and has different street frontage requirements.

Commissioner Ferris agreed with Commissioner Sheffels that the public hearing should include the maximum development potential allowed by the proposed zoning change. Commissioners Orrico and Lai concurred as well.

Commissioner Ferris said if possible he would like staff to take a look at estimating the value associated with the change of height and use compared against the public benefit the property owners will be asked to provide, and to consider what incentives could be required in order to get to the maximum height limit.

Mr. Inghram noted that depending on the amount of testimony offered at the public hearing on December 12, the meeting could be very long, especially so if the Commission wants to finalize its recommendations at that meeting.

9. NEW BUSINESS – None

10. OLD BUSINESS – None

11. APPROVAL OF MINUTES – None

12. PUBLIC COMMENT – None

13. ADJOURNMENT

Commissioner Orrico adjourned the meeting at 9:42 p.m.

Staff to the Planning Commission — Date 2/13/08

Chair of the Planning Commission — Date 2/13/08