

CITY OF BELLEVUE
BEL-RED PROJECT
PANEL DISCUSSIONS
VERBATIM TRANSCRIPT

May 13, 2008
2:00 p.m.

Bellevue City Hall
Room 1E-112

Panelists: Chris Mooi, Lee Michaels, Charlie Klinge, Scott Marable, Ken Louie, Eric Nickols, Desiree Leigh, Keri Stout, Betty Spieth, Stu Cordow

Moderators: Paul Inghram, Kevin McDonald

Mr. Inghram: Financing is a critical component of this whole thing, and I'll try to talk through it a little bit. I want to emphasize that right now the public hearing is on the draft plan and the draft regulations. The hearing is not on the finance plan, but of course how to build it is a key question that Planning Commission is interested in because they don't want to recommend a plan that can't get built. City Council had a couple of engagements talking about financial strategies and what are some of the tools. There was a discussion with Council about April 14, any Council aficionados that remember the date?

Participant: That sounds about right.

Mr. Inghram: We have on the web site for the Council meetings a memo there, and I can also get you a copy of the Powerpoint from that meeting that talks about some of the financial opportunities. But there still is a lot more work to be done as to try to put together what types of different tools can be used to fund all the different improvements. Desiree was at a similar discussion we had with the Chamber group and we started talking about that. And there's a big dollar amount tied to this. We've proposed an approach of using incentives as part of that tool but that there's probably other tools like taking a look at where our impact fees are at today and whether those should be adjusted. Whether there's other tools like local improvement districts or other – I mean there's a variety of other different sort of taxing fee-type different tools out there that can be used to generate revenue. And of course there's sensitivity to any of those tools whether it's the incentive approach that's proposed here or new impact fees or whatever. The conundrum is we've heard from people that really to make this area work it needs a set of transportation improvements parks and open space improvements. The difficulty is that right now the total for that is somewhere around \$450 million. It's a very expensive project. We still have a lot of work to do to figure out what's an appropriate method to try to pay for that.

Participant: My question is more when will that discussion happen? July or June or –

Mr. Inghram: I don't have specific dates anticipated, but I think there will be some more discussion of it in July before Council takes August break, assuming that they take one this year. There's some Councilmembers threatening to meet in August. There's likelihood that there'll be some additional discussion in July and then when they come back in September, October. We don't have specific Council dates figured out.

Participant: Ok, that's good enough.

Mr. Inghram: The ideal is that we would have a financial strategy and maybe some of those financial mechanisms adopted either at the same time or at a similar time to the subarea plan. I think the Council's interested in wanting to see how the two work together before they are too far ahead of one or the other.

So, go ahead if you have a question. I have a set of questions I'll use to guide us. You should have a set of questions in front of you that are primarily designed to help prompt you to respond to some of the things we've shown you so far. If you have other questions where you want to go off from one of these that's perfectly acceptable. We don't mean to try to control the dialog here but we also want to provide something that encourages the discussion as it goes along.

So number one is just about land use and zoning patterns. You have the map in front of you with the different colors. And we've gone forward with trying to implement that steering committee vision. The steering committee had these sort of more bubbly blob maps looking at the transit stations and trying to focus new development around the transit stations. They also proposed having those two major transit stations, the 122nd and 130th one as opposed to say just a single one in that area. So we've gone forward with trying to come up with a zoning pattern. Zoning pattern's more precise follows, generally speaking it follows parcel boundaries and other streets and things that provide specific definition to where those boundaries are as opposed to being the kind of blobby lines that were in the steering committee recommendation. We welcome comments, that you have about zoning.

Participant: Obviously this area on the far left we have a house there north of the hospital, and it's not a medical office. I know you guys, is that what you envision it completely to be one day? Or you've got zoning that has allowed daycare there. You see a lot of medical offices springing up in that area. What happens to those of us that are there? You eventually just wait us out or someone comes in and buys a whole bunch and puts up a medical tower or what happens?

Mr. Inghram: The city wouldn't typically speaking be in a position of trying to itself trying to buy people out or actively redevelop the area. But it would be as proposed now zoned to encourage medical office over the long run. So as people transition or new medical office developments want to occur that they would occur in that area. DOT is purchasing some of those properties as part of the I-405 widening right now. There is some acquisition going on but that's not by the city that may further some of that transition.

Participant: So if you'd go into more detail for me on what the rezoning is going to be in the area. Is it light industrial? Is it zero lot lines? What are we looking at in terms of the changes from the zoning that I thought it was just strictly commercial to something different at the end of the year maybe and when?

Mr. Inghram: This would be the proposed zoning at the time of adoption which could be anywhere from the fall to early next year depending on when Council takes up action on the proposal ultimately. So the proposal would be to rezone medical office that would allow for some general office uses, medical office uses, some of those other ancillary uses like personal services.

Participant: What does it means in terms of like height and – Is it a definition in the book so I don't have to waste your time?

Mr. Inghram: They are in the book and I can try to point you to where to look specifically.

Participant: If you look at the land use chart start on page 16, it's really through 30.

Mr. Inghram: And then following the land use chart should be the dimensional chart.

Participant: The dimensional chart's on page 35.

Mr. Inghram: Yeah, page 35 in the Bel-Red section has the dimensional chart for all the different zones being contemplated. So if you follow down to not MO-1, but just MO, which is right in the middle, it has the minimum setbacks which are generally zero, floor plate size, maximum impervious surface of 75 percent, building heights that would range between 45 and a max of 70 feet, and a floor area ratio max, that's a density max, of one.

Participant: Thank you.

Mr. Inghram: And then as he mentioned preceding that are all the use charts. So if you sort of comb through that page by page you can see the different uses that are allowed for each of the zones.

Participant: My question, you were talking about this fall that possibly the zoning would be approved and implemented?

Mr. Inghram: That's the approach we're taking now. Certainly the Council will have discretion as to whether it wants to go that approach.

Participant: So obviously that's going to be – a lot of this seems to be with a vision of 20 years. That's going to potentially expand a lot of the light industrial uses kind of on a fairly rapid framework. Basically as soon as the zoning changes, does that mean that there are expanded uses associated at the concurrent time, basically where those will be enabled? Because of lot of this is light industrial, right?

Mr. Inghram: Right. At the time of rezone this zoning goes into effect.

Participant: Obviously this will take awhile to be realized.

Mr. Inghram: Right. So new development that's consistent with this could occur. And then those existing use provisions would apply to say expansion of an existing industrial use. So it wouldn't allow for a new industrial use to come and locate in the middle of one of these new mixed use zones. It would allow for continuation of an existing industrial use that wants to have expansion or reconstruction of some of its facility. There's some limitations that we've drafted on there but that's where those provisions for existing uses would come into play.

Participant: I may have missed this, but it seemed as though the majority of – well, the light industrial is pretty much gone and taken over by the general commercial.

Mr. Inghram: The general commercial area is largely continuous with the current general commercial area. So this area along NE 20th that's pretty much where general commercial is today.

Participant: Most of that's LI.

Mr. Inghram: No, sorry. Don't mean to be disagreeable. This is pretty much following the existing general commercial area. Pretty much from here to the west this is zoned light industrial, until right about 116th or mid block. So this strip here is light industrial. Some of this area including along Bel-Red road a lot of this is community business zoning. So we have community business sort of filling in through here, general commercial, and then we have light industrial and a little bit of a mixture down around Lake Bellevue. And then some office zoning along this portion.

Participant: And the primary goal to move from light industrial to general commercial was?

Mr. Inghram: There were a number of things the steering committee looked at. One was opportunities available, but also some of the existing trends. So while there's been general employment growth in the region and in the city, there had been an area of employment decline in this area. And then we've seen some of the major tenants relocate – Safeway moving their distribution facility. So there seemed to be less interest, less support both out there in the world for light industrial activity. While at the same time there has been huge development in this part of Redmond and there's been huge development in downtown Bellevue over the last several years. And there's also been a lot of pent up demand for increased housing. So we started looking at what are the economic conditions shaping this seeing less interest in the market in continued light industrial development, more increased development in office, commercial uses and residential uses. So how can we work with that and take advantage of those economic conditions to create sort of an attractive area.

Participant: As a leasing agent and property manager and property owner, we've experienced a huge – there's lots of spaces that sit vacant because of the restrictive and narrow focus of the light industrial. Whereas the more broader general commercial is appropriate. And the uses, a lot of it are restrictive on the parking which is something that we've definitely look at. We've had sufficient parking and everything else has been except for the fact that it's been very narrow focused. So those are the type of things we've seen that have been hampering our ability to retain tenants, to grow businesses and retain tenants. So, I guess that's the main thing.

Participant: So are you saying you support the land use planning?

Participant: I do. For one thing, first do no harm for what we have currently to allow the existing businesses to stay as long as their viable. You know, partly it's which comes first the chicken or the egg. A lot of this Bel-Red corridor became viable because we the owners built for what was demanded. I think the zoning has for the last 10-15 years restricted what we've been able to do. So it's time to kind of try and react to what the market place and let the market place dictate. I guess I'll end on that note. But then to change subjects. A lot of these things seem to be dependent on the transportation, kind of the Field of Dreams if you build it they'll come, which causes me to talk about, Kevin, maybe you can try to learn this on concurrency. So obviously with the Sound Transit not being passed last year, even on the best estimates we're 20 years plus for even having anything of a light rail come to this area. Can you answer and talk to that, Kevin?

Mr. McDonald: Well, the land use pattern is certainly somewhat focused around the light rail stations, the future light rail stations. But it's not dependent on that service.

Participant: Okay, so in other words if it never comes, in other words if we never pass it, there's no – is that still a viable –

Mr. McDonald: It's a viable land use pattern and the amount of development that is prescribed in the next 20 or 25 years is supportable by other means, by transit, by automobiles, and by bicycle and pedestrian.

Participant: So I'm talking about the marketplace, it's kind of a hand-in-hand thing, the marketplace dictates, and if you have a flexible system, bus rapid transit, that would seem to be the more advantageous.

Mr. McDonald: We are focused on having light rail technology in this corridor at some point in the future. Whatever that point is will be determined by the Sound Transit board and the voters of the Sound Transit region. But we are not waiting for that to happen. We will work with the transit providers to have bus service, whether it's a bus rapid transit service or enhanced regular bus service, to serve the new development in this corridor. When light rail comes, we'll have the land use pattern in place that's compatible with a transit-oriented development type development where people can walk, bike and live in the vicinity of the stations. In the meantime development will occur and hopefully will be done in a way that's compatible with future investment in light rail.

Participant: What are the three main factors, practical reasons, why light rail is better than bus rapid transit and would support the much higher cost for light rail?

Mr. Inghram: Well, this plan isn't really getting into that issue of whether we have light rail or bus rapid transit. That's more of a regional thing.

Participant: Oh gosh, I was just hoping for an answer.

Mr. Inghram: Well, I can give you my answer, but I don't know what it's worth since I don't work for Sound Transit or get to really facilitate that decision.

Participant: Well here's the point. We've got \$450 million of public improvements the city wants to do, and why should the residents of Bellevue spend their money on light rail when it seems like these \$450 million worth of improvements are more important?

Mr. Inghram: If Sound Transit puts together a voter initiative that goes to the voters, why should Bellevue residents vote for that when they may have other things to spend the money on?

Participant: That's close enough.

Mr. Inghram: I'm just trying to understand. I mean, that's a big question.

Participant: I don't think this is mutually exclusive.

Mr. Inghram: No, they're not mutually exclusive.

Participant: I don't think we want to be looking at this either/or. We're going to be a regional player, we're going to be a major city, and we phase in the bus routes that we need and we eventually get light rail like every major city in the country. I don't see it as mutually exclusive. That \$450 million may not pay for the light rail, but we don't really care. When the light rail gets there, when we vote for it, we'll vote for it as citizens. But we'll have an obligation to the \$450 million regardless of light rail.

Mr. Inghram: I think there's a couple of points I should make that relate between transit and this land use pattern, and that's that Kevin said the land use pattern isn't designed to be specifically dependent on light rail, but it's designed to be transit supportive. So that it will work well with bus rapid transit or light rail or other forms of transit that we can get in here. The flip side of that is if this area were fully served just by single occupant vehicles, the street network would have to be much larger and that \$450 million would be a much bigger ticket because we'd have to have bigger, wider arterials, bigger intersections, and even then we probably couldn't accommodate the transportation capacity that we'd need to if we were doing a typical 90 percent of all the people driving in single occupant vehicles. If we can get transit in here in some form – and what some people like about light rail transit is that it gives that certainty and predictability that the tracks are in the ground, they're not going to change the route five years out, or funding's not going to eliminate the route some day in the future. Some people like that predictability. But regardless as to what form, if we can give assurance and get that transit into that area, it allows more development to occur that otherwise would exceed the transportation network.

Participant: What percentage of people will be on their bicycles, realistically, in this particular land use scheme?

Mr. McDonald: Right now our commute percentage for bicycles is about one or two percent.

Participant: Do you expect it to be higher than that?

Mr. McDonald: Yes, partly because we'll be building infrastructure in as we build these new roads or do widen existing roads, to really support bicycle commuting. Bicycle commuting can be from one end of Bel-Red to the other, or it can be five or ten miles depending on the endurance of the commuter, but what we want to do is provide the infrastructure that can support that option if people want to take it. As you know, in many parts of Bellevue it's not friendly at the moment to be on a bicycle.

Participant: Yeah, but I guess my question really goes to if you have a certain number, if you estimate bicycle improvements, then the goal should be higher than two percent. So what's your goal to justify spending money on bicycles?

Mr. McDonald: The goal isn't quantified at this point, and I don't know if we can ever quantify a bicycle commuting goal. But we want to provide the option, provide a safe, convenient and accessible means for people to get around on a bicycle, whether it's for commuting purposes or recreation purposes. We're not catering to one over the other. We just want people to have choices.

Mr. Inghram: In the region, in urban centers, where people have access to a full range of different commute choices, we're seeing somewhere on the order of 50 percent of trips be non-SOV. So this we're not proposing to be an urban center on the same level as downtown Bellevue, or the University District, but potentially maybe we could get toward similar types of non-SOV travel.

Participant: Can you – oh, go ahead.

Participant: No, you go ahead.

Participant: What's the difference between the commercial residential and the residential commercial?

Mr. Inghram: They are kind of the same. The commercial residential is this sort of teal blue color if you will. The first word is just intended to be the more primary use within the area. And similar to what we have today, this is primarily commercial uses. A mixture of uses residential and commercial are allowed today but we see primarily commercial. And while we are intending to encourage more mixed use development in this area, we anticipate there will still be perhaps predominantly commercial. In the residential commercial area, most of the new zoning capacity that would be created in the taller height limits would be allowed toward residential development. So there would be some allowance for office, commercial,

retail uses, but the full 2.5 FAR would apply to a mixed use residential development. So the capacity increase here is focused on residential.

Participant: Okay.

Participant: What is the right-of-way width for 16th?

Mr. Inghram: For 16th, the right-of-way width is – we have one cross section that’s in the middle of a node where a station is, a light rail station could be something like 58 feet wide itself, so with the station, the street, the bike lanes, the sidewalks, that one scenario adds up to 197 feet.

Participant: And what about not at a station?

Mr. Inghram: If you take the station out, you reduce it by about 30 feet. And then there’s some other things like in that 197 that includes some opportunity for what you call frontage roads where you have the main street and essentially a pull off lane and a parking lane to serve the immediately adjacent buildings. And those are still open for consideration, but they consume something like another 20 feet. So there’s a lot of different components to the 197. I think the smallest you could get it down to would be something like 130. If you have light rail, a four lane street and ped-bike –

Participant: 130?

Mr. McDonald: If you’re at a station, it may be 15 or 20 feet wider than that.

Participant: What do we have out there now where there actually is a 16th?

Mr. Inghram: Where we have a 16th today I think that’s a 60-foot right-of-way, it’s a two-lane street with parking?

Participant: No parking.

Mr. McDonald: No parking in all places.

Participant: I noticed, it was kind of hard not to notice, some interest in the plan to daylight old streams which have been piped for decades. It seems like I don’t see any plan for the city to daylight Bel-Red Road or 16th.

Mr. Inghram: The stream as it goes under?

Participant: Right. I mean, why would you build this massive road over the streams when you want everybody else to daylight the streams?

Mr. Inghram: Well, that's a good question.

Mr. McDonald: Well the 15th/16th over the West Tributary here would actually be built on a bridge structure. So it would be 20, 25 feet above the stream so light and air and vegetation could grow underneath the bridge. There would also be a trail that goes underneath the bridge along the stream.

Participant: What about at Goff Creek?

Mr. McDonald: At Goff Creek, which is right here, Goff Creek is mostly under buildings and parking lots at this point. So there's a two-pronged approach to dealing with Goff Creek. One is to try to work with the private developers as they redevelop to daylight the stream in their portion of the property. We'll provide incentives for them to do so. There would also be an effort on the city's part to maybe even move a part of Goff Creek to a place along 132nd where we do have the right-of-way, so we could put the stream on city right-of-way and then create it as a park feature. So it would be uncovered from parking lots and buildings by actually moving the stream to a place where we could daylight it. Where 16th crosses, there's already a structure there. It would widen, certainly, a little bit compared to today, but overall the enhancements to Goff Creek and the West Tributary would create a better environment, not only for the creatures that live there, but create an amenity for housing and office that could get built up around it.

Participant: But at Goff Creek and 16th, you're not going to have a bridge so it's going to be a 130-foot minimum culvert?

Mr. McDonald: It would be a culvert at that point under Goff Creek.

Mr. Inghram: And several of these culverts down on Bel-Red Road are proposed to be replaced so there would also be changes to those culverts.

Participant: It seems like a pretty stark difference between the West Tributary, which is quite a bit open already, versus all the work you're going to have to do to try and make Goff Creek – and all you're still talking about it – Well, that was a question I had. I still don't see in here in your big new map, your big new plan, a Comprehensive Plan map. There's no Comprehensive Plan map.

Mr. Inghram: Sure. Towards the end of the Comprehensive Plan section. I think you might be thinking of a different kind of Comprehensive Plan map.

Participant: Okay, so you have a land use –

Mr. Inghram: There's a land use map, that's what we sort of traditionally think of as our Comprehensive Plan map. And then following it, just after Page 30, is the transportation, parks and open space maps.

Participant: Yeah, because you had the preliminary plan that showed like a 50-foot mandatory setback for Goff Creek, and then another – so 100 feet total – and then another 100 feet incentive potentially. But that was inconsistent with both the steering committee's recommendation – which tied to the critical areas ordinance, which doesn't require that where it's already piped. So I'm glad to see you don't have that in the Comprehensive Plan map, which kind of would set that as a requirement when it really wasn't what the steering committee wanted.

Mr. Inghram: Right. Critical areas requirements would continue to apply for the underlying requirements for stream protection. And as you say, they vary depending on whether they're in the pipe or not. And then the subarea plan ideal would still be a 50-foot on each side of Goff Creek for restoration, with recognition that that may vary in actual distance going up and down where you have greater or lesser opportunity. But that would be more through capital investment or incentives to the property as opposed to it being a new layer of critical areas regulations.

Participant: I just have one follow-up and then I'll stop. And that is see, there's a problem here because while moving Goff Creek to the right-of-way makes a lot of sense considering that it's already been piped for decades, and trying to force it may never happen. But then the city is talking about a 200-foot stream corridor, which the 132nd probably is not even 60 feet wide. So if you're dream or vision of having a 200-foot urban stream corridor is not fitting with reality. You've got to be thinking more of the stream with maybe 25 or 40 feet and then maybe some walkways on the sides, and not 100-foot buffers that are no-touch buffers all planted. That will never fit with reality. The right-of-way is only 60 feet and now you're taking valuable property.

Mr. Inghram: I think we generally agree. First off, it's 50 feet on either side for Goff Creek, so it would be 100 feet, not 200 feet. But even then I think the same type of comment applies that when it gets into the level of design for the individual sections that it has to take into account the reality of where are buildings located, where the street is located, what's really achievable. So while sort of on a general stance from top to bottom we would like to see a 50-foot natural increase on each side of that stream, there's the reality of what can we actually achieve. And I think what you've described is pretty close to a realistic vision. And that was similar to the slide where we showed you can take some of those streams that are there today, even those that are already daylighted and just within that existing area of dirt and vegetation that's there today there could be a lot of

improvement to the type and quality of vegetation. And we could put in trails and paths, provided that we had appropriate easements and property rights and whatnot along the streams. So then we could get things like open space opportunities, trails opportunities, and improving the habitat function of the streams. But probably not within the full distance.

Participant: If I can jump to number seven, workforce affordable housing. First of all, I am a resident of Bellevue. As a resident of Bellevue, I really would like to try and understand. When you say affordable housing, what's the range. I know you said moderately priced housing. What's the range. And I know you said it's not an urban center, but how much residential housing are you anticipating for the corridor? As a resident of Bellevue I want to see more affordable housing. I hate to see the fact that people are getting priced out of Bellevue. We want workforce housing so that – people with children are used to alternative commute trips. We have six percent of us already bicycling. Only 30 percent of us use single occupancy vehicles. So I do think you can have goals for bicycle improvements. I'd like to know the interface between the bicycle and pedestrian improvements and the amount of affordable housing.

Mr. Inghram: Well maybe I'll start off with affordable housing, and Kevin can talk about the connection to bicycle. We worked with an economic consultant who looked at some of the economic conditions in the area. And also in working with the steering committee, we came up with a projection of 5000 additional housing units in the Bel-Red area over the next 20 year period. So that's the round number we're working with. The zoning would have capacity beyond that, so it's not just that we are enabling that amount. And then through that incentive system, there's a policy that talks about trying to achieve a range of housing prices in the area so that the range of different types of workers, from Children's is a good example, from people who make the lowest amounts to people that make much more, will all have housing choices. That would include trying to achieve housing at those different levels, including some low-income housing. Traditionally low-income housing is only successful when there's a direct subsidy. There's a gap between market and the levels people can pay at the low-income level, and the only way to effectively bridge the gap is through subsidy. The city participates in ARCH, A Regional Coalition for Housing, which is the Eastside region agency for programming affordable housing.

At the next level up is what we refer to as moderate level housing. And under state guidelines, that's 80 percent of median income.

Participant: ((inaudible))

Mr. Inghram: I thought you'd ask that.

Participant: Median income is about \$45,000, or something like that.

Mr. Inghram: Median income for a family of four I want to say is in the range of \$60,000 to \$70,000 per year. That translates into something like a \$200,000 house.

Participant: And that's probably not going to be a house. That's going to be a condominium.

Mr. Inghram: In this area now, you wouldn't want to live in a \$200,000 house. So it's in that ballpark. The regulations we've proposed right now have an incentive tool for residential development that they would need to provide a certain amount of housing affordable at that level, and then there would be a bonus for providing so many square feet of housing that meet that requirement, you get an additional square feet of development capacity.

Participant: Because from my perspective as – I'm with Children's and we're going to be a major employer – we do have people who need low-income housing. They are technicians, we have a big problem even on our main campus. And we are going to be working with housing partners to create some opportunities along Sand Point Way for those individuals. But that moderate income piece, they can't afford housing there. So when we come over to Bellevue and we locate in the Bel-Red corridor, we start all over again. We really want to stress the importance of having both low-income and moderate-income housing for our employees. They will walk to work, they will use the bicycle trails, they will use transit. But we are struggling right now keeping people at Children's because they cannot afford to live nearby. So we train somebody, and then Valley Medical takes them because they live in Federal Way and it's more affordable.

And these 5000 units, how many would be moderate income, all of them?

Mr. Inghram: No, certainly not all of them. If the incentive tool was used and was effective, it might result anywhere from three percent of the units at the low end, and at the high end, depending on how it gets adopted, maybe it results in eight or ten or somewhat beyond that. The good news if you call it that is that market rents in similar types of housing that we might see here is probably in the 100 to 120 percent of median income range. So moderate level, which we define as 80 percent of median income, we recognize needs an incentive, a fairly aggressive incentive, but when you get up above into the 100 and 120 percent, right now the market is doing close to that already, or comparable to that. Of course, the worry over the long run, especially as having seen downtown development, is that as the area takes off and becomes more attractive, then there will be more increased pressure on prices. So even though we may have the market to

help satisfy that problem today as far as providing units at near median income levels, we don't know that that's always going to be the case.

Participant: Well, I will go offline with my workforce housing discussion. But we are doing some things in partnership where we are putting money into a fund and they are going to leverage our money to build 136 units. We'll have an offline discussion about that.

Mr. Inghram: We'd love to hear more about that, because a lot of people talk about employer-assisted housing, but it's usually referred to kind of vaguely because we don't know how employers will participate. So hearing ideas from Children's is excellent.

Participant: You know, we are talking about 5000 more units, and I live in Redmond and I drive Bel-Red every day to go to our office. I'll tell you, I've been here 20 years and I've seen a huge influx and change in the traffic patterns and things. And I just wonder are you going to be widening Bel-Red or are you going to be widening 24th, making 24th a street we can use to get back into Redmond? Barring the fact that you're probably not going to have light rail for a while, how are you going to handle the transportation issues?

Mr. Inghram: Well, I'll start off by saying we're not widening Bel-Red as part of this. The 15th/16th is anticipated to be able to accommodate a large portion of new east/west traffic.

Mr. McDonald: There are a number of roadway improvements planned in addition to the transit and pedestrian and bicycle system improvements. Paul mentioned 15th/16th, that's a four-lane arterial with left-turn lanes at each signalized intersection. In 2030 it is anticipated that that roadway on the west end will accommodate about 30,000 cars per day. On the east end it dribbles down to maybe 15,000 to 20,000 cars per day. So most of the activity is in the west where this high-intensity development is. So that's a four-lane arterial with turn pockets.

On 120th, right here, it's also expected to be improved. That's currently a two-lane arterial. The vision for that is five lanes, done in two phases. The first phase would be south of 16th pretty quick, within the next five or six years. And then the next phase would be going to the north. Then 120th will also have bike lanes all the way across the reach of it and will connect in with the SR-520 bike path that goes all the way to Redmond. And then someday all the way to the U-District.

Participant: I'm hoping, and this may not be you, but we need a freeway access to take us east.

Mr. McDonald: That's at 124th. You see that on there.

Participant: That's not you doing that, is it?

Mr. McDonald: Well, it's a WSDOT, Washington State Department of Transportation, project that we are advocating as part of the improvements to 124th. Access to and from the east at SR-520 is critical. It will really help disperse traffic and get some of the regional trips off of Bellevue arterials.

Participant: But you know how fast government works. When do you foresee that coming?

Mr. McDonald: It is in Phase III.

Mr. Inghram: It is in Phase III right now in the 2021 to 2030 time period.

Participant: So it's going to be a long time.

Mr. Inghram: That's why Kevin and I are working on this, we can envision the 2030 time period.

Participant: And the Burlington Northern railway? That's a county thing, right?

Mr. McDonald: As of yesterday, it's a Port of Seattle-owned property. It used to be Burlington Northern/Santa Fe railroad. It's this wide band here that goes all the way from Renton to Snohomish.

Participant: They're not going to lose that as a transportation corridor then?

Mr. McDonald: The Port of Seattle bought it and there is an agreement with King County to do a trail on there. And some day, if all the stars align, there could be rail along that corridor.

Mr. Inghram: And the Port's saying they are going to maintain freight traffic on at least a portion of it for the time being.

Mr. McDonald: As you know, down here the Wilburton tunnel is being removed this summer, and that will cut off freight operations to the south. But it is reserved for public use, and that use includes multiple modes of transportation.

Participant: Okay.

Mr. Inghram: The upside is that most of the corridor is 100 feet wide, so there's room for rail and trail uses together. The downside is that it's not always 100 feet wide. So for example, at NE 8th where it crosses out here it's only 40

feet wide, so we have some narrow sections. And then one of the other complexities of that corridor is we have streets like NE 8th that serve tens of thousands of cars, so we have crossing conflicts that we'll have to deal with, whether it's a trail crossing or a commuter rail or some other type of thing.

Participant: Kevin, I notice that there's been discussions over the Bel-Red corridor about how to connect things and the additional access onto SR-520. Why was the 136th, there had been some discussions about the 136th being an on-off ramp –

Mr. McDonald: Historically, yes, but it was never really fully considered here. When it was discussed, which was before my time, but it was proved to be incompatible with what the neighborhoods wanted and really didn't perform the kind of function the transportation system wanted. So improving this intersection here, especially considering that all of the intensity is at that end as well, made a lot more sense.

Participant: A technical question, though this may be an easy one. I'm looking at the dimensional requirements. You have a base floor area ratio, but then the base is a range, 0.5 to 1.0. So how does that work?

Mr. Inghram: It's intended to recognize that the base may work in conjunction with the incentive system. In part there's a lot of questions still to be answered about how the incentive system will work and at what level it kicks in above a base. So at this point we put in a range between 0.5 and 1.0 that there would be some initial level of intensity that could be developed and then at some point additional intensity above that level has to come through participation in the incentive program. But how exactly the incentive program will work and at what level it kicks in is something that is part of continuing discussions. So that's why we show a range right now.

Participant: So you're saying that the 0.5 to 1.0 means that it's undecided?

Mr. Inghram: Right.

Participant: I just want to make sure Uwajimaya isn't going anywhere.

Mr. Inghram: That's a good question.

Participant: We want to stay in the area, definitely.

Participant: Good, yeah.

Participant: We've been working to try to accomplish that. I wish I could report otherwise something firm, but we're still working to that means.

Participant: I had heard rumors that you were going to remodel, and that maybe a Walgreens or something was going to be next to you.

Participant: Well, the site that we are currently on Walgreens purchased about a year ago. And Walgreens has not made a decision what they are going to do with the property.

Participant: So should we all write letters or what should we do? Because I will really be upset.

Participant: Well thank you very much. I appreciate that.

Participant: You're an institution for us. We need to keep you.

Participant: It will be 30 years in February. It was a former Safeway store.

Participant: If you had to relocate, would you relocate along the Bel-Red corridor then?

Participant: We would like to stay as close to the existing location as possible. Granted, if it were a mile away that would be fine as well too, but we would prefer to stay where we're at.

Participant: Do you feel like you're under threat of losing that property?

Participant: Well, it's getting difficult, it's getting difficult. And some of the conversation with what's going on here is obviously a concern. We're not a Whole Foods or a Safeway or anything like that. Our margins are small and so forth, but I know with a lot of this comes additional costs which filter eventually down to operators. So definitely there's some concerns. It's difficult enough as it is in today's environment to be on the Eastside in Bellevue. These are things that need to happen, don't get me wrong. It's for the right reasons, but on the business side of it that's what we're in business for and things can get more difficult.

Mr. Inghram: Can I ask a follow-up. Your Seattle store has done a pretty innovative, interesting mixed use development, or worked with partners on that. Do you see the potential of being able to do something similar, whether it's on your existing site or not in this area?

Participant: Yeah, I could foresee it, a mixed use project in Bellevue where we would be a part of residential or commercial.

Participant: You own that property?

Participant: In Seattle we do, yes. We don't in Bellevue.

Mr. Inghram: We went and looked at that development and one of the fun aspects of it was we learned that there's Uwajimaya and then there's a food court with additional restaurants along the edge of Uwajimaya in Seattle. It closes at 8:00 o'clock at night, so at 7:30 the restaurants mark down their food and the people that live upstairs come down and get dinner.

Participant: Yes, they love that. The units are mostly market, though there is some affordable.

Participant: I would just like to say though on behalf of all small businesses, because that's what we are, and not only do we own a manufacturing rep agency in the area, but I spend a lot of my time down lobbying for small business in Olympia. And I just want our city to hear I think it's very important that they never forget that small business is extremely important to our community. And services are important to our community. And you cannot overlook the changes that are occurring to the exclusion of the small businesses and the small business owners that are here today. Those businesses are what creates the wealth in this state. And I know I'm on my soapbox right now, but Uwajimaya is an institution. And I know it's not you all that we have to worry about, but I would think that if there's any way that you could support Uwajimaya in front of Walgreens or whoever, I know I would appreciate that and I know our community would appreciate that. And it's not just Uwajimaya.

Participant: I think that kind of leads into the third part of the discussion questions about phasing. One of the things that I've – you know – the incentive program is something that I think is, I would prefer that. A lot of small business owners, the impact of the LIDs, seen those being borne by the local businesses, is pretty tough on these small margins and gross costs. But the owners are in – we're in triple net leases for just about all our leases, and they get passed right on to the businesses. So anything that happens to those owners, whether it be infrastructure or roads or streets or whatever, those get passed right on. And so it's – it can be catastrophic.

Mr. Inghram: So the concern is about fees and other impacts to existing businesses and tenants.

Participant: Absolutely.

Participant: Right.

Mr. Inghram: And you would prefer tools that are based on development.

Participant: Yes. Not borne by the, you know. It just gets passed right on anyhow. Those things, well the business owners will take care of it, but they're usually passthroughs.

Participant: It's the age old thing, and I told the Governor this about six months ago, I said we'll help you as long as you don't over tax us and over regulate us. And that's what, I think, makes our community colorful. I always look forward to seeing small businesses crop up here and there and what are they going to be, and is it a new restaurant, and that type of thing. It gives it character. And you're right, we're working off of small margins and it's really important that you don't forget us out there and that you do pay attention to what the unintended consequences are going to be.

Participant: Don't bite the hand that feeds you. And also, retaining flexibility in the draft area plan for expanded uses. Because oftentimes I feel like it's – especially when you are working from zoning maps – there's little pigeon holes. And I'd rather see performance, you know, performance guidelines rather than use guidelines. Those are the type of things that, you know, as long as they perform within certain things, even though it's not necessarily this exact use, you know, it meets those standards. That's why you see in some towns like San Antonio or Arizona where they have performance guidelines as opposed to straight zoning guidelines.

Participant: Tell me about those, I'm not familiar.

Participant: Performance guidelines, they have certain – and you guys could maybe comment on it better – it means certain parking requirements rather than certain use requirements, or I don't know.

Mr. Inghram: You might say it's an envelope of height, setbacks, parking, hours of operation, but not – and then usually there's a list of prohibited uses so that you can't have an oil refinery or something. But then it may be open to a wide range of uses within the list rather than saying only these narrow set of uses. You can do a wide range of uses, provided that you don't have impacts that exceed X, Y and Z and you fit within a certain box. But we still use the use chart just because – well, not just because – in part because that's how our code is set up today and we're not trying to do a complete overhaul of our Land Use Code in addition to all the stuff we're proposing now. But we have tried to be pretty open with a wide range of uses to accomplish a similar philosophy even though we're still sort of using the old style of structure.

Participant: Paul, in these incentive programs, not sort of the way you are at the moment, but I'm just thinking about what Ken just talked about, and you've talked exactly that for the downtown store. Your incentive

programs are set up along with a very specific set of requirements. Basically if you're residential you have affordable housing, and then the parks. The downtown store as a very interesting scenario relative to its parking, for example. The parking scenario there is completely shared between the residential and the commercial. So as that project was put together, the costs, which in effect are, again, whether they're carried on to the end user or not, were kept under control because the site was incentivized because of that framework. And that to me is where you go into the performance-type world where you say here's an opportunity let's make it work for us. And I'm now speaking as the city, because it then benefits both the end user and the city, and actually makes something occur on a piece of land that otherwise might stay the same and would not change.

Participant: Talking about keeping existing businesses, turning to your other one, which is existing uses, existing conditions. Have you guys done any like scenarios to set forth how that section would actually work in practice? Because it seems kind of different from the typical.

Mr. Inghram: It is a new concept. In some ways it borrows a lot from our existing nonconforming use section, which Bellevue has a different nonconforming use section than most other cities. Bellevue allows a pretty high level of flexibility for nonconforming uses. So in some ways it borrows from that, but it really is a new concept. I can't say that we've gone through and done scenario modeling for how that applies. We've done some ad hoc type simulation of that just sitting around a staff table and thinking through some of the scenarios that would apply, but we haven't formalized that into creating some examples. But maybe that's something we can do.

Participant: Okay, well I'm looking at the land use chart for BR-CR and it says trade, wholesale and retail. I don't know quite how that's defined, but let's put something in there. Okay, somebody's selling widgets, so it's retail.

Mr. Inghram: Nuts and bolts, by the hundreds of pounds.

Participant: So that's not a continuing forward – okay, I'm assuming that under land use you can probably do that, let's say. But now under this land use chart you cannot do that.

Mr. Inghram: Right, unless you're an existing condition.

Participant: Okay, so we're an existing condition, you've got this guy selling nuts and bolts, and now his lease is up.

Mr. Inghram; Right.

Participant: Okay, so now somebody comes in and instead of selling nuts and bolts they want to sell widgets. Is that a new use? Or is that an existing use?

Mr. Inghram: I'm going to preface this with a caveat, in that I'm not a code interpretation expert. So I haven't gone through – I don't do that as my daily job. But if it's still in the same use category – so if it's in the horizontal bar – here we have wholesale trade of general merchandise, supplies and materials. If they're changing from selling to bolts and it's still that same category of wholesale trade, then it's still the same use and it could continue. If they're switching from selling nuts and bolts to wanting to become a recycling center, that wouldn't be allowed. So they can continue – they don't have to keep the same tenant, but the same use could continue. But if they wanted to shift to a new use category, that would have to be a permitted use. They couldn't shift from one E category to a different E category.

Participant: And then does this require that when you go to a switching now, so now you're switching, and you go to a permitted use, now doesn't this require a level of compliance with the new rules and requirements in the Bel-Red plan?

Mr. Inghram: There may be some level of compliance, but you're talking about the use changing. If they're changing the building then there's a different level of compliance. If you're keeping the building, then the building has to be potentially upgraded in some way to be compatible with that new use, but if you're modifying the building, then the modifications need to be consistent. And the terminology we would apply to this would be proportional compliance where there's some level of proportionality of things happening to be consistent with the code while at the same time recognizing that just because they changed use doesn't mean they have to tear down the building and build a new buildings that's fully consistent. But there's a variety of codes, you know, fire codes, building codes, and safety standards, and sometimes those come into play.

Participant: Well I'm not totally sure, because it's based on that last answer, you know, and I haven't gone through – That's why I asked if you've done a scenario. You're kind of saying if you're keeping the same building then maybe it's not too bad as long as you pick a use that's in the new list. But before I get there, when you tell me that somebody's lease has run out, and now I have to find a tenant that's in that exact same category, I don't see how that's going to work. That's a big problem. Because you're telling all these people out there that we're changing the rules and gee, your lease is up in 2009 or 2010, and now you've got two choices, one is you've got a very narrow set of uses – and I'm not sure it even says that, either – it's not clear that it says that, because it just says existing use –

Mr. Inghram: Same use category.

Participant: But it doesn't say use category, it says existing use.

Mr. Inghram: That's what I mean by use, yes.

Participant: Well, yeah, but is it selling nuts and bolts or selling widgets. So you're maybe adding to the category, and maybe that's a good change that needs to be done. But still if you come in and your choice is you have to have that exact same category or you're flipping over and then what does all that mean, I'm not totally sure. But there's big concerns there. It seems like the phasing in of that should be on a much longer time period rather than immediate.

Mr. Inghram: Okay. And I don't mean to – I want to clarify that. In switching to a new use, why I'm being vague about what are the requirements, it really depends on what is the new use, and what was the previous use. If it was an industrial facility and you want to convert it to housing, obviously there are certain life safety standards that would have to be met. And so that's why I said there's going to be different standards that are going to apply. But it really depends on what the different use changes are. And each scenario is going to be unique. But I agree with you that I think it would be helpful to at least provide some scenarios that would help illustrate the possibilities.

Participant: Another factor in here of what you're putting in is that you're putting the burden on not the city but apparently on the landlord or the new tenant to prove that they are consistent with the previous existing use. I mean that's what it says. And you provide documentation that shows the existing condition was permitted when established and has been maintained. That's really unfair. If you're a new tenant, okay, you don't have any records at all about what was going on there. You just want to come in and say am I good to go? If you're a landlord, you still may not have the kind of information you're talking about. If it's utility bills, the old tenant has those. Some of these other things, business licenses, these types of things, these are all things a tenant would have. Why is it being – why does the landlord have to prove that this has been maintained. This is where you've got kind of this big penalty. I don't know what was the – long could you have to get a new tenant in? I don't remember. But you've got this – you're putting it on the landlord to prove that it's an existing use. The hurdle is way too much. The guy says look, I've had a tenant here for X number of years, that should be it. Why isn't that enough?

Mr. Inghram: It should just be an affidavit essentially?

Participant: Sure. I mean you're applications have that type of swearing in all the time, I mean this is accurate information. So that just seems – and it gives the impression that the city is trying to make this a big hurdle to get over. We don't want these existing uses to continue so let's make it hard for you landlords to continue those existing uses. And we're going to impose these requirements on day one and –

Participant: No grandfathering.

Participant: Yeah.

Mr. Inghram: Good comments.

Mr. McDonald: You've got ten minutes, Paul.

Mr. Inghram: Yeah, and we really haven't gone through this, but I think we've had good discussions. I just want to note in that in those situations where the city requires an affidavit, it's essentially similar to the situation here. Now I can't promise that that's how this would be implemented, but those are situations where the city says you need to show that you're the owner of the property, for example. And the way that we implement that is we require somebody to sign on the application that they verify that they're the owner of the property. So the situation we were describing, the owner has to demonstrate. In some cases what we do today is by the person signing an affidavit that that's how it has been.

So we have a few minutes left. I think we've had good questions and comments from you, so I haven't tried to force through these questions. But I do want to highlight these and encourage you to look back at these for the remaining few minutes. We've talked about zoning. We've talked about transportation network. We've talked a little bit about phasing. We've talked about provisions for existing uses, the incentive system. We didn't say much about design standards and guidelines, although I'm happy to try and answer questions on that. And we've talked about affordable housing. So we've covered most of it. I encourage you to look at those questions one last time before our time's up here.

Participant: The Planning Commission hearing, is that still tentative or is that set?

Mr. Inghram: That's set. So notice has gone out.

Participant: From my perspective – I mean I've had a little bit of a jump on this, more than some people here. And that's since about January, early February. The Land Use Code document was only a dream at that point, it didn't exist at all. And the way I'm reading this is that with the new Land Use Code, this big packet, I think – I mean, no, I looked – you remembered

everything, so that's kind of hard. I'm trying to sort out what I was looking at two weeks ago in April, and now you've got a May draft. And there's no table of contents for Land Use Code amendments. So trying to find things is really hard.

Mr. Inghram: Within those individual sections. Okay.

Participant: So basically you've got the Land Use Code amendments that came out three or four weeks ago, now you're making changes, renumbering everything. What you don't have, when I looked at the website last, is – and I've seen this before with the city – there's – you don't have – you can say we have lots of notice and everyone must know about this and it's really good to get this kind of turnout for what you have here, but what you don't have is the explanation going out to people. Okay, like what we're going to do is we're going to require a whole new zoning and permitted uses, so this means that if you're doing these types of things you're going to have to – that may be totally phased out. And this means this, and this and this. Now if you tell somebody that a landlord, that the use – that the tenants he has he may not be able to have in the future, and there may be some real issues about those kind of tenants, he may have to go to different kind of tenants, and that may trigger some things, that's going to get their attention. But if you send them a notice which says we're having a discussion about a new plan, that doesn't get their attention. So that's in part why you have a lot less involvement up till now. So as a result now you have good code – and I know from the planning staff perspective it's been a Herculean effort I'm sure, and the number of hours you've put in is so much. But then trying to require all these property owners to understand any kind of level with a few hours of time is not really possible. So I know that maybe the Council and the Planning Commission have some time scheduled or are trying to meet, but it's not reasonable at this point for the general landlord out there to understand what this means, and therefore they don't really know how to respond. I mean we're talking about this and we haven't really gotten to that whole finance plan sort of issues. I mean I heard something about \$2 million an acre for exactions, or something like that to get to that \$450 million. I don't see how you're ever going to get moderate housing at the level of what was being talked about. So that's my soap box.

Participant: I guess I should say something. I don't want to change the schedule because I've got a hospital to build. If it means additional notices to educate people about the May 28 Planning Commission meeting, or asking the Planning Commission to do another additional meeting, as long as it gets to Council and voted on by the fall, I'm okay with that. But if it can't get to the Council by fall, if there's something in that schedule, if that Planning Commission meeting doesn't happen May 28 and they have to take action in the fall, then I have to say no.

Participant: You must not own a property here (laughter).

Participant: Okay, well I think you can delay a couple of meetings, but he thinks it needs more notice.

Participant: I'm not sure it's more notice, I'm sure it's more understanding about what it's all about. Because we're just – I'm a manufacturer's rep agency, you guys are the professionals. I don't know. I just came to listen. But I think it's a matter of doing what you said, and talking about it in layman's terms. Because this is going to affect my family's life majorly. And yours. You know, that type of thing. I know you guys are an institution, my dad was a hospital administrator, and I know all about that. I'm just saying the little guys are important too. It's all relative.

Mr. Inghram: I think those are both good comments. We want to do the best job we can do of hearing from you and talking to you. And we're willing to come to additional meetings like we did with the Chamber and talk about this. This time will not allow us to meet with people one on one.

Participant: But the May 28 is not the last date, is it?

Mr. Inghram: No. I mean the Planning Commission and the City Council schedule goes on into the fall and there's opportunities to try and influence them beyond that. It helps if we can get comments by that May 28 date because it allows us to put all the comments together, organize them, tabulate them, give them back to the Planning Commission, say this is the whole range of comments we've got on the draft. Everybody hated this, everybody loved this, you know. People were mixed on these issues. And so it gives the Planning Commission a real solid basis for where to go next. The more comment and feedback we can get from stakeholders, from property owners, from business owners, from outside residents on or before the 28th, the better it helps the Planning Commission. But I agree with Charley that there's a big task, that this is a lot of paper, and most of it's code which people aren't familiar with reading. And the part that's not code is policy and most people aren't familiar with reading policy. So I totally recognize Charley's comment that there's a challenge there working with people so they understand sort of what's being proposed and the implications.

Participant: Well I think if you move the Planning Commission a week –

Mr. Inghram: The hearing will happen on the 28th. If needed the Planning Commission could hold a second hearing. The Council could hold a hearing. They could do additional public meetings that are not hearings. Hearings are important, but hearings also aren't necessarily the best way to have the

sort of information exchange that I think Charley is talking about. Because it's sort of you give us your comments and we hear them from the Planning Commission standpoint. So maybe there's other education and engagement type opportunities that happen before and after. They could continue to happen after the hearing. So even though it's important to get the comments we can get before the hearing or at the hearing, that doesn't mean that there can't be additional public outreach and discussion.

Participant: Well, take the message back on the notes that we would request additional outreach to property owners.

Mr. Inghram: To property and business owners.

Participant: Yes.

Participant: Yeah, tell those people on the future 15th/16th that they're going to lose 40 or 50 feet of their frontage or something like that. That'll get their attention.

Mr. Inghram: Maybe drive up and down the street with some construction equipment.

Participant: I'd just like to say with the notices make sure they're timely. Because I know about 90 percent of the notices I got for this I got within the same week as the meeting.

Participant: You need about two weeks.

Participant: Well, I got this one on Thursday for a meeting Tuesday. That makes it very difficult. Which is why I couldn't be here for the 8:00 o'clock meeting.

Mr. Inghram: I'm trying to think what the mail date was on that, because that seems pretty late.

Participant: Well, did it go out to all the property/business owners?

Mr. Inghram: It went out to 2600 business and property owners within a seven-day period. The law requires notice for public hearings but not for other types of engagements. The hearing has been noticed and hopefully you've already received that.

Participant: Yes.

Participant: Yeah, I got that.

Mr. Inghram: The notice for that went out on Thursday of last week.

Participant: One thing to remember, bulk mail is not fast.

Mr. Inghram: So I'm curious as to how long it takes because we stick it in the mail and it's always sort of guessing as to how quickly the post office gets it to you. I welcome hearing how quickly the notice gets to you.

Mr. McDonald: And remember the open house is another method for getting out to people. They have to come to us, but there will be opportunity for an exchange of information at that function as well on Thursday afternoon.

Mr. Inghram: Thank you all for coming. I really appreciate your discussion.