April 6, 2006
4:00 p.m.
Bellevue City Hall
Conference Room 1E-113

MEMBERS PRESENT:  Mike Creighton, Co-Chair; Terry Lukens, Co-Chair; Joel Glass; Doug Matthews; Sue Baugh; Steve Dennis; Norm Hanson; Earl Overstreet; Bill Ptacek; Ken Schiring; Pat Sheffels; Laurie Tish

MEMBERS ABSENT:  Kurt Springman; Kurt White; Eddie Pasatiempo; Dean Rebhuhn

OTHERS PRESENT:  Kevin O’Neill, Matt Terry, Dan Stroh, Michael Paine, Department of Planning and Community Development; Kevin McDonald, Goran Sparrman, Kris Liljeblad, Bernard van de Kamp, Department of Transportation

RECORDING SECRETARY:  Gerry Lindsay

1. Welcome and Review of the Agenda

Co-Chair Lukens called the meeting to order at 4:07 p.m. and welcomed the committee members.

2. Approve Minutes of March 2, 2006, Steering Committee Meeting

Motion to approve the minutes as submitted was made by Mr. Dennis; second was by Ms. Sheffels and the motion carried unanimously.

3. Project Timeline and Schedule of Upcoming Milestones

Strategic Planning Manager Kevin O’Neill reminded the committee members that the corridor study was officially kicked off by the City Council in August 2005. Between that time and the committee’s first meeting on October 27, 2005, staff visited with the city’s boards and commissions to explain what the project is about, which was also the focus of the committee’s first meeting. A public scoping meeting was held on November 9, 2005, and there have been a series of meetings with the committee to discuss a variety of issues, all of which has been part of the project information stage of the study.

Mr. O’Neill said the next stage of the study will be focused on identifying and deliberating the future land use/transportation alternatives for the Bel-Red area that should be fold into the Environmental Impact Statement. The attributes/objectives that were first discussed by the committee on March 2, 2006, will ultimately serve to guide the development of draft alternatives for consideration by both the committee and the public in the coming months as an extensive public outreach and involvement effort is ramped up.

The anticipation is the committee will act to approve the alternatives during the summer months,
which will be followed with an evaluation of the alternatives, which is what the Environmental Impact Statement is. Later in the year, the committee will be focused on developing a preliminary preferred alternative, which will in turn be carried to the public for additional input. A final preferred alternative and implementation plan will be approved either late in 2006 or early in 2007.

Mr. O’Neill said there were a lot of good suggestions offered by the committee during the March 2 discussion on attributes/objectives that were focused on city actions to implement an alternative. That information, however, is ahead of where the process is currently, which is centered on identifying a vision for the Bel-Red corridor. The public involvement process that will help in determining what the vision should be has already begun; an open house was held on March 16 with the business community, and there will be continue to be an effort to engage the Bel-Red business and property owners. There will also be a focused outreach to neighborhoods. A community-wide public meeting is slated for April 18, and as the alternatives get rolled out there will be additional public meetings.

4. De-brief on Comments Received at March 16, 2006, Business Open House

Senior Transportation Planner Kevin McDonald said the open house for business and property owners was held at the Highland Community Center. The intent was to hear from them their views and comments relative to their particular businesses and properties and with regard to the corridor in general.

With regard to land use, there were a variety of comments and questions related to housing ranging from what kind should be there and where it should be located. It was recognized that the housing and potential new development could occur in a mixed use environment, and there were comments about the types of structures, what the uses might be, and what the development density might be. Several voiced a desire to allow the uses a certain degree of flexibility to meet market demands. There was acknowledgment that some rezoning will need to occur to enable redevelopment to move forward, particularly in the area currently zoned Light Industrial (LI). All new development and redevelopment as it happens will be subject to the requirements of the new critical areas ordinance.

Mr. McDonald said those who attended the open house anticipated changes to the Bel-Red land use patterns that currently exist, but voiced hope that the change will occur in ways that will be beneficial to their businesses and properties. There was an interest in allowing for a broad range of services while allowing for affordable rents.

On the transportation side, there was almost unanimous support for improving the non-motorized transportation system, especially in the area of building and maintaining sidewalks. Concerns were voiced about arterial expansions beyond the Bel-Red study area, particularly on 124th Avenue NE. There was general widespread interest in the plans being developed by Sound Transit, including the alignment potentials and the locations of potential stations, whether the system is to be at-grade, above-grade or below-grade, what the technologies might be, and what the overall system might cost in the long run.

Ms. Baugh asked about the turnout, and Mr. McDonald said there were 25 to 30 people present at all times during the come-and-go event. There was reasonably good representation from the business and property owners community. He added that there will be many more opportunities to hear from all interested parties as the process moves ahead, including interactions with the steering committee.
Ms. Tish said she attended the open house and felt it represented a good start. She said she has heard frustrations expressed by several different unrelated business owners about past zoning decisions by the city and about a general lack of vision for the area. She said she looks forward to holding more formal meetings aimed at garnering information from the community of business and property owners.

Mr. Lukens agreed that a conversation should be held between the steering committee and the business and property owners. Rather than an open house setting, the format should be a more formal conducive to asking questions and giving answers.

Mr. Creighton said he attended the open house as well and heard from many property owners who want to see their property values increased through an upzone. He said he also heard from tenants who do not want zoning actions that will result in rents that will price them out of the market.

Mr. Overstreet said he heard a general concern about the unknown based on the circulating rumors about possibilities. He said the open house served as a useful venue for people wanting to get some more information and have their views expressed.

5. De-brief on March 10, 2006, Portland Tour

Kris Liljeblad, Assistant Director, Transportation Planning, said those who participated in the tour left Bellevue at 7:30 a.m. and did not return until 9:30 p.m. He said the group focused on the Blue Line from Orenco Station in Beaverton to the central Portland in and around the Pearl District and the Riverplace South Waterfront District.

Mr. Liljeblad said the tour focused on the Blue Line, primarily because it was developed with transit-oriented development in mind. The tour began at Orenco Station, a 200-acre transit-oriented development that developed over time by property that was assembled by a single developer. Representatives of the transit agency and the developer, as well as former public staff who worked on the project, were on hand to give the committee members a good historical perspective. The mixed use buildings surrounding the station are nicely appointed; they have retail uses on the ground floor and residential units above. There is park/open space as part of the development for the benefit of residents and business owners in the area. On-street parking is used to buffer street traffic from the sidewalk. There are parking lots located on the back side of the buildings.

Mr. Liljeblad said the next station on the tour was Beaverton Round where the development is more directly focused on the station itself. Some of the development preceded the development of the station. There are mixed use buildings and a park/open space area with a mixture of hardscape and soft green edges. In the immediate area there are apartment and office buildings, and there is a new parking garage structure under development.

The group rode the Blue Line into Portland proper and visited the Kings Hill and PG&E Park stations. The two stations are within walking distance of each other in a much more urban environment with residential development, offices and medical practices. The two stations are located where the light rail line matches up with streetcar service.

Mr. O’Neill said the Pearl District of Portland has been undergoing tremendous change over the last decade, as has the Riverplace South Waterfront District. The Pearl District is adjacent to downtown Portland and is an area that traditionally has housed heavy warehouse and industrial uses. In the mid 1990s a plan was developed for the area that focused on improving streetscapes,
adding parks/open space, and different potential land uses. A great deal of redevelopment of the area has occurred over the last five to ten years. Many of the uses in low-scale buildings that have been located in the area for many years remain in place up against newer, far more intense developments.

The Riverplace South Waterfront District is a 400-acre former industrial area that the city has determined should be developed with commercial and housing uses. The street system is currently being developed to match the land use vision for the area, which includes much more density and amenities along the riverfront.

Ms. Baugh said the low-rise condominiums developed in the Pearl District look really great and suggested the style would fit very nicely into the Bel-Red area. She added that the taller buildings developed in the Pearl District probably would not be appropriate for Bel-Red. She said Orenco Station is wonderful but voiced disappointment with Beaverton Round.

Mr. Hanson said he also liked the look and feel of the Pearl District. He pointed out that some of the businesses that have been in the area for a long time, including auto repair businesses, seem to be coexisting very well with the newer uses, including residential uses.

Mr. Dennis asked how the parks/open space areas were funded. Mr. O’Neill said they were developed using a combination of public investment and developer contributions. Mr. Liljeblad added that at Orenco the park was an organizing principle of the development; the developer wanted it there as an attraction. At Beaverton Round the park was more the idea of the city; in that situation the city owned the property, and a developer was recruited to develop the vision.

Mr. O’Neill said when the plan was developed for the Pearl District the focus was on the streetscapes and the public realm as well as both introducing new uses while allowing the pre-existing uses to remain in place. The decisions to stay or go are being made on an individual basis by property owners and businesses.

Mr. Schiring said the tour was very informative. He noted that residents of cities like Cleveland and San Francisco have grown up with the idea of having public transportation available to use. In the Northwest where such systems are just being contemplated and developed, there is a learning curve involved. It appears that the city of Portland is trying to help things along by limiting the amount of available parking. The fact that the Orenco area was done by a single developer is evident from the uniformity and cohesiveness of the project; the same is not true of Beaverton Round.

Ms. Sheffels said she was intrigued by the Max system that runs between the city and the suburbs, and the streetcar system serving the Pearl District. She suggested that something akin to that approach would work well in the Bel-Red area.

Mr. Creighton said he enjoyed the tour and shared the opinions expressed by the others. He noted that while visiting the Orenco station he struck up a conversation with a young lady who was pushing a baby stroller and who had been out shopping and was headed back to her townhouse. She mentioned that she and her husband chose their home based on the fact that it is located on the train line. He agreed that the highhandedness of government is apparent at Beaverton Round. The striking thing about the Pearl District is the quality of the private development.

Mr. Ptacek said he did not participate on the tour but has visited the Portland area often. He said one of the things that makes the Pearl District stand out is the fact that it has a soul. The area is
home to many artists and art galleries.

Mr. Lukens said the young woman who Mr. Creighton talked with indicated that they do have a car but that they use it infrequently. He said while on the tour he was struck by the juxtaposition of uses in the Pearl District where auto repair exists adjacent to new housing units. Whether it will stay that way over time is yet to be seen, but the success of the area shows that the uses can coexist in an urban setting.

6. Continuation of Discussion of Draft Attributes/Objectives to Guide Land Use and Transportation Alternatives

Mr. O’Neill said it was clear after the discussion on March 2 that the word “attributes” did not work well. He suggested that regardless of how it is labeled, the idea is to develop objectives to be incorporated in the alternatives. Each alternative brought forward to the committee and the community for review will need to be viable and consistent with the input received.

Mr. O’Neill said the attributes/objectives that were discussed on March 2 were based on the project principles established by the Council; the public comments received to date; the technical work done to date, including the economic market analysis, the existing land use conditions analysis, the transportation/HCT discussion, and the parks/open space discussion.

Mr. Lukens stressed that there is nothing final associated with developing the list of objectives. The process is intended to outline the issues that should be considered as part of any alternative.

Ms. Tish suggested that most of the items on the list are like mom and apple pie; everything on the list is relevant in one way or another. She asked if the discussion is intended to verify the list as comprising the universe of relevant topics, or if the intent is to zero in on the specifics of each item. Mr. Lukens noted that for each item on the list there are policy implications. The exercise is intended to establish the universe of relevant topics so staff can be set in motion developing alternatives for the Environmental Impact Statement. Ultimately the committee will move the discussion away from general ideas to the specifics of what those ideas might look like and how to put them into play.

Mr. O’Neill added that in order to get to the Environmental Impact Statement stage, there will need to be alternatives identified with which the committee is comfortable. The objectives discussion is the beginning of that process in that it is intended to identify the building blocks.

Referring to the first issue on the potential attributes/objectives worksheet, incorporate elements of market forecast (office, housing, retail), Ms. Baugh said it could be reasonable to indicate that ultimately in 20 or 30 years the city should move in that direction, but for the short term not to disallow light industrial uses. She suggested if the answer is not just yes or no, the committee will need to discuss it. Mr. Lukens said the question of whether or not the existing light industrial areas should be allowed to stay is part of the underlying discussion. Currently there is no housing in the Bel-Red corridor, and there are no concentrations of office uses. If the status quo should change, the committee will need to so indicate.

Mr. Glass asked what types of uses, beyond concrete plants, are permitted in the LI zone. Mr. O’Neill shared with the committee members a zoning map of the study area indicating where the LI areas are. He noted that uses allowed in LI include warehouse/distribution, manufacturing, auto repair and others. Many of the Bel-Red service uses are located in the LI zone. The market forecast indicated a strong market for certain types of office products, housing, more retail, and possibly more auto uses. The implication is that as new uses are allowed and come in over time,
some of the existing uses will go away.

Mr. Ptacek said the assumption that HCT will run through the corridor is an important issue to keep in mind. Given that such systems accommodate people rather than goods and services, there is no logical reason for making HCT and LI coexist. The case could possibly be made for having no LI zoning at all in the Bel-Red corridor.

Ms. Sheffels commented that no consideration has been given by the committee to the notion of allow a sports arena to be constructed in the study area. Putting aside the question of whether or not that would be a good idea, the concept should at least be considered.

Mr. Dennis suggested that it is too early in the process to say LI uses should be allowed or not in the area. The alternatives should consider a range of options. Office, retail and housing should be included in one of the alternatives, but another alternative might include leaving the LI areas alone to function as they are. Mr. O’Neill allowed that the Environmental Impact Statement will include a no action alternative.

Mr. Schiring proposed one approach could be develop an overlay that will allow properties zoned LI to continue operating with the uses allowed under that zoning category until such time as the property owner decides office/retail or office/residential will be a better use of the land. The approach could be coupled with policy direction not to allow any additional LI. Under that approach, the amount of LI will likely gradually decrease over time in accord with market forces.

Mr. Overstreet said he is not convinced the committee has enough information about the state of the LI zone in terms of current uses and what is working and what is not to make an informed decision. He said he has not heard from Coca Cola regarding what they like about the area, or from Safeway regarding what they do not like about the area. The committee should also be better informed about other LI opportunities there might be.

Ms. Tish concurred. She said the hole in the committee’s information base to date is tied to the fact that it has not heard directly from the property owners in a formal setting. They are the experts and their visions and plans should be known.

Mr. Lukens asked if any member of the committee is willing to allow adding new LI to the study area. Ms. Tish said she would not feel comfortable ruling it out, at least until the committee hears directly from the property owners.

No members of the committee indicated a willingness to allow the addition of new LI areas, though some indicated they were unsure.

Mr. Hanson pointed out that some parts of the study area have view potential. He suggested that those areas, in conjunction with the areas along the HCT corridor, are appropriate for mixed use developments with residential and retail. He stressed the fact that Bel-Red is not an island unto itself; it has neighborhoods surrounding it and has Microsoft on an accelerated expansion program which could make housing in the corridor very desirable. Mr. O’Neill said that is one of the things the market analysis highlighted. In addition to what is going on at Microsoft, redevelopment of the hospital campus offers an opportunity for new land use patterns.

Answering a question asked by Mr. Lukens, Mr. O’Neill allowed that one of the study principles is focused on finding the correct niche for the study area in terms of the economy of the city. He noted that the Downtown area is home to a number of highrise office developments, and within the rest of the city there are very low-scale office developments with one or two stories and
surface parking. The market consultant found that there appears to be a market for a type of office product that is in the range of from four to six stories, little of which currently exists in the city.

There was consensus that the issue should be considered as part of the alternatives analysis for the study area.

Mr. Ptacek asked if the committee will be asked at any point to address the issue of affordable housing. He said the issue of having housing that is neither the most nor the least costly is very important to the city. Mr. O’Neill said two of the draft objectives deal with housing. The first is focused on the notion of whether or not housing should be incorporated as a use in the study area, and the second is focused on the relationship between jobs and housing. There is no specific objective that talks about housing affordability.

Mr. Lukens said the issue could be picked up in a broad “other” category; university or other education uses may fall into that same category.

Mr. Dennis said he would be nervous trying to focus on housing affordability when the committee has not yet even determined conclusively that housing should be a part of the land use mix in the Bel-Red area. The issue is more of a citywide concern and should be addressed at the broader level.

There was consensus on the part of the committee members to include the objectives “Serves distinctive market niche” and “Meets market needs and economic realities.”

With regard to the objective “Leverage nearby opportunities,” Mr. Overstreet said he had opportunity to hear a presentation by Jim Stanton of Microsoft. When asked what he would like to see from the city in terms of Microsoft’s planned expansion, Mr. Stanton said the two most important things are predictability in terms of regulations and zoning, and cooperation between the cities of Bellevue and Redmond. Competing in a municipal vacuum will not do anyone any good.

Mr. O’Neill suggested that the issue of including a major sports arena should be looked at in conjunction with the notion of adding a major parks/open space element. The one should be viewed in relation to the other.

There was consensus to include “Leverage nearby opportunities.”

With regard to the objective “Jobs-housing relationship,” Mr. Lukens pointed out that while the committee has indicated support for adding housing nothing has been said about the need for schools, and retail oriented toward people who live nearby.

Mr. Ptacek asked if the objective is focused on the Bel-Red area only or the citywide jobs-housing balance. Mr. O’Neill said it will not be possible to correct the balance for the entire city unless a great deal of housing is added with very little new commercial development. The principle is to balance new development only within the study area.

Mr. Schiring pointed out that a few ago while serving on the Planning Commission he learned that the city had in fact met its housing requirements under the Growth Management Act. He asked why it is now necessary to add more housing in order to satisfy the requirement. Planning Director Dan Stroh said under the Growth Management Act all jurisdictions are required to update their planning targets every ten years with a new 20-year planning horizon. The state
engages in a process of forecasting population, and every county must accommodate their share of the overall total. The next update will focus on the period between 2012 and 2032. The choice Bellevue and King County will have to face is whether or not to accommodate the housing targets within the existing urban areas or to expand the urban growth boundaries.

There was consensus to include “Jobs-housing relationship” as an objective.

With regard to the objective “Accommodate service uses,” Mr. Lukens asked if any committee member was opposed to having areas allocated for continuing the service uses currently located in the study area.

Ms. Tish asked how that would be implemented. Mr. O’Neill said it ultimately would be handled through zoning. He explained that zoning is the process used to implement land use visions.

There was agreement to include the objective.

In addressing the objective “Land use takes advantage of HCT stations,” Mr. Overstreet said the most important statement in the memo outlining policy issues and implications is the one focused on determining whether HCT makes sense for the Bel-Red corridor or not. It cannot be assumed that there will ever be HCT facilities in the area. The city needs to plan accordingly and allow for sufficient flexibility to accommodate HCT if and when it comes along.

Mr. Creighton said it would be foolish to have an HCT line running through the area without stopping. If it is going to occur, there should be plans for where it will stop.

There was consensus to include the objective.

With regard to “Appropriate scale of development within area,” Mr. Hanson said he could support allowing lower-rise mixed use buildings. Mr. Mathews concurred, saying as a transition area the height limit should be in the range of three to five stories. He added that the Pearl District is an excellent example; the buildings there are not all the same height and style, but the scale transitions between the higher intensity of the downtown and the outlying areas.

Mr. Ptacek reiterated his desire to include in an alternative the possibility of having an educational or cultural institution in the area.

There was agreement to include the objective on the list.

There was agreement to include “Land use sensitive to surrounding areas.”

Speaking to the objective “Addresses transportation spillover impacts,” Mr. Hanson stressed the need to phase in the infrastructure necessary for the level of development as redevelopment of the area occurs. Mr. O’Neill allowed that once a vision is selected, the next step will be to determine how the vision should be implemented. The phasing of infrastructure will need to be part of the implementation strategy.

Ms. Sheffels commented that the neighborhoods want the city to protect against transportation spillover. At the same time, however, the neighborhoods will need to have adequate means of accessing transit systems as they are brought online. Mr. Lukens agreed and highlighted the need to be able to accommodate anyone who comes to Bellevue specifically to use the transit system.
Mr. Ptacek pointed out the need to work hand-in-hand with neighboring jurisdictions in making sure the transportation system is well connected.

There was consensus to include the objective on the list.

There was agreement to include on the list the objectives “Improve environmental resources” and “Support sustainable development patterns.”

Ms. Baugh pointed out the need to be sensitive to private property rights as seeking to improve environmental resources.

Commenting on the objective, “Parks integrated with future land use concepts,” Ms. Sheffels said the Burlington Northern/Santa Fe right-of-way should not be converted entirely to non-transit uses. Mr. McDonald said there is currently an ongoing regional planning effort focused on the right-of-way. King County is working to acquire the right-of-way, and the Puget Sound Regional Council has taken the lead in working with the various jurisdictions to develop a long-range plan for it. Bellevue will be at the table as the planning effort moves forward. Ms. Sheffels stressed the need to maintain an open mind when it comes to using part of the right-of-way for transit purposes.

The committee members agreed the objective should be included on the list.

There was agreement to include the objectives “Achieves critical mass of park improvements,” and “Adds value to overall system.” There was also consensus to include the objective “Addresses multi-modal transportation improvements.”

With regard to the objectives “Provides improved access to regional system” and “Provides improved local access and circulation,” Mr. Ptacek suggested whether or not transit facilities will be constructed at grade or elevated will have implications for how the area develops. Mr. Lukens agreed, noting that the committee previously raised the issue of a north-south at-grade transit system disrupting east-west auto traffic.

Kris Liljeblad, Assistant Director, Transportation Planning, said the important thing for the committee to focus on is the location of the guideway and the stations. The question of whether the system will be at-grade or above-grade will come later. Mr. Lukens agreed, but pointed out that how a transit can disrupt mobility within the subarea is something the committee should be talking about.

There was agreement to include the two objectives on the list, and to include the potential for a subarea circulator of some sort.

There was consensus to include “Accommodates planned level of development” as an objective.

Mr. Creighton highlighted the need to be cognizant of the existing BROTS agreement in planning for the area.

Mr. Hanson commented on the need to improve public safety in the area as part of the overall vision.

Mr. Glass said the Portland transit tour highlighted the use of natural, high-quality materials in the buildings.
7. **Next Meeting**
   a. April 18 Public Meeting
   b. Next Committee Meeting: May 4, 2006

Mr. O’Neill said in addition to the April 18 public meeting, there will in the next couple of months be a focused stakeholder/Steering Committee meeting, and ongoing public input as the alternatives are developed.

8. **Public Comment**

Mr. Dave Robertson said it appears to be a foregone conclusion on the part of the committee that residential uses will be allowed in the study area. No one, however, has spoken about compatibility with existing uses. If the existing uses are deemed incompatible with residential, many will have to move. The area currently is home to a concrete company, many auto body shops, and a plating company as well as building supply houses, none of which are compatible to residential use. Landowners want successful tenants, and it should not be assumed that landowners simply want more value for their properties. The Bel-Red area is zoned to allow for service uses, and they should be allowed to remain where they are.

Ms. Ryan Durkin, a land use attorney, spoke on behalf of Coca Cola. She said the company is anxious to share with the committee its reasons for wanting to stay in the Bel-Red area and growing in place.

Mr. Dave Plummer urged the committee members to get a copy of the city’s buildable lands report, a document that infers no need to change any zoning in the city in order to accommodate the growth forecasts.

Mr. John Cobb said he was encouraged by the committee’s discussion. There has been a great deal of misunderstanding with regard to where the process is going. He said he could support limiting the amount of LI-zoned land in the area to what is currently in place. He allowed that dislocations of businesses will inevitably result.

Ms. Tiffany Roberson, a tenant in the Bel-Red area, highlighted the need for inexpensive space for new and small businesses. She said she also was encouraged by the conversation of the committee.

Mr. Frank Spicer voiced support for the notion of creating an overlay to allow existing uses to continue while permitting new types of uses to come into the area. Many in the Bel-Red corridor have spent many years and thousands of dollars building their businesses up to where they are now. The LI zoning has made those investments possible. There is LI land in the southern part of the city, but it is continuing to shrink in size. Squeezing the LI out of Bel-Red will mean those who use the local services on a regular basis will have to drive to some other jurisdiction. On the Bel-Red corridor study webpage there is a comment by the large auto dealerships saying they would prefer to see the independents go away because they are cutting into their business. The reality, however, is that it would be impossible for the dealership network to maintain the fleet of vehicles currently on the road; the independent auto repair businesses are absolutely necessary. The overlay zoning approach would allow for incorporating existing uses into new mixed uses.

Ms. Linda James commented on the need for warehouse space in Bellevue.
9. **Adjourn**

Mr. Lukens adjourned the meeting at 6:15 p.m.

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Chair of the Steering Committee   Date

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Chair of the Steering Committee   Date

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