

CITY OF BELLEVUE  
DOWNTOWN LIVABILITY  
CITIZEN ADVISORY COMMITTEE  
MEETING MINUTES

April 16, 2014  
6:30 p.m.

Bellevue City Hall  
Room 1E-108

MEMBERS PRESENT: Aaron Laing, Ernie Simas, co-chairs; Patrick Bannon, Michael Chaplin, Mark D'Amato, Hal Ferris, Brad Helland, Trudi Jackson, Loretta Lopez, ~~Lee Maxwell~~, Erin Powell, Jan Stout

MEMBERS ABSENT: Gary Guenther, Lee Maxwell, Ming Zhang

OTHERS PRESENT: Dan Stroh, Emil King, Patti Wilma, Department of Planning and Community Development

RECORDING SECRETARY: Gerry Lindsay

1. CALL TO ORDER, APPROVAL OF AGENDA, APPROVAL OF MINUTES

The meeting was called to order at 6:35 p.m. by Co-chair Laing.

A motion to approve the agenda was made by Ms. Stout. The motion was seconded by Mr. Bannon and it carried unanimously.

Mr. Chaplin called attention to the last sentence of the second paragraph on page 3 and questioned the accuracy of the statement. Co-chair Simas said he remembered the statement being made and suggested that while it may not be true, the minutes accurately reflect what was actually said.

A motion to approve the March 19, 2014, minutes was made by Mr. Helland. The motion was seconded by Ms. Stout and it carried unanimously.

2. PUBLIC COMMENT

Mr. Steve Roberts, 620 West Lake Sammamish Parkway NE, spoke as the executive director for Congregations for the Homeless. He explained that the agency serves single homeless men on the Eastside and has done so since 1993. The objective is to help men move from life on the street to long-term independent living. In a typical year, the agency provides more than 50,000 bed-nights and 100,000 meals to the homeless, primarily right in Bellevue. The numbers make it clear that homelessness is a problem on the Eastside and in Bellevue. The primary key to ending homelessness is affordable housing. Hopefully the Committee is working to build that notion into its thinking. Congregations for the Homeless also provides a day center right in Downtown Bellevue on the corner of 108th Avenue NE and NE 8th Street. The facility includes showers, bathrooms, washing

machines, food, internet access and telephones, but it also provides the resources needed for the men to take steps away from homelessness. During the winter months, the day center serves an average of 70 unduplicated men per day, all without incident. The police love having the day center because it gives them a place to bring men they find living on the streets. The agency also operates the Eastside Winter Shelter on 120th Avenue NE near Lowes Hardware. During this past winter, the shelter served more than 350 unduplicated individuals. The winter shelter is another indicator that homelessness exists in Bellevue and is a topic that should be given consideration as plans for the livability of the Downtown are being formulated. The agency works hard to provide facilities outside of the Downtown business core, but the reality is the homeless like the Downtown area for a variety of reasons, including access to transportation. Affordable housing is a basic need, as is transportation access, access to bathrooms, showers, and a place to wash clothes, and access to information, shelter and food.

Ms. Gigi Meinig, 821 Lake Washington Boulevard South, Seattle, spoke representing the Area Agency on Aging, one element of a network of 600 Area Agencies on Aging throughout the nation that were created by the Older Americans Act. The King County area agency serves seniors and persons with disabilities. In Bellevue alone, funding from the agency serves about 1,600 residents, most of whom are low-income and vulnerable for a number of reasons. She suggested adding a section on aging readiness to Bellevue's plan. By 2025, a quarter of the population will be over the age of 60. The dramatic increase is attributable to changes in health and general living standards. City policies must take into account the 60 and older population when designing the future. Many seniors will become disabled with chronic health problems, and they will no longer be able to drive. Currently there are several retirement communities in Downtown Bellevue, the residents of which often walk in the Downtown to shops and the parks. Every four years the Area Agency on Aging updates its plan, one section of which addresses promoting aging readiness. It describes ways to incorporate smart growth and strategies that make for safe and livable communities. High marks are given to making the built environment walkable, which is the result of good planning. Ways to make neighborhoods walkable are outlined in the plan. As people age they experience reductions in hearing, vision and reaction times, all of which increase the risks they experience when crossing streets, particularly where younger people trying not to miss the light will not slow down or stop for them. Integrating safety and promoting aging readiness as part of the Downtown Livability plan should be of utmost importance.

Mr. David Schooler, 600 106th Avenue NE, said he found the materials prepared by staff for the meeting to be very thought provoking. He asked the Committee to consider two specific areas, starting with the 13- to 15-foot ground floor ceiling height outlined in the matrix on page 6 of the design guidelines. He said he understood the intent, which is to create more human spaces, but noted that recently he visited Redmond Town Center where a climbing wall exists in the REI store, something that simply would not fit within the 13- to 15-foot limit. There may be other elements besides climbing walls that need more ceiling height. The Committee was asked to consider allowing greater height where someone has a reason for it. Secondly, he called attention to item (A), the retail storefronts on through-block connections as outlined on page 11 of the design guidelines.

He said the success of retail storefronts is directly tied to the density of people who can see them, touch them and walk to them. The same requirement was imposed by the City 25 or 30 years ago at the base of every highrise and the result was empty storefronts and failed businesses. Because retail was required, building owners had to, in many cases, subsidize the retail businesses. Some uses were not allowed, even though they might otherwise make sense, including clinics. The through-block areas are also apt to be service areas, so while the call for retail connections makes sense on one level, there must be some flexibility allowed.

Mr. Ian Morrison, an attorney with McCullough Hill Leary, 701 5th Avenue, Suite 6600, Seattle, said he was not present on behalf of any particular client. He expressed his support for the staff recommendation relative to rooftop design. Activated rooftops can bring a fifth elevation forward as a contribution to the built environment, and incentives should be incorporated to encourage them. The best practices of other jurisdictions relative to activated rooftops should be studied to identify the possibilities. Referring to page 17 of the design review section, he voiced support for the staff recommendation relative to process. He said Bellevue should be commended for the ADR (administrative design review) process which brings a level of predictability and professionalism to design review. The ability to look at departures that better meet the intent of the code should also be incorporated.

Mr. D'Amato asked if activated rooftops are intended for the public or only for the building tenants. Mr. Morrison said he was primarily referencing visual access to green roofs.

Ms. Heather Trescases, director of the Eastside Heritage Center in Bellevue, advocated for including on the amenity list the cultural package as put together by the staff. The arts, history, heritage and community all fall under the umbrella of culture. Bellevue as a city has grown up in recent years in terms of businesses and residential, retail and parks development. The element that has yet to reach maturity, or even its adolescence, is a cultural heart and soul. There are many groups, entities and ideas that are ready to come to fruition, and Bellevue is at the right point in its history, but the cultural fabric needs to be nurtured and encouraged, and it needs to be presented with the opportunities that can be provided through the development process and the amenity system. The Committee was encouraged to honor the City's history, cultural diversity and artistic talents through the livability process and the amenities toolbox.

Ms. Margot Blacker, 2011 100th Avenue NE, offered her support for the comments made by Ms. Trescases. She said the Bellevue Historical Society was formed around her dining room table and has since grown into the Eastside Heritage Center. Speaking on behalf of the Northtowne Neighborhood Association, she said a number of issues are being faced. She noted that in the early 1990s during her tenure on the City Council she and Councilmember Terry Lukens put forth a plan that established height limits on the buildings in the Downtown proper as well as in the perimeter districts. That was done because the communities around the Downtown were concerned about the impacts they were facing. There was, at that time, a long policy discussion about Bellevue wanting to

be a Portland or a Vancouver rather than a Seattle, with shorter buildings and a more pedestrian-scaled orientation. The Northtowne Neighborhood Association is opposed to increased height in the Downtown, especially outside the O-1 and O-2 districts. She noted that on page 2 of the amenity incentive system section of the packet it says the amenity list should focus on the factors that would ultimately make the Downtown more ~~livable~~ livability. The Committee was urged to consider adding the notion of making the surrounding neighborhoods more livable as well. The Northtowne area is seeing tremendous traffic impacts along Bellevue Way, particularly so with the new SR-520 interchange. The amenity system should include the idea of reaching outside the Downtown. McCormick Park is an amenity to the Northtowne neighborhood to the north as well as an amenity to the Downtown, and consideration should be given to accepting fees in-lieu from developers to purchase land outside of the Downtown that can be used to improve those neighborhoods.

Ms. Stout read into the record a letter from a Human Services Commission member, James McEachran, senior pastor of St. Andrews Lutheran Church, a congregation deeply committed to a local and global mission. The letter noted that the congregation founded Imagine Housing, formerly known as St. Andrews Housing Group. Affordable housing is a chief concern. It is important to see the Downtown as more than an economic magnet. Human beings live in the Downtown and transit to it for services. The Downtown is also home to seniors who are retiring in place and they will need close and clear access to a variety of services. Bellevue is an extraordinary place to live and build the human family because of its deep treasury of diversity. It is clear to most that Bellevue is more than a city in the shadow of Seattle; in every way there is an exceptional vibrancy of community. The Committee's work will help to set the course toward reaching every aspect of the community.

Ms. Stout also called attention to a letter submitted by another Human Services Commission member.

### 3. REVIEW OF AMENITY INCENTIVE SYSTEM BASED ON DIRECTION FROM JANUARY 15 ALTERNATIVES WORKSHOP

Strategic Planning Manager Emil King said the current plan is to continue with Committee review of specific analysis over the next three meetings and wrap up the work of the Committee in June. At the meeting in May the focus will be on building height and form, including the DT-OLB district, and on Downtown parking. A public event will be scheduled for early in June to allow an opportunity to engage with and get feedback from the community.

Mr. Ferris commented that the numbers associated with the amenity incentive system are quite complicated. He suggested it would be a good idea to get information out early enough to allow for the public to digest them and respond. Mr. King said the feedback gathered from the public event early in June will be compiled and made available to the Committee for its meeting later in June.

Mr. Bannon concurred with Mr. Ferris and reiterated the need for the public to have a sufficient amount of time to review information and to prepare reasoned feedback.

Co-chair Laing said he had significant concerns about the Committee, even if given six more months, being able to fully digest the figures and the data. The economic data relative to the Downtown will be complicated and difficult for the Committee to process in the short amount of time outlined. He said his personal experience with similar types of codes and amenity systems is that they are in fact strong-arm approaches rather than true incentive systems. If the Committee attempts to delve into the details, it will not be able to complete its task by even the end of the year. The Committee should be asked to look at things from a higher level of generalization, with examples of how making some tweaks to the code might play out.

Continuing, Co-chair Laing said one proposal is to get rid of the residential and parking bonuses on the strength of the argument that developers will choose to build structured parking anyway, and residential development is going to occur in the Downtown anyway because of market demand. If the Committee cannot see that eliminating those bonuses will need an exactly correlating increase in the base FAR and height, which is a relatively simple concepts, the Committee will really bog down in determining how many credits should be allowed for a plaza or a sculpture. He recommended the Committee should avoid getting into that detailed level of analysis.

Ms. Lopez asked Co-chair Laing what he would propose and he responded by referring to item 1b on page 6 of the amenity incentive system memo. He noted that the item talks about moving the weather protection elements into the design guidelines and making them requirements, which the Committee has agreed would be a good idea. With regard to the bonus given for underground parking and residential, he recommended the Committee should be given several examples of projects with and without the bonuses along with information about what would need to be done to the base FAR and height to get to the same place the bonuses provide.

Mr. Ferris asked what the Committee would solve for if it did not get into the numbers. Co-chair Laing said the staff simply would have to come to the Committee with information about what would need to be done to the base FARs and heights in order to get to the same place without the bonuses. Mr. Ferris said the outcome of taking that approach would be no additional lift in the current heights to solve for any amenities on the list. The only way to create an upside incentive will be to create additional height or development capacity. Co-chair Laing said under the current system, developers who provide parking and residential or both automatically max out.

With regard to item 1a, the higher priority amenities, Co-chair Laing said staff have identified five categories of bonus amenities. The question before the Committee is whether or not it would like to have an analysis of some or all of the five categories. To date the Committee has generally favored having more information rather than less. Referring to the item list on page 3 of the memo, he pointed out that whatever the City provides by way of FAR or height in exchange for providing items on the list will need to

be of more value than the cost of the items provided. He said his concern was that the Committee would get bogged down in worrying about whether the City is giving too much or not enough. Early on, the Committee discussed wanting the amenity system to be aspirational rather than a carefully calibrated and calculated system of what must be given in exchange for a particular item.

Mr. D'Amato cautioned against commenting on the issues before staff even had the opportunity to present them. He agreed with Mr. Schooler that the evaluation document is very well organized and includes a lot of what the Committee has done and said. He said he would like to have the staff step through the logic of how the amenities would be applied.

Co-chair Simas echoed the notion that getting caught up in the details would keep the Committee busy all night. He said what is necessary is for the Committee to give the staff a sufficient amount of detail to allow them to put together a final package for the Committee to act on. It will be important to give the staff a clear yes or no on specific issues.

Mr. King noted that early on the Committee spent a lot of time focusing on what works and what does not work along with areas in need of improvement as identified in the Land Use Code audit. The CAC's alternatives workshop brought forward a broad range of strategies and alternatives for the staff to look at in detail. The proposed approaches in the packet materials represent staff's best take at interpreting Committee direction. In the end, however, the ultimate recommendations will be those of the Committee and not the staff.

Mr. King called attention to the need to develop a more focused list by selecting the highest priority amenities and by determining which current amenities should become requirements rather than amenities.

The Committee was shown photos of the City Center East project across the street from City Hall and was told the base FAR for the zoning is 5.0 and that the maximum FAR is 8.0. The building was constructed at 6.3, below the maximum but involving some of the incentive system. The base height is 300 feet and the maximum is 450, with the building constructed at 343 feet. The Committee was also shown the detailed table of bonus amenities that was used for the project, showing both the number of points the project earned from the short list of basic amenities, and what amenities were chosen from the list of bonus amenities. It was noted that the project received bonus points for building part of the Pedestrian Corridor, for including a plaza and an enclosed plaza, and for constructing underground parking. In total, the project earned 699,483 points of bonus, 559,688 of which was not used in the project.

Mr. Helland asked if it is typical for a project to have bonuses in excess of what it uses. Mr. King said under the current system, most all projects end up with an excess. Thirty of the 33 projects in the Land Use Code audit used the underground parking bonus, which

results in significant bonus points. A residential project would typically take advantage of the bonuses for both residential and underground parking.

Answering a question asked by Mr. Helland, Community Development Manager Patti Wilma said the list of basic amenities includes pedestrian-oriented frontage, art/sculpture, weather protection, landscape features, arcade, marquee, water feature, active recreation area in the residential zone, retail food in the residential zone, childcare service in the residential zone, plaza, and residential entry courtyard.

Mr. D'Amato noted that the City Center East project did not build out to the maximum allowed FAR and asked if the difference is just lost forever or is sellable to adjacent properties. Mr. King said there are two transfer provisions on the books. Excess bonus points can be transferred from the major Pedestrian Corridor or to adjacent properties under the same ownership. Ms. Wilma added that a maximum of 25 percent of the receiving project can be transferred as points. Lincoln Square used the provision to get additional height for its office building, and the Bravern used purchased points generated by the City Hall plaza. Only the excess earned by a project can be transferred.

Mr. Chaplin pointed out that if the City Center East project had not been given a bonus for underground parking, it would have had far less excess bonus available to transfer or sell. Ms. Wilma allowed that the fact only two projects in the Downtown have utilized the transfer provision would seem to argue that the opportunities have not been captured.

Mr. King said the overarching themes from the Committee's discussion include the need to focus on amenities that are most important to achieving livability and the desired future for the Downtown; giving consideration to what needs to be incentivized and what the market will do without incentives; providing flexibility to encourage creative design; the use of amenities should help to reinforce the Downtown neighborhood identity; and the incentive system once modified will need to be feasible and act as a real incentive.

Mr. Helland asked what evaluation method will be needed to determine which elements the market will provide on its own without incentives, and to know for sure what is a real incentive and what is really a strong arm approach.

Ms. Jackson cautioned against using terms like "strong arm" and "discouraging development." She said the Committee's purpose is not to maximize the solidity of highrises from one end of the Downtown to the other, rather it is to make the Downtown a livable place for those who live there, work there or choose to shop there. She suggested that no developer will elect not to construct underground parking just because it is not bonused; no one will want to rent space in a highrise that has no parking or an insufficient supply. It is not a strong arm tactic to say there will be no parking plazas in the Downtown because the land is too valuable. Ms. Stout said she strongly concurred.

Mr. D'Amato said the fact is that unless the code is changed there could very well be highrises from one end of the Downtown to the other. The Committee needs to identify the amenities needed to keep that very thing from happening. Setbacks and taller

buildings can achieve that goal. Greater FAR is not necessarily what is needed. The list of amenities will need to be of sufficient value to developers that they will chose to incorporate them into their projects.

Mr. King called attention to the amenities shown on page 3 of the memo and highlighted the major categories of amenities staff brought forward into the packages. They included public gathering space/placemaking, parks/green/open space, affordable housing, arts/culture, and sustainable features/practices. He noted that nothing from the connectivity or parking categories was transferred over to the proposed amenity packages, and weather protection is proposed to be shifted to the required list. He stressed that the proposed approach represents staff's best cut at pulling out what was heard from the Committee.

Mr. King presented the Committee with a proposed packaging of amenities for discussion. Four packages were included in the packet materials. He explained that with more focus the number of amenities would be fewer, whereas with less focus the number of amenities would be greater, and that amenities could be mixed and matched to form new packages.

Ms. Jackson expressed concern that the packages as presented appeared to prioritize arts and culture below all other items and pedestrian frontage above all other items. She noted that in none of the discussions by the Committee have sustainability features been ranked above arts and culture.

Co-chair Simas said some time could be saved by simply gravitating toward the fourth proposed package in that it includes all of the important categories discussed by the Committee. Rather than ranking them individually, each could be deemed of equal value. Depending on specific projects and place, one category may be given a higher priority than another.

Mr. Bannon asked what the rationale was for splitting the categories out as shown in the proposal for separate evaluation. Mr. King said staff began with all five categories and struggled with the total number of items given the Committee's desire to have a shorter, more focused list. The packages as shown were not intended to say one category should be prioritized above another, rather the intent was simply to show different approaches to developing a shorter and more focused list. He reiterated that the categories can be mixed and matched and above the basic amenities are not tiered. He allowed that for purposes of the analysis, selecting the fourth package would make the most sense.

Mr. Chaplin observed that three of the five topics are headers to the page 2 items, and two are subcategories to the headers. He stated his strong desire to see parking be included.

Mr. D'Amato agreed with the need to include parking. Mr. King said the proposed approach does not include a bonus for underground parking, above-grade structured parking, or residential. He reiterated that the proposal was developed by the staff and the

Committee is free to weigh in on what should be moved forward as recommended incentives.

Planning Director Dan Stroh clarified that Co-chair Laing asked staff to identify those items that likely would happen on their own without being incentivized. The reason for not including parking as an incentive was founded on the fact that land values in the Downtown render surface parking economically infeasible. Any time a project seeks to move beyond an FAR of 0.3 or 0.4 it becomes necessary to go beyond surface parking. Developers can elect to go with above-ground structured parking, use the lower stories of their building for parking, or take it underground. Currently the code incentivizes any kind of structured parking even though it clearly is going to happen anyway, but removing the incentive for parking would represent a takeaway, so it would make sense to adjust the base FAR accordingly.

Mr. D'Amato stressed that parking is still an important element and said he would favor limiting the bonus it gets rather than eliminating the bonus altogether. Eliminating the bonus could result in a development not having enough parking, which could trigger other concerns.

Co-chair Laing agreed with Ms. Jackson that the proposed packages imply the Committee's priorities. He said the Committee should set aside the table and look instead at the list of potential amenities as identified by the Committee at the alternatives workshop. The items in each category should be reviewed for a determination of whether or not they should be on the final amenity list, and if some items are missing from the list they should be identified and added, such as the design charrette items, which should be referenced under the arts and culture category, and above-ground structured parking, which should be added to the parking category. The final list by category should then be moved on for additional analysis.

Mr. Ferris reminded the Committee regardless of how it is provided, the code requires a minimum number of parking spaces based on factors related to specific projects. The current amenity encourages developers to provide more than what is required by the code. Just because parking does not show up on the amenity list does not mean parking will not be built.

Mr. Bannon said he liked the idea of having broad categories of incentives rather than specific incentivized items as a way of allowing for flexibility. Ms. Stout agreed and pointed out that some items on the list may apply only in certain districts rather than in all areas of the Downtown. She added that some of the new ideas on the list have been subjected to very little discussion.

Mr. Stroh reminded the Committee that at its previous meeting the focus was on the Pedestrian Corridor and open spaces, and the discussion centered on open spaces being tailored to different neighborhoods in the Downtown. The discussion played off the notion of using incentives and the design guidelines to reinforce the distinct character of the different Downtown neighborhoods. The intent of staff was to take those building

blocks and incorporate them in the incentive system. To that end, the broader category of open space should include the notion of tailoring area by area.

Answering a question asked by Mr. Helland about what the analysis would entail, Mr. King explained that the Committee has been clear about wanting the incentives on the list to be true incentives. The cost of providing an amenity cannot therefore be more than the value the developer will derive from the bonus points. Future analysis will include the cost of producing items and compare it against the range of benefits garnered by additional square footage or height. The caveat going forward is that the amenities list will need to be updated and recalibrated on a more frequent basis than every 30 years.

Mr. Chaplin suggested the Committee should select six of the categories for the staff to analyze. For the sake of discussion he proposed public gathering space/placemaking, parks/green/open space, parking, housing, arts/culture, and design. He said those six categories play into the notion of creating flexibility for developers.

Mr. D'Amato suggested the real question is what the bonus ratios should be. No economic analysis would be complete without knowing how much each item will receive by way of a bonus. Co-chair Simas agreed and said that is exactly the information staff will plug into the analysis using their expertise. What staff needs is the go-ahead to do the work.

Ms. Jackson agreed an economic analysis needs to be conducted but stressed that some of the items provide value that cannot be calculated by mere economics. A sculpture can be said to cost a certain amount of money and therefore the developer should be rewarded by getting a set number of additional square footage, but in fact the value of the sculpture may transcend actual monetary value. Even parking is subject to a value judgment beyond a mere economic analysis. The Committee will need to make the final determination.

Mr. Bannon said the proposal of Mr. Chaplin was fair but said he would add something about mobility and connectivity.

Co-chair Simas proposed walking through each category and identifying which if any of the sub-items should be eliminated, and what items, if any, should be added.

With regard to the public gathering space/placemaking category, Co-chair Laing said he opposed providing FAR or height for anything that is a use. Meeting rooms, childcare services, retail food, third places/gathering places and farmers markets are all uses. Where uses are bonused, the question must be asked what happens to the bonus space if and when the use is not economically viable. Each item is absolutely related to livability, but having vacant storefronts is undesirable. He said he would support removing designating spaces for a use in order to get a bonus.

Ms. Jackson agreed. She said something like a farmers market is a use that if no longer economic or fashionable will pull up stakes and move out. It would be silly to give away FAR and height for something that cannot be depended on to stick around.

Ms. Stout said items not asked for will not be provided. Some items, though they are uses, are also livability factors; farmers markets and third places are good examples.

Co-chair Laing said he viewed performing arts space as something different from the proposed Tateuchi Center. Historic preservation and cultural resources as an item evokes the notion of keeping what already exists, not bringing something new online. As such, it does not need to be incentivized. The Eastside Heritage Center could choose to locate in an incentivized space only to later decide to move somewhere else; that would leave an incentivized space vacant.

Mr. Ferris said the way the system works is that a developer may agree to dedicate a space to a particular use, such as a heritage center or a farmers market, knowing that he will not get a market rate return on that space but will in return get space somewhere else in the building that will return market rates. If the use in the dedicated space goes out of business, the spot will still be preserved for another use with a community benefit. He agreed that absent incentives for things like farmers markets, they will not locate in the Downtown, and all ground floor spaces will be occupied by national retailers because they are the only ones that can afford to pay the market rate rents. The dedicated spaces get tied to the building title and ensures community uses for the life of the building.

Mr. Helland suggested all the so-called community uses could be folded into a single community use category and not worry about what specific uses are involved.

Mr. Chaplin pointed out that housing is a use and if all uses are to be eliminated across the board, housing would have to go too.

Mr. D'Amato said he did not believe that was the intent. He agreed with Mr. Ferris and said one of the things being sought is setbacks for taller buildings, which will result in more open space and more area in which to construct third places.

Answering a question asked by Mr. Bannon, Ms. Wilma explained that in the instance of a property owner having a building with a space dedicated to a specific use for which bonus points were generated, the building owner can come back to the City with a proposal to amend their project, but in exchange the owner will have to provide another amenity of equal value. In the desire is to get rid of an exempt floor area, such as pedestrian-oriented frontage, the building owner will have the same conversation.

Co-chair Laing referred back to the City Center East example which generated nearly 560,000 square feet of excess bonus FAR. In that case the developer provided a significant amount of pedestrian-oriented frontage that was not required. It makes no sense that should the uses in the pedestrian-oriented frontage go black the developer would have to go back to the City and negotiate for another amenity given that the

developer did not need the bonus received for providing the space in the first place. Ms. Wilma explained that pedestrian-oriented frontage is considered one of the fundamental pieces that makes the Downtown livable and interesting, and that is what the developer chose to do. Co-chair Laing said the fact remains that there are blank storefronts in the Downtown that cannot be rented to solid tenants simply because the space was bonused and must be used for a specific use. That is problematic.

Mr. D'Amato commented that the Committee should take the opportunity to redefine what pedestrian-oriented activities are. Times change and desired uses change with the time. Street-level athletic clubs would be an excellent pedestrian-oriented use, but it does not qualify as a retail use.

## BREAK

Co-chair Simas commented that things like farmers markets are desired as adding to the fabric of the neighborhood. He voiced concern, however, about specifying certain things within the amenities list that may over time come and go. He proposed using more generic terminology rather than specific uses, possibly in association with examples that could be updated from time to time.

There was consensus to take that approach.

Ms. Jackson proposed combining the public gathering spaces/placemaking category with the neighborhood-serving uses category given the similarities between the specific items. She also suggested using neighborhood-serving uses as the title for the combined category given that the purpose of the specific amenities is to serve the neighborhoods.

There was consensus to adopt the suggestion.

Mr. Ferris noted that early in the process the Committee concluded it should remain focused on the things that will improve Downtown livability. He said the way to do that would be to retain the major headings as categories to be incentivized. To try giving weight to each specific item under each heading will only result in diluting the outcome. Co-chair Simas agreed but pointed out that for the exercise at hand the focus was on identifying items for staff to analyze. Having the analysis will inform the exercise to narrow the list of specific items. Mr. Ferris agreed.

Ms. Jackson noted that some new items added to the list have not really been fully discussed by the Committee. Co-chair Simas said each will have a different economic value and it will be helpful to see the staff analysis. He suggested, however, that if the Committee feels some items clearly should not be included, they should be eliminated ahead of the staff analysis.

Ms. Chaplin said his recommendation not to include the connectivity category was based on the fact that there already is a requirement for through-block connectors. He suggested it would not make sense to take what is already required and giving an incentive for it.

Midblock crossings are crossings of public streets and as such are City capital projects, not developer projects. Pedestrian bridges are a little different element and developers wanting to put one in should be allowed to do so, but they should not be incentivized.

Co-chair Laing stated that the design guidelines relative to how through-block connections are required to be developed are lacking. With regard to midblock crossings, however, incentivizing them would be a good idea; had such an incentive had been in place, threats to appeal a recent development likely would not have been made and the developer would likely have agreed to create the midblock crossing. Pedestrian bridges offer the safest way to cross busy streets and as such they should be incentivized.

Mr. Chaplin argued that pedestrian bridges could be deemed iconic features and as such could be moved to the design category.

Mr. D'Amato argued that almost anything could be fit into the iconic features item. Pedestrian bridges should be allowed, but they should not be incentivized.

Mr. Ferris agreed that items required by code should not have to be incentivized.

There was consensus not to retain the connectivity category.

With regard to weather protection, Co-chair Laing proposed removing marquee, awning and arcade, leaving only free-standing canopies at corners to be incentivized.

Ms. Jackson argued against incentivizing free-standing canopies at corners. She said to do so would be akin to telling a developer the answer as opposed to leaving it open to them how best to treat pedestrians outside their establishments. She pointed out that if there were more pedestrian bridges there would be fewer people standing in the weather waiting to cross a street. Mr. Ferris concurred.

Ms. D'Amato said he was not willing to delete the item out of hand. He said he would prefer to see it moved into the design category. There was agreement to do that.

Turning to the issue of parking, Mr. Ferris asked how something required by code could also be incentivized. Mr. Chaplin suggested that if a developer is not given a benefit for doing below-grade parking, they will almost certainly look to provide parking above grade. Large expanses of above-grade parking within the superblocks would go against the idea of through-block connectors and other livability elements. The incentive is needed for developers to make their projects feasible.

Co-chair Laing said he recently served as an advocate against a recently proposed parking garage for the superblock where Top Pot Doughnuts is located. Of the 13 total stories, six or seven will be above grade. It came as a shock to the residents of the superblock who had been told it was going to be a two- to four-story community center for the superblock to find out it would really be an office tower and an above-ground structured parking garage. The City did the right thing by telling the residents that the

code allows for the use and in fact incentivizes it. The residents were also told they could comment to the Downtown Livability CAC. Developers cannot be told they cannot have parking. With land costs what they are, no one is going to build low-rise buildings with surface parking. In fact, as more projects come in, there likely will be a proliferation of structured parking, whether its standalone or in association with an office tower. Providing an incentive for structured underground parking could help keep above-ground standalone parking structures from being developed. He said if the necessary adjustments were made to the base FAR and height to compensate, he would be happy to eliminate the incentive for above-grade and residential parking, but would still want to incentivize below-ground parking.

Mr. Ferris said other cities have addressed the issue by counting anything above grade against the FAR total, which acts as an incentive not to build above-grade parking. Another solution is to say the amount of parking above grade cannot exceed the amount of parking below grade. A third option is to have restrictive design guidelines for anything above grade that say parking cannot face the street and must be fronted with other uses. Portland has very little below-grade parking but it cannot be seen where it is above grade. There are a host of solutions that could be used to solve the parking issue without having to incentivize underground parking. Below-ground parking is expensive to construct and the cost is counterproductive relative to affordability for every use above it. Parking should be dealt with by the code through design guidelines and through how FAR is calculated. It should not be incentivized.

Mr. Helland said he would get rid of above-grade parking and continue incentivizing below-grade parking. Ms. Jackson agreed but said she would eliminate electric car charging, bike parking and other facilities given that those are things likely to come with the market and can easily be retrofitted.

Ms. Powell argued in favor of keeping electric car charging and bike parking and other facilities on the list of incentivized items. It is always less expensive to include such features up front than to fit them in retroactively.

Mr. Chaplin pointed out that electric car charging could fit into the category of sustainable features/practices, which is a subset of the design category.

Mr. D'Amato said he is involved in several projects currently that all are including electric car charging. He said that is one item that will happen whether it is incentivized or not.

There was consensus to defer the parking issue to allow for gathering more information, including examples of what the parking bonus has added to various projects in terms of a lift and the amount of incentive actually needed, and what has been done by other cities to address the parking issue.

There was agreement to remove electric car charging, bike parking and other facilities off the list of incentives.

With regard to housing, Co-chair Laing suggested eliminating the bonus for residential uses along with the so-called FAR and height penalty for doing commercial instead of residential in the Downtown. No incentives or disparities need to be created between residential and non-residential. He said the specific issue of affordable housing is tied directly to housing type. The hundreds of units that will be constructed in the coming years at the intersection of Bellevue Way and Main Street will fall under the category of affordable housing, but it will not include much by way of housing diversity. Workforce housing is what is being produced in the classic five-over-one construction projects. There is, however, a different type of affordable housing which requires subsidies in order to be affordable to a lower-income strata. That type of housing is not going to be constructed with just incentives. Workforce housing, which meets the tests for affordable housing, is already being achieved in the Downtown. The discussion should nuance into the difference between the different kinds of affordable housing.

Mr. King said staff would be happy to compare and contrast what the market is delivering with new apartments and condominiums, and the incentive opportunities for affordable housing.

Ms. Jackson said her preference would be to retain residential uses on the list of incentivized items. Mr. Bannon said the Committee should be given the opportunity to understand the implications involved in removing residential housing from the bonus list. Co-chair Laing said he would like to see the item removed from the list, but agreed the Committee should fully understand what the net effect would be.

Mr. Helland proposed moving performing arts space and art space into the neighborhood-serving uses category. Ms. Jackson took the opposite view and pointed out that performing arts space requires a major commitment on the part of a developer or landlord; even small performing arts spaces require taller ceilings and other elements. Such spaces are by their very nature have a citywide or regional focus. She said the focus on arts and culture should be kept set aside as something different from mere neighborhood uses. Mr. D'Amato agreed.

Ms. Jackson said she was not exactly sure what would be covered by the art space item that came up during the workshop. Mr. Bannon suggested that a developer with a plan to allocate space to art or cultural uses that will have a clear public benefit should be afforded some bonus points.

There was consensus that like farmers markets, art space should be put into a general catch-all category.

Addressing the design category, Co-chair Laing said he wanted to see included the recommendations that came out of the design charrette. At the very least there should be a reference in the amenity list to the design charrette as a source of bonusable design ideas.

Mr. Ferris said the sustainable features/practices item is relatively innocuous on its own but in association with the living building challenge it becomes problematic. The living building challenge, a carbon neutral approach, requires things like on-site energy generation and some types of urban farming, none of which are very effective individually. More could be accomplished relative to urban neutrality and overall sustainability by not promoting single-occupant vehicles for commuting into and out of the Downtown. The sustainable features/practices item should either be more clearly defined or removed from the list.

## 5. PUBLIC COMMENT

Mr. Jim Hill with Kemper Development Company, 575 Bellevue Square, said the economics of parking is a big issue. He said if there were an opportunity for Kemper Development Company to provide less parking, or less expensive parking, the company would do just that. The company does its research, including consumer demand, in deciding how much parking to provide. Lincoln Square has a large atrium that includes a Chihully sculpture and a water feature and the area is commonly used as a gathering space. If underground parking was not bonused, the atrium would not have been created. The concept of what would need to be offered by way of FAR compensation for underground parking is interesting and it will be difficult to figure out.

Mr. Walter Scott with Legacy Commercial, 400 112th Avenue NE, said it has been obvious to him how much the Committee members care about the Downtown Livability Initiative. He suggested the Committee should focus on the big picture and leave the details to the staff. The City Center East example raised by staff is interesting in that the developer did not build to the limit of the FAR allowed. That is amazing from the standpoint that developers get paid for NOI (net operating income); if too much FAR is built and it is not leased, their NOI suffers. Developers get paid for being innovative and for bringing online cool buildings. The City Center East building is indeed cool and that is why it sold for the highest per-square-foot price of any building in the Puget Sound area. The cost to provide underground parking is at least \$30,000 per stall, and about half that for above-ground parking. In some instances, developers cannot build underground parking because of the water table. In looking to regulate underground parking, the law of unintended consequences should be taken into regard. The portion of the Downtown close to I-405 is a fairly sterile environment at night and housing is not necessarily the best use. The area is in need of particular attention by the Committee. To support Meydenbauer Center and restaurants, private developers should be encouraged to provide paid parking for use by the public and civic groups after hours. With regard to pedestrian bridges, he said the most useful would be a connection across I-405 between the Downtown and Wilburton.

Ms. Stout raised as an item of old business her request for a briefing regarding a heliport in the Downtown. She said it was her understanding that Kemper Development Company has withdrawn its application for a helipad. She said the issue of safety generally has not been discussed by the Committee. Staff agreed to provide a report at a future meeting.

6. ADJOURN

Co-chair Simas adjourned the meeting at 9:37 p.m.