



MEMORANDUM

DATE: July 12, 2007

TO: Meydenbauer Bay Steering Committee

FROM: Mike Bergstrom, Planning & Community Development
Robin Cole, Parks & Community Services

SUBJECT: July 19, 2007 **Agenda Item # 5** – Work Session

Enclosed are materials that will serve as a partial basis for the July 19 work session. Due to the short turn-around time between the July 10 public workshop and the July 19 Steering Committee meeting, we were unable to prepare all related materials in time to include them in the agenda packet. Therefore, additional materials, including display boards, will be provided the night of the meeting to help summarize issues, refine the planning framework, and present preliminary land use concepts. These concepts will be built upon during the course of the evening.

Enclosed materials include:

- An updated Opportunities & Constraints summary map. This is similar to the map included with your June 21 packet, but contains additional information.
- EPS memorandum presenting initial market and feasibility findings.
- KPFF memorandum summarizing utility/infrastructure opportunities and constraints.
- TENW memorandum summarizing the results of a parking inventory/utilization survey.

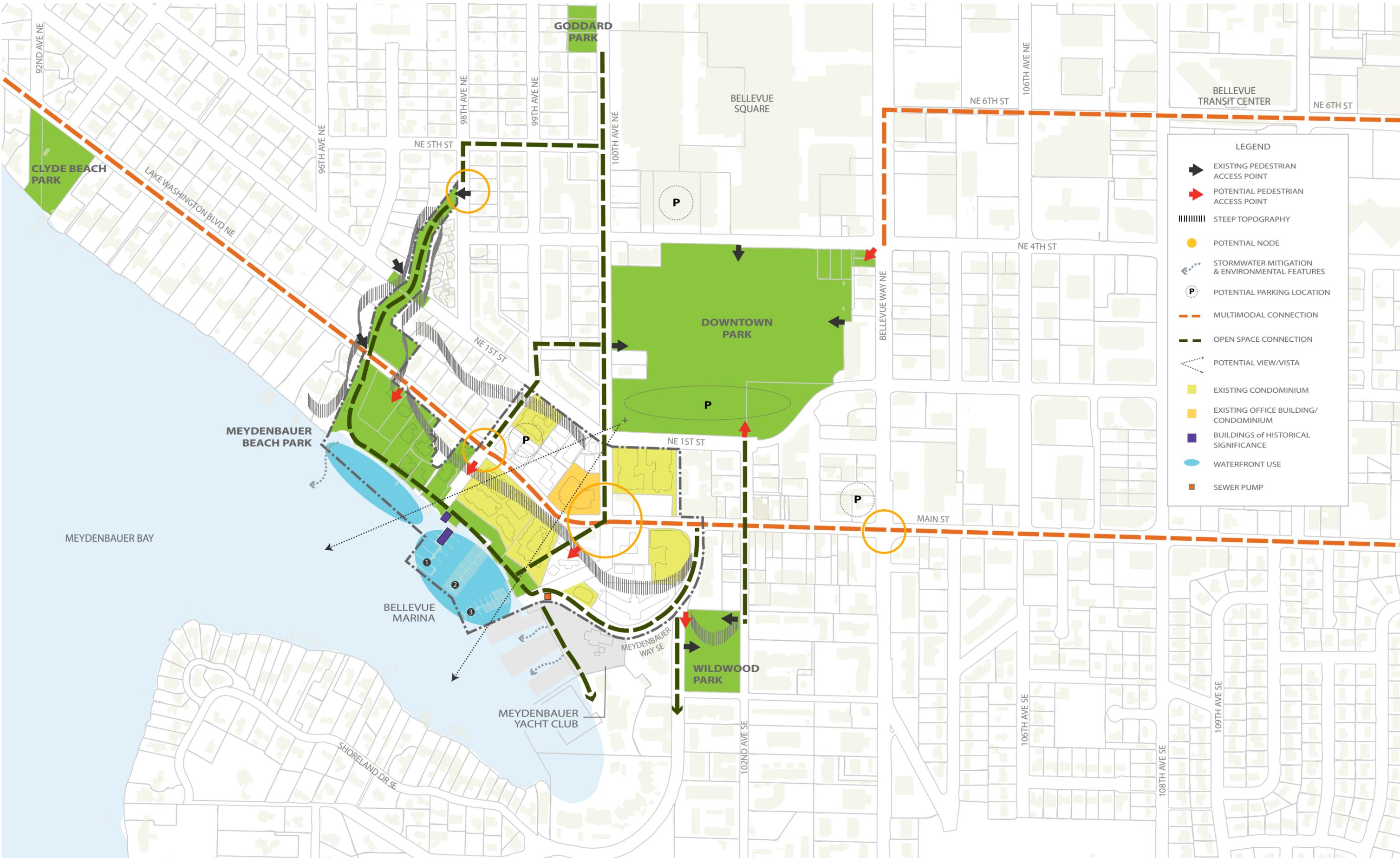
The desired outcome of this discussion is feedback and direction on the development of alternatives, so that when the Committee meets on August 16 you will be provided with land use alternatives that are supported in part by economic analysis and visual representations. These alternatives will be further refined at your September meeting, with the goal of reaching a recommendation on a proposed land use plan and park program plan in October.

To help the discussion provide effective feedback, it would be useful to think about the following:

- What fundamental elements should be reflected in any alternative that is developed?
 - A green “loop” connecting the nearby parks?
 - A water theme, literal or symbolic, linking the park and the upland?
 - A particular philosophy for the provision of parking (e.g., centralized, dispersed nodes, underground/surface, etc)?
 - Preservation/commemoration of historic attributes?
 - Other?
- What type of redevelopment patterns should occur in the upland area?
 - Residential, mixed use, retail, cafes, lodging along pedestrian corridors?
Elsewhere?
 - What densities or building forms are acceptable if redevelopment provides physical or view corridors?
- Who will the park and the nearby upland area ultimately serve? What do we want this to become over time?

- How can concepts/alternatives most effectively embody the planning principles and reflect the vision of the Comprehensive Plan?

These and other considerations will be important to address as the alternatives evolve. We look forward to discussing these matters with you and receiving your input on July 19.



LEGEND

- EXISTING PEDESTRIAN ACCESS POINT
- POTENTIAL PEDESTRIAN ACCESS POINT
- STEEP TOPOGRAPHY
- POTENTIAL NODE
- STORMWATER MITIGATION & ENVIRONMENTAL FEATURES
- POTENTIAL PARKING LOCATION
- MULTIMODAL CONNECTION
- OPEN SPACE CONNECTION
- POTENTIAL VIEW/VISTA
- EXISTING CONDOMINIUM
- EXISTING OFFICE BUILDING/ CONDOMINIUM
- BUILDINGS OF HISTORICAL SIGNIFICANCE
- WATERFRONT USE
- SEWER PUMP

MEMORANDUM

To: Meydenbauer Bay Park and Land Use Plan Steering Committee;
Mike Bergstrom and Robin Cole, *City of Bellevue*

From: David Zehnder and Allison Joe

Subject: Meydenbauer Bay Park and Land Use Plan: Initial Market and Feasibility Findings; EPS #17449

Date: July 12, 2007

This memorandum highlights the approach related to market and economic analysis of potential development concepts surrounding the Meydenbauer Bay area and Old Bellevue subarea, conducted by Economic & Planning Systems, Inc., (EPS) for the City of Bellevue (City).

APPROACH TO ECONOMIC ANALYSIS

One of the great challenges for Bellevue's waterfront district is to find economically viable ways to convert modest single-use properties into more vital and effective horizontal mixed-use projects, which achieve benefits, such as creating view corridors, waterfront access, reduced vehicle usage, and increased synergy among multiple land uses. This will involve the concerted efforts of the public and private sectors to understand underlying economics of single-use parcels, including determining the costs and sources of risk affecting development strategies employed by property owners and investors with key holdings in the upland district.

Realistic implementation steps are critical to the success of this planning effort. To work toward creating an effective implementation plan, the economic analysis incorporates a blend of quantitative and qualitative considerations, supplementing data analysis with recent interviews of public and private sector stakeholders to understand redevelopment risk, financial risks and rewards, and (ultimately) public-private strategies to realize the City's vision for the waterfront area.

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Shown below is a list of initial observations guiding ongoing market and financial feasibility analysis:

1. **It will be critical to identify primary catalyst sites and introduce appropriate vertical mixed-use development where warranted and supported by economic conditions.** A string of “linked nodes” will need to be created along pathways between park, waterfront, and other areas to draw the pedestrian from place to place. These nodes could be a combination of vertical and horizontal mixed-use, with strategically placed parking and transit facilities, enticing visitors to park, shop, and recreate in the area.
2. **Retail uses need to be scaled appropriately and integrate smaller scale office, studio, civic, and cultural facilities to complement repositioned residential development and create a vital neighborhood district.** Unique and high quality ground floor retail uses likely can be introduced in limited quantities at key locations. A boutique hotel may be a complimentary land use effectively tying together the park, Main Street, and waterfront districts. Cultural or performing arts facilities, in combination with City-sponsored parking facilities, may be effective connectors between retail and park areas.
3. **Private investment to redevelop existing structures may be warranted if significant amenity value from park and upland district improvements is paired with manageable development risk.** The moratorium may provide affected property owners an opportunity to consider investment options fully. If the City can provide clarity and certainty regarding design requirements, allowable heights, parking, and other approvals, risk associated with redevelopment may be mitigated to facilitate redevelopment of key properties.

FINANCIAL FEASIBILITY ANALYSIS

IDENTIFY SCENARIOS

Table 1 presents an overview of potential development scenarios for a hypothetical project, including continuation of existing operations, a condo conversion project, and several redevelopment scenarios. These scenarios will be refined through an iterative process using pro forma feasibility analysis and targeted market analysis, ultimately providing a basis for evaluating combinations of uses and densities in the project area.

INITIAL FINDINGS

Immediate condo conversions may fail to internalize potential amenity value stemming from City investment in Meydenbauer Bay Park. While the financial return associated

with a near-term condo conversion likely will be very high as a result of minimum investment in purchased apartments and relatively high sales prices, the total cash flow associated with demolition and subsequent redevelopment of key properties may compare favorably. This could result primarily because a greater number of units will have view premiums in a redesigned project. Moreover, the premiums themselves will improve as planned park and ensuing City investments bolster the quality of the neighborhood and views. If these factors can be paired with a smooth and predictable post-moratorium entitlement process, initial evidence suggests that knowledgeable investors likely will recognize the inherent financial advantages of redevelopment.

NEXT STEPS

A feasibility model capable of evaluating various redevelopment concepts has been developed and will be used as part of the team's planning and implementation process. EPS will continue to move forward with the market analysis to evaluate and verify the assumptions driving the pro forma analysis and will be working with the Sasaki Team and the City to determine and test various scenarios as necessary to inform the land use program and understand strategic development risks and trade-offs.

**Table 1
Meydenbauer Financial Feasibility Analysis
Scenario Assumptions**

Scenario	Land Uses	Rental / For Sale	Description
Scenario A - Existing Development	Residential	Rental	Assumes no change to existing development.
Scenario B - Condo Conversion	Residential	For Sale	Condominium Conversion - maintaining structure and density of existing apartment complex.
Scenario C - Low-Rise Luxury Condos	Residential	For Sale	Condo - Structure(s) demolished and replaced with new development project consisting of four stories of luxury residential for sale product and associated parking.
Scenario D - Mixed Use 6-Stories	Residential, Ground Floor Retail	For Sale	Residential Mixed Use: Structure(s) demolished and replaced with new development project consisting of four stories of residential for-sale product plus ground-floor retail and associated parking.
Scenario E - Mixed Use 8-Stories	Residential, Ground Floor Retail	For Sale	Residential Mixed Use: Structure(s) demolished and replaced with new development project consisting of six stories of residential for-sale product plus ground-floor retail and associated parking.
Scenario F - Mixed Use 11-Stories	Residential, Ground Floor Retail	For Sale	Residential Mixed Use: Structure(s) demolished and replaced with new development project consisting of eight stories of residential for-sale product plus ground-floor retail and associated parking.
Scenario G - Mixed Use 6 to 11-Stories w/ Hotel	Residential, Ground Floor Retail, Hotel	For Sale	Condo with Hotel - Structure(s) demolished and replaced with new development project consisting of four stories of residential for-sale product, three stories of boutique hotel, ground-floor retail and associated parking.
Scenario H - Low-Rise Hotel	Hotel, Ground Floor Retail (Horizontal Mixed Use)	For Sale	Hotel - Structure(s) demolished and replaced with new development project consisting of a resort hotel including a retail/restaurant component and associated parking.

NOTE: Scenarios are for the purposes of financial modeling for a hypothetical prototype and are not intended to represent any proposed use.

"scenarios"

MEMORANDUM

Date: July 12, 2007
To: Jim Jacobs / Sasaki Associates
From: Eric Scott
Subject: Meydenbauer Bay Park & Land Use Plan; Utility Opportunities and Constraints

INTRODUCTION

KPFF Consulting Engineers has conducted a preliminary assessment of the City of Bellevue's Infrastructure within the study area associated with Meydenbauer Bay Park. This assessment identified opportunities for and constraints on development that could affect the new park master plan and land use plans for the surrounding neighborhood.

EXISTING CONDITIONS

Topography

Topography slopes steeply from east to west. Meydenbauer Park is within a valley depression created by stormwater flows prior to existing development.

Sewer

The sewer network within the study area consists of primarily 8 inch to 12 inch pipe located within the roadways, in addition to larger sewer mains of 12 inches and 18 inches. The network also includes the 10 inch lake line collector system that runs along the shoreline. Sewage flows downhill into the lake line, which is then routed to a pump station located near the shore on SE Bellevue Pl. The sewage is then pumped up to 100th Ave NE and Main St, where it converges with an 18" pipe that runs west along Main St. and then south on 101st Ave SE. Offsite flow will enter the study area along 100th Ave NE from the north. Pipe materials are a mix of concrete and PVC.

Water

The water network within the study area consists of 6 inch to 12 inch pipe, with all roads having water service. Pipe materials vary between ductile iron, cast iron, and asbestos concrete pipe. Water pressure is unknown at this time, however, water pressure at the shoreline will be higher than at the top of the hill along NE 1st Street.

Storm Drainage

The storm drain network within the study area consists of primarily 6 inch to 12 inch pipe. However, a large 60 inch main is located along the southern limits of the study area. The storm drain main collects water from areas to the east and passes through an energy dissipater prior to discharging to the bay. From GIS information, it appears a 18 inch to 21 inch parallel pipe follows the same routing as the 60 inch main. All storm drainage within the area drains to Meydenbauer Bay. Pipe materials are primarily concrete.

Roadways

Roadways within the study area consist of arterials and side streets, with Lake Washington Boulevard, Main Street, and 100th Ave NE being the main arterials. At this time, we do not have information on right-of-way widths to determine if street widths meet current City of Bellevue standards.

A bridge structure is located along Lake Washington Boulevard as it passes over Meydenbauer Beach Park.

OPPORTUNITIES

Sewer

Sewer service is readily available in the area and should be able to support future development. After a development plan is created, sewer service can be further evaluated to determine if capacity issues exist within the sewer network. A partnership with the utility purveyor to upgrade the sewer system in the area may be possible as part of their capital improvement program.

Water

Water service is readily available in the area and should be able to support future development. After a development plan is created, water service can be further evaluated to determine if capacity issues exist within the water network. Water pressure will be higher along the shoreline which would benefit fire protection systems. A partnership with the utility purveyor to upgrade the water system in the area may be possible as part of their capital improvement program.

Storm Drainage

Stormwater conveyance can take different forms; it can be piped underground, conveyed in an open channel, or retained for irrigation purposes. Open channels offer a more natural means of conveying stormwater that provides both function and aesthetics, and can be combined with other amenities such as an art walk. Diversion of the storm main that runs through Downtown Park may be possible, to gain additional flows to an open channel amenity. As the project site is within ¼ mile from Lake Washington, stormwater detention is not required, however, retaining it for irrigation offers a sustainable approach to water usage in general.

Roadways

Roadways can be expanded or reduced to create bike lanes and pedestrian friendly corridors.

Topography

The steep slopes of the area create more viewing opportunities to Meydenbauer Bay.

CONSTRAINTS

Sewer

Offsite flows must be maintained during all phases of the project to prevent service disruption to areas outside the study area. Depending on the level of development in the area, the capacity of the existing piping and pump station will need to be evaluated as the project progresses to ensure adequate service.

Water

Asphalt concrete pipe is very brittle and will generally break when construction activity is occurring nearby. Therefore, replacement of AC pipe should be anticipated within the scope of the project if substantial construction activities are planned near the AC pipes.

Storm Drainage

New outfalls to Lake Washington are possible; however, they would require additional permitting through the Department of Ecology and Army Corps of Engineers. Therefore, efforts should be made to reuse the existing outfalls. Additionally, offsite flows must be maintained during all phases of the project to prevent service disruption to areas outside the study area.

Roadways

Due to the steep topography of the area, east-west streets should be considered non ADA accessible. ADA access will need to be through building structures.

DATE: July 12, 2007

TO: Jim Jacobs/Owen Lang
Sasaki Associates, Inc.

FROM: Michael J. Read, P.E. 
Transportation Engineering Northwest, LLC

RE: Meydenbauer Bay Park and Land Use Plan–Parking Inventory/Utilization Survey

This memorandum summarizes the results of a parking inventory/utilization survey associated with the proposed Meydenbauer Bay Park project in Bellevue, WA. The parking study area developed for the Meydenbauer Bay Park Project is illustrated in **Figure 1**. The parking survey area was expanded beyond the boundary of the study area (shown as a green boundary in **Figure 1**) for the study, as accessible parking is often found within a reasonable walking distance from the destination. In addition, parking inventory/capacity was also obtained to evaluate alternative land use redevelopment scenarios that could impact available existing parking supply.

Utilization Survey Methodology

The main purpose of the parking utilization study was to provide a detailed understanding of existing parking supply and demand currently exhibited in context of the park expansion. The section documents the following:

- Parking survey zones,
- Parking study periods,
- Existing parking supply and demand, and
- Summary of findings and conclusions.

Parking Survey Zones

Figure 2 shows parking survey zones created within the study area, and were used to determine existing parking supply and conduct the parking counts in June 2007. A total of twenty (20) zones were created based upon area/block location and land use areas.

Parking Study Periods

A comprehensive survey was undertaken within the study area during a typical weekday and weekend period to survey existing parking demand by time of day and location. Transportation Engineering Northwest, LLC (TENW) conducted afternoon peak hour parking counts between 1 to 3 p.m. on Thursday, June 21st, 2007 and Saturday, June 23rd, 2007. The afternoon period was chosen based upon anticipated peak parking demand times of park use.





Existing Parking Supply

TENW conducted an inventory of on-street and off-street parking stalls in June 2007. **Figure 3** shows the total number of parking stalls available in each zone, and **Table 1** summarizes the existing permitted on-street and off-street available parking supply for each zone. As shown, there are a total of 1,550 parking stalls (286 on-street and 1,264 off-street) available within the project study area. Off-street parking stalls shown are for surface lots only. Any gated garages/lots were not counted in the survey data. Most of the off-street lots were private, however, there are currently four off-street "public parking" facility lots located in Zones 1, 2, 3 and 20 for a total of approximately 222 stalls in off-street parking supply.

Within the limits of the study area (as shown in **Figures 1** and **2** in green), approximately 340 parking stalls are provided (both on-street and off-street).

Table 1: Existing Parking Supply

Zone	On-Street	Off-Street	Total
1	11	44	55
2	0	55	55
3	0	99	99
4	13	63	76
5	13	31	44
6	10	65	75
7	25	59	84
8	19	15	34
9	25	72	97
10	57	101	158
11	0	129	129
12	12	58	70
13	8	107	115
14	4	81	85
15	20	0	20
16	15	0	15
17	25	132	157
18	29	36	65
19	0	89	89
20	0	28	28
Total	286	1,264	1,550

Survey conducted by TENW in June 2007.

Existing Demand for Parking

Tables 2 and **3** summarize existing on-street and off-street parking demand, and **Table 4** shows the total existing parking demand. Parking demand is also illustrated in **Figures 4** through **6**.




 Not to Scale

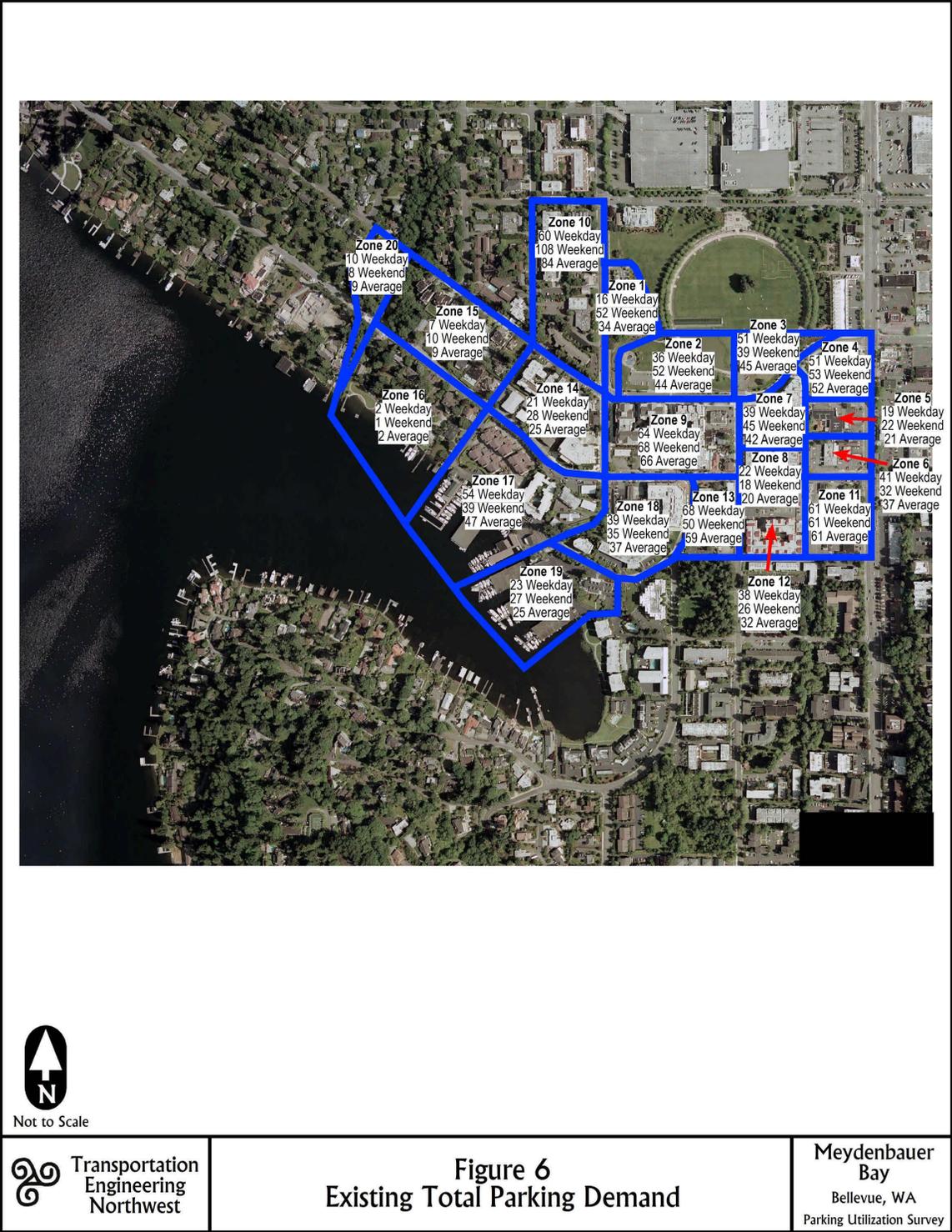

 Transportation Engineering Northwest

Figure 3
 Existing Parking Supply

Meydenbauer Bay
 Bellevue, WA
 Parking Utilization Survey







Not to Scale

Transportation Engineering Northwest

Figure 6
 Existing Total Parking Demand

Meydenbauer Bay
 Bellevue, WA
 Parking Utilization Survey

For existing on-street parking, the weekday parking demand is at 45 percent occupancy, the weekend parking demand is at 62 percent occupancy, and the average parking demand for both weekday and weekend days is 54 percent. For existing off-street parking, the weekday parking demand is at 47 percent occupancy, and the weekend and average parking demand is at 47 percent occupancy.

For total on-street and off-street parking, the weekday parking demand is at 46 percent occupancy, the weekend parking demand is at 50 percent occupancy, and the average parking demand for both weekday and weekend days is at 48 percent. This is significantly less than the effective parking capacity which is defined as 85 percent for a mixed use urban zone.

It should be noted that during the weekend parking survey day, Zone 3 was blocked off during the survey for special events occurring at the Downtown Park. Only cars parked before 1 p.m. were able to park in this lot. This surface lot was only at approximately 40 percent capacity, while the other two surface lots for the Downtown Park were almost at capacity during the weekend. However, it was assumed that spillover would have occurred onto surrounding on-street and off-street parking areas. An increase in on-street parking demand is shown on the weekends.

Table 2: Existing On-Street Parking Demand

Zone	Parking Supply ¹	Weekday Parking Demand Day 1 ²	Weekday % Occupancy	Weekend Parking Demand Day 2 ³	Weekend % Occupancy	Average Parking Demand	Average % Occupancy
1	11	0	0%	12	109%	6	55%
2	0	0	0%	0	0%	0	0%
3	0	0	0%	0	0%	0	0%
4	13	12	92%	13	100%	13	96%
5	13	9	69%	7	54%	8	62%
6	10	7	70%	5	50%	6	60%
7	25	13	52%	14	56%	14	54%
8	19	14	74%	11	58%	13	66%
9	25	20	80%	23	92%	22	86%
10	57	0	0%	39	68%	20	34%
11	0	0	0%	0	0%	0	0%
12	12	7	58%	7	58%	7	58%
13	8	7	88%	8	100%	8	94%
14	4	1	25%	3	75%	2	50%
15	20	7	35%	10	50%	9	43%
16	15	2	13%	1	7%	2	10%
17	25	17	68%	12	48%	15	58%
18	29	13	45%	13	45%	13	45%
19	0	0	0%	0	0%	0	0%
20	0	0	0%	0	0%	0	0%
Total	286	129	45%	178	62%	154	54%

1 – Inventory of parking supply conducted by TENW June 20th, 2007.

2 – Weekday survey conducted by TENW Thursday, June 21st 2007.

3 – Weekend survey conducted by TENW Saturday, June 23rd 2007.

Table 3: Existing Off-Street Parking Demand

Zone	Parking Supply ¹	Weekday Parking Demand Day 1 ²	Weekday % Occupancy	Weekend Parking Demand Day 2 ³	Weekend % Occupancy	Average Parking Demand	Average % Occupancy
1	44	16	36%	40	91%	28	64%
2	55	36	65%	52	95%	44	80%
3	99	51	52%	39	39%	45	45%
4	63	39	62%	40	63%	40	63%
5	31	10	32%	15	48%	13	40%
6	65	34	52%	27	42%	31	47%
7	59	26	44%	31	53%	29	48%
8	15	8	53%	7	47%	8	50%
9	72	44	61%	45	63%	45	62%
10	101	60	59%	69	68%	65	64%
11	129	61	47%	61	47%	61	47%
12	58	31	53%	19	33%	25	43%
13	107	61	57%	42	39%	52	48%
14	81	20	25%	25	31%	23	28%
15	0	0	0%	0	0%	0	0%
16	0	0	0%	0	0%	0	0%
17	132	37	28%	27	20%	32	24%
18	42	26	62%	22	52%	24	57%
19	89	23	26%	27	30%	25	28%
20	28	10	36%	8	29%	9	32%
Total	1,270	593	47%	596	47%	595	47%

1 – Inventory of parking supply conducted by TENW June 20th, 2007.

2 – Weekday survey conducted by TENW Thursday, June 21st 2007.

3 – Weekend survey conducted by TENW Saturday, June 23rd 2007.

There are currently four off-street "public parking" facility lots located in Zones 1, 2, 3 and 20 for a total 222 stalls in off-street parking supply. Zones 1 to 3 provide 194 off-street parking stalls for the Downtown Park, and Zone 20 provides 28 off-street parking stalls for Meydenbauer Beach Park. Weekday parking demand was estimated at 50 percent occupancy, weekend parking demand at 62 percent, and average parking demand at 56 percent for all off-street "public parking" facility lots.

Table 4: Total Existing Parking Demand

Zone	Parking Supply ¹	Weekday Parking Demand Day 1 ²	Weekday % Occupancy	Weekend Parking Demand Day 2 ³	Weekend % Occupancy	Average Parking Demand	Average % Occupancy
1	55	16	29%	52	95%	34	62%
2	55	36	65%	52	95%	44	80%
3	99	51	52%	39	39%	45	45%
4	76	51	67%	53	70%	52	68%
5	44	19	43%	22	50%	21	47%
6	75	41	55%	32	43%	37	49%
7	84	39	46%	45	54%	42	50%
8	34	22	65%	18	53%	20	59%
9	97	64	66%	68	70%	66	68%
10	158	60	38%	108	68%	84	53%
11	129	61	47%	61	47%	61	47%
12	70	38	54%	26	37%	32	46%
13	115	68	59%	50	43%	59	51%
14	85	21	25%	28	33%	25	29%
15	20	7	35%	10	50%	9	43%
16	15	2	13%	1	7%	2	10%
17	157	54	34%	39	25%	47	30%
18	71	39	55%	35	49%	37	52%
19	89	23	26%	27	30%	25	28%
20	28	10	36%	8	29%	9	32%
Total	1,556	722	46%	774	50%	748	48%

1 – Inventory of parking supply conducted by TENW June 20th, 2007.

2 – Weekday survey conducted by TENW Thursday, June 21st 2007.

3 – Weekend survey conducted by TENW Saturday, June 23rd 2007.

Findings and Conclusions

The following findings and conclusions were determined as a result of the parking utilization survey conducted by TENW in June 2007:

- There are a total of approximately 1,550 parking stalls (286 on-street and 1,264 off-street) available within the project study area. Of total off-street supply, approximately 222 stalls are within general public parking facilities.
- On-street parking demand is higher on the weekends than the weekdays, while off-street parking demand remains relatively the same on weekends and weekdays.
- The parking supply is being used at only half of its capacity within the study area limits as a whole, and there is a significant level parking supply available for future redevelopment of Meydenbauer Bay when considering both available public and private parking supply.