

2 March 2008  
02-1000-1013

City Council  
City of Bellevue  
Bellevue, Washington

cc: Bellevue Planning Commission  
Bellevue Environmental Services Commission  
Bellevue Transportation Commission  
Bellevue Arts Commission  
✓Bellevue Parks and Community Services Board  
Bellevue Human Services Commission

Subject: Why the Staff-Proposed Rezone of the Bel-Red Corridor Should be Rejected

Dear Council Members:

The City staff continues to provide biased, irrational, and inaccurate input on their proposed rezone of the Bel-Red corridor to the City's commissions and boards. In addition, they have obstructed citizens' ability to obtain important information from City contractors on the rezone; and delayed making such information available on a timely basis so that citizens can make informed comments to the City's commissions and boards regarding the rezone. This has been particularly evident in the case of submittals to the City from Inca Engineers and SNW Securities, and information that the City staff was required to provide to SNW. Although I had requested Councilman Davidson to assist me in obtaining information from SNW (for which I had submitted a public records request to the City on 18 January 2008), he apparently did not have time, or was otherwise not able to pry the information out of the Planning and Community Development Department<sup>1</sup>.

This proposed rezone is a direct refutation of the City's commitment to concentrate future jobs/housing growth in the Downtown area. In addition, the deliberations of the City's commissions and boards on the proposed rezone have also been uninformed and reflect their strong bias in favor of development. The commissions and boards have also refused to evaluate any alternative, have done

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<sup>1</sup> On 27 February 2008 at 15.55 hrs, I received 2 emails indicating that information I had previously requested from the City via the City's public records request procedures, was available for my review. I obtained copies of the materials at about 1330 hrs. on 28 February 2008. Neither of the responses provided to me by the City staff was responsive to my public records requests (#s PRR08-14-P and PRR08-15-P).

no independent evaluations of the staff's proposal, and have solicited no independent evaluations. Indeed, not one member of any City commission or board submitted any comments on the proposal's draft environmental impact statement, indicating the commissions'/boards' manifest bias toward the staff's proposal, and their clear ignorance of the environmental impact of the proposed rezone.

The Bel-Red Project steering committee was also manifestly biased in favor of the staff's proposal, and, like the City's commissions and boards, did no independent evaluations or analyses of the proposed rezone; the committee also failed to carry out its responsibility to " ... solicit input from the general public and other key community stakeholders." The committee never solicited any *independent evaluations*, nor did they permit citizens to make presentations at their meetings regarding the proposed rezone. Bellevue citizens were provided only minimal opportunity to comment to the City's boards and commissions, and to the steering committee, thus preventing these bodies from receiving valuable information on the proposed rezone.

In addition to the above, there are a many more considerations that I urge you to keep in mind when confronted with the staff's biased presentations and input on this proposed rezone, and the uninformed comments and recommendations from the City's commissions and boards:

1. *The 5000 housing unit value used by the staff as a residential target for the Corridor is a wholly fictional value; there is no market/demand analysis behind this number!* The Bellevue staff first conjured it up during their discussions with Metro's Service Development Section in a meeting on 29 December 2005 in Seattle. At the meeting, the staff suggested a housing range of 2500-5000 units for "East Bellevue," their very descriptive term for their planned Bel-Red rezone. The 5000 value was subsequently adopted by one of the City's subcontractors, Leland Consulting, who coupled it without qualification or explanation to information from PSRC.

Leland's market snapshot of commercial and residential developments for the Corridor was based, in part, on PSRC's 2003 small area forecast of population, housing and employment; this report is apparently the source of the 17,000 new housing units number given on page 14 of Leland's 25 October 2005 submittal to the City, and repeated on page 37 of their report, dated March 2006. In both reports, Leland states: " ... Of all the potential uses in the Bel-Red, there is the most clear-cut *demand* for new housing. The PSRC projects that by the year 2030, Bellevue will need 17,000 new housing units. Bellevue will likely face a challenge

in finding places to build these new units (particularly in existing single-family neighborhoods) ..." (my emphasis).

Leland does not clarify that the 17,000 housing-unit number relates to total *forecasted* household units in the City, both single family and multifamily. The PSRC values are *forecasts of possible developments within existing City zoning and land use; they are not based on any sort market analysis, which would normally be based on supply/demand vectors as a function of price (and other variables)*. Leland also fails to offer any rationale for his assertion that there is an actual *demand* for housing *in the Corridor*, nor any explanation of how the number of 5000 was chosen as shown in the committee's final report. In addition, there was no analysis in Leland's report that relates the 17,000 number to the City's buildable land report (BLR) that was available at the time Leland performed their work for the City. **Thus, there is no rationale whatsoever for rezoning the Bel-Red Corridor to provide 5000 multi-family housing units, nor any need to consider explicit affordable housing policies for the Corridor.**

2. The 2007 City buildable lands report (BLR) was submitted last summer to King County; it is included in the County's BLR, dated September 2007. The City's report clearly shows that the City has a very large surplus of land for both residential and non-residential development based on existing land use and zoning. Since the analysis/report is based on the last 5 years of development activity, it is clear that there is no compelling reason to rezone the Bel-Red corridor to meet City residential or employment targets out to the year 2022. The City's current BLR shows that the City has a surplus capacity of 4128 single and multi-family household units compared to the target value for such units out to the year 2022. (Nicholas Matz is the City staff person responsible for the buildable lands report; he may be contacted at 425-452-5371.)

3. At the Planning Commission's 6 February 2008 meeting, 3 ladies provided comments to the Commission whose experiences and backgrounds seemed to be primarily based on government actions to distort the housing market to increase the supply of below-market-value housing units (so-called 'affordable housing'). In addition, the staff provided the Commission with some very limited background material on this issue. Absent from the panel-members' comments, and from the staff-prepared material were any alternative views of the impact of such government actions, and the views of property owners and developers who might be forced to provide such housing under government fiat.

'Affordable housing' is merely a euphemism for below-market rate housing. There is no compelling reason why government actions should be taken to increase the supply of such housing, most especially since it is government actions (in this case, up-zoning the Bel-Red Corridor) that increase land rents, resulting in higher cost

housing. Of course, this is the City staff's and Council's objective for the Corridor: increase land rents in order to increase City tax revenues.

As the City's housing stock continues to age, older homes will enter the market and will serve as a source for lower-priced housing. The staff should be requested to provide information/data on this aspect of the 'affordable housing' issue for their proposed rezone.

Government policies promulgated in an effort to force development of low-priced housing (whether included in higher-priced/market-rate housing developments, or 'out-sourced' to areas remote from city central business districts) will only result in an increase in prices for the market-rate housing, and/or, will ensure that no low-priced housing will be built in the Bel-Red corridor.

4. The City's proposed rezone of the Bel-Red Corridor will force the closure/relocation of many businesses currently located in the area; this will result in a significant decline in a wide range of employment opportunities. The type of developments proposed by the City will result in a much narrower range of jobs and lowered average wage levels; this is the primary reason the City is pursuing the 'affordable housing' issue. If development in the Corridor were allowed to grow and evolve according to normal market forces, this dislocation would be mitigated, if not eliminated.

5. Contrary to an assertion of one of the 'panelists' at the Planning Commission's 6 February 2008 meeting, there will be no demand for schools for school-age children in the Corridor, as the residential population will most likely mirror the population characteristics of Downtown Bellevue, i.e., upper-income single persons and childless couples. The land rents resulting from the staff-recommended rezone will ensure that housing costs will be virtually the same as the Downtown area, i.e., \$500-1000 per square foot (2007 \$s). **There will be no need, supply, or demand for any 'affordable' housing in the Bel-Red corridor.**

6. The Staff-proposed subarea plan is pure sophistry; it is not based on any substantive public input. As proposed, it is nothing more than a slightly reworked version of the Downtown subarea plan.

7. There are no demonstrable benefits for the proposed streams restoration, and no cost/benefit or cost effectiveness analyses that rationalize the proposed restorations; they are entirely cosmetic in nature, and will not increase critical

habitat for five species of Pacific salmon and *O. mykiss* (*Onchorynchus* spp.) listed under the federal Endangered Species Act (ESA)<sup>2</sup>.

8. The developments proposed by the Staff and embodied in their proposed subarea plan are incompatible with the residential developments to the north and south of the Bel-Red corridor. **The proposed addition of housing zoning along the south side of the Bel-Red Road results from an arbitrary and capricious decision by the Bel-Red Project Steering Committee, and ignored the recommendation of the City's consultant (Crandall Arambula) to not include such zoning along this part of the Bel-Red Road.**

9. The developments proposed by the Staff will require condemnation of many private properties to implement the public infrastructure with no demonstrable benefit to Bellevue citizens.

10. The Staff-proposed roads network will increase peak-hour traffic congestion on all nearby arterials, and lead to failed intersections on Northup Way/NE 20th, the Bel-Red Road, NE 12th, and 116th NE.

11. To implement the rezone Staff-proposed rezone will require at least \$500 million in public subsidies to fund the acquisition of the proposed infrastructure; this does not include operation/maintenance costs. **Indeed, the Staff has not published any exhaustive list of all the infrastructure (roads, bridges, tunnels, retaining walls, parks, trails, sidewalks, open spaces, etc.) that would be required to implement the Staff's proposed rezone. And no life cycle cost estimates exist for the infrastructure, nor is there any financing plan available.**

12. There is no rationalization for the massive increase in multifamily housing in the corridor and along the south side of the Bel-Red Road. The Staff has arbitrarily chosen a value of 5000 housing units for the rezone; this value was proposed by the City Staff in their discussions with King County Metro staff in December 2005, and is not substantiated by any market analysis whatsoever. The type of developments that will occur under the Staff-proposed rezone will ensure that market-rate rents/prices will foreclose the opportunity to develop so-called 'affordable housing.'

13. The current lack of public open space and streams restoration is a direct result of City neglect of this area. Ample opportunities exist under present land

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<sup>2</sup> See: "Draft Economic Analysis of Critical Habitat Designation for 13 Pacific Salmon and *O. mykiss* ESUs"; U.S. Department of Commerce, National Oceanic and Atmospheric Administration, NOAA Fisheries Northwest Fisheries Science Center; Seattle, November 2004.

use and zoning and City policies and procedures to restore streams and provide modest improvements in open space while preserving the economic vitality of the area.

14. The proposed NE 16th boulevard is a 'street to nowhere.' It can only function if supported by massive public subsidies. If built as proposed, traffic generated by the proposed commercial/retail/housing developments will only clog nearby streets and neighborhoods.

15. There is no plan, schedule or funding by WSDoT to make any changes to the intersection of 124th NE and SR 520. The proposed rezone cannot function without the proposed modification to this intersection.

16. Light rail is an uneconomic, non-cost-effective transit mode. Voters have rejected Sound Transit's proposed East Link, and there is no reasonable prospect that voters will agree to tax themselves for this wasteful project in the near future. The Bel-Red corridor project should be reanalyzed based on use of bus rapid transit (BRT) rather than light rail transit.

17. *An updated or new subarea plan for the Corridor should not be considered until a new BROTS Interlocal agreement is developed and approved by the cities of Bellevue and Redmond.*

18. The number of parks, open spaces and public areas proposed by the Staff for the Corridor is far in excess of any rational requirement, and does not meet City level-of-service standards for such public infrastructure.

19. *The Staff has arbitrarily and capriciously transferred the small triangular area just west of Unigard corporate campus from the Crossroads subarea to the Bel-Red Project area. This small area has no rational connection to the Bel-Red area, and more properly belongs in the Crossroads subarea.*

I would certainly appreciate your response to my comments.

Sincerely yours,

  
David F. Plummer

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