City of Bellevue

MEMORANDUM

DATE: December 7, 2011

TO: Chair Turner and Members of the Planning Commission

FROM: Carol Helland, Land Use Director, Development Services Department (DSD)
Ken Thiem, Senior Planner, DSD, 452-2728
Paul Inghram, AICP, Comprehensive Planning Manager, Planning & Community Development, 452-4070

SUBJECT: Staff Recommendation-Neighborhood Business (NB) District LUCA, File No. 11-125521 AD

A staff report and recommendation for the Neighborhood Business Land Use Code Amendment (LUCA) was issued on November 18, 2011. A copy of the staff report is enclosed.

At the December 14 Planning Commission meeting, the Commission is scheduled to hold a study session to review the draft Land Use Code Amendment and conduct a public hearing. Following the public hearing, the Commission may deliberate and make a recommendation to the City Council at this meeting or at an upcoming meeting. At the study session staff will present background information about the issues facing the NB District, the details of this specific amendment, and why the amendment is needed now.

When the Commission is ready to make a recommendation to Council, the following draft motion language may be used as a template:

> *I move to recommend to the City Council adoption of the proposed Neighborhood Business code amendment, and direct staff to prepare a Planning Commission Transmittal.*

If additional time is needed to review the draft amendment, an additional study session could be scheduled for January.

RECENT NEIGHBORHOOD OUTREACH

In recent weeks staff has continued to talk to and work with interested neighborhood residents, property owners and other stakeholders.

The Newport Hills Community Association held a special meeting December 6 to review the draft Land Use Code Amendment. Staff presented the amendment, discussed the City's amendment process, and potential next steps with the community. Approximately fourteen people attended the meeting, comprising mostly of residents, the church and a property/business owner of a professional office. The group expressed general consensus in support of the amendment as a first step in improving the economic viability of the Newport Hills Shopping

Center. The group was adamant that additional steps are needed beyond this first amendment. It was noted how the city first looked at redevelopment opportunity at Newport Hills ten years ago but it was determined that it would not be allowed under the code. Since then, it has been clear that the situation isn't working, noting how three major vacancies have occurred in recent years. The group talked about the need to create demand through a planning process that would look beyond NB, consider the school site, parks, and other key elements of the neighborhood center, and develop a strategic approach.

Staff also presented the code amendments to the East Bellevue Community Council (EBCC) on December 6, 2011. The EBCC had little in the way of comments on the draft amendment, but did ask to be kept informed of the amendment and public comments.

Rainier Northwest – University LLC, the owner of the Newport Hills Shopping Center, has reviewed and communicated their support for the proposed amendment. They anticipate submitting a letter prior to the public hearing.

Three residents from the Northtowne neighborhood have asked questions about the amendment and expressed concern for how it would apply to their neighborhood. A letter from Richard Thompson is attached following the staff report.

Staff will continue to talk with neighborhood residents and other stakeholders leading up to the public hearing.

ATTACHMENTS

1 Staff Recommendation-Neighborhood Business (NB) District LUCA, File No. 11-125521 AD dated November 18, 2011
2 Letter from Richard Thompson dated November 16, 2011

City of Bellevue

MEMORANDUM

DATE: November 18, 2011

TO: Chair Turner, Members of the Planning Commission

FROM: Carol Helland, Land Use Director, Development Services Department (DSD)
Ken Thiem, Senior Planner, DSD
Paul Inghram, Comprehensive Planning Manager, Planning Community Development Department

SUBJECT: Staff Recommendation-Neighborhood Business (NB) District LUCA, File No. 11-125521 AD

This memorandum presents the report and recommendation of the Development Services Department (DSD) and Planning and Community Development Department (PCD) on the proposal to modify the Neighborhood Business (NB) District to increase the size limit for some specific uses. This proposed Land Use Code Amendment (LUCA) is one action to address the economic health and vitality of neighborhood shopping centers and will support the re-tenanting of vacant space at the Newport Hills Shopping Center. A copy of the Land Use Code Amendment prepared for Planning Commission consideration is included with this memorandum as Attachment A.

Following the public hearing scheduled for December 14, 2011, and consideration of public comment, staff requests that the Planning Commission make a recommendation to the City Council regarding adoption of the proposed code amendments included in Attachment A.

I. Background

The City Council initiated an amendment to the Land Use Code on October 17, 2011 to review increasing the allowed uses and size limits in the Neighborhood Business (NB) District with the intent of supporting the City's neighborhood centers. At that time, concerns were raised about the possibility of unintended consequences for smaller NB Districts, and it was requested that the code amendment be tailored to focus primarily on larger NB Districts over 3 acres in size.

The Land Use Code Amendment (LUCA) was introduced to the Planning Commission on October 26, 2011. Council's concerns about size limitations were transmitted to the Planning Commission members at that time, along with the general scope and intent of the code amendment.

Staff was scheduled to present recommendations and responses to Council direction at the Planning Commission meeting scheduled for November 16, 2011. However, that meeting was cancelled due to a lack of quorum. The materials in this packet supplement the materials transmitted to the Commissioners for the November 16th meeting, and together these two packets

contain documentation in support of the staff recommendation and public hearing. Chair Turner placed both the study session and public hearing on the December 14 Planning Commission agenda in order to respond to the time sensitive nature of the issue.

II. PROPOSAL

Based on previous research and conversation with representatives of impacted neighborhoods, Staff recommends approval of the following code amendments to modify the size limits that apply to specific uses in the NB District as a means to encourage new uses and the expansion of existing uses in a manner that remains true to the neighborhood-oriented intent of the NB District. The intent is to ensure that uses in the NB District remain focused on serving residential neighborhoods and are uses that are compatible with residential neighbors consistent with the ND District definition contained in LUC 20.10.340.

The proposed Land Use Code amendment would adjust the use size requirements for the NB District as follows:

- **LUC 20.10.440 – Wholesale Retail Use Chart Footnote 5** – The limit for individual retail uses in the NB District, except food stores and miscellaneous retail trade (i.e. grocery and drug stores), would change from 5,000 square feet to 10,000 square feet for NB districts that are three acres or larger. It would remain 5,000 square feet for sites in smaller NB districts. (Grocery stores and drug stores are allowed to exceed the limit under the current code.)

- **LUC 20.10.440 – Wholesale Retail Use Chart Footnote 19** – The amendment would merge this footnote with footnote 5, resulting in the limit for miscellaneous retail uses, such as liquor stores, antiques, books, sporting goods, jewelry, and florists to change from 3,000 square feet to 10,000 square feet for NB districts that are three acres or larger. For sites in smaller NB districts, the limit would change from 3,000 square feet to 5,000 square feet. A combined limit of 10,000 square feet would no longer apply.

- **LUC 20.10.440 – Services Use Chart Footnote 16** – The limit for service uses, other than administrative office, would change from 5,000 square feet to 10,000 square feet where the NB District is three acres or larger. It would remain 5,000 square feet where the NB district is smaller than three acres. This includes uses such as real estate services, laundry, child care, travel agencies, medical clinics, and social services.

- **LUC 20.10.440 – Recreation Use Chart Footnote 9** – The total combined size limit for recreation uses, such as gymnasiums and health clubs, of 5,000 square feet per site would be replaced with a 10,000 square foot limit per individual use for NB districts that are three acres or larger. For sites in smaller NB districts, the limit would change to 5,000 square feet per individual use.

III. STATE ENVIRONMENTAL POLICY ACT

The Environmental Coordinator for the City of Bellevue has determined that the substantive changes included in this proposal will not result in any probably, significant, adverse environmental impacts. A final threshold determination of nonsignificance (DNS) was issued on November 21, 2011. See Attachment C.

IV. PUBLIC NOTICE, PARTICIPATION, COMMENT AND RESPONSE

In April, the Council reviewed the current state of the Newport Hills Shopping Center and the potential for changes to the NB District. Council direction at that time supported continued exploration of City actions and code revisions that could revitalize the Newport Hills Shopping Center while managing effects of NB changes on other NB Districts. In response, small group discussions were held with residents adjacent to the Bel-East and Northtowne shopping centers, the two neighborhood centers most comparable to Newport Hills.

In addition to Bel-East and Northtowne, the City has been actively engaged with the Newport Hills neighborhood and commercial property owners over the last year. Two presentations on the market demand for retail uses and market support for redevelopment were presented to the Newport Hills Community Association in late 2010. Bellevue staff have attended a number of Community Association meetings and listened to the concerns of the community. City staff have continued to talk with residents in the Newport Hills, Northtowne and Bel-East neighborhoods during development of the draft amendment and have invited the neighborhoods to meet with staff prior to the public hearing.

The NB District Land Use Code amendment was introduced at a study session with the Planning Commission on October 26, 2011. A study session agenda memo detailing the proposed Land Use Code amendment was also published for a Planning Commission meeting to be held November 16, 2011, although that meeting was cancelled due to lack of a quorum. Notice of the Public Hearing before the Planning Commission was published in the Weekly Permit Bulletin on November 21, 2011.

The proposed amendments to the LUC include NB Districts within the jurisdiction of the East Bellevue Community Council. A courtesy hearing is scheduled with EBCC at their regular meeting on December 6, 2011. Notice of the courtesy hearing was published on November 21, 2011.

Under the requirements of the Growth Management Act, state agencies must be given an opportunity to review and comment on proposed amendments to the LUC. Copies of the draft NB District LUCA was provided to the state agencies for review on November 17, 2011. No comment letters from state agencies were received by DSD before release of this staff report.

Comments received after release of the staff report will be forwarded to the Planning Commission before the public hearing.

V. APPLICABLE DECISION CRITERIA – LAND USE CODE PART 20.30J

The Planning Commission may recommend and the City Council may approve or approve with modifications an amendment to the text of the Land Use Code if:

A. The amendment is in accord with the Comprehensive Plan; and

The proposed amendments are consistent with the Comprehensive Plan. The proposed amendments supports uses and expansion of existing uses that are consistent with the vision for the Neighborhood Business District.

The Comprehensive Plan defines Neighborhood Business as:

> **Neighborhood Business (NB) —** A retail land use designation that provides for the sale of convenience goods and personal services for the day-to-day needs of the immediate neighborhood. These sites may also accommodate a limited amount of administrative office space, provided the office use does not interfere with the site's primary neighborhood serving function.

Several Comprehensive Plan policies support and relate to the proposed amendment:

> **POLICY LU-17.** Support provision of child care equitably throughout the city:
>
> 1. Allow family child care homes in residences in all single-family land use districts through a discretionary review process, unless otherwise required by state law or regulation.
> 2. Permit child care centers in all non-single-family land use districts and allow child care centers as part of a community facility as long as the center has been identified as part of any discretionary review permit.
>
> **POLICY LU-20.** Promote maintenance and establishment of small-scale activity areas within neighborhoods that encourage pedestrian patronage and provide informal opportunities for residents to meet.
>
> **POLICY LU-22.** Protect residential areas from the impacts of non-residential uses of a scale not appropriate to the neighborhood.
>
> **POLICY LU-25.** Maintain areas for shopping centers designed to serve neighborhoods, recognizing their multiple roles: serving residents' needs, acting as community gathering places, and helping to establishing a neighborhood's identity.
>
> **POLICY LU-26.** Encourage new neighborhood retail and personal services to locate at appropriate locations where local economic demand, local citizen acceptance, and design solutions demonstrate compatibility with the neighborhood. The following concepts should be considered when determining compatibility:
> 1. Retail and personal services should be encouraged to group together within planned centers to allow ease of pedestrian movement.

2. A large proportion of a Neighborhood Business-zoned center should consist of neighborhood-scale retail and personal services.
3. The location of such retail/service activities within the neighborhood should encourage pedestrian patronage.

The proposed amendments, which increase the opportunity to attract and retain neighborhood services and uses, will help the City maintain the health and vitality of its neighborhood centers while maintaining compatibility with their surrounding residential uses.

B. The amendment bears a substantial relationship to the public health, safety or welfare; and

The proposed amendment serves the public health, safety and welfare by helping neighborhood centers stay economically viable, thereby reducing the potential for crime and vandalism, and giving residents the opportunity to shop, access services, and congregate in a local venue.

C. The amendment is not contrary to the best interest of the citizens and property owners of the City of Bellevue.

The amendment will increase the opportunity for new neighborhood-serving uses and stores and the opportunity for existing uses to expand. This provides a benefit both to property owners seeking to keep their retail space rented and to the broader community that seeks local access to neighborhood stores and services. As described above, the proposed amendments serve to enhance the LUC and further the Comprehensive Plan. The public interest is advanced through this proposal.

VI. STAFF RECOMMENDATION

Staff requests the Planning Commission develop a recommendation to the City Council regarding adoption of the proposed code amendment contained in Attachment A, and direct staff to prepare a Planning Commission Transmittal and ordinance for City Council consideration and final approval.

ATTACHMENTS

A. Draft NB District Land Use Code amendment
B. Map of NB District locations
C. Final DNS published on November 21, 2011.

ATTACHMENT A

Draft LUC Amendments

LUC Footnotes - Wholesale and Retail Use Charts

1. LUC 20.10.440, Footnote 5 (below) limits wholesale and retail uses in the NB District, except food stores and miscellaneous trade, to 5,000 square feet. The proposed LUCA would change the existing footnote language as indicated by the underlined sentence in blue font.

Existing Footnote:

(5) Each individual wholesale and retail use in the NB District, except retail food stores and miscellaneous retail trade, is limited to 5,000 square feet. Wholesale and retail uses intending to operate between the hours of 12:00 midnight and 6:00 a.m. must obtain administrative conditional use approval. The applicant must meet the decision criteria for an Administrative Conditional Use Permit set forth in Chapter 20.30E LUC, and must demonstrate that: 1) the use will meet the requirements of the Noise Control Ordinance, Chapter 9.18 BCC; and 2) the use will meet the lighting standards of the Community Retail Design District for all lighting fixtures on the premises that would be lit between the hours of 12:00 midnight and 6:00 a.m. Businesses operating between the hours of 12:00 midnight and 6:00 a.m. on the effective date of the ordinance codified in this chapter are exempt from the ACUP requirements.

Proposed Footnote:

(5) **Individual retail uses in NB Districts, except retail food stores and drug stores, are limited to 5,000 square feet where the NB district is under 3 acres and are limited to 10,000 square feet where the NB district is 3 acres or greater.** *Wholesale and retail uses intending to operate between the hours of 12:00 midnight and 6:00 a.m. must obtain administrative conditional use approval. The applicant must meet the decision criteria for an Administrative Conditional Use Permit set forth in Chapter 20.30E LUC, and must demonstrate that: 1) the use will meet the requirements of the Noise Control Ordinance, Chapter 9.18 BCC; and 2) the use will meet the lighting standards of the Community Retail Design District for all lighting fixtures on the premises that would be lit between the hours of 12:00 midnight and 6:00 a.m. Businesses operating between the hours of 12:00 midnight and 6:00 a.m. on the effective date of the ordinance codified in this chapter are exempt from the ACUP requirements.*

2. Except for drugstores, LUC 20.10.440, Footnote 19 limits all miscellaneous retail uses combined in the NB District to a maximum of 10,000 square feet and individual retail uses to a maximum of 3,000 square feet. The proposed LUCA would eliminate Footnote 19 for consistency with Footnote (5).

LUC Footnotes - Service Use Charts

3. LUC 20.10.440, Footnote 16 (below), limits each individual service use and first floor administrative office use in the NB District to 5,000 square feet. The proposed LUCA would change the footnote language as indicated below in bold font.

Existing Footnote:

(16) Other than administrative office use, each individual service use in NB Districts is limited to 5,000 square feet. Administrative office use is limited as follows: when located on the first floor of a building, administrative office use is limited to 5,000 square feet or 25 percent of the first floor footprint, whichever is less; when located above the first floor of a building, administrative office use is allowed without a limit on total aggregate square footage, so long as each individual administrative office use is limited to 5,000 square feet. In no event may administrative office uses exceed more than 50 percent of the total building square footage. Administrative conditional use approval is required for hours of operation between 12:00 midnight and 6:00 a.m. The applicant must meet the decision criteria for an Administrative Conditional Use Permit set forth in Chapter 20.30E LUC, and must demonstrate that: (a) the use will meet the requirements of the Noise Control Ordinance, Chapter 9.18 BCC; and (b) the use will meet the lighting standards of the Community Retail Design District for all lighting fixtures on the premises that would be lit between the hours of 12:00 midnight and 6:00 a.m. Businesses operating between the hours of 12:00 midnight and 6:00 a.m. on the effective date of City of Bellevue Ordinance No. 4422 are exempt from the ACUP requirements.

Proposed Footnote:

(16) **Individual service uses in NB Districts, except administrative office, are limited to 5,000 square feet where the NB district is under 3 acres and are limited to 10,000 square feet where the NB district is 3 acres or greater.** Administrative office use are limited as follows: when located on the first floor of a building, administrative office use is limited to 5,000 square feet or 25 percent of the first floor footprint, whichever is less. In no event may administrative office uses exceed more than 50 percent of the total building square footage. Administrative conditional use approval is required for hours of operation between 12:00 midnight and 6:00 a.m. The applicant must meet the decision criteria for an Administrative Conditional Use Permit set forth in Chapter 20.30E LUC, and must demonstrate that: (a) the use will meet the requirements of the Noise Control Ordinance, Chapter 9.18 BCC; and (b) the use will meet the lighting standards of the Community Retail Design District for all lighting fixtures on the premises that would be lit between the hours of 12:00 midnight and 6:00 a.m. Businesses operating between the hours of 12:00.

LUC Footnotes – Recreation Use Charts

4. LUC 20.10.440, Footnote 9 (below), limits the total floor area for all recreation uses in an NB District to a maximum of 5,000 square feet. The proposed LUCA would change the footnote language as indicated below in bold font.

Existing Footnote

(9) Recreation activities are restricted to health clubs, recreation instruction, and gymnasiums in NB Districts and the total floor area for all combined recreation activity uses may not exceed 5,000 square feet per NB site.

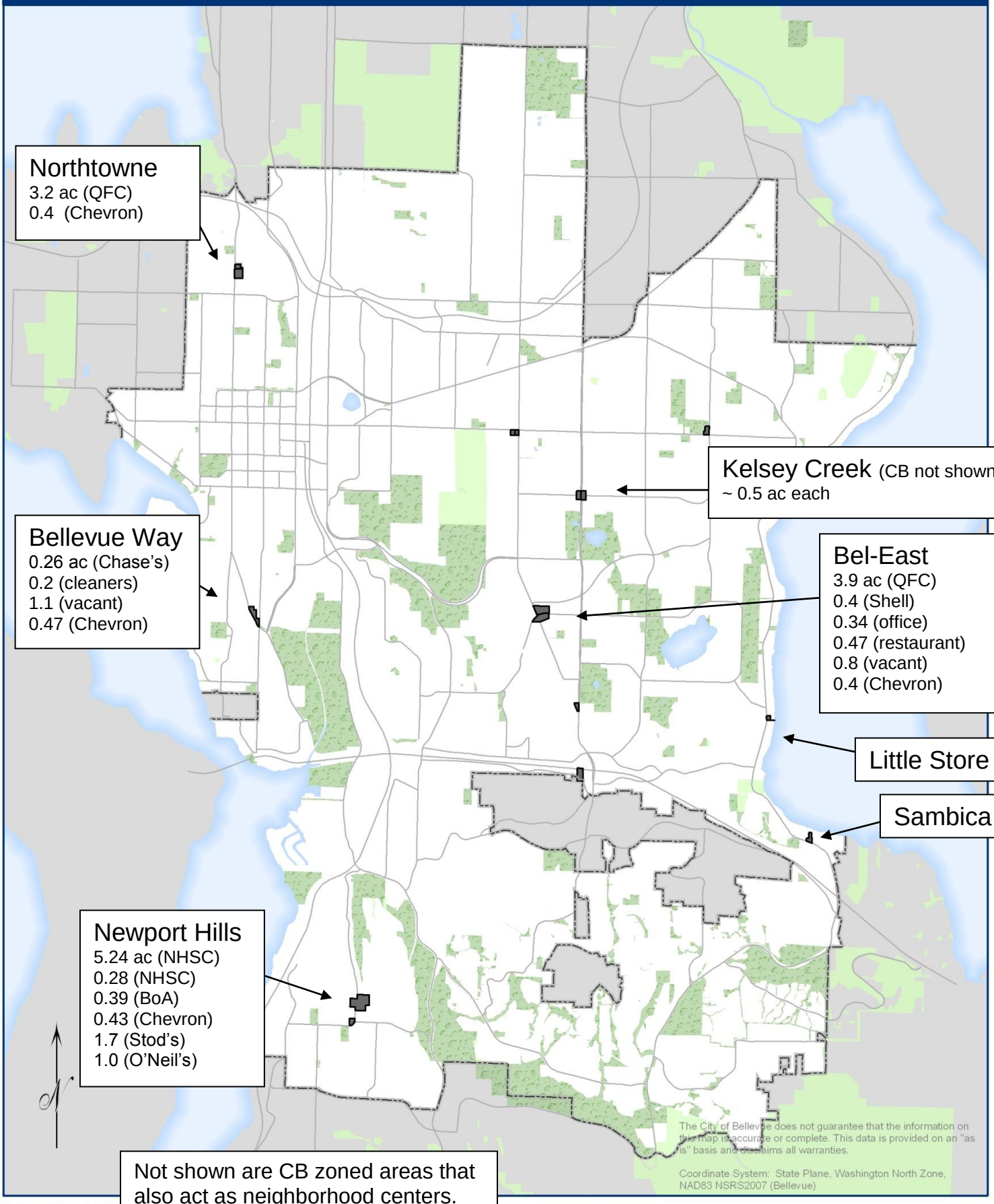
Proposed Footnote

(9) **Recreation uses are restricted to health clubs, recreation instruction, and gymnasiums, and individual uses are limited to 5,000 square feet where the NB district is under 3 acres and are limited to 10,000 square feet where the NB district is 3 acres or greater**.

ATTACHMENT B

Neighborhood Business (NB) Zones

City of Bellevue
PCD



Not shown are CB zoned areas that also act as neighborhood centers.

File Name: V:\pcdpl\deptgi

ATTACHMENT C

DEVELOPMENT SERVICES DEPARTMENT
ENVIRONMENTAL COORDINATOR
450 110th Ave NE., P.O. BOX 90012
BELLEVUE, WA 98009-9012

DETERMINATION OF NON-SIGNIFICANCE

PROPONENT: City of Bellevue, Development Services Department and Planning & Community Development Department

LOCATION OF PROPOSAL: Applies City-wide in Neighborhood Business Districts

DESCRIPTION OF PROPOSAL: Amending Part 20.10.440 of the Land Use Code Use Charts to limit individual wholesale/retail, service and recreation uses, except retail food stores, drug stores and administrative office uses, to 5,000 square feet where the NB District is under 3 acres and to 10,000 square feet where the NB District is 3 acres or larger.

FILE NUMBER: 11-125521-AD

The Environmental Coordinator of the City of Bellevue has determined that this proposal does not have a probable significant adverse impact upon the environment. An Environmental Impact Statement (EIS) is not required under RCW 43.21C.030(2)(C). This decision was made after the Bellevue Environmental Coordinator reviewed the completed environmental checklist and information filed with Land Use Division. This information is available to the public on request.

☑ This DNS is issued after using the optional DNS process in WAC 197-11-355. There is no further comment period on the DNS.

☐ This DNS is issued under WAC 197-11-340(2) and is subject to a 14-day comment period from the date below. Comments must be submitted by 5 p.m. on _____.

This DNS may be withdrawn at any time if the proposal is modified so that it is likely to have significant adverse environmental impacts; if there is significant new information indicating, or on, a proposals probable significant adverse environmental impacts (unless a non-exempt license has been issued if the proposal is a private project), or if the DNS was procured by misrepresentation or lack of material disclosure.

This DNS is only appealable as part of the City's action on the amendment to the Land Use Code. In order to comply with requirements of SEPA and the State of Washington Growth Management Act for coordination of hearings, any appeal of the SEPA threshold determination herein will be considered by the Growth Management Hearings Board along with an appeal of the City Council's action. *See* LUC 20.35.250C.

Carol V Helland
Environmental Coordinator

November 21, 2011
Date

OTHERS TO RECEIVE THIS DOCUMENT:
State Department of Fish and Wildlife
U.S. Army Corps of Engineers
Attorney General
King County
Muckleshoot Indian Tribe

KThilan
11.21.11

CITY OF BELLEVUE
ENVIRONMENTAL CHECKLIST
(Integrated SEPA/GMA Process)

A. BACKGROUND INFORMATION

PROPOSAL TITLE: Allowable floor areas for Wholesale/retail, service and recreation uses in the Neighborhood Business District.

PROPERTY OWNERS' NAME: N/A

PROPOSAL LOCATION: Applies City-wide to Neighborhood Business (NB) Districts

PROPONENT'S NAME: City of Bellevue, Development Services Department and Planning & Community Development Department

CONTACT PERSON'S NAME: Liz Stead, Urban Design Planning Manager

CONTACT PERSON'S ADDRESS: Development Services Department
City of Bellevue
P.O. Box 90012
Bellevue, WA 98009-9012

CONTACT PERSON'S PHONE: 425-452-2725

BRIEF DESCRIPTION OF THE PROPOSAL'S SCOPE AND NATURE:

1. **General description:** Amend the LUC Use Charts to limit individual wholesale/retail, service and recreation uses, except retail food stores, drug stores and Administrative office uses to 5,000 square feet where the NB District is under 3 acres and to 10,000 square feet where the NB District is 3 acres or larger.

2. **Site acreage:** Applies City-wide to the Neighborhood Business District.

3. **Number of dwelling units/buildings to be demolished:** N/A

4. **Number of dwelling units/buildings to be constructed:** N/A

5. **Square footage of buildings to be demolished:** N/A

6. **Square footage of buildings to be constructed:** N/A

7. **Quantity of earth movement (in cubic yards):** N/A

✓

8. **Proposed land use:** The code amendment would limit individual wholesale/retail, service and recreation uses, except retail food stores, drug stores and Administrative office uses, to 5,000 square feet where the NB District is under 3 acres and to 10,000 square feet where the NB District is 3 acres or larger

9. **Design features, including building height, number of stories and proposed exterior materials:** N/A

10. **Other:** N/A

Proposed timing or schedule (including phasing, if applicable.

A public hearing on the proposal is scheduled for December 14, 2011, with the Planning Commission. Final action by the City Council on the proposed code amendment will follow that public hearing in early 2012.

Do you have any plans for future additions, expansion, or further activity related to or connected with this proposal? If yes, explain.

The proposed code amendment would increase the allowable size of service, retail and recreation uses in the Neighborhood Business District. If directed by City Council, we may look at other requirements applicable in the NB zone, such as uses and dimensional requirements in the future.

List any environmental information you know about that has been prepared, or will be prepared, directly related to this proposal.

SEPA checklist and threshold determination for this proposed Land Use Code amendment.

Do you know whether applications are pending for governmental approvals of other proposals directly affecting the property covered by your proposal? If yes, explain. List dates applied for and file numbers, if known.

N/A

List any government approvals or permits that will be needed for your proposal, if known. If permits have been applied for, list application date and file numbers, if known.

Ordinance adoption by the City Council.

B. Environmental Elements

No discussion of the individual Environmental Elements is required for GMA actions per WAC 197-11-235.3.b.

C. SUPPLEMENTAL SHEET FOR NONPROJECT ACTIONS (do not use this sheet for project actions)

SUMMARY

Project Summary: The contemplated Land Use Code (LUC) amendment would allow service, retail and recreation uses in the Neighborhood Business District up to 5,000 square feet if the Project Limit is 3 under acres, and up to 10,000 square feet if the Project Limit is 3 acres or larger. The proposed amendment is to Part 20.10.440 (Land Use Chart Footnotes).

Environmental Summary per WAC 197-11-235(3)(b):
State the proposal's objectives: To comply with the October 17th City Council direction to staff to address the use and size limitations of the NB zone City-wide.

Specify the purpose and need to which the proposal is responding: The proposal responds to the October 17th, 2011, City Council direction to staff to explore easing floor area limitations for certain uses in the Neighborhood Business District to help neighborhood shopping centers remain economically viable.

State the major conclusions, significant areas of controversy and uncertainty: Most of the City's neighborhood shopping centers have struggled to remain economically viable over time as neighborhood demographics changed and nearby competition increased. The floor area limitations were established long before the economic decline of neighborhood shopping centers. Potential neighborhood commercial tenants have had to locate where the allowable floor area limits fit their business model. Allowing larger floor areas for certain uses could make neighborhood commercial centers more viable. Larger floor plates could also reduce the total number of businesses available to serve the surrounding community. The goal is to find a balance that promotes the economic well being of neighborhood commercial centers and continues to protect quality of life within the surrounding neighborhood.

State the issues to be resolved, including the environmental choices to be made among alternative courses of action: The proposed LUCA would increase the floor area limits for service, retail and recreation uses City-wide in the NB District. Allowing a broader cross section of the market to locate in a neighborhood commercial center it will promote the economic health of neighborhood commercial districts without increasing the overall size of each NB District.

State the impacts of the proposal, including any significant adverse impacts that cannot be mitigated: The proposal is a non-project action to improve the economic health of NB Districts City-wide. No significant adverse impacts would result from this action. The proposal could result in fewer businesses within the same commercial footprint. It could also attract larger, traffic-generating uses, such as restaurants, increasing the number of vehicular trips to and from the commercial center. However, the total combined square footage of all uses, and the resulting vehicular trips will be controlled in part by the available parking supply for the existing and proposed uses. The size of NB Districts City-wide will not change as a result of this proposal.

Describe any proposed mitigation measures and their effectiveness: No specific development is being approved with this proposal. No significant environmental impacts have been identified, therefore no mitigation measures are proposed.

1. **How would the proposal be likely to increase discharge to water; emissions to air; production, storage, or release of toxic or hazardous substances; or production of noise?**

   The proposed code amendment would allow wholesale/retail, service and recreation uses to have somewhat larger floor areas, but the overall size of each NB District will remain unchanged. Therefore, the proposed amendment would not increase the potential impacts to water, air and earth resources.

   Proposed measures to avoid or reduce such increases are: N/A

2. **How would the proposal be likely to affect plants, animals, fish or marine life?**

   The proposed code amendment will not increase the potential impacts to plants and animals as the overall size of the NB Districts will not change.

   Proposed measures to protect or conserve plants, animals, fish or marine life are: N/A

3. **How would the proposal be likely to deplete energy or natural resources?**

   No adverse impacts to energy or natural resources are anticipated.

   Proposed measures to project or conserve energy and natural resources are: N/A

4. **How would the proposal be likely to use or affect environmentally sensitive areas or areas designated (or eligible or under study) for governmental protection; such as parks, wilderness, wild and scenic rivers, threatened or endangered species habitat, historic or cultural sites, wetlands, floodplains, or prime farmlands?**

   The proposal will not directly affect any environmentally sensitive areas because the NB Districts dinclude critical areas.

   Proposed measures to protect such resources or to avoid or reduce impacts are: N/A

5. **How would the proposal be likely to affect land and shoreline use, including whether it would allow or encourage land or shoreline uses incompatible with existing plans?**

The proposal will not affect any shoreline areas. The same shoreline overlay regulations will continue to apply to development and redevelopment.

Proposed measures to avoid or reduce shoreline and land use impacts are: N/A

6. **How would the proposal be likely to increase demands on transportation or public services and utilities?**

The proposed code amendment is not likely to change demands on the transportation system or public services and utilities. It may result in a shifting of uses and some larger uses than currently allowed.

Proposed measures to reduce or respond to such demand(s) are: N/A

7. **Identify, if possible, whether the proposal may conflict with local, state, or federal laws or requirements for the protection of the environment.**

No conflicts are known or anticipated.

D. **The above answers are true and complete to the best of my knowledge. I understand that the lead agency is relying on them to make its decision.**

Signature Ely Sl

Date Submitted 10/28/2011

Bellevue Planning Commission

November 16, 2011

I live at 3115 103rd Ave NE, a 10 minute walk from the Northtowne shopping center, which is one of the three areas that would be affected by amendment to the NB (Neighborhood Business) Code scheduled for your study tonight. My understanding is that this proposed amendment was precipitated by tenant departures and overall deterioration experienced by the Newport Hills shopping center.

Ladies and gentlemen, I know and shop frequently at Northtowne shopping center. I have visited and observed Newport Hill shopping center. Northtowne is **not** Newport Hills.

Please allow me to point out a few differences.

- If you include the Stods property as part of the Newport Hills complex; Northtowne is half the size.
- Newport Hills is spread out in an area surrounded by ball fields, swimming pools, apartment complexes and single family dwellings; Northtowne is compact and almost solely surrounded by trees and single family dwellings.
- Newport Hills is located on, and accessible from, the intersection of two-lane residential roads, and by foot from all sides, as it is bordered on the other sides by apartment complexes; Northtowne is located on, and accessible by road or by foot, only from one four-lane Bellevue arterial.

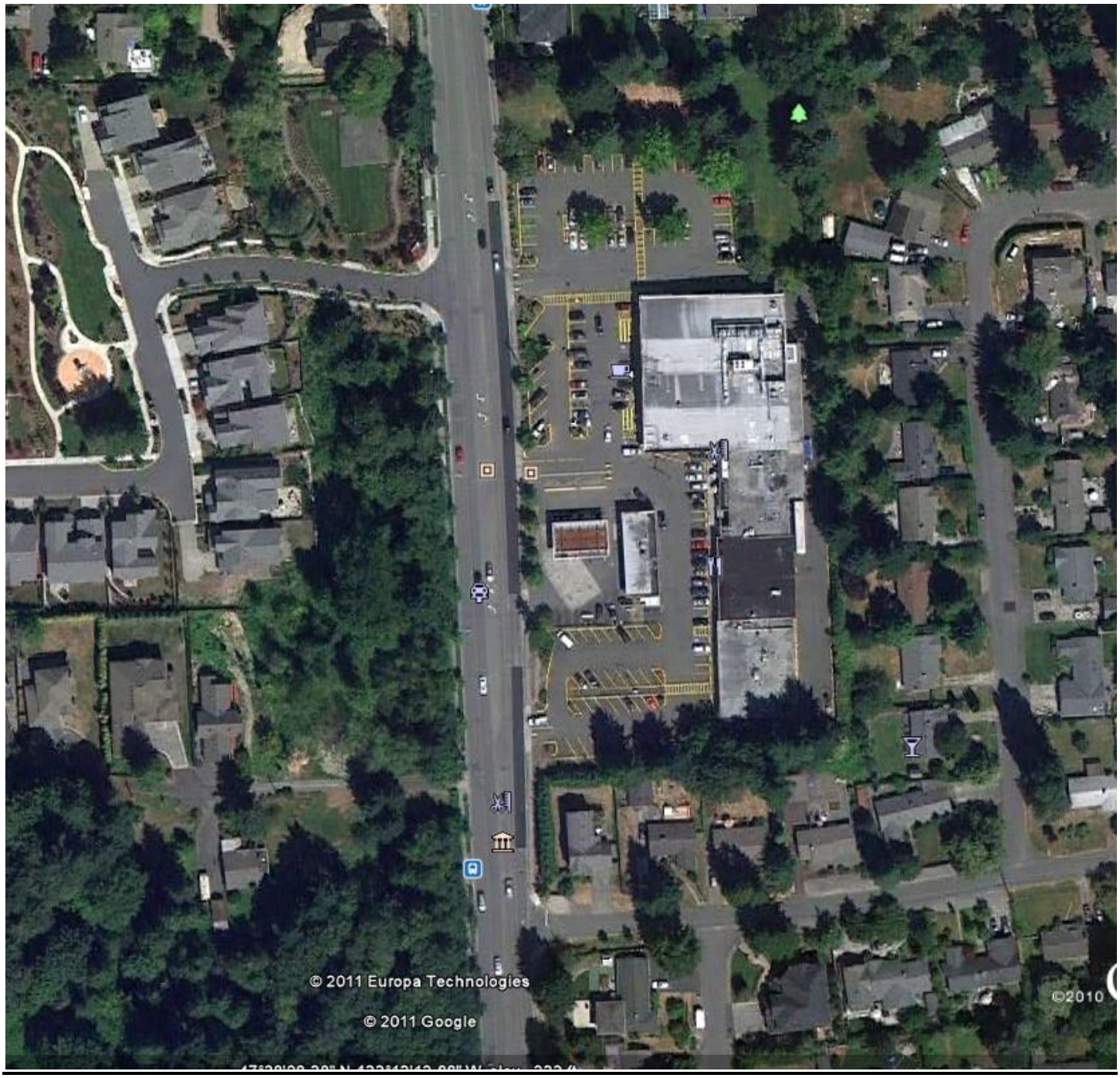
  I want to elaborate on this last point. Due to the SR 520 Bridge Replacement and HOV Program, Bellevue Way, the four-lane arterial I mentioned above, is destined to become a major, if not the only, access road from downtown Bellevue to SR 520. Having lived within sight of this road for 43 years, I can tell you that the growth of Bellevue has made an impact on traffic on Bellevue Way. Future growth will not lessen it, nor will, in my opinion, the attempts being made by WSDOT to ameliorate access issues onto SR 520. For instance, they are adding two traffic signals to the existing signal at the intersection of Bellevue Way and Northup Way. That will be three traffic control signals in only 1100 feet. Add the SR520 project impact to the fact that this arterial is also a major route between Bellevue and Kirkland and points north, and I promise you it is not going to be pretty.

Newport Hills is in trouble. I do not know why. Perhaps it is some combination of economic climate, owner/manager mis-management, poor business location, poor market research, etc. But until the root cause of the problem is fully understood, it doesn't seem appropriate to try to solve the problem. Especially with a "one size fits all" solution, for clearly, Northtowne is not in trouble. It is a healthy, viable shopping complex with a good mix of businesses and good community support. But, it is in potential danger of significant impact from the traffic issues mentioned above and unintended consequences from code modifications not applicable to Northtowne, are a real threat.

Finally, it concerns me that a precedent might be set if the City becomes responsive to economic misfortune in one area and feels obligated to try to apply corrective measures through zoning codes or other means. Once this is done for one area, the City is on the proverbial "slippery slope" and will be obligated to respond to the next applicant and the next, and so on.

I have attached two 'bird's eye view" pictures of Newport Hills and Northtowne shopping centers which illustrate some of the points I have made in my comments for your review.

Richard Thompson

Lake Hills Shopping Center

Northtowne Shopping Center