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TO: Chair Orrico and Members of the Planning Commission

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SUBJECT: Draft Bel-Red Subarea Plan and Land Use Code Amendments
Land Use Plan, FAR Levels, Phasing and Incentives

No formal action is requested at this time. Direction is requested regarding the overall Bel-Red land use plan as it relates to development intensity, FAR limits, phasing and the incentive system.

The July 2 study session will continue the Planning Commission's review of the draft Bel-Red Subarea Plan and related plan and code amendments. This study session is focused on the review of the overall land use plan and FAR (Floor Area Ratio) limits for Bel-Red. It also is an opportunity for the Commission to provide comments on or identify areas of additional review on the non-financially related aspects of the draft regulations for phasing and the incentive system. (Areas of phasing and incentives that overlap with the financial strategy will be reviewed directly by the City Council.)

The goal is for the Commission to be able to complete its review of the Bel-Red amendments by the end of July to enable the City Council to begin its review in September.

Upcoming Reviews and Action

At the July 9 meeting, the Planning Commission will be asked to complete its review and make a recommendation on the plan and code amendments related to the Medical Institution district. The Commission will also be asked to continue review of the draft Bel-Red Subarea Plan and provide direction on the following at the upcoming study session on July 9:

- Existing uses/conditions
- Parking ratios
- Park-n-rides and transit uses
- College uses
- Drive-thrus
- Height limit for RC-3, MO, OR, CR districts
- R district retail uses

Attachments

1. Bel-Red Land Use Plan and FAR Limits
2. Land Use Plan – Steering Committee Discussion and Vision

3. Comparison of FAR Levels
4. Mixed Use Development Potential Comparison
5. Floor Area Ratio Calculation
6. Evaluation of FAR Levels
7. Phasing and Incentive System
8. Bel-Red Review Schedule

Attachment 1

Bel-Red Land Use Plan and FAR Limits

Policy question: *Should the FAR limits be adjusted to facilitate the type of development and mix of uses envisioned for the area? (Outside of economic considerations.)*

Staff recommendation:

- *FAR maximums for the CR and R districts outside of the nodes should be increased to about 1.5-2.0 to foster housing development and development with a better pedestrian/transit environment.*
- *The FAR maximum for the MO-1, OR-1, OR-2, RC-1, and RC-2 districts of 2.5 is sufficient to support transit oriented development. Modest increases in FAR in these districts would continue to be consistent with the vision for the area, would not compete with Downtown and would help maintain differentiation between the node and non-node districts.*
- *FAR maximums of 2.5 for the RC-3, of 1.0 for the MO, GC and OR, and 0.75 for the ORT districts should not be increased.*
- *Ground floor retail space should be exempt in locations where it is required by the design standards (i.e. along the designated portion of 130th Avenue NE; the current proposal to exempt retail space only up to a 60 ft depth should remain for other parts of the Subarea).*
- *The draft code should be revised to make calculation of FAR more understandable.*

At past meetings during the review of the Bel-Red drafts, the Planning Commission has questioned the specific floor area ratios (or FAR) maximums proposed for the various Bel-Red districts. Additionally, the City received a number of public comments suggesting that the FAR levels are too low. While many of the comments relate to the economic feasibility of development (which will be addressed in the Council's review of the financial strategy), some comments suggest that higher FARs are needed to better support a pedestrian oriented and transit oriented land use pattern and the type of building form that was envisioned by the Steering Committee's preferred alternative.

The information presented here discusses a number of factors as to how FAR relates to the Steering Committee vision and recommendation. At the meeting, staff will present photos and illustrations that help to further engage the discussion of FAR levels.

Steering Committee Discussion

The Steering Committee recommended a series of development nodes centered around the planned light rail transit stations that would include different mixes of uses, an extensive suite of pedestrian amenities to facilitate transit use and create walkable neighborhoods, and densities that are transit supportive, while different in form to much of Downtown and other parts of the City.

While the station area nodes were envisioned to be the areas of greatest land use intensity, the Steering Committee proposed land use changes in areas outside of the nodes that would further

the goal of providing opportunities for housing and enhancing currently degraded stream corridors. Lower in intensity than the nodes, some areas outside of the nodes would include new stand-alone housing and also mixed-use developments. The Steering Committee advocated for little change in the NE 20th Street retail corridor, retaining areas for auto-oriented retail uses and services, and the area south of Bel-Red Road was continued to be seen as an area of transition. The Steering Committee discussion of land use intensities is described in more detail on Attachment 2.

Translating and Calculating FAR

Specific FAR levels were discussed by the Steering Committee and evaluated in the environmental documentation. However, it is recognized that there are a number of challenges in translating a vision for an area into an FAR number. First, an FAR number is abstract and difficult to understand on its own. FAR is calculated in different ways by different jurisdictions (and even within the same jurisdiction in some cases) in ways that could result in widely different numbers for the same form of development. Therefore, one may have a mental image of an FAR level that actually equates to a different FAR depending upon a city's regulations. Attachment 3 provides a comparison of different FAR levels to help translate an FAR to a building type or form. Attachment 4 compares the development potential permitted in various locations in the greater region.

As proposed, the Bel-Red code calculates FAR using a combination of building area, minus exceptions, and site area with inclusions that is consistent with the approach used for Downtown, but different in some ways from that used by other cities. The Bel-Red code provides exceptions for floor area dedicated to affordable housing, public restrooms, and community/non-profit uses. The draft code also provides exceptions for ground floor retail space up to a depth of 60 ft (a typical retail depth) in a multi-story, multi-use building, and for indoor plaza space meeting specific criteria (20.25D.080.B.3, page 38). Additionally, above ground structured parking area and all below ground building and parking area is not counted as part of the building area for FAR. Attachment 5 provides illustrations and examples of calculating FAR. Bellevue has historically not included structured parking in FAR as it does not directly contribute to the intensity of the activity.

The intent is that those portions of the building that contribute directly to public objectives (such as affordable housing) or that are needed to meet requirements (such as required ground floor retail space) should not count against the overall development opportunity, provided that the increases from the exceptions don't overwhelm the intended vision for the area's building form.

In addition to providing building area exceptions, the draft code allows right-of-way and park and open space dedications to be included in the calculation of the site area. Transfers of FAR from park and open space from anywhere within Bel-Red may only be transferred to the MO-1, OR-1, OR-2, RC-1, and RC-2 districts to ensure that transfers support the objective of focusing density in the node areas. Allowing transfers from outside of the nodes into the nodes will help encourage stream restoration and open space dedication by allowing use of FAR from open space sites to be transferred into node areas where it can be used more effectively. The draft proposes to limit transferred floor area to an effective FAR of 3.0. (20.25D.150.D, page 73)

To ensure that the code doesn't discourage potential retail uses from areas along 130th Avenue, where it is designated as a retail street, staff recommends modifying the exceptions to not count any of the first floor retail space in those locations (see map on page 53). It is also recognized that the current draft lists building area exceptions and the site calculation code in two different areas and that the code should be revised to make it easier for the reader to follow the calculation steps for FAR.

Staff recognizes the complexity in calculating FAR and translating it to a particular building form. The use of exemptions and lot area calculations as proposed, is intended to both facilitate policy objectives as well as maintain consistency with Downtown calculation methods. In a subsequent process it may be appropriate to conduct a citywide review of how FAR is calculated to consider making the FAR calculation process easier and more straightforward.

Why Use FAR?

Considering the complexity of calculating FAR, why use FAR as a measurement of intensity? In other instances, cities use heights and setbacks to create a building envelope that controls the size of development. And in some cases, cities combine the use of a building envelope with a limit on dwelling units per acre (du/acre). Using FAR has an advantage in that it allows a city to regulate the overall mass of a building, while recognizing that buildings have many different shapes. Since FAR can be calculated independent of use, it doesn't require one unit of intensity for residential (du/acre) and some other measurement for commercial space. In this way, it makes measuring, planning for and monitoring building space more effective, especially in mixed use environments. FAR can be used in and out of nodes allowing comparison between the areas. Being able to track the FAR of development across lines of use and districts will aid the community as it evaluates the implementation of the plan and considers future updates.

FAR can also be used to encourage architectural flexibility and variety. Whereas some communities use FAR as an overall cap above a basic building envelope, the draft Bel-Red code purposefully implements an FAR less than full utilization of heights and setbacks. In other planning environments when heights and setback are used as the primary limiters, development will often maximize the utilization of its building envelope, resulting in a building form that closely matches the rectangular, blocky shape prescribed by the code. With FAR as the primary limiter and combined with floor plate restrictions at different heights, architects have choices about how to allocate the FAR across a site. Many will choose to use taller buildings with greater open space at ground level and between buildings.

Staff recommends not including any open ended exemptions to FAR, such as for all residential uses as suggested in some comments, as it would defeat this objective of encouraging better building form.

Evaluating FAR

In consideration of comments about what FARs are appropriate to support the vision recommended by the Steering Committee and pedestrian and transit oriented development, staff assembled the following chart that outlines support for higher and lower FARs. (This evaluation is independent from whether or not FAR levels are economically sufficient to facilitate development. Review of the economic potential of the Subarea will be conducted by the City

Council as part of its consideration of the Bel-Red financial strategy. At a later stage, any variance between the FAR levels recommended by the Planning Commission and those identified as part of the finance/incentive recommendations will be reconciled.)

The Attachment 6 shows the reasoning for considering FAR levels in and outside of the nodes in Bel-Red, in certain districts. This is based on consideration of the land use pattern, urban design, and recommendation of the Steering Committee.

Attachment 2

Land Use Plan – Steering Committee discussion and vision

Transit-Oriented Development Nodes

Within nodes is envisioned a mixed use development pattern near potential future light rail stations, with an extensive suite of pedestrian amenities to facilitate transit use and create walkable neighborhoods. The Steering Committee recommended allocating the most intensive general office development and some housing potential to the western portion of the Subarea near the 122nd Avenue NE node to relate to downtown Bellevue, to existing and proposed



transportation infrastructure, and to minimize the potential for spillover parking and traffic into adjacent neighborhoods. A node with a greater emphasis on residential uses was recommended to be located near the potential station at 130th Avenue NE, where new neighborhoods could be developed around existing and planned retail, services and amenities. Near the Overlake Hospital and Group Health Medical Center, a node of development would include largely the hospitals and medical-related office buildings. Development types and intensities in the nodes were envisioned to be similar to those of Portland’s Pearl District, Seattle’s South Lake Union, and San Diego’s Little Italy.



The Steering Committee supported providing adequate Floor Area Ratio (FAR) to development in nodes to support transit, to create building types that are unique in Bellevue, and to complement the office and

residential development in downtown Bellevue. An FAR of 2.5 was discussed and recommended for development in the nodes – this could result in a building of similar intensity to the One-twelfth at Twelfth Building that houses CH2Mhill in Downtown Bellevue. This FAR would be achieved by participation in an amenity incentive system.



A pedestrian-oriented retail street, largely located within the 130th Avenue NE node, would be a mixed use environment with a continuous façade of pedestrian friendly small-scale retail uses on the ground floor of buildings that include several stories of residential use. The Steering Committee looked to Main Street in Old



Bellevue as an example, as well as to some of the neighborhood business districts in Seattle and Portland.

Outside of nodes

- Transformational areas: While nodes were envisioned to be the areas of greatest land use intensity, the Steering Committee proposed land use changes in areas outside of the nodes that would further the goal of providing opportunities for housing and enhancing degraded stream corridors. Lower in intensity than the nodes, land use in transformational areas would include new stand-alone housing and also mixed-use developments.

- Stand-alone housing was seen as a preferred use in several areas outside of nodes where there are views and potential open space amenities along the West Tributary and Goff Creek. Housing types would take on various multi-family forms from multi-family row-houses to stacked flats.



- New housing in the Bel-Red area would also be mixed with offices or retail uses in areas generally east of the 130th Avenue NE node, capitalizing on Highland Park and contributing to new amenities and improved stormwater management. Transformation of this auto-oriented retail district would replace areas of surface parking with structured parking beneath several stories of commercial and residential development, in a manner similar to Kirkland's Juanita Village.



- Stable areas
 - Little change in the vision was recommended for the NE 20th Street retail corridor - retaining areas for auto-oriented retail uses and service uses. Development would be similar in intensity to that allowed by the current Code.
 - South of Bel-Red Road, the Steering Committee recommended adding housing to the low-intensity office uses in this area adjacent to residential neighborhoods, but not adding to the intensity currently allowed.

Attachment 3

Comparison of FAR Levels

FAR*	Res. DU/acre	Comparable Zone	Typical Building Type	Building Area for a 100,000 SF site (SF)	Notes
0.35	14	R-15, GC	single story retail residential townhomes	35,000	retail parking demand limits single story retail to about 0.35 FAR
0.5	20	R-20, O, OLB	2/3 story apartments with surface parking most non-Downtown office buildings, such as City U and Advanta, with a combination of surface and under-building parking	50,000	
0.75	30	R-30	3 story apartments with surface parking proposed SRO Factoria office building with a combination of surface and underground parking	75,000	0.75 is near the limit for residential buildings with surface parking Bellevue's highest density outside of DT 30 DU/acre supports 10 minute transit headways
1.0	40	N/A	Newport Corporate Center, Paccar	100,000	increase density may not be sufficient to support structured parking at this level
1.5	60	N/A	older DT office buildings, such as Bellevue Corporate Plaza (Honeywell) with combination of surface and structured parking	150,000	built below maximum zoning for area
2.0	80	N/A	older DT office buildings, such Key Bank Plaza, about ten stories with structured parking	200,000	FAR of 2.0 supports employment density for 10 minute headway transit service
3.0	120	N/A	newer office building on DT edge, such as CH2MHill building	300,000	low end of DT's max FAR levels

*These example FARs are based on simple scenarios of total building area relative to total site area and are not adjusted for right-of-way or open space dedication or building area exceptions. The effective FAR under the proposed regulations could be on the order of 20% greater than the FAR levels shown here, not including structured parking areas.

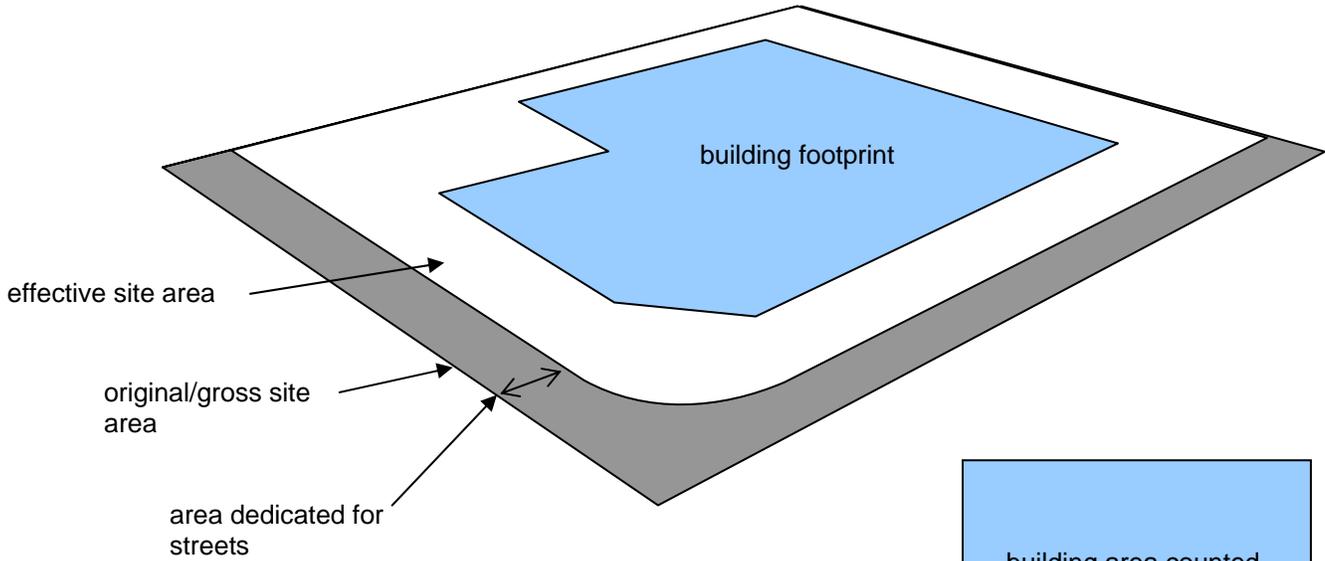
Mixed Use Development Potential Comparison

	Portland Pearl District	Portland Lloyd District	Portland -Outside Central City	Seattle / Ballard	Seattle So Lake Union	Redmond Cornerstone sites	Redmond Group Health	Bel-Red Node
Max FAR	6	6	4	4.5	5	4	4	2.5
Exempt	Flr area 4 ft or more below grade	Flr area 4 ft or more below grade	Residential SF Min and max du/sf of site area applies	Below grade floor area	Structured parking Mechanical up to 15%	Mech area, stairwells, parking, lobbies, atriums	Mech area, stairwells, parking, lobbies, atriums	Structured parking Mech area Ground flr retail Active rec area Public restrooms Nonprofit/comm space Affordable housing
Bonus – above max	Up to 3/1 for housing. Less for other features.	Up to 3/1 for housing. Less for other features.	3/1 for Landmark sites	0	0	0	0	.5 for Parks/Open Space MO-1, OR-1, OR-2. RC-1, RC-2 only.
Height	100	150	100	85	125	9 stories (95)	12 stories (125)	150
Bonus -above max	75 ft max through combination of features. Housing highest	75 ft max through combination of features. Housing highest	0	0	0	0	0	0
Ht Transfer	100 ft max for open space transfer. Not additive with bonus	100 ft max for open space transfer. Not additive with bonus	0	0	0	0	0	0

Note:
 Mechanical, elevator, stairwell approximately 10% of gross floor area.
 Parking approximately 350 sf/stall.

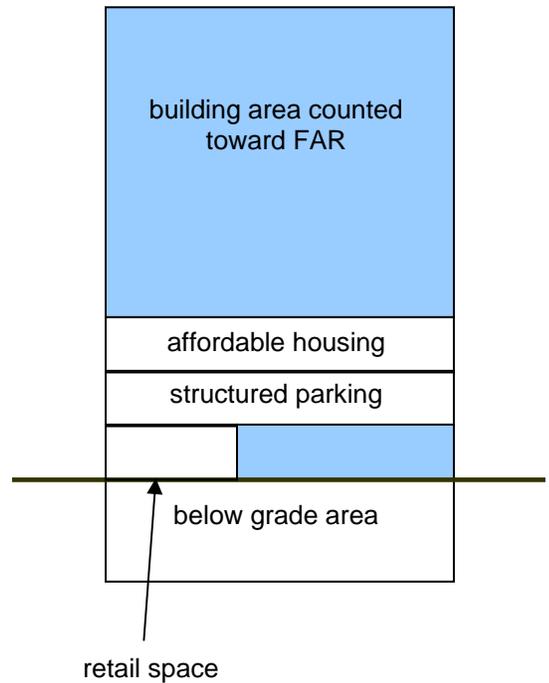
Attachment 5

Floor Area Ratio Calculations



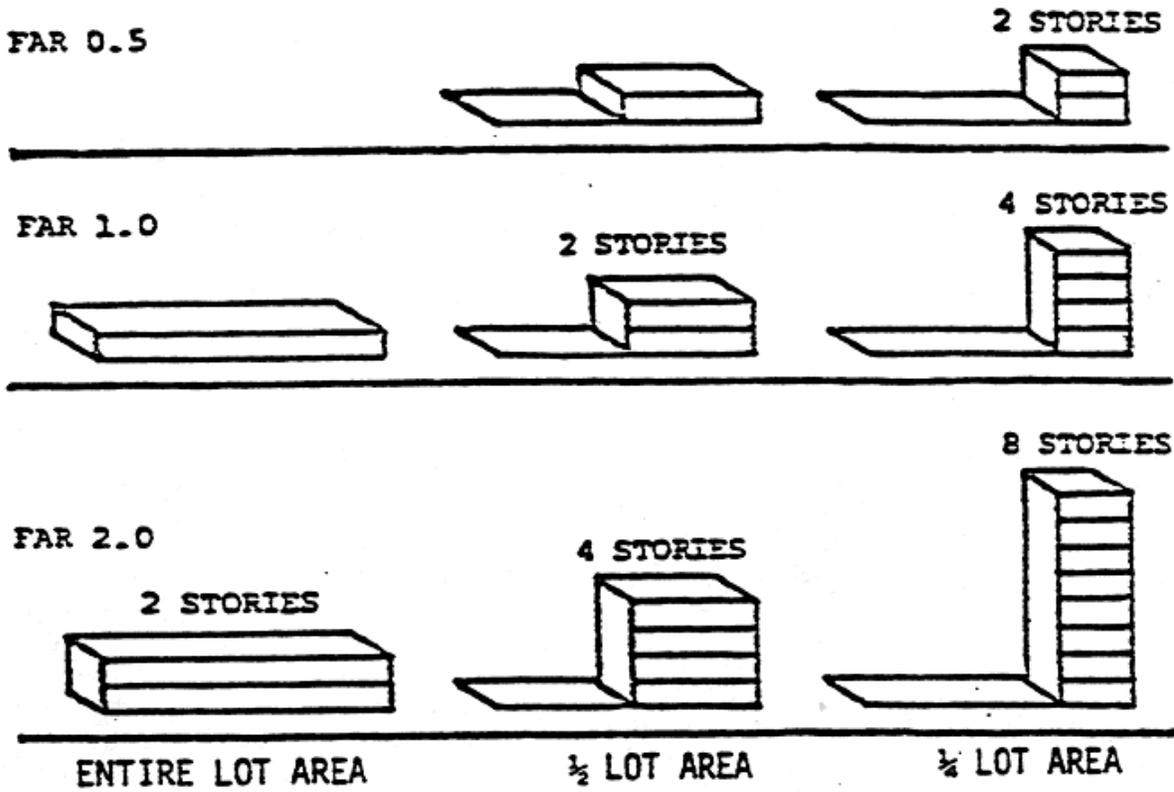
Example Calculations

Allowed FAR	2.5	2.5
Gross site area (SF)	200,000	200,000
Allowed building area (SF)	500,000	500,000
Example of exceptions, such as affordable housing (SF)	50,000	0
Total building area	550,000	500,000
FAR with exceptions	2.75	2.5
Area dedicated to streets	15,000	15,000
Effective site area for lot coverage	185,000	185,000
Effective FAR w/o ROW	2.97	2.70



Above grade structured parking and all below grade building areas not counted in FAR

Exhibit 23.84.012 A
Floor Area Ratio



Attachment 6

Evaluation of FARs

Support for Higher FAR	Support for Lower FAR	Conclusion
Outside of Nodes		
<ul style="list-style-type: none"> • Allows for greater transformation • Steering Committee considered housing densities up to 60du/acr, which translates to 1.5-2.0 FAR • Support greater residential development, which benefits jobs/housing balance • Steering Committee envisioned housing development outside of nodes • Greater amount of development may result in stream restoration • More areas would meet modern development and environmental standards • May create broader opportunity to use the incentive system • At 1.0 density may not be sufficient to support cost of structured parking 	<ul style="list-style-type: none"> • Lower FAR outside of nodes helps to focus development in the nodes where activities and transit can be focused • Vision is not for lots of change in some area, such as along NE 20th Street, south of Bel-Red Road • Higher FAR outside of nodes could result in development that is more spread out and more in the eastern areas (road network is prioritized for west to east development) • Could result in less distinction between node and non-node areas 	<ul style="list-style-type: none"> • FARs of 1.5-2.0 would be appropriate in the CR and R districts to encourage greater low and mid-rise residential development • No change recommended to the FAR limits in the GC, ORT, MO, or OR districts
Inside Nodes		
<ul style="list-style-type: none"> • Higher FAR could be used as an additional incentive • Modest increase would have limited competition with Downtown • Comments were generally in support of increasing FAR • Could increase FAR without needing to increase height limits 	<ul style="list-style-type: none"> • Starting principle of don't compete with Downtown • Vision of land uses different from Downtown • FARs that are too high would overlap significantly with Downtown, especially if at a level that would require taller height limits • Economic forecast doesn't predict sufficient development to support large FARs 	<ul style="list-style-type: none"> • Modest increases in FAR in MO-1, OR-1, RC-1, and RC-2 districts would support vision and have limited overlap with Downtown • 2.5 FAR should be maintained in RC-3 (East End) node, where lower height limits are proposed

Attachment 7

Phasing and Incentive System

Policy question: *Outside of the financial aspects of the phasing regulations and incentive system, does the Commission wish to provide the Council with comments on these regulatory components or identify parts for additional review?*

Staff recommendation:

No additional changes. Phasing and incentives are key components of the Bel-Red code framework. In addition to being integral with the financial plan for the Subarea, they reflect the recommendation of the Steering Committee and respond to community interest to link development to the provision of transit and to use incentives to encourage investment in public infrastructure and amenities.

At past meetings, the Planning Commission expressed interest in the phasing and incentive systems. While these two items are part of the Land Use Code amendments being considered by the Planning Commission, it is recognized that they are directly integrated with the Bel-Red financial strategy that is being developed and reviewed by the City Council. Due to the integral nature of the phasing and incentive, the Commission is not asked to review the financial/economic aspects of these code sections. However, the Commission may wish to identify non-financial aspects of these code sections for further review.

Phasing

The phasing requirements are listed in section 20.25D.040 of the draft on page 5 and include three parts. The first part, limiting development in relationship to a financial mechanism is clearly tied to the financial strategy review and staff recommends no additional review by the Commission. Subsections B and C link commercial development levels with the provisions of the Bellevue-Redmond agreement (BROTS) and the development of high capacity transit service. These latter two phasing requirements are consistent with community expectations of synchronizing transportation development with commercial development and are needed to support the implementation of the BROTS agreement. Staff recommends no additional changes to the phasing requirements. If, during the Council's review of the financial strategy, the Council determines that the financial plan sufficiently ensures infrastructure development the Council could choose to modify subsection A that restricts initial development in some node districts.

Incentives

Similarly, the incentive requirements and ratios are integral to and will be largely reviewed within the Council review of the Bel-Red financial strategy. The incentive system includes a range of public amenities that focus on affordable housing and parks and open space, consistent with the Commission's direction and project priorities. The Commission may choose to identify aspects of the incentive system (not related to the financial strategy) for further review or provide comments on the public amenities proposed to be included in the incentive system. Those sections could be brought back at a meeting later in July, as needed.

Attachment 8

Planning Commission Bel-Red Review Schedule

Potential Planning Commission dates	Bel-Red
July 2	<p>Discussion and direction: Overall land use plan FAR limits Phasing (Council direction on financial strategy) Incentive system (Council direction on financial strategy)</p>
July 9 (regular meeting)	<p>Deliberation and Action: make recommendation on MI district amendments</p> <p>Discussion and direction: Existing uses/conditions Parking ratios Park-n-rides and transit uses College uses Drive-thrus Height limit for RC-3, MO, OR, CR R district retail uses</p>
July 16	<p>Discussion and direction: Confirmation of overall land use plan and map Housing policy targets and related issues NE 15th/16th corridor design options Design standards maps</p>
July 23 (regular meeting)	<p>Discussion and direction: Revised draft amendments Regional TDR Follow up on outstanding issues Technical changes</p> <p>Deliberation and Action: make recommendation on Bel-Red amendments</p>
July 30 (if needed)	<p>Deliberation and Action: additional opportunity to make recommendation on Bel-Red amendments, if needed</p>