

CITY OF BELLEVUE
BELLEVUE TRANSPORTATION COMMISSION
MINUTES

September 28, 2006
6:30 p.m.

Bellevue City Hall
City Council Conference Room 1E-113

COMMISSIONERS PRESENT: Chair Young, Vice Chair Yuen, Commissioners Bell, Glass, Holler

COMMISSIONERS ABSENT: Commissioners Northey, Wendle

STAFF PRESENT: Eric Miller, Goran Sparrman, Kristi Oosterveen, Chris Dreaney, Department of Transportation; Patti Wilma, Department of Planning and Community Development

GUEST SPEAKERS: None

RECORDING SECRETARY: Gerry Lindsay

1. CALL TO ORDER

The meeting was called to order at 6:32 p.m. by Chair Young who presided.

2. ROLL CALL

Upon the call of the roll, all Commissioners were present with the exception of Commissioners Northey and Wendle, both of whom were excused.

3. STAFF REPORTS

Capital Programming Manager Eric Miller informed the Commission that at its September 18 meeting the City Council awarded the construction contract for Phase I of the 145th Place project, which was the top recommendation of the Neighborhood Investment Strategy. Phase I covers the area between SE 8th Street and SE 16th Street; Phase II is the Commission's top recommendation for the CIP update.

Department of Transportation Director Goran Sparrman said the Council had a good discussion on September 25 about how to proceed with the Sound Transit East Link project. The Council previously voted to recommend light rail as the technology for the project, which connects downtown Seattle with downtown Bellevue, Overlake, and downtown Redmond. The Sound Transit environmental scoping process ends on October 2, following which a very detailed environmental analysis under both SEPA and NEPA will be conducted. The city has sent out a scoping letter commenting on the alternatives, station placement, and the purpose and needs statement.

Mr. Sparrman said Bellevue has for some time been pushing Sound Transit staff to find ways to better engage with the local community. Until just recently there was little more to go on than rumors and speculation. It is still very early in the process and there have been no decisions made about alignment; there are in fact a very large number of possible alignments

under consideration. In the last four months Sound Transit has stepped up the public process. They have conducted four major scoping meetings, one of which was in Bellevue and had some 200 in attendance. At the request of Bellevue, Sound Transit organized a meeting for the neighborhoods in the South Bellevue area; that meeting was held on September 27 and provided opportunity for the residents to ask questions and receive answers.

The Sound Transit board is scheduled to narrow down the number of alignment alternatives by December. Their selections will be carried forward into the environmental process to be studied in detail to about the five percent engineering level, which includes impacts, costs, ridership and other benefits. When the board selects a preferred alternative in about 18 months, they will have solid, factual information to go on.

There is to be a public vote on the Sound Transit Phase II/Regional Transportation Investment District in November 2007. It is anticipated that the East Link project will be part of the overall package; hopefully improvements to the Alaskan Way Viaduct, SR-520, I-405 and SR-167 will also be included.

Mr. Sparrman said the Council wants to be sure the public and the various stakeholder groups in Bellevue have an appropriate amount of involvement in helping to shape the city's recommendations to the Sound Transit board regarding the East Link project. The Council discussed a range of options, from doing nothing other than to have staff work with Sound Transit staff, to having a very organized citizen advisory committee focused on the process. The Council concluded that the city's boards and commissions should play a role, particularly the Transportation Commission, the Planning Commission, and the Parks and Recreation Board. Staff was directed to develop a couple of models for the Council to consider; that work will be done in the coming weeks.

Answering a question asked by Chair Young, Mr. Sparrman said the Sound Transit board retains the final decision-making authority for its projects. However, it would be hard to imagine a situation in which the Sound Transit board would not want to be responsive to the desires of Bellevue, the biggest city the East Link project will pass through.

Commissioner Bell asked if staff will be seeking input from the Commission relative to the model to be used for getting the city's boards and commissions involved. Mr. Sparrman said probably not. He said for some time it has been the position of the Council that the boards and commissions will not play a role in regional decisions. Commissioner Bell suggested the Commission should have some input in developing the process.

4. COMMUNICATIONS FROM CITY COUNCIL, COMMUNITY COUNCILS, BOARDS AND COMMISSIONS – None
5. REPORTS FROM COMMISSIONERS

Commissioner Yuen said he attended the recent open house event for the I-405 project.

6. PETITIONS AND COMMUNICATIONS – None
7. STUDY SESSION
 - A. NE 8th Street Pedestrian Bridge

Mr. Miller read into the record an email from Commissioner Wendle concerning the NE 8th Street pedestrian bridge. In the email, Commissioner Wendle allowed that the question of whether or not to permit pedestrian bridges is a Council decision and an urban design question, but suggested that where they are permitted the design should consider pedestrian visibility and safety. Access to the garage is two-way; the easternmost driveway was the site of a pedestrian fatality two years ago. Drivers leaving the driveways on 108th Avenue NE often do not look right, and columns for a pedestrian bridge could further block drivers' views of pedestrians, or pedestrians' views of vehicles coming out of the garage.

Land Use Planning Manager Patti Wilma said Kemper Development Company recently submitted a proposal for the second of what could potentially be eight pedestrian bridges in the downtown. The first bridge connects Lincoln Square with Bellevue Square over Bellevue Way, and the most recent proposal is intended to cross NE 8th Street and connect the second level of Lincoln Square to Bellevue Place.

The Commissioners were shown schematic drawings and photo simulations of the proposed pedestrian bridge. Ms. Wilma noted that the structure sweeps diagonally across NE 8th Street. The design includes a wishbone-shaped vertical support column at the street level located at the back of the sidewalk; the bridge connects to Lincoln Square without any structure at the sidewalk. In order for the bridge to be more visible for pedestrians on the sidewalk, the city will require signage and architectural elements at the street edge.

Ms. Wilma said construction permits for the structure are expected to be issued in about a month, and the bridge is expected to be installed by the time Eddie Bauer takes occupancy of the Lincoln Square office building in the spring of 2008. She noted that another tower is planned for the Bellevue Place site, which is one of the reasons the pedestrian bridge is needed.

Chair Young asked if the pedestrian bridges are being designed to meet all minimum clearance standards. Ms. Wilma said the minimum clearance required is 16 feet, but all such structures must also meet all transportation safety and sightline requirements. The bridges are designed to permit emergency vehicles to pass under them, but there may be some challenges for larger vehicles such as cranes. The NE 8th Street bridge will have a clearance of 21 feet.

Commissioner Bell suggested that visually the support structure for the bridge should be the same as the front of the building. As drawn, it looks out of place.

B. 2006 Concurrency Report

This item was rescheduled.

C. Transportation Impact Fee Update Process

Mr. Miller said the impact fee update process is connected to the 2006-2017 Transportation Facilities Plan (TFP) update process. He explained that the ordinance that authorized the impact fee program was passed in 1989. It identifies the TFP as the city's long-range improvement program. The first impact fees were implemented in 1990; the fee structure was updated in 1995, 1999, 2002, and 2004. The program assesses private development for a portion of the cost of system improvements needed to mitigate the cumulative impacts of

growth.

Mr. Miller said the Transportation Commission is required by city code to present a TFP update to the Council every two years, then within six months must present an updated impact fee project list and a new impact fee schedule to the Council for review and adoption.

The 2006-2017 TFP update process was kicked off just over a year ago with project identification, evaluation and prioritization. On November 10 a public open house was held, and on December 1 the Commission approved and forwarded to the Council the preliminary TFP project list. On May 11, 2006, the Commission amended the TFP project list to add the NE 4th Street extension project.

Staff is currently in the EIS stage and hopes to publish a draft in October. The Council agenda for October 23 includes a study session update on both the TFP and impact fee processes. The EIS comment period will expire 30 days after the draft document is published, and the final document will be released prior to Council adoption of the TFP, the impact fee project list, and impact fee schedule before the end of the year. The Council could act on all three elements at the same time and implement the new impact fee schedule on January 1, 2007.

The principles utilized over the years in developing the impact fees have included keeping things simple and straightforward; maintaining proportionality between the fees and the developer share of project costs; maintaining neighborhood equity; and keeping fees competitive with other jurisdictions. In addition, the direction of the Council in 1989 was that the average impact fee should not exceed \$3.00 per square foot; adjusted for inflation, that figure for 2006 would be \$5.35 per square foot.

Mr. Miller said the current fee structure was adopted by the Council in November 2004. The citywide average is \$1.14 per square foot, and \$469.00 per PM peak trip. Those fees are the lowest in the history of the program.

Several months back staff presented to the City Attorney's Office several interpretation questions based on city code. One of the questions on the list was focused on what project costs and revenues may be included in impact fee project costs, such as local revenues, all revenue sources, project costs in the TFP plan years, and total project costs. Mr. Miller explained that the current fee schedule and project list includes only city of Bellevue revenues and excludes all outside revenue sources.

Mr. Miller referred to the first page of the TFP project list, noting that first on the list is the Northup Way project. He commented that the project will actually be much more expensive than shown; the \$4 million is only a placeholder. The interpretation was that fees can be calculated based on the placeholder amount or the total project cost. Even though the total project dollars are not projected to be in hand during the 12-year life of the TFP, it is possible that grants could come in, or that a decision could be made to fund the project with additional local dollars beyond the TFP plan period.

Another question for which an interpretation was asked focused on what projects may be included, current TFP capacity projects only, or recently completed projects. In the past, only projects in the current TFP have been used for calculating impact fees, but the code says fees may be collected for system improvement costs previously incurred by the city to the extent that new growth and development will be served by the previously constructed improvements.

Access Downtown serves as one such example. The project is completed and will no longer be shown in the TFP, but according to the interpretation developers in the pipeline will put additional trips on the system and will benefit from the Access Downtown package of projects and as such can be asked to pay their fair share.

Mr. Miller stressed that staff is only developing a list of scenarios for consideration and has not reached a decision as to which approach to recommend.

The first scenario continues the current city practice of including only the current capacity projects, local revenues, and only the costs shown on the adopted TFP project list. The second scenario adds to that list non-local funding and the total costs for projects, and the third scenario adds capacity projects that have been completed and which would otherwise be removed from the TFP list.

Chair Young asked if by including recently completed projects the base is in effect double counted, given that those projects were already included once in the calculation of the fee schedule. Mr. Miller said that would be the case, but stressed that based on the interpretation that such projects will continue providing capacity for new development to use, the city can continue to charge for those projects. Still unaddressed is the policy question of how long such projects should remain on the list.

Under the first scenario, the average would be \$1.76 per square foot and \$698 per PM peak trip. Scenario 2 would increase the average per square foot to \$3.71 and the cost per PM peak trip to \$1474. Scenario 3 would increase the average fee to the highest level at \$4.21 per square foot and \$1676 per PM peak trip. Even under Scenario 3, the fees would not be greater than the not-to-exceed amount adjusted for inflation.

Development Review Manager Chris Dreaney said two significant factors went into the creation of the impact fee system in 1989, the mandate from the Council that the fee should not exceed \$3.00 per square foot, and the need for developers to pay a fair share. She shared with the Commission a chart comparing the total impact fee project list cost against the developer share for 2002 and 2004, the years the impact fee schedule was last updated. In 2002 the impact fee project cost totaled \$167 million, and the developer share was 17.2 percent. In 2004 the impact fee project cost totaled \$94 million, and the developer share was 14.3 percent. Under Scenario 1, the impact fee project cost for 2006 is \$87 million and the developer share is 16.8 percent; the impact fee project cost for Scenario 2 is \$171 million and the developer share is 16.7 percent; and the total impact fee project cost is \$210 million under Scenario 3, with the developer share at 18 percent.

Ms. Dreaney said the developer share is determined by a model that includes land use assumptions and regional growth forecasts focused out 12 years. The impact fee rate chart is created by taking the developer share and assigning it across the city in terms of the locations of improvement projects, and through modeling coming up with a dollar per trip figure. The result is used to create an area-specific rate chart applicable across the city. There are 48 different uses on the chart. Any developer can then look to the chart, align the type of use contemplated with the area, and know exactly what the fee will be.

Mr. Miller commented that the TFP includes a very specific revenue projection for the 12-year period; the sources of revenue include general funds, impact fees, real estate excise tax, and transportation business and occupation tax. The conservative approach is always taken in

forecasting revenues from impact fees. For the 2006-2017 time period, the projection is for \$3.9 million from impact fees. Scenario 1 would bring in an estimated \$5.8 million; Scenario 2, \$12.2 million; and Scenario 3, \$13.9 million.

Mr. Miller said if the revenue projections from impact fees were updated, they would be revised upward given the level of development activity currently going on in the city. The amount actually collected in 2003 was \$223,000; in 2004 the amount was \$546,000; and in 2005 the total was only \$132,000. Staff is concerned about collecting even less than the conservative estimate, though to date in 2006 the impact fees collected total almost \$1.2 million, a testament to the fact that things can turn around quickly. The most ever collected in a single year from impact fees was \$2.3 million in 2001.

Ms. Dreaney provided the Commissioners with examples of impact fees for various land uses. She noted that under the current approach, the fee for single family homes ranges between \$332 and \$512. Under Scenario 1, the range would be between \$487 and \$750; under Scenario 2 the range would increase to between \$1029 and \$1584; and under Scenario 3 the range would be between \$1169 and \$1800. She stated that fees for multi-family units are typically lower than for single family homes, which reflects a lower trip rate; under the current approach the per-unit cost ranges between \$152 and \$273, whereas the range would be between \$237 and \$400 under Scenario 1, \$501 and \$845 under Scenario 2, and between \$569 and \$961 under Scenario 3.

Continuing, Ms. Dreaney said the range of impact fees for a 30,000 gross square foot miscellaneous retail development under the current approach is between \$11,400 and \$17,700 under the three scenarios, the average fee would increase to a low of \$16,000 under Scenario 1 to a high of \$62,400 under Scenario 3. Where the average impact fee for 100,000 gross square feet of office is between \$61,000 and \$110,000 under the current approach, the average would increase to a low of \$96,000 under Scenario 1 to a high of \$386,000 under Scenario 3.

Ms. Dreaney noted that the impact fees under each of the three scenarios is well within the ballpark range of other jurisdictions on the Eastside. The city of Sammamish currently charges the highest impact fees and is considering legislation that would increase their fee to \$23,000 per home.

Commissioner Glass commented that impact fees for office in the downtown area are near the high end of the spectrum, while the fees charged for multi-family in the downtown area are near the low end of the spectrum. Ms. Dreaney said a number of factors figure in, including trip lengths. Credit is given to office projects in the downtown area to account for CTR trip reductions. Mr. Miller added that the fees in the downtown area are near the low end of the range for multi-family development. The downtown area is where most of the growth in the city is projected to occur, and thus the per-unit cost is lower.

Commissioner Glass asked if it is really necessary to include 48 different uses on the fee schedule. Ms. Dreaney allowed that simple is the goal. She said while it took a great deal of work to get all the information together in the first place, it is not difficult for staff or developers to determine a rate for any of the 48 uses because all of the information is included in a spreadsheet. In addition, the city has the legal obligation to show the fees are as specific as possible.

Commissioner Bell asked if the city's project estimates are keeping current with the increase in

inflation. Mr. Miller said the city is doing the best it can. The engineering estimates are increased fairly regularly based on the most recent contract awards and bid openings, both locally and regionally, but it is admittedly difficult to keep up.

Commissioner Bell commented that a single development project can have a tremendous impact on a Mobility Management Area, while another may have little or no impact, even though the trip rates are equal. That appears to be an equity issue within the system. Ms. Dreaney said as the impact fees are collected, choices can be made about where they are spent; the city has the legal option to pool the funds and spend them on a single project, but over the years the philosophy has been to allocate the money to projects that will most closely benefit the projects that generated the fees.

Chair Young held that Scenario 3, which includes recently completed projects, opens up the whole question of where the cutoff should be. Mr. Miller said taking that approach would certainly be a policy decision. He admitted that there are problems with every scenario to one degree or another. Chair Young said he would like the Commission to explore the rationale for including prior years, and how long such projects should be kept on the list.

Commissioner Bell suggested that if Scenario 3 is selected, there should be some controls imposed.

Mr. Miller said there are always discrepancies between the projected impact fee revenues and what is actually collected. While staff is conservative in its estimating, the projection does not positively or negatively impact the funds actually collected.

Mr. Miller said the issue will be presented to the Council for discussion and direction on October 23. It was agreed the Commission should schedule an additional discussion on October 12.

8. OLD BUSINESS – None

9. NEW BUSINESS

Commissioner Yuen asked what has become of the pedestrian/bicycle CAG.

Commissioner Glass said he has attended every meeting of the group he was made aware of. He said it was his understanding the city was going to do something to formalize the group and that that has not yet been done.

Mr. Miller said he will follow up and report back to the Commission as to whether or not the group has been meeting.

Chair Young asked the Commissioners to review the handout regarding guidelines and protocols for boards and commissions in terms of communications and take the information under advisement.

10. PETITIONS AND COMMUNICATIONS – None

11. APPROVAL OF MINUTES

A. July 27, 2006

Chair Young called attention to the paragraph on the first page under Roll Call and proposed revising "...even if during the meeting the number of members falls below what constitutes a quorum..." to read "...even if during the meeting the number of members present falls below what constitutes a quorum...."

Motion to approve the minutes as amended was made by Commissioner Bell. Second was by Commissioner Yuen and the motion carried unanimously.

12. REVIEW CALENDAR

A. Commission Calendar and Agenda

The Commission reviewed the items scheduled for discussion in upcoming meetings.

B. Public Involvement Calendar

13. ADJOURNMENT

Chair Young adjourned the meeting at 8:27 p.m.

Secretary to the Transportation Commission

Date

Chairperson of the Transportation Commission

Date