

CITY OF BELLEVUE
BELLEVUE PLANNING COMMISSION
STUDY SESSION MINUTES

July 25, 2007
7:00 p.m.

Bellevue City Hall
City Council Conference Room 1E-113

COMMISSIONERS PRESENT: Chair Robertson, Commissioners Ferris, Lai, Mathews, Orrico

COMMISSIONERS ABSENT: Commissioners Bach, Sheffels

STAFF PRESENT: Janet Lewine, Nicholas Matz, Lacy Madche, Department of Planning and Community Development

GUEST SPEAKERS: Andy Swayne, Puget Sound Energy

RECORDING SECRETARY: Gerry Lindsay

1. CALL TO ORDER

The meeting was called to order at 7:00 p.m. by Chair Robertson who presided.

2. ROLL CALL

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

3. APPROVAL OF AGENDA

The agenda was approved by consensus.

4. STAFF REPORTS

Associate Planner Janet Lewine explained that when the Land Use Division receives comments on projects that are built, a response is always made. The commenter is thanked for their interest, then staff explains the design criteria and the applicable regulations, along with the public involvement process. If suggestions are made, a record is made of them; if applicable, they are considered in crafting new Land Use Code amendments.

5. PUBLIC COMMENT

Ms. Arlene Darby, 10011 NE 30th Place, said when she arrived in Bellevue 50 years ago, Main Street was a gravel road. What is in place now is far different from what was in place then. The same is true for the neighborhoods. She said she lives in a neighborhood where older houses are being torn down and replaced with newer ones. She urged the Commission not to over-regulate to the extent that property owners are not able to get the highest and best price for their properties. Things change over time and the city needs to be aware of that. Trees, though beautiful, should not be protected at all costs; some trees should be removed and replaced with other kinds. Common sense should be the measure in developing new rules and regulations.

6. COMMUNICATIONS FROM CITY COUNCIL, COMMUNITY COUNCILS,

BOARDS AND COMMISSIONS – None

Commissioner Ferris asked for an update on the Council meeting at which the neighborhood livability issues was presented. Chair Robertson said the newspaper article did a good job of capturing what transpired. The Council was very supportive and understood that the list represents only a barebones outline of what the Commission will be looking into. The Council wants the Commission to take a very balanced approach in the study in making sure people will still be able to use their properties but with as few impacts as possible on neighboring properties. There was fairly broad support for the notion of vegetation and tree retention. The Council approved the list without any changes.

Legal Planner Lacey Madche said the first set of code amendments will be placed before the Commission the first part of September. The second set of amendments will be on the table later in the fall; the second set will involve the more contentious issues, such as tree retention.

7. REPORTS FROM COMMISSIONERS

Light Rail Best Practices

Chair Robertson said the Light Rail Best Practices Committee met for the first time on July 24. The committee is comprised of two members each from the Parks Board, Environmental Services Commission, Transportation Commission, Planning Commission and City Council. The committee will be focused on how light rail has been implemented in various cities, what the challenges and benefits have been, and what policies should be folded into the Comprehensive Plan. The committee will not be looking at routing options.

Meydenbauer Bay

Commissioner Ferris reported that the steering committee last met on July 19. He noted that a public meeting is slated for July 31 at Crossroads Community Center. The city wants to be able to work through the first round before lifting the moratorium after developing incentives to encourage property owners to develop in ways that will be supportive of the goals of the park. The steering committee has spent a lot of time focused on access to the park and parking.

8. STUDY SESSION

A. Electrical Facilities/Utilities Element

Senior Planner Nicholas Matz said the intent of the six proposed policies is to capture the previously outlined conceptual framework without specifically drawing a line between the two. In Policy 1, the Growth Management Act (GMA) is relied on as the basis for regulating at the city level the impacts of the work of Puget Sound Energy. The city does not regulate the work of Puget Sound Energy but is obligated to manage the impacts of their work.

The policy introduces as a standard the notion of being consistent and compatible, which fits with the work done on the screening assessment. The policy language will be used to create regulations that will assure a stable outcome from the perspective of the neighborhoods and Puget Sound Energy.

Mr. Matz explained that Figure XX referred to in Policy 2 will be a separate map identifying facilities in the Puget Sound Energy System Plan translated into something that will assist the city in measuring consistency and compatibility.

Policy 2 attempts to describe the screening assessment as the framework for consistency and compatibility. Where something is found to be inconsistent or incompatible, Policy 3 will kick in. The policy language does not preclude facilities that are inconsistent or incompatible but rather focuses on managing mitigation through the conditional use permit process.

Mr. Matz said the alternative siting analysis is not intended to serve as a bar over which Puget Sound Energy must hop. The purpose is to make the process more transparent and to ensure an understanding of the outcome of their work, how it affects the community, and how it is regulated.

Policy 4 focuses on the regulations and how to implement consistency and compatibility by avoiding, minimizing and mitigating through siting and performance standards, architectural design, site screening, maintenance and the use of best available science. In the past, the conditional use permit process has not clearly identified the purpose of conditionally permitting electrical facilities.

Policy 5 stresses the need for the city to work closely with Puget Sound Energy in designing, constructing and maintaining electrical facilities to minimize visual impacts. Policy 6 points out the need to work closely with Puget Sound Energy as they implement their system and respond to the demands on their system.

Mr. Matz said staff will be going to the Council on July 30 to provide them with a status report and get their direction on what should be done about storm/power issues and whether or not it would be appropriate to incorporate those issues in the policy work.

Commissioner Ferris asked what a storm policy would be relative to electric power. Mr. Matz said such a policy would clarify what the city wants to accomplish working with Puget Sound Energy in an emergency situation.

Chair Robertson asked if the city could by policy direct Puget Sound Energy to get the power restored to special services and residences ahead of office towers. Mr. Matz said that is not an issue that has been raised. The approach suggested to the Council has been to keep the storm response and undergrounding issues separate but parallel to the effort before the Commission tonight. There are some crossover areas, primarily in anticipating storm response.

Commissioner Ferris allowed that undergrounding is an expensive proposition, but suggested the Commission would be remiss in not at least identifying the issue of economic loss that results from storms and comparing it to the capital costs associated with undergrounding to see what the difference is.

Andy Swayne said Puget Sound Energy has some control over the area of anticipated storm response and does prioritize critical facilities such as hospitals and police stations. There is never a conscious effort to get businesses back online first after an event; the focus is always on the parts of the system are damaged. When power is restored to the substations, the lines served from those lines will get their power back on first. Customers served by systems that have sustained more damage will see more of a delay in getting their power restored. Puget Sound Energy is very willing to underground systems; the approach is far more visually pleasing, but it does not eliminate all problems. A little more than 50 percent of the facilities in the Bellevue area is already underground. Converting overhead to underground is expensive, and there is always the issue of who should pay for it.

Continuing, Mr. Swayne said it is not impossible to place transmission lines underground. It is, however, very expensive. Furthermore, when transmission lines are located aboveground, it is far easier to spot problems and fix them.

Chair Robertson asked where the policies will ultimately be housed. Mr. Matz said there is a section in the Comprehensive Plan that deals with non City-managed utilities; the section specifically calls out the electrical utility. The policies will be housed there.

Chair Robertson called attention to Page 5 of the packet and the text that talks about the number of customers served by Puget Sound Energy and the peak electrical load; she asked if the electrical load shown is an average. Mr. Swayne said the figure is the measured total load in a given part of the system. Peak loads happen generally in the mornings and evenings; those loads are cumulative and measurable.

Commissioner Orrico asked what process is undertaken when Puget Sound Energy decides it needs a facility beyond those shown on the list. Mr. Matz said there is no anticipation that the utility will need a facility that is not shown on the list. That is the benefit of identifying the Puget Sound Energy system plan that outlines how the utility intends to serve the area, though not when each new element will be required.

Mr. Swayne said Puget Sound Energy periodically takes a specific look to make sure its plan is still working. Occasionally the need for a previously unanticipated facility is identified. Should that occur, the utility most likely will come in to the city seeking a Comprehensive Plan amendment.

Commissioner Orrico pointed out that the proposed policy language talks about being consistent and compatible, yet the chart lists only being compatible. Mr. Matz said the chart is a tool that has been used to inform the policy development process. In the final analysis consistent and compatible facilities will be mapped as part of the environmental documentation.

Commissioner Orrico noted that the language jumps back and forth between "Bellevue" and "the greater Bellevue area." Mr. Swayne said Puget Sound Energy can say for sure how many customers are located within the physical city limits of Bellevue, but cannot reliably say what the exclusive electrical load is for those specific customers.

Chair Robertson asked if the Land Use Code will be updated as a result of the Comprehensive Plan amendment. Ms. Madche said the Land Use Code will need to be updated; copies of the draft code amendments will be provided to the Commission in September.

Chair Robertson called attention to the language on Page 6 of the packet that talks about serving the Downtown and noted that the third sentence says "...additional high-pressure mains will need to be extended into the downtown area, and additional intermediate-pressure mains will be needed to serve specific developments." She asked if the specific developments will be within the Downtown area. Mr. Matz said Puget Sound Energy will need to update Figure UT-7, which is the map of the gas main lines. He said an updated Figure UT.7 will be brought to the Commission for review. The specific developments to be served are in the Downtown.

B. 2007 Comprehensive Plan Amendments

Mr. Matz reminded the Commissioners that the Vander Hoek multifamily CPA application was withdrawn by the owner. The Council initiated the SRO Factoria, Courter Enterprises and St. Margaret's Church applications. The Ostrem application was also withdrawn by the owner, and

the Council declined to initiate the Mariner Ridge CPA. The Council remanded the Mercer Slough application back to the Commission for additional direction. The Capital Facilities reference update CPA was initiated by the Council, and work continues on the Wilburton corridor study, the Electrical Facilities Utilities Element, and the Bel-Red corridor study CPAs.

The SRO Factoria application seeks to amend policy in the Factoria subarea to allow development on some 12 acres of OLB- and O-designated property in the F2 and O zones. The property owner is also seeking a higher FAR than currently allowed and would like the Office Glossary definition amended to allow that. Mr. Matz said staff will be comparing the before and after FAR using some what-if scenarios, and will follow through on FATS policies that seek to increase the walkability of the area.

The Courter Enterprises CPA seeks to amend the Factoria subarea policies to allow retail auto sales at Honda Auto Center and an adjacent property. The auto dealership has been in its current location for a long time operating as a legal nonconforming use in the district; the property owners are seeking to have retail auto sales permitted by right for their site. The Council expressed mixed opinions about the broader policy issues raised by the proposal but in the end agreed to keep the focus on just the existing proposal.

Chair Robertson noted that continued use and expansion of the retail auto sales use is permitted under the nonconforming use provisions of the Land Use Code, but wanted to know if that would include expanding the use to the adjacent property, which is under the same ownership. Mr. Matz said the nonconforming use provisions apply to existing uses on a specific site; they do not allow for expansion of those uses to an adjacent site on which there is a different use. The property owner is seeking conforming status for their current use and the right to expand that use to the adjacent property.

Chair Robertson asked if the two parcels in question can be severed in the Comprehensive Plan amendment process. Mr. Matz allowed that the process permits taking that approach. Chair Robertson also said it would be very helpful to be provided with existing planning documents and Comprehensive Plan policies that discuss the big picture for the I-90 corridor. Mr. Matz said there are policies for the Factoria subarea, and there is a work program item to study the Eastgate corridor which will be focused on getting to the larger land use questions.

Chair Robertson asked to be updated with respect to the status of the tenants of the office building adjacent to Honda Auto Center. Mr. Matz said he can try to get that information.

Commissioner Ferris said the Commission could benefit from a reminder of how the property owner is currently impacted by the nonconforming use status. Mr. Matz said the property owner sees the nonconforming status as something akin to a lien against their property that impacts their ability to manage the economic use of the property. Staff believes that there are land use solutions that could be brought into play either way. He said additional background information will be included in a future staff report.

Commissioner Mathews commented that in forwarding to the Council the package of proposed Comprehensive Plan amendments, it was clear the Council was very sensitive to the notion of seeing more auto dealerships in the I-90 corridor. He said he assured the Councilmembers in his Threshold Review recommendation presentation to the Council that the Commission is not looking for that outcome, but would like to deal equitably with the auto use that is already there. Mr. Matz suggested that if the use were not already in place, the Commission would not be addressing the issue.

Mr. Matz said the City Council agrees in the case of St. Margaret's Church that an appropriate multifamily (MF) or Community Business (CB) designation should be reviewed. The Council specifically identified a need to better understand the traffic impacts stemming from the existing church use, and what the additional impacts would be under both multifamily and commercial zoning. Mr. Matz said staff intends to generate that information to be used as part of the review.

Commissioner Orrico asked to be updated regarding the variety of uses allowed in the CB zone. She said she would also be interested in knowing whether or not the applicant believes they could use the existing affordable housing incentives in the code to make their proposal work. Mr. Matz said he will put that question to the applicant.

With regard to the proposed Mercer Slough amendment, Mr. Matz said the desire of the Council is for the Commission to take another look at the site in light of the concomitant agreement that has been in place since 1982. The Council believes that the existence of the concomitant agreement could eliminate the need for the Comprehensive Plan amendment.

Chair Robertson said she would appreciate some guidance from the City Attorney's office regarding the longevity of concomitant agreements and how binding they are over time.

Mr. Matz explained that the Capital Facilities Element update work will focus on updating the numbers and the references. There is no intent to make policy changes.

C. Housing Affordability

Ms. Lewine reminded the Commission that it was previously agreed to slip the review schedule to allow the regional review currently under way with ARCH regarding housing incentives. She said the best approach to incentives appears to be packaging various options. There has been a lot of interest among Council members participating in the ARCH workshops. ARCH plans to conclude its review of the findings of the workshops by September; it will then provide a report to the City Council on which a work program can be built.

The GMA sets housing targets for each jurisdiction. Along with them there are affordable housing targets aimed at achieving affordability at the same levels represented in the community. For Bellevue, that translates into 24 percent for low-income and 17 percent for moderate income. Bellevue has done as well as other jurisdictions in the area at meeting the low-income affordability targets, but it has not achieved the goal. Bellevue has been very successful in taking steps to preserve existing Section 8 units.

Bellevue has done reasonably well in meeting the moderate-income housing targets, as has the region generally. However, the bad news is that much of the moderate income housing was market rate apartments, yet newer apartments are not affordable to moderate income households. The notion of getting affordability as more density is allowed has not proven correct; in fact, some ground has been lost.

Commissioner Ferris said he attended the ARCH workshops at which the statistics were presented. He said those attending the workshops felt that the statement of existing conditions as presented does not accurately capture the overall picture. The target numbers do not take into account the fact that affordable units are being demolished, are experiencing rental increases or being converted to condos which is causing ground to be steadily lost. The chart on page 33 of the packet makes it appear as though simply bringing online a few more low-income units will mean Bellevue has met its goal, when in fact the slippage factor is not calculated in.

Commissioner Ferris said he attended a panel discussion in Samammish at which a gentleman from Habitat for Humanity was present. It was noted that for the Eastside, 13 percent of the residents have incomes of 30 percent or less of the area average, yet only 0.2 percent of the total housing inventory is affordable to people in that income bracket. In setting targets and goals, they need to be realistic.

Ms. Lewine said the issue will be back on the Commission's agenda in October, provided the Council approves a work program in September. She reminded the Commission that there was housing policy language adopted as part of the 2004 Comprehensive Plan update that covers nearly everything discussed at the ARCH workshops, so it appears the next step will be to move directly to amending the Land Use Code.

Commissioner Mathews asked if incentives in use by other jurisdictions will be considered, such as charging fees for tear-downs and new construction and using them to bolster affordable housing. Ms. Lewine said the ARCH workshops looked specifically at the feasibility of those kinds of strategies, though it was noted that such fees may not be allowed under current state law.

Commissioner Ferris commented that Bellevue is running well behind other jurisdictions when it comes to meeting its affordable housing goals in nearly all areas. When ARCH began 15 years ago, the member communities collectively put in \$1.3 million. The amount of money flowing into ARCH currently is \$1.3 million annually. Just to have kept up with inflation, the annual inflow should be a little over \$3 million.

Continuing, Commissioner Ferris said there are all sorts of factors that play into the overall mix, including the use of sensitive areas. There is a lot of work that still needs to be done, and it needs to be done sooner rather than later. The work to rezone the Bel-Red area is getting farther along, and if the rezones take place before there are affordable housing policies and incentives in place, it will be too late. In California, where an increase in the allowable density is permitted, and where housing is allowed where it has not previously been allowed, 20 percent of the units must be made affordable to residents at 80 percent of the area median income, or ten percent of the units affordable to residents at 50 percent of the area median income.

The Washington state legislature adopted and put into effect in 2006 legislation that allows cities to put that very approach into effect. There are voluntary incentives in place by Bellevue and other jurisdictions, but developers are not taking advantage of them. It would be very helpful to hold a panel discussion with representatives from the development community on the topic of what the most effective tools and incentives would be; the discussion should not be filtered through ARCH. For workforce housing at the 80-120 percent level, what is needed is a combination of the multifamily property tax offsets and reductions in the parking requirements in areas well served by transit. Those incentives will work best when combined with density incentives and subsidies.

Commissioner Mathews said the Bel-Red corridor represents Bellevue's last big chance to increase its stock of workforce housing.

9. OLD BUSINESS – None
10. NEW BUSINESS – None
11. APPROVAL OF MINUTES
 - A. April 25, 2007

Motion to approve the minutes as submitted was made by Commissioner Orrico. Second was by Commissioner Mathews and the motion carried without dissent; Commissioner Ferris abstained from voting.

B. May 16, 2007

Chair Robertson pointed out that in several places the minutes reference "Mr. Lozier" and the neighborhood of "Vucrest."

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

12. PETITIONS AND COMMUNICATIONS – None

13. ADJOURNMENT

Chair Robertson adjourned the meeting at 8:53 p.m.


Staff to the Planning Commission

2/1/08
Date


Chair of the Planning Commission

2/1/08
Date