

CITY OF BELLEVUE
BELLEVUE PLANNING COMMISSION
STUDY SESSION MINUTES

February 8, 2023
6:30 p.m.

Bellevue City Hall
Room 1E-113

COMMISSIONERS PRESENT: Vice Chair Bhargava, Commissioners Brown, Cálad, Goepple, Malakoutian, Morisseau

COMMISSIONERS ABSENT: Chair Ferris

STAFF PRESENT: Emil King, Department of Community Development; Kristina Gallant, Nick Whipple, Department of Development Services; Matt McFarland, City Attorney's Office

COUNCIL LIAISON: Not Present

GUEST SPEAKERS: None

RECORDING SECRETARY: Gerry Lindsay

1. CALL TO ORDER
(6:30 p.m.)

The meeting was called to order at 6:30 p.m. by Vice Chair Bhargava who presided.

2. ROLL CALL
(6:30 p.m.)

Upon the call of the roll, all Commissioners were present with the exception of Chair Ferris.

3. APPROVAL OF AGENDA
(6:31 p.m.)

A motion to approve the agenda was made by Commissioner Brown. The motion was seconded by Commissioner Goepple and the motion carried unanimously.

4. REPORTS OF CITY COUNCIL, BOARDS AND COMMISSIONS – None
(6:32 p.m.)

5. STAFF REPORTS
(6:32 p.m.)

A. Planning Commission Meeting Schedule

Planning Director Emil King took a few minutes to review the Commission's schedule of upcoming meeting dates and agenda items.

Commissioner Malakoutian asked if staff believes there is enough time on the Commission's calendar to address all the issues coming to the table. Emil King said there will be sufficient time by having two meetings per month, even with taking off the month of August. Each meeting will be more full and will have multiple items. Staff are also on schedule to get all of the key public outreach done.

Commissioner Cálad stressed the need for the Commissioners to have information for each meeting as far ahead as possible to allow for fully preparing. Emil King said the materials are typically sent out on Thursdays ahead of the next Wednesday meeting. It may be possible to bump up the distribution of the materials by one day. The staff are always happy to talk with Commissioners about anything in the packets if questions arise.

Commissioner Goepple recalled that during a previous meeting there was talk about having a study session focused on the decision criteria. Emil King said the staff would consider the best time to have that discussion and get it onto the calendar.

6. ORAL AND WRITTEN COMMUNICATIONS (6:37 p.m.)

Reverend Doctor Steve Baber, pastor of St. Peter's United Methodist Church located at 17222 NE 8th Street, noted that the church is blessed with about five acres of property. The church wants to share the property with people who are facing challenges with affordable housing. A conceptual plan drawn up by some architects indicates the site will accommodate anywhere between 60 and 72 units, including some three- and four-bedroom apartments. The project is only possible, however, if the property is rezoned to R-15 from the current R-5. The adjacent property is home to Lakeridge Apartments and that site is zoned R-15. Qualifying St. Peter's for an affordable housing density bonus will also be essential to making the vision become a reality. Planning staff have recommended the site for the density bonus. The church has owned the property since 1970 and has always operated it as a church. The site is just a mile from Crossroads. The property is served by transit twice per hour. Development of the site with affordable housing units will make it possible for those who work in the community to also live in the community. Seattle and Bellevue used to be known as great places to raise families, and supporting the project will be a step back in that direction. Bellevue is currently losing families and children. Not everyone working in Bellevue works for the tech industry, and not everyone has a high salary.

Darel Grothaus, project manager for St. Peter's United Methodist Church, highlighted the extraordinary potential for affordable housing on the site if the site is rezoned to R-15. Assuming that zoning, between 60 and 72 units can be constructed on the site, including a number of units with three- and four-bedroom apartments. The 4.6-acre site is next to Lake Ridge Apartments, an R-15 site. The site is one-mile from Crossroads and Keeney Park borders the north side of the site. The Commission was urged to support modification of the transit frequency requirement to include sites located within a quarter of a mile of at right-turn stop having two stops per hour. Metro 26 brackets the entrance to St. Peter's well within the quarter mile mark with stops twice per hour.

Alex Tsimerman began with zieg heil and called the Commissioners dirty damn Nazi gestapo democracy fascist crooks, mobsters and psychopaths. The Commissioners were also called idiots for hearing about the plan just proposed without asking how much money it will cost and where the money will come from. With regard to housing, it was stated that every homeless costs the government \$50,000 per year. A one-bedroom apartment costs \$1500 per month. Of the \$50,000,

\$20,000 goes for an apartment. The other \$30,000 can be used for food and medicine. Government officials do not understand the difference between \$50,000 and \$20,000. With five acres, the church could build a skyscraper. The church should be asking the government to help them do that. The church should be asking Amazon to help them do that, or Bill Gates. It looks like everyone in the government is a freaking idiot. The answer is very simple.

Lee Sargent voiced support for the work the Commission has done over the years. Those who live close to Crossroads in single family neighborhoods are well aware of the problem of tree removal without any repercussions. There is a clear need for more affordable housing, but as more people are brought in and more houses are built, more trees are removed, the very trees that can help mitigate some of the circumstances that result from having more people. The concern is that trees should not be treated like grass or garden plants; if they have been growing for 80 years, once removed a part of the natural recycling environment will be killed. Current codes do not really prevent anyone from removing trees. The city often does not even know if a tree has been removed. Something needs to be put in place that will change the viewpoint to an understanding of the importance of trees, especially the large ones.

Vice Chair Bhargava urged the audience members not to make noises while others are speaking.

Emil King noted the receipt of correspondence from Craig Speisl containing comments for the Commission to consider.

Commissioner Morisseau allowed that the Commission welcomes all members of the community to attend meetings and to talk with the Commission. However, there is a minimum decorum that should be followed. All Commissioners serve the city as volunteers. None are paid they do what they do because they love the city and want the best for it. The Commission wants Alex Tsimerman to continue coming to meetings and speaking to the Commission. However, Alex Tsimerman should be asked to have respect for the Commissioners as human beings, to refrain from calling the Commissioners names, and to have respect for the work done by the Commission. Calling the Commissioners “idiots” and “cretans” leads one to believe that Alex Tsimerman does not fully understand the process the Commission follows and the work the Commission does. The call for the church to build a skyscraper on its property is a case in point. Each site has zoning that dictates what can be built on the site. To that end, if possible, all members of the community should understand and be fully educated on the work done by the Commission. If possible, staff should meet with Alex Tsimerman, if that has not already been done, to explain the work of the Commission, and to answer any questions. That could help Alex Tsimerman better understand what it is the Commission does. Coming to Commission meetings and calling the Commissioners names is doing no one or the community a favor. Alex Tsimerman was asked, when attending the next Commission meeting, to show a little respect.

Commissioner Cálad noted showing respect for fellow Commissioners by listening silently as they talk. The same respect should be shown to every person in the room, without any interruptions. Everyone has the right to share their opinions and comments. Alex Tsimerman has been asked repeatedly to be respectful to the Commission and not interrupt. The continued interruptions by Alex Tsimerman should be stopped. If they continue, Alex Tsimerman should be asked to leave the room.

Vice Chair Bhargava asked Alex Tsimerman to refrain from interrupting while others are speaking.

7. PUBLIC HEARING – None

(6:59 p.m.)

8. STUDY SESSION

(6:59 p.m.)

A. Land Use Code Amendment (LUCA) for Affordable Housing Strategy Action C-1 Phase 2

Planning Manager Nick Whipple said Action C-1 refers to affordable housing bonuses on sites owned by religious organizations. The proposed LUCA is aimed at addressing some of the recommendations included in the 2017 Affordable Housing Strategy. It also is focused on implementing the Comprehensive Plan Housing Element Policy HO-36 adopted by the Council in December 2022.

Senior Planner Kristina Gallant reminded the Commissioners that the Affordable Housing Strategy Action Strategy C-1 reads “Increase the development potential on suitable land owned by public agencies, faith-based and non-profit housing entities for affordable housing.” The focus on religious organization-owned properties specifically is driven by the opportunities for affordable housing. Nationally, religious organizations are seeing smaller congregations and in many cases are downsizing or sunseting entirely, but still want to see something positive done for their communities in terms of their land. At the same time, there are organizations that are not going away that have properties that are larger than what they need. Because many properties owned by religious organizations are located in single family neighborhoods, should the organization go away, the site is at risk of being converted to high-value single family homes.

While the C-1 strategy was officially launched in 2017, it has received much more focus since 2019, the year new state legislation was adopted that requires cities to grant a density bonus to any non-profit or religious organization building affordable housing, applicable both in multifamily and single family districts. In 2020 a first set of Comprehensive Plan amendments were adopted directing the city to provide bonuses and incentives to increase permanently affordable housing. The staff were at the time directed to move forward with a Land Use Code amendment. In 2021 a broad density bonus LUCA was worked on consistent with the state legislation and Council direction. It provides for a 50 percent density increase without additional review. Some additional flexibility was baked in, including some allowance of duplexes and triplexes in single family districts. There were, however, clear concerns voiced by affordable housing stakeholders, the faith communities and the Commission and the Council about the need to go further in addressing the needs of the single family zoned properties that have good access to transit and services. The density bonus was adopted at the end of 2021 and the Council directed moving forward with Phase 2 to address that specific opportunity.

Policy HO-36, adopted in December, allows properties in single family designated areas on the Comprehensive Plan land use map to reclassify to multifamily provided one hundred percent of the housing being developed will be permanently affordable housing; the property is owned or controlled by a religious organization; the property is located near high capacity transportation infrastructure and services; and the property is located near other multifamily residential or commercial use districts. The Phase 2 CPA includes a land use map note reading “Properties owned or controlled by religious organizations, as defined by LUC 20.20.128.B.2, and located in single family designated areas shown on the map may be reclassified to multifamily through a rezone process, subject to Part 20.30A LUC, when developed with one hundred percent permanently affordable housing in accordance with housing policy HO-36.”

Kristina Gallant said the proposed LUCA would be broken into two sections and examined in two study sessions, beginning with the affordable housing suffix (AH) and the eligibility criteria. The next study session will focus on determining appropriate densities.

With regard to the new AH suffix, Kristina Gallant said the goals are to make rezones conditional on affordability; to offer the option in addition to existing zoning; and to be very clear to the extent possible to make it easy to understand what can be done on a property. As proposed, the rezone would add an AH suffix to the existing single family zoning for eligible properties. The suffix would point in the Land Use Code to the new density available if the site is built for affordable multifamily. Otherwise the existing single family would still be available. The addition of the new suffix will only serve as an indicator of what is possible on a given property, it will not obligate the development of affordable housing. As proposed, AH-1 would correspond to R-10, AH-2 would correspond to R-15, AH-3 would correspond to R-20, and AH-4 would correspond to R-30.

The new AH suffix would work with the existing land use districts. No development opportunities will be removed from sites. The conditions will be clearly stated in the Land Use Code, and the suffix will provide certainty and objectivity.

The eligibility criteria proposed are that the sites must be owned or controlled by a religious organization. The properties must be located in single family land use districts, and all housing units must be permanent affordable housing. By way of location criteria, the properties must have frequent transit service; be located within 500 feet of an existing multifamily or commercial land use district; and must be located on an arterial street.

The frequent transit service eligibility requirement is defined as properties within half a mile of transit stops with service at least four stops per hour, or within a quarter mile of transit stops with at least two stops per hour. Mapping that requirement alone brings much of the city into play. Adding in the criteria of needing to be 500 feet from a district where multifamily or commercial is allowed narrows the focus considerably when mapped. Finally, adding in the arterial street eligibility criteria reduces the possible number of locations even more. In total, 30 sites in the city meet all of the eligibility criteria.

Kristina Gallant said over the years the initiative has been moving forward there has been quite a lot of public engagement. For the LUCA phase specifically, all Process IV requirements for Planning Commission meetings, noticing and a public hearing will be met. There has been direct engagement and feedback with stakeholders via letters having been sent to all 30 eligible sites and one-on-one conversations with religious organizations and affordable housing developers. A virtual session was held on January 31 to share information and answer questions, and there is a project webpage online. For the recent public information session, invitations were shared with the notice of application and via the city's various social media platforms and email distribution lists. There were more than 60 RSVPs and 44 attendees. During the question and answer phase the primary topics were understanding the impact of the state legislation; whether the LUCA will encourage deeper affordability; whether the city will be able to help advise organizations interested in building affordable housing; interest in expanding the eligibility radius; interest in requiring certain unit sizes; clarifications around process; and site-specific questions.

The CPA was adopted and the LUCA was initiated on December 12, 2022. The notice of the application and the public meeting was published on January 19, and the public information session was held on January 31. The second study session with the Commission is slated for March 8. A public hearing date is tentatively on the calendar for April 12, following which the

Commission will develop and forward a recommendation to the Council for review and action.

Commissioner Morisseau asked for clarification of the proposed AH suffix, how it would play out in the real world, and when the labels would be attached to the eligible sites. Kristina Gallant explained that the single family properties would retain their existing zoning. For instance, an R-5 site would remain R-5. The eligibility criteria will determine how much of a lift the eligible sites can get when developed with permanent affordable housing, and that will translate into an alternate multifamily district. The AH suffix will serve almost as a secondary designation mapped to a multifamily district. An R-5 site that gets an AH-1 suffix will not be rezoned to R-10, rather it will be given a path to R-10 when building affordable housing. The eligibility criteria will determine which AH suffix applies. Sites that develop multifamily affordable housing under the higher density will have to record an agreement fixing the affordability for the life of the project.

Commissioner Morisseau asked if the original zoning for a site developed as affordable housing with the proposed AH suffix could ever be restored. Kristina Gallant allowed that it could. The affordability requirement would extend for the life of the project. However, the property owner could at some point tear down the multifamily development and redevelop with market-rate single family under the original zoning.

Commissioner Malakoutian suggested it might be easier to revise the proposed AH suffix to reflect the associated land use district, such as AH-R10 or AH-R15. With regard to the sites having to be located within 500 feet of a multifamily or commercial land use district, the question asked was why it could not be 501 feet or 550 feet, and if at 1000 feet how many sites would be triggered. With regard to the proposed AH suffix, Kristina Gallant said the rationale for going with the simple numbering was that because they track to the land use districts in the code, if there is a need to adjust the land use districts down the line all that would be required is a LUCA rather than a rezone for all sites with the suffix. The 500-foot limit was raised by the Council when discussing the Comprehensive Plan amendment. Staff initially proposed a 300-foot buffer, which is in line with the transition area buffers around single family districts. The Council voiced concerns that some sites would not be eligible at 300 feet and thus direction was given to make it 500 feet. If 1000 feet was the limit, given that the eligibility also ties to frequent transit service, which tends to tie closely with multifamily and commercial access, there may be fewer sites added because of losing transit service.

Commissioner Malakoutian asked how many total affordable housing units could be developed if all 30 of the eligible sites were to fully develop. Kristina Gallant said an estimate of potential units would be provided at the next study session.

Commissioner Malakoutian asked how developers will be encouraged to use the incentive to build affordable housing units. Kristina Gallant said the affordable housing developers have voiced support for the approach. Most have indicated, however, that sites that can achieve about a hundred units, while not a bright line, offer more efficiencies and are thus more attractive.

Commissioner Malakoutian asked what it would take to see units developed for 30 percent of area median income. Kristina Gallant said the focus has been on 80 percent of area median income and below. There will not be any funding tied to the initiative and organizations looking to develop affordable housing will seek other funding sources that may also have certain restrictions. It is anticipated that the likely income level served by most of the properties will be on the low end. Options for deeper affordability could be explored.

Commissioner Brown pointed out that there are in fact many properties in Bellevue owned or controlled by religious organizations but noted that total number of eligible properties was shown at only 30. The question asked was which of the eligibility factors eliminated the most properties after the comment was made that if it is transit, there is a chicken and egg issue in play given that current development may not warrant higher levels of transit, but developing multifamily affordable housing units may trigger the need. The transit criteria of service four or more times per hour may not be wise. Kristina Gallant said staff would need to do investigating to determine which factor eliminates the most sites.

Commissioner Brown added that it seemed a bit odd that Bellevue's zoning should be dependent on Sound Transit's bus routes. Kristina Gallant allowed that the transit criteria is for the moment a point in time. The current approach for reducing parking is also tied to transit service at the time the permit comes in. Applicants are allowed to come forward with a showing that service has changed. Commissioner Brown asked if the city has any power to talk with the transit provider to encourage more frequent service along certain routes. Kristina Gallant said it certainly is true that decisions about transit service are driven by ridership.

Commissioner Brown asked about the criteria of access to an arterial. Kristina Gallant said the discussion last year was focused on where multifamily housing fits the best. In setting up the framework for eligibility, it has purposely been kept narrow, considering that any properties that become eligible in the future will also be available for the rezone. Commissioner Brown asked if a church with a large property not quite on or have access to an arterial but wanting to build multifamily affordable housing units could seek a rezone through the normal process. Kristina Gallant clarified that under the proposed criteria, that would not be the case. The issue of the arterial being the barrier is one that could be looked at a bit more closely.

Commissioner Goeppele asked how it will be determined which of the AH suffixes will apply to eligible properties. Kristina Gallant said that will be the focus of the separate criteria that will be presented at the Commission's next study session.

Commissioner Goeppele asked about the enforceability mechanism tied to the development of affordable units and how the city can ensure the units developed under one of the suffixes will carry on as affordable even if the development is sold. Kristina Gallant said the specific mechanism will be the recording of an agreement that runs with the land, which is the approach taken in relation to all of the city's affordable housing incentives.

Commissioner Cálad raised the issue of parking and voiced concern that reducing the requirement could cause problems. The proposal assumes that parking will be limited. Kristina Gallant clarified that the city already has reduced parking standards in place for housing near transit. Those standards would not change. The eligible properties under the proposal are already eligible for the reduced parking because of their proximity to transit, but they can only develop with single family housing. As proposed, the sites could develop with multifamily, also with the reduced parking. Commissioner Cálad said it is likely some of the residents will have cars, which will have to travel on the streets, making traffic worse.

Answering a question asked by Commissioner Cálad, Kristina Gallant said the next study session would include a discussion around the estimate of how many units could be developed under the proposal if all the sites were to develop to their maximum.

Vice Chair Bhargava commented that ownership of the developed properties is not likely to be constant for the life of the properties. As such, it would make sense to establish some constraints

around the transfer of ownership requiring the maintenance of the affordable units in perpetuity. Kristina Gallant said it is already established in the code that an affordability agreement must be recorded. The agreement stays with the property and still applies even if the property is sold; it will show as a condition on the title report. Given that the perpetuity of the affordability is tied to the life of the structure. However owns the structure must maintain it as affordable, but theoretically if someone were to tear down the structure, the site could be redeveloped with market-rate units. Vice Chair Bhargava commented that a site developed with affordable units and operated as such for a period of time could see the properties around it redevelop over time with similar densities. Should a future owner elect to tear down the structure and rebuild at the lower density, there could be problems. Kristina Gallant said it is hard to say how much of a risk that would be.

Vice Chair Bhargava raised the scenario of a site owned by a religious organization electing to develop a part but not all of their site with affordable multifamily units and asked if at some future time the undeveloped portion could be developed with market-rate units and, if so, how that would be addressed. Vice Chair Bhargava asked why the LUCA is limited to religious organizations, and not other owners of single family property meeting the same location criteria. Kristina Gallant said the question is a fair one, but the Council direction for the specific LUCA limits the scope to religious organizations.

Commissioner Morisseau said it would be helpful for staff at the next study session to touch on the issue of a site going back to its original zoning. Emil King allowed that such a scenario would clearly raise some policy issues.

Commissioner Malakoutian voiced the understanding that should the owner of a currently zoned R-5 property that has an AH-4 suffix elects to develop at the maximum density allowed, there would be no environmental or traffic studies. The owner would simply be allowed to move ahead with the development. Kristina Gallant said the owner would still have to apply for a permit, in which case they would go through all of the typical multifamily reviews, including environmental reviews. The AH suffix simply opens a pathway for the property owner.

Commissioner Brown supposed that most churches interested in serving the community by allowing their properties to develop affordable housing units will choose to work with an existing affordable housing developer like Imagine Housing. The question asked was if under such working agreements the church typically would retain ownership and the affordable housing provider would manage the units. Kristina Gallant said the fact is it all depends. If the religious organization in question intends to close its doors, a non-profit could take over entirely. In other cases there could be operating partnerships that gives the church ownership and the non-profit the operating responsibilities. There is no intent to require religious organizations to get into the business of managing affordable housing. The intent is to structure the LUCA in a way that will allow for a number of partnership possibilities.

Vice Chair Bhargava asked if all of the eligible property owners have been invited to be engaged in the process. Kristina Gallant said letters have been sent to the addresses of all known organizations, and emails have been sent to all known organizations for which the city has an email address. Vice Chair Bhargava suggested going to each organization in person would be a good step.

Commissioner Malakoutian urged the staff to address the overall parking issues at the next study session.

9. OTHER BUSINESS
(7:55 p.m.)

A. Remote Participation Approval

Vice Chair Bhargava pointed out that Commissioner Morisseau's request to participate remotely remained a standing request.

No other Commissioners asked to participate remotely at the next meeting.

10. APPROVAL OF MINUTES – None
(7:56 p.m.)

11. CONTINUED ORAL COMMUNICATIONS
(7:56 p.m.)

Heidi Dean noted that one eligible AH property in Newport Hills was identified by staff. According to the staff, invitations to participate in the informational meeting on January 31 were sent to neighborhood leaders, but the Newport Hills Community Club did not receive a notice. During the discussion of micro apartments, staff said they sent notices to the Bellevue Essentials alumni list as the neighborhood leaders contact, but that is not the right approach. There is no guarantee that transit will come just because affordable housing is built. The fact is low-income folks in Bellevue drive their cars. There is affordable housing developed in Newport Hills and all of the units have at least one vehicle associated with it, and there is not enough parking. There is also a lack of parking for market-rate units, so parking spills out into the neighborhood. The Newport Hills transit riders tend to be white, middle-class homeowners, not the affordable housing folks.

Alex Tsimerman greeted the Commissioners zieg heil and called them dirty damn Nazi Gestapo democracy fascists, crooks, mobs and psychopaths. It was stated that a class action lawsuit was filed in 1996 involving more than 500 people, and the suit played out over seven years. Thirty years later things should be better, but they are not because all governmental leaders have been the same, super smart idiots. For the future, nothing better is planned. Fifty percent of all apartments should be for people making less than \$50,000 per year, and the rent should not be more than 30 percent. So many people have acted like crooks for 30 years, and things are going down, and there is no bottom. The Commissioners should start thinking. When born like slaves they will die like slaves.

Commissioner Goepple asked to be allowed to express a frustration from such commentary from someone from the public. The Commissioners serve without any kind of compensation and do so as a public service. To hear such uncivil remarks is disappointing. The only person laughing at the jokes made by Alex Tsimerman is Alex Tsimerman. The comments are disruptive and not at all helpful. Those wanting to actually be heard should be civil, like all of the others who present before the Commission. The Commission does not disrespect anyone and allows even Alex Tsimerman to speak. The same kind of respect should be afforded to the Commission.

Commissioner Morisseau put forth a humble request to the Chair, the Vice Chair and the staff to have a conversation during the regular meeting ahead of the Commission meeting to discuss the issue of Alex Tsimerman. The Commission has tried everything it as a body can do, but it has not been enough to yield any productive results. It is not fair to the Commission, it is not fair to

the public, it is not fair to the work the Commission does, and it is not fair to the community. The Commission should hear from staff what recourse the Commission might have to prevent the problem from continuing.

12. EXECUTIVE SESSION – None
(8:09 p.m.)

13. ADJOURNMENT
(8:09 p.m.)

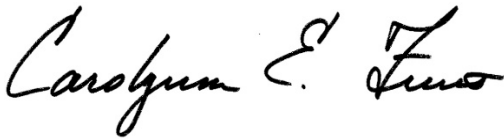
A motion to adjourn was made by Commissioner Malakoutian. The motion was seconded by Commissioner Morisseau and the motion carried unanimously.

Vice Chair Bhargava adjourned the meeting at 8:09 p.m.



Thara Johnson
Staff to the Planning Commission

02/23/2023
Date



Carolynn Ferris
Chair of the Planning Commission

02/23/2023
Date