



Bellevue Planning Commission

July 10, 2024

PLANNING COMMISSION AGENDA ITEM

SUBJECT

Comprehensive Plan Periodic Update – Recommendation

STAFF CONTACTS

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POLICY ISSUES

Staff recommends approval of the Periodic Update to the Comprehensive Plan, including the update to the Future Land Use Map. The staff recommendation was covered in the [June 20 Planning Commission memo](#) and has been omitted for brevity. The Public Hearing was opened on June 20 and continued on June 26. After accepting public testimony, the public hearing was followed by discussion by the Planning Commission on June 26. This memo summarizes the items discussed by the Planning Commission at the June 26 meeting and provides additional information as requested by the Planning Commission.

DIRECTION NEEDED FROM THE PLANNING COMMISSION

ACTION <input checked="" type="checkbox"/>	DIRECTION <input type="checkbox"/>	INFORMATION ONLY <input type="checkbox"/>
Request	Summary Guidance	Date
1. Conduct a Final Review public hearing for the proposed periodic update to the Comprehensive Plan	Direct staff to first review and present the staff recommendation, then open the public hearing and accept public testimony.	June 20
	Continue to accept public testimony. Close the public hearing.	June 26
2. Conduct a study session following the public hearing to make a recommendation	Review the staff recommendation, public record, and consider the public testimony. Ask questions of staff; review the proposed resolution.	June 26
3. Take action on a recommendation	The Commission uses a Resolution to the City Council for the recommendation action. Take action to provide Planning Commission recommendation by Resolution.	July 10

DISCUSSION SUMMARY

In considering the public testimony provided at the public hearing, the Planning Commission discussed the following items:

- The Relationship Between Future Land Use Designations and Zoning

- Overview of the Comprehensive Plan Amendment (CPA) and Rezone Process
- Newport Hills Shopping Center – Background Information
- Crossroads Mall – Future Land Use Designation
- Bellevue College – Future Land Use Designation
- Proposed Transportation Policy TR-57

The listed items are described in more detail below and, where requested by the Planning Commission, additional information is provided.

THE RELATIONSHIP BETWEEN FUTURE LAND USE DESIGNATIONS AND ZONING

The Comprehensive Plan’s Land Use element sets the direction of future growth in a community and is depicted as a Future Land Use Map. The Future Land Use Map is policy-oriented, and a Future Land Use designation represents the community’s long-term vision for a specific area. The Future Land Use designations in the Comprehensive Plan are meant to provide broad direction on the general uses and scale for the future development of areas of the city, while more detailed requirements and regulations are described in the Land Use Code and zoning map. The Future Land Use designation links the Comprehensive Plan, which provides the vision, with the specific zoning classification that implements that vision.

Bellevue’s Land Use Code covers a variety of land use regulations, including those pertaining to zoning classifications throughout the city. Zoning is a regulatory tool of dividing land within a jurisdiction into regulated zones. This designates land into various types of purposes and uses. The Code lays out requirements for uses allowed, development regulations such as height limits, setbacks, maximum density, parking standards and other requirements. A zoning map provides a visualization of various zones throughout a jurisdiction. It is the officially adopted zoning map, and not a Comprehensive Plan’s Future Land Use Map, that will identify how a specific parcel can and cannot be used or developed. The zoning map, however, must be consistent with the Comprehensive Plan.

Currently, a one-to-one relationship exists between many Future Land Use designations and zoning classifications in Bellevue, rather than certain designations allowing for multiple zones within a single designation. In broadening the Future Land Use designations, the goal is to provide more general guidance and flexibility for how development can respond to community needs while being consistent with the City’s vision for the general use and scale of development in an area. The proposed broadening of land use designations was focused in mixed use areas and in residential areas because many similarities between zones exist in these categories.

With the proposed broadening of Future Land Use designations, a proposed zoning change would go through the rezone process only if both the existing and proposed zoning classifications are covered by the same Future Land Use designation. In the instance that the existing and proposed zoning classifications are covered by different Future Land Use designations, then a Comprehensive Plan Amendment (CPA) would need to be adopted prior to any rezone process. The rezone process and its opportunities for public input are described in more detail in the section below.

One of the Future Land Use designations recommended to be broadened is Lowrise Mixed Use. The purpose of this designation is to provide an area for a mix of housing, retail, service, office and complementary uses at a low scale and density. The proposed land use districts (or zoning

classifications) to be covered by this designation are Neighborhood Business (existing land use designation and zone), Community Business (existing land use designation and zone), and Mixed Use-Low/Medium (or MU-L/M; newly proposed zone). Consistent with the proposed Future Land Use designations, new land use districts or zones – such as Mixed Use-Low/Medium – will be determined and discussed with the Planning Commission as part of the Land Use Code Amendment (LUCA) process to implement the Comprehensive Plan changes.

Visual examples of the different types of development allowed under each of the zoning classifications covered by the Lowrise Mixed Use land use designation are provided in the PowerPoint presentation for the July 10 Planning Commission meeting.

OVERVIEW OF THE COMPREHENSIVE PLAN AMENDMENT (CPA) AND REZONE PROCESSES

Comprehensive Plan Amendment Process:

A CPA is required if a rezone application is not consistent with the Comprehensive Plan, including its Future Land Use designation of the subject property, and would need to be adopted prior to the rezone. A CPA is a Process IV decision, which is a legislative land use decision made by the City Council. The process shall include a public hearing, held by either the Planning Commission or City Council, and action by the City Council. For example, the Comprehensive Plan Periodic Update is a CPA and, therefore, a Process IV decision.

The different steps of a Process IV decision are outlined in [LUC 20.35.400](#). Additional procedures and decision criteria that the City will use in its evaluation of CPAs are set forth in [Part 20.30I LUC](#). CPAs can only be considered once a year under state law. Staff provided the Commission with an overview of the CPA process and applicable decision criteria at their June 28, 2023 meeting.

The consideration of privately-initiated amendments to the Comprehensive Plan is a two-step process in Bellevue. At both stages, the Planning Commission holds a public hearing before making a recommendation.

- *Threshold Review.* This stage evaluates whether the proposals should be part of the annual Comprehensive Plan work program. Planning Commission makes a recommendation to Council on which proposals to include in the annual work program. Council then adopts the work program, usually between March and July. There is no assumption that an amendment will be adopted if it is included in the work program.
- *Final Review.* At this stage, the proposals are evaluated on their merits. Planning Commission makes a recommendation to Council as to whether the amendment should be made. Council adopts (or declines to adopt) amendments, usually in November or December.

Rezone Process:

If a proposed zoning classification is consistent with the Comprehensive Plan, including its Future Land Use designation of the subject property, then a rezone application alone would suffice. A rezone application is a Process III quasi-judicial with the final decision made by the City Council. The Council decision is based on the recommendation of the City's Hearing Examiner who holds a public hearing on the proposed rezone. During the consideration of the rezone application Council does not accept new information, written or oral, but shall consider the complete record developed before the Hearing Examiner and the recommendation of the Hearing Examiner in deciding upon the application.

The different process steps of a Process III decision (see [LUC 20.35.300](#)) are outlined below:

1. *Notice of application:* A notice of application is sent to all property owners within a 500-foot radius from the site of the rezone application which includes information about the request and the notice of the public meeting is typically included. The notice of application shall provide a minimum comment period of 14 days to provide an opportunity for public comment once an application for a rezone has been submitted. The application shall also post two signs or placards on or near the site to provide notice of the application.
2. *Required public meeting:* A public meeting is required to be scheduled early on in the process to inform citizens about the proposal.
3. *Director's recommendation on the rezone application:* The recommendation includes a staff report which documents the proposal, whether the proposal meets the rezone decision criteria, and the Director's recommendation
4. *Notice of Director's recommendation, State Environmental Policy Act (SEPA) determination, and Hearing Examiner public hearing:* A public notice that the Director's recommendation is available is published in the Seattle Times. The notice of recommendation is also mailed to property owners within 500 feet of the site and anyone who submitted public comment prior to the notice of recommendation.
5. *Hearing Examiner public hearing:* Staff presents a summary of the recommendation at the public hearing which includes an overview of how the application meets the rezone decision criteria.
6. *Hearing Examiner's recommendation:* The Examiner issues a written recommendation after 14 days which includes the recommendation, any conditions of approval and findings of fact upon which the recommendation was based. The Examiner recommends either approval or approval with conditions or modification if the applicant has demonstrated that the proposal complies with the applicable decision criteria of the Land Use Code. The applicant carries the burden of proof and must demonstrate that the application merits approval or approval with modifications. The Hearing Examiner recommends denial of the application in instances where the application does not meet one or more of the decision criteria.
7. *City Council decision at a public meeting:* The City Council makes a final decision on the rezone application at a public meeting. The Council either approves the application with modifications and/or conditions; remands the application back to the Hearing Examiner and the Director of the Development Services Department for an additional hearing limited to specific issues identified by Council, or; denies the application. No new information can be introduced to the Council and their decision is based solely on the record established by the Hearing Examiner.

Part [20.30A](#) of the Land Use Code (LUC) establishes the procedure and criteria that the City uses in deciding upon an application for a rezone of property. Decision criteria for rezone applications are listed in LUC 20.30A.140 and below:

- The City may approve or approve with modification an application for a rezone of property if:*
- A. *The rezone is consistent with the Comprehensive Plan; and*
 - B. *The rezone bears a substantial relation to the public health, safety, or welfare; and*

- C. *The rezone is warranted in order to achieve consistency with the Comprehensive Plan or because of a need for additional property in the proposed land use district classification or because the proposed zoning classification is appropriate for reasonable development of the subject property; and*
- D. *The rezone will not be materially detrimental to uses or property in the immediate vicinity of the subject property; and*
- E. *The rezone has merit and value for the community as a whole.*

NEWPORT HILLS SHOPPING CENTER – BACKGROUND INFORMATION

In response to public comment, the Planning Commission discussed the proposed broadening of land use designations at it relates to the Newport Hills Shopping Center. The discussion also touched upon whether additional density allowances for potential future redevelopment would be needed to sustain the shopping center and its economic viability in the future. The Commission requested staff to share the outcomes of previous analysis conducted for the Newport Hills Shopping Center and other neighborhood-serving commercial areas in Bellevue.

The City of Bellevue completed a comprehensive retail study in January 2024 (see Attachment C) to take stock of the current retail landscape and find potential opportunities for the future. The goals of the study were to define the current and future retail needs of Bellevue to ensure a diverse retail mix throughout the city and to analyze the impacts of COVID-19 on the city’s retail and small business community. The report is primarily informed by quantitative data from several sources, from stakeholder engagement including individual interviews and focus groups, and from public feedback via a survey. The study revealed healthy retail performance but emphasized the need for strategic planning amidst increased competition for distinct retail districts with clear, niche identities.

Five retail centers were identified for deeper analysis as part of this study, including Newport Hills. The report’s key findings for this retail center are summarized as follows, “While Newport Hills enjoys strong retail sales in electronics and fuel, it suffers from being one of the less favorable retail districts in Bellevue, determined by survey analysis. Local consumers indicate that the shopping center should be re-developed to improve its façade and aesthetic. Walkability and pedestrian safety were also major concerns. Though it is surrounded by low-density single-family development, Newport Hills does not fully capture nearby residents who may be drawn to higher-gravity retail centers in the north. Newport Hills has the potential for re-development, with a focus on improving the face of the center and including mixed-use ground floor retail. In addition, attracting retail that caters to the older, and more diverse local population can help drive traffic from the immediate neighborhood surrounding the center”.

As part of the Comprehensive Plan Periodic Update, the City of Bellevue completed an economic analysis in 2023 (see Attachment D). The goal of the analysis was to support the Environmental Impact Statement (EIS) by broadly evaluating the fiscal impacts of four growth alternatives for the city, and for the Wilburton study area. The economic analysis of each alternative, or growth strategy, forms the first part of the report. The second part of the report supplements the population and employment analysis in the first part with a discussion of and framework for planning and evaluating the commercial viability of new or changing commercial nodes outside of the Mixed Use Centers, particularly focusing on Neighborhood Centers of various scales. The Economic Report presents information about the four

alternatives specific to Neighborhood Centers, the typical characteristics of those centers, and recommendations related to maximizing the potential for commercially successful Neighborhood Centers throughout Bellevue, both existing and future.

Neighborhood Centers and the Environmental Impact Assessment

The City of Bellevue identifies 13 existing Neighborhood Centers, including Newport Hills Shopping Center (see Attachment E). Neighborhood Centers are commercial and mixed use areas in places that are otherwise primarily residential. These centers provide goods and services to local residents and serve as important focal points and gathering spaces for the community. Neighborhood Centers vary in size, uses, and densities. Neighborhood Centers can range from commercial centers anchored by a grocery store, library or other major community asset to small centers that are a collection of a few small businesses. The goal is that they meet some of the daily needs of those in proximity to the center. Larger centers, such as those anchored by grocery stores, may serve the needs of a wider community.

As part of the Comprehensive Plan Periodic Update, the Environmental Impact Assessment (EIS) studied additional development capacity in Neighborhood Centers. Following Council direction, Neighborhood Centers which have a mix of residential and commercial uses and low-rise buildings were analyzed under the Preferred Alternative as Mixed Use Low. Council provided specific direction that three of the Neighborhood Centers – Kelsey Creek Shopping Center, Lake Hills Village, and Lakemont Village – should be studied with allowances for greater residential than is allowed in low- to mid-rise buildings to provide an opportunity for redevelopment. These centers were analyzed with greater density in the EIS. Assuming Mixed Use Low zoning, the other Neighborhood Centers were studied with infill housing and mixed use with two to four stories in the EIS, with middle housing types allowed in the surrounding areas.

Neighborhood Centers and “Next Right Work” Actions

Since the adoption of the Affordable Housing Strategy (AHS) in June 2017, the City has made significant progress towards achieving the target of 2,500 affordable housing units over 10 years. In building upon the AHS, City Council has prioritized several “Next Right Work” actions to further increase housing production and affordable housing opportunities in July 2022 that staff continue to advance.

One of those actions is to allow higher floor area ratio (FAR) for residential uses to incentivize residential developments over commercial uses through a Land Use Code Amendment (LUCA). In the past decade of the city’s growth, developers have shown a preference to development commercial (office) uses because, in part, commercial developments have been more economically competitive than residential developments. During stakeholder engagement for the Next Right Work, developers identified some difficulties related to density – the allowed maximum, its utilization and unit of measurement (dwelling units per acre) – that have potentially discouraged residential projects in the city. The LUCA is proposed to apply to certain mixed-use land use districts so that in areas where developers have a choice of whether to build commercial or residential uses, developers will choose to construct residential uses.

On December 12, 2022, Council initiated this item in two phases. Phase 1 involved the adoption of an Interim Official Control (IOC) focused on Downtown Land Use Districts. The IOC allows for a higher FAR for projects that include affordable housing and also grants greater development flexibility to projects meeting affordable housing thresholds. Phase 2 work is underway and will include a permanent LUCA for Downtown and targeted mixed-use land use districts – Downtown, Office, Office and Limited Business, Neighborhood Business, Community Business, and Factoria (F2, & F3) – throughout Bellevue.

The LUCA is meant to promote market-rate and affordable housing development within these districts through increases to FAR and other restrictive form standards. Most existing Neighborhood Centers in Bellevue are currently zoned either Neighborhood Business or Community Business. This phase will utilize the EIS completed for the Comprehensive Plan Periodic Update, as well as respond to Land Use Map designation and policy changes to be adopted through the periodic update. The land use designations proposed in the Future Land Use Map for Mixed Use Centers and Neighborhood Centers have a bearing on the ongoing LUCA for FAR Phase 2. The land use designations as proposed would allow for additional density that is anticipated with the LUCA. To achieve the goal of increasing housing and affordable housing production in mixed-use districts, as initiated by Council, flexibility is needed in the Land Use Map designations related to FAR and building heights.

CROSSROADS – FUTURE LAND USE DESIGNATION

The Commission discussed the proposed Midrise Mixed Use land use designation on the Future Land Use Map for the Crossroads Mall site, this in response to a request by the property owner to change the designation to Highrise Mixed Use. The presentation provided by the Crossroads Mall owner at the June 20 meeting is included in the packet (see Attachment F). After discussion at the June 26 meeting, the Planning Commission decided to return to this item at the July 10 meeting with information presented by the Crossroads Mall owner from the June 20th meeting.

BELLEVUE COLLEGE – FUTURE LAND USE DESIGNATION

The Commission discussed the proposed Institution land use designation for the Bellevue College campus on the Future Land Use Map. After discussion at the June 26 meeting, the Planning Commission provided direction on the Institutional land use designation and recommended no changes from the staff recommendation on the Comprehensive Plan Future Land Use Map.

PROPOSED TRANSPORTATION POLICY TR-57

The Commission discussed proposed policy TR-57, which focuses on allowing for the potential repurposing of travel lanes under certain conditions. After discussion at the June 26 meeting, the Planning Commission recommended no changes to the policy as currently drafted.

ATTACHMENTS

- A. Planning Commission Resolution for the Comprehensive Plan Periodic Update
- B. Future Land Use Map
- C. City of Bellevue, Retail Study (January 2024)
- D. Economic Report, Comprehensive Plan 2044 (June 2023)
- E. Neighborhood Centers Map (Map LU-2 in the Draft Comprehensive Plan)
- F. Crossroads Mall Presentation (June 20, 2024)