

CITY OF BELLEVUE
BELLEVUE PLANNING COMMISSION
MINUTES

September 11, 2024
6:30 p.m.

Bellevue City Hall
Room 1E-113

COMMISSIONERS PRESENT: Chair Goepple, Vice Chair Cálad, Commissioners Ferris, Khanloo, Lu, Villaveces

COMMISSIONERS REMOTE: None

COMMISSIONERS ABSENT: Commissioner Bhargava

STAFF PRESENT: Janet Shull, Emil King, Thara Johnson, Community Development; Nick Whipple, Kristina Gallant, Josh Steiner, Development Services Department; Matt McFarland, City Attorney's Office

COUNCIL LIAISON: Deputy Mayor Malakoutian

GUEST SPEAKERS: None

RECORDING SECRETARY: Gerry Lindsay

1. CALL TO ORDER
(6:32p.m.)

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

Chair Goepple also briefly remarked on the day being the 23rd anniversary of the 9/11 attacks, a solemn day in the history of the nation.

2. ROLL CALL
(6:33 p.m.)

Upon the call of the roll, all Commissioners were present with the exception of Commissioner Bhargava.

3. APPROVAL OF AGENDA
(6:34 p.m.)

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

4. REPORTS OF CITY COUNCIL, BOARDS AND COMMISSIONS – None
(6:35 p.m.)

Deputy Mayor Malakoutian welcomed the Commissioners back from the August break and then reported that staff and Chair Goepple attended the Council meeting on September 10 to present the Commission's work on the Comprehensive Plan. It was a very big moment and the Council

expressed appreciation for all of the work of the Commission and the level of public engagement. The Council has the topic on its agenda again for September 24.

5. STAFF REPORTS
(6:36 p.m.)

A. Planning Commission Meeting Schedule

Strategic Planning Manager Janet Shull took a few minutes to review the Commission's schedule of upcoming meeting dates and agenda items through the end of the calendar year.

6. WRITTEN AND ORAL COMMUNICATIONS
(6:40 p.m.)

Chair Goeppele took a moment to note that under Ordinance 6752, the topics about which the public may speak during a meeting are limited to subject matters related to the city of Bellevue government and within the powers and duties of the Planning Commission. Additional information about the new rules of decorum governing conduct of the public during meetings can be found in Ordinance 6752.

A. Written Communications
(6:41 p.m.)

Janet Shull remarked that only a couple of written communications had been received following the Commission's last meeting in July. Two additional written communications were received and sent to the Commissioners earlier in the day.

B. Oral Communications
(6:42 p.m.)

Jessie Clawson spoke representing the PLUSH Committee of the Bellevue Chamber of Commerce and praised city staff for working collaboratively with the committee on the Wilburton draft. The draft in its current form is not financially feasible and the Commission was urged to take a close look at reducing the costs associated with the baseline requirements in the code. The code has baseline requirements for environment, transportation and open space that far exceed what is currently required in the Downtown, all before considering affordable housing. The result could be no new development of Wilburton. The Commission was asked to focus on the code specifics that are most important.

Neil Mulnick, owner of the Ford Auto Nation site at the corner of 116th Avenue NE and NE 4th Street in Wilburton, agreed with the comments of the previous speaker. Staff have been working diligently with a group of stakeholders on refinements to the Land Use Code amendment. Workable compromises have been reached in a number of areas but there remain large areas in need of solutions that will facilitate development of the vision for Wilburton as a true TOD area. A code is needed that will avoid all the known problems previously identified.

Bill Finkbeiner said Wilburton property owners are working well together with the staff to align the goals for the neighborhood. What is needed is a code that will result in redevelopment and new housing, both affordable and market rate. The current market is different from that seen over the last few years. By working together, solutions can be found that will work for the city as well as the development community. That will necessitate the Commission identifying the top

priorities.

Saghar Amini began with an acknowledgement of the 23rd anniversary of the 9/11 attacks in honor of the lives lost, the courage of those who responded, and the resilience that continues to unite in the face of tragedy. On behalf of Habitat for Humanity, the Commission was thanked for its ongoing care and urgency to prioritize affordable housing. Indeed the Commission does need to identify the top priorities for Wilburton, and in doing so affordable housing must be the top priority. The code will need to work across all economic cycles. Currently, almost nothing is penciling out and it is very hard for anyone to develop. The affordable housing requirement needs to be kept on the table and considered as a requirement. The incentive-based approach has been proven to not be effective and going forward it will not help the city meet its ambitious goals. It is possible to craft a well-calibrated affordable housing requirement for Wilburton that will work for everyone.

7. PUBLIC HEARING – None
(6:56 p.m.)

8. STUDY SESSION
(6:56 p.m.)

A. Wilburton Vision Implementation Land Use Code Amendment jurisdiction (LUCA)

Planning Manager Kristina Gallant took a moment to introduce new Senior Planner Josh Steiner and noted that a lot happened over the summer months as part of gearing up to a full public draft of the Wilburton LUCA ready for review.

Kristina Gallant reminded the Commissioners that there was a robust engagement process undertaken to inform the Comprehensive Plan amendment and the vision for Wilburton. The key themes identified included the tree canopy, supporting small businesses, future density and building heights, and affordable housing.

One key policy move focused on cultural and community connections. This focus is on an active, vibrant identity, a unique mix of businesses, and multiple ways to connect. There is a new Wilburton light rail station, other transit improvements, and the Eastrail all coming together in the area for future land use. The district will be trail- and transit-oriented, supportive of diverse and affordable housing, will rely on various implementation tools.

There is also a major focus on open space and natural systems, supporting an urban park system, and enhancing existing natural features. Included is implementation of sustainable district principles as presented by the environmental stewardship team in July, and incorporating Eastrail as a linear park.

By way of summarizing a few of the major points heard from the Council during the adoption process, Kristina Gallant noted that there was broad support for the Planning Commission's recommendation, including the shift from a medical office approach to more general mixed use. There was strong support for the sustainable district concept and interest in affordable commercial space for small businesses, as well as a focus on walkability and leveraging transit connections. Economic conditions are overarching all of the work, so consideration is being given to identifying ways to phase in certain components without losing sight of the long-term

vision. With almost all of the work being done, there is an emphasis on prioritizing affordable housing production.

Turning to specific elements of the LUCA, Kristina Gallant stated that new land use districts will be implemented and there will be zoning that aligns with the future land use map in light of the highrise and midrise mixed-use districts, and replacing the medical office highrise district with a mixed-use district.

To address the wide range of needs in Wilburton, flexibility in land use is being explored. Unlike other areas of the city, the Wilburton code will establish that all uses are allowed unless explicitly prohibited or subject to conditions. The approach ushers in the flexibility to accommodate a variety of uses; a similar approach is used in the South Lake Union area in Seattle. Even though there will no longer be a dedicated medical office district, there will be specific considerations for life sciences uses, including allowing for extra height for mechanical equipment and more flexible floor plates.

Wilburton has quite large blocks and they can be a challenge for creating walkability. An access and walkability concept has been developed that provides for a number of different access types. New development in the area will implement a new block size, site access, local street and Eastrail improvement requirements. The new block requirements will apply only to blocks 100,000 square feet, allowing for flexibility in how new blocks are formed within a maximum perimeter and block length standard. There will be options as to what conforms the blocks, such as public rights-of-way, private access corridors, Eastrail or the Grand Connection. There are several concepts for what private access corridors could be.

Under the sustainable district concept, an increased open space percentage requirement has been proposed compared to the Downtown. More flexibility for smaller sites is being built in relative to how the area can be accommodated on site, including placement on rooftops, building podiums, and within the streetscape landscaping. Similar to the Downtown, a green factor approach is being implemented for landscaping and site design that is more flexible than rigid landscaping standards, all with an increased score for tree retention.

Kristina Gallant said an amenities incentive system will be put in place as well; work is under way to calibrate it. Under the approach, projects can build up to the maximum height and floor area ratio (FAR) through participation in the system. There will be incentives for affordable housing, affordable commercial space, family-sized housing, enhanced green building performance, enhanced critical area restoration, providing additional open space beyond the requirement, and for providing enhanced Eastrail and Grand Connection improvements.

Some supportive analysis has been done and more is ongoing. An initial development feasibility model has been updated with stakeholder feedback on development costs. The model includes toggleable inputs that can be adjusted. Midrise construction appears feasible under current conditions, but highrise development is facing serious challenges. An affordable housing nexus study is being worked on, which functions like an impact fee study, identifying the demand for

affordable housing driven by new development and determining how much it would cost to meet that demand.

Stakeholder feedback was collected throughout the summer. Since the release of a draft LUCA on May 31, there have been multiple meetings, including with the Wilburton property owners group, the Bellevue Downtown Association (BDA), and the Bellevue Chamber of Commerce. In late July, a Chamber of Commerce sub-team was formed to collaboratively address key issues. The discussions are continuing and more workshops are planned. The next full public draft will be launched in early October.

The feedback received highlighted more flexibility for block perimeters, and to that end the increased size threshold for exempt sites was incorporated, as was limiting the block requirements to larger blocks only. A lot was heard about the access corridors being too wide, so the design guide will reduce those widths to the minimum necessary. There were also comments about Eastrail access being difficult to achieve so changes were implemented to bring down the emergency access requirements to allow for more flexibility. With regard to allowed uses and dimensions, the comments have been around needing more flexibility for certain uses and avoiding nonconformances. More flexibility for auto sales has been incorporated to make sure they can happen, and more departures are included larger manufacturing and expanded surface parking. The minimum FAR requirement has been removed. To address concerns about floorplate size, more flexibility has been considered for midrise buildings, allowing for averaging. Some specific provisions have been included for mass timber construction to align with the sustainability goals, with provisions added for connected floor plates.

Open space has been and remains a big topic, and more conversations lie ahead. Generally more flexibility is being introduced relative to where open space can be located. The multifamily play area requirement for Wilburton has been removed, and the calculations for open space will also remove the required driving surfaces. More flexibility has also been introduced for the green factor to encourage more vegetated walls.

Kristina Gallant said a number of comments were received around active uses. Many said the definition was too narrow and that too much space was required. The focus has turned to the Downtown approach will allow for more flexibility relative to where active uses can be located. Some of the build-to requirements that were fully addressed in other ways have been removed. More flexibility for compact parking and parking structures, including garage heights, are being worked in.

The final stakeholder workshop will be held in early October and it will focus on affordable housing and the amenity incentive system. The full public draft will be released on October 10 and that will be followed by a study session with the Commission in November. Engagement with the Council will continue into early next year, with Council action expected in the first quarter. The affordable housing nexus study will move in parallel with the Commission's process and some initial findings will be in hand by the date of the public hearing.

Commissioner Lu asked which of the cost levers in hand are viewed as being the most effective, and which areas are the farthest away from identifying effective solutions. Kristina Gallant said staff are working through several challenges, particularly around development feasibility. High-rise construction, which involves steel frame buildings, is the most challenging due to costs, including materials and financing issues, at least for the near term. Other open challenges include the open space requirements and the amenity incentive system generally.

Commissioner Villaveces asked if the development feasibility model is available to review. Kristina Gallant allowed that it is available to the public. The model can be used to make apples-to-apples comparisons of incentives for affordable housing versus mandatory affordable housing, though it may not have the capability of lining the two approaches up side by side. Staff can provide that comparison, however.

Commissioner Villaveces asked if the open space requirements are making a dent as a cost driver in development feasibility, and asked how the large blocks will be divided. Kristina Gallant said much has been learned from the experience in BelRed by applying many of those provisions where the needs are similar. There is agreement that the block standards in Bell Red introduced too much rigidity. The Wilburton draft, for sites over 100,000 square feet, has standards for maximum block size and length, but it will be up to the applicant to decide what works best. They will also have options for delineating the blocks, ushering in the concept of flexible access streets with vehicular access with sidewalks or active streets with just pedestrian-bike connections. Depending on what they choose, some of the elements may qualify for incentive points or meet the open space requirements. The code will define widths and the transportation design manual engineering specifics will need to be adhered to.

Commissioner Villaveces suggested a way could be found for achieving the open space requirements at the master plan level. If the blocks are pre-determined through the master plan, as the blocks develop, one could create public streets for pedestrian or mixed uses that count toward the open space requirement, reducing the burden on each development. Sometimes when developers divide mega-blocks, the connections do not lead anywhere, so consideration must be given to continuity of the streets.

Commissioner Villaveces also noted that over the last few months there have been discussions regarding the minimum parking requirements, which everyone agrees is a major cost driver. The question asked was if staff are looking at that closely. Kristina Gallant explained that the initial public draft includes two parking options, one with no minimum requirement and another tied to citywide standards. As envisioned, whatever the citywide standard is for a particular use, the requirement in Wilburton would be half of that. What the stakeholders have said is that the 50 percent standard aligns with what they would likely build anyway given the market demands. It is understood that parking is a cost driver and agrees that providing flexibility makes sense. While some projects might not need parking, near-term projects realistically will choose to provide it at the 50 percent level or more.

Kristina Gallant added that in regard to public streets there are limited requirements that are primarily driven by the need to avoid landlocking parcels. The new flexible corridors are

otherwise private, giving property owners more control. Not all of them would be fully public streets.

Commissioner Villaveces urged the staff not to lose sight of the Warner concept that was discussed a few meetings ago. Kristina Gallant agreed.

Commissioner Khanloo suggested the Commission would benefit from having a better understanding of the costs, benefits and tradeoffs between affordable housing and open space. It should be made clear whether or not environmental concerns will take a back seat to affordable housing, and just what the balance should be. More data is needed in order to make good decisions. Also asked was a question about the impacts of removing the minimum parking requirements and making block sizes more flexible. Kristina Gallant said staff will be sure to look at all that, and clarified that all in-lieu fees for affordable housing are used specifically for the development of affordable housing.

Commissioner Ferris commended the staff for their work of reaching out to so many stakeholders. While time-consuming, the effort is important. Having flexibility built into the plan is a top priority.

Commissioner Ferris asked how the base FAR is to be determined. Kristina Gallant said the calibrations will be based on two scenarios, one with mandatory affordable housing and one with an incentive-based approach. The base is set higher with the mandatory approach, so affordable housing happens within the base. With the incentive approach, the base is lower to encourage participation. Staff have been consulting with urban design experts on the topic.

Commissioner Ferris voiced the belief that mandatory affordable housing is necessary. Without it, affordable housing will not happen. Staff are also be commended for applying the in-lieu fee to commercial developers as well; that is a critical element.

Answering a question asked by Commissioner Ferris about parking garages, Kristina Gallant said developers will be encouraged to build garages with flat floors and a minimum 10- to 12-foot ceiling height to allow for future conversion, especially in a TOD district.

Commissioner Ferris emphasized how crucial affordable housing is. The state mandates it, but there is no single solution. Everyone from the city to developers must contribute.

Commissioner Cálad also commented on being very passionate about affordable housing but stressed that much more information is needed. Some say mandatory affordable housing is the way to go, but that approach can be very expensive, leading to higher costs of living for those in affordable housing. More information is also needed about FAR and whether the incentives are realistic. With a significantly lower baseline, the development potential may be affected. The Commission needs to look at the numbers and figure out how the formula for the fees will work.

Commissioner Cálad also said more information is needed about the issue of private roads and the options that will be available for them. The question asked was if the standards for them will

be the same as for public roads in terms of widths and street components. Kristina Gallant said private streets have a narrower requirement compared to public streets. There is also more flexibility in what components they include, such as vehicular lanes or bike and pedestrian paths. Commissioner Cálad asked for more information about the differences in cost for the two options to determine the benefit to developers.

Chair Goepple asked for more information in regard to the mandated and incentivized affordable housing approaches for sister cities on the Eastside and how effective they are. Kristina Gallant allowed not having that information in hand but said staff would bring it back to the Commission. Chair Goepple said it would be helpful to see some benchmarks.

Chair Goepple also offered a question about the notion of all land uses being allowed if not otherwise prohibited, and why that would be a good idea for Wilburton. Kristina Gallant said the key thing to keep in mind is that it would still be the city's choice to determine prohibited and conditioned uses. Over time as different uses arise, circumstances can arise around uses that do not perfectly fit into the use table. Life sciences is a use that might not fit neatly into existing categories. The proposal is to focus on prohibiting the uses the city definitely does not want and allowing more flexibility for innovation over time. Chair Goepple commented that there may be future uses that are not currently anticipated and which may not be desirable for the area. Kristina Gallant said those can be addressed over time. Initially, the proposal is to restrict things like agricultural processing and large-scale manufacturing. There will be a full list at the land use review stage.

Chair Goepple allowed that affordable housing will certainly be high on the list of priorities. Access Eastrail and the Grand Connection should also be deemed a high priority. Ensuring pedestrian connections are as important as affordable housing in shaping the character of the neighborhood.

Commissioner Lu said balancing access and open space will be a great way to provide more flexibility in development. One common bit of feedback has been that the design review process takes a long time. Financing becomes difficult to manage when the process is drawn out and ways should be sought to streamline the process. Kristina Gallant said the state recently passed legislation that establishes that cities can only require design guidelines that are objective. There can be non-objective standards, but it must be made clear that that they are not required. Bellevue's process is consistent with the new state legislation regarding the design review process itself, but going forward the city will work toward cleaning up the design standards to make sure they are clear and consistent, which should help streamline the process. Commissioner Lu added that transparency in the process timeline would also help manage expectations.

Commissioner Lu asked if there is a process for coordinating amenities within a block or region to avoid developers simply going for the cheapest points in the incentive system. Kristina Gallant said that issue is being considered as part of the larger incentive program. If not calibrated correctly, developers will find the most cost-effective option, leaving all other options to fall by the wayside.

Commissioner Villaveces touch on removing the minimum FAR and said it would seem the approach is counter to achieving density. Kristina Gallant said the idea behind the minimum FAR is to encourage maximizing development capacity. However, a minimum FAR requirement can create legal non-conformities for existing sites that fall below that density level. As a compromise to a minimum FAR, the proposal is to introduce other measures such as limiting surface parking to ten percent and banning drive-throughs to avoid suburban-style development.

Regarding car sales, Commissioner Villaveces commented that the proposal seems more like a suburban concept that does not seem to align with the vision. Kristina Gallant said the initial draft included a provision that banned the onsite inventory for car sales. After hearing from stakeholders, however, the decision was made to allow it with the ten percent parking limit to keep areas from being dominated by parking lots.

Commissioner Villaveces asked if there had been any discussion of mixed-use parking buildings that could provide parking as well as other uses such as coworking spaces above. That could help offset the lack of minimum parking requirements. Kristina Gallant said shared parking is something being explored.

Commissioner Khanloo agreed with the need for the government to take action in regard to affordable housing. Without affordable housing, the city will not be able to achieve its goals. All decisions regarding affordable housing do need to be data-driven and should include an understanding of the trade-offs, such as sacrificing open spaces for more affordable units. It will be essential to see concrete data before making these choices.

Commissioner Ferris concurred with the idea of studying the shared parking scenario.

Commissioner Cálad said the city has before it the opportunity to find balance and creative solutions to the parking issue. No black-or-white approach will work.

Chair Goepple agreed that extremes where parking is concerned should be avoided. Having some level of required parking makes sense, especially for people coming to Wilburton from areas not served by mass transit. Where no parking is provided, people can find their options limited and expensive, and that can lead to people avoiding the area completely.

Commissioner Villaveces suggested the most common type of development the Wilburton area will see is five over two construction, which is a concrete podium with wood framing due to the economics. It is important to understand the development potential and how the blocks are laid out for that type of construction. If the maximum block size limits the density that can be achieved, there may need to be some recalibration. The city will want to encourage density and at the minimum cost to keep construction costs down. Block size will be key to the development of the Wilburton area.

9. OTHER BUSINESS – None
(8:01 p.m.)

10. APPROVAL OF MINUTES
(8:01 p.m.)

A. July 10, 2024

A motion to approve the minutes was made by Commissioner Ferris. The motion was seconded by Commissioner Cálad and the motion carried unanimously.

B. July 24, 2024

A motion to approve the minutes was made by Commissioner Ferris. The motion was seconded by Commissioner Cálad and the motion carried unanimously.

11. EXECUTIVE SESSION – None
(8:03 p.m.)

12. ADJOURNMENT
(8:03 p.m.)

A motion to adjourn was made by Commissioner Ferris. The motion was seconded by Commissioner Cálad and the motion carried unanimously.

Chair Goepple adjourned the meeting at 8:03 p.m.