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CITY COUNCIL AGENDA TOPIC

2024 Comprehensive Plan Amendment: Wilburton Vision Implementation

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EXECUTIVE SUMMARY

The City Council will receive an update on the Comprehensive Plan Periodic Update and review the 2024 proposed Comprehensive Plan Amendments (CPA) for the Wilburton Vision Implementation, which would adopt Wilburton Transit-Oriented Development (TOD) area policies and map changes into the Wilburton/NE 8th Street Subarea Plan and the Land Use Map and amend the Wilburton/NE 8th Street and BelRed Subarea boundaries. Planning Commission Chair Vishal Bhargava will present the Commission's recommendations.

Following tonight's study session, direct staff regarding any amendments or outstanding concerns regarding the Wilburton Vision Implementation CPA and provide direction on Council's preferred next steps toward action on the CPA.

RECOMMENDATION

DIRECTION

Direct staff to return with an Ordinance adopting the proposed 2024 Wilburton Vision Implementation CPA as recommended by the Planning Commission.

BACKGROUND/ANALYSIS

Background on the Comprehensive Plan

The Comprehensive Plan captures the City's vision for the future of Bellevue, sets policy that directs City actions and decisions, and guides capital investments. The State Growth Management Act, chapter 36.70A RCW, requires the City to revisit the Comprehensive Plan at least once a decade to ensure that the City can meet its growth targets. The Comprehensive Plan Periodic Update, launched by Council in 2022, is being revised to reflect Council's updated vision, which includes increasing housing options and affordability, supporting the City's diversity and economic innovation, and protecting the environment. The objective of the Comprehensive Plan Periodic Update is to continue Bellevue's legacy of well-managed growth that prioritizes a high quality of life and community-building. The City has evaluated the current capacity for growth and determined that more housing units. This update will integrate state, regional, and county requirements with the Bellevue City Council's vision for the City, community feedback, and guidance from City studies and plans.

Guiding Principles

Upon initiating the Comprehensive Plan Periodic Update, Council provided direction on a number of issues to guide the work. The direction can be summarized by three major areas of focus.

- Equity must be central to the project, both with regard to equitable outreach and equitable impacts on the community. Participation should reflect the community as closely as possible and raise the voices of those who have been historically marginalized and excluded from City planning processes. Throughout the Periodic Update process, the City has also considered the equitable impact of various growth concepts.
- <u>Sustainability</u> considerations must be spread throughout each aspect of the project. The update to the Comprehensive Plan will both work to reduce the City's impact on climate change and mitigate its impacts. The City will need to address items such as reducing greenhouse gas emissions. The update will also include measures to move toward a more efficient future where the City's vibrancy may be sustained without negatively impacting future generations.
- <u>Housing</u> is an important issue for the City. Affordable or attainable housing must be possible for individuals and households across the economic spectrum. This requires a multi-pronged approach that impacts land use policy, City processes, human services, and a host of other areas of the City. For Bellevue to remain a welcoming home to diverse residents, housing must be addressed comprehensively in this effort.

Relationship to Wilburton CPA

Environmental Impact Statement (EIS): The Comprehensive Plan Periodic Update and the Wilburton Vision Implementation CPA are related in that they are both considering changes in land use categories which will influence the capacity for residential and commercial development. The City used a single Environmental Impact Statement (EIS) to conduct environmental review of both proposals. The Comprehensive Plan Periodic Update and Wilburton Vision Implementation are being closely coordinated to ensure that potential environmental impacts are considered, overlapping issues are addressed, and the environmental analysis required by the State Environmental Policy Act, chapter 43.21C RCW (SEPA), covers the full range of potential changes being considered.

The environmental review for the Wilburton Vision Implementation built upon an earlier Draft Environmental Impact Statement (DEIS) prepared in February 2018 for the Wilburton Commercial Area (now referred to as the Wilburton TOD area). The 2018 DEIS was followed by the Wilburton Commercial Area Study in July 2018. The study identified a "Preferred Alternative" for the future state of Wilburton. Following the 2018 DEIS and Wilburton Citizen Advisory Committee (CAC), work was put on hold while other City priorities were undertaken.

Work resumed in April 2022, and the City's updated environmental analysis continued with publication of the DEIS for the Comprehensive Plan Periodic Update and Wilburton Vision Implementation CPA and Land Use Code Amendment (LUCA) on April 27, 2023. The City then published the Final EIS (FEIS) on February 1, 2024. The environmental impacts and potential mitigation measures identified throughout the EIS process informs policies and future land uses proposed in the Wilburton Vision Implementation CPA.

Citywide growth strategy: The overall strategy for growth builds upon the City's past growth strategy

of focusing the majority of growth capacity in Bellevue's Mixed Use Centers¹, especially Downtown, BelRed, and Wilburton. This strategy provides ample opportunity to meet the City's job and housing growth targets identified in the King County Countywide Planning Policies (ratified by Council on February 7, 2022). This strategy also fits within Puget Sound Regional Council's (PSRC) regional growth strategy framework which calls for focusing growth in centers and around transportation options, especially light rail. An essential component of the City's new growth strategy is the Wilburton TOD area.

The Wilburton Vision Implementation initiative increases capacity within the Wilburton TOD area with the tallest buildings and most intense uses around the Grand Connection, across I-405 from Downtown. The proposed growth strategy also adds capacity for growth in the BelRed Subarea by expanding the station areas and increasing allowable heights and densities near the light rail stations. Capacity for residential growth would be increased further by redesignating areas around station areas for residential use. In general, the community is supportive of growth focused in the mixed use areas of the City.

Policy development: On January 15, Bellevue released a public review draft of the policy changes associated with the Comprehensive Plan Periodic Update. This was followed by two public events and an online survey to gather feedback from the community. The Planning Commission has reviewed and discussed the updates to the policies in each of the Comprehensive Plan elements within Volume 1 as well as minor changes to Volume 2 to align with state law and Volume 1 changes over the past several months. The Commission also received the recommendations of other boards and commissions. The Commission has made recommended changes to both the policies and overall land use map. At the May 22 Planning Commission meeting, the Commission provided direction to set a public hearing for the Comprehensive Plan Periodic Update on June 20 and 26. The Public Hearing materials were published on June 6.

While the Wilburton/NE 8th Street Subarea Plan is undergoing a comprehensive update as part of the Wilburton Vision Implementation CPA focused on the TOD area; a limited set of policies still reference the current Land Use Plan – ahead of adoption of the Future Land Use Map as part of the Comprehensive Plan Periodic Update – and need to be updated to reference the Future Land Use Map in Volume 1.

Comprehensive Plan Amendment Process: Wilburton Vision Implementation CPA

The Comprehensive Plan amendment and review process, set forth in the Land Use Code (LUC), at Part 20.30I LUC, begins with Planning Commission review of the amendments, which includes a Planning Commission public hearing on the amendments and recommendations to the City Council. Council reviews the recommendations and then acts to approve or deny each CPA in turn. The Final Review decision criteria for such action are listed in LUC 20.30I.150.

On April 25, 2022, staff presented to City Council the plan to initiate work on the Wilburton Vision Implementation CPA and LUCA for the Wilburton TOD area, an area generally bounded by NE 12th

¹ Bellevue's Mixed Use Centers include Downtown, BelRed and East Main as well as the commercial and mixeduse parts of Wilburton, Crossroads, Factoria and Eastgate. Although these areas share names with neighborhood areas, the Mixed Use Center does not extend across the primarily residential parts of the neighborhood areas.

Street on the north, Interstate I-405 on the west, Lake Hills Connector on the south, and 124th Avenue NE to 118th Avenue NE on the east. This work built upon the preferred urban design framework and recommended strategies developed by the Council-appointed 15-member Wilburton CAC in 2017-2018 and included in the Wilburton Commercial Area Study report issued in July 2018. The major elements of this initiative pertaining to the CPA included the following:

- 1. Stakeholder and community re-engagement about the future vision of the Wilburton TOD area;
- 2. Combined and cumulative environmental review under SEPA for the Wilburton Vision Implementation CPA and LUCA and the Comprehensive Plan Periodic Update; and
- 3. CPA to include revisions to the Wilburton/NE 8th Street Subarea Plan and BelRed Subarea Plan (the portion of the Wilburton TOD area north of NE 8th Street is within the BelRed Subarea).

Following City Council direction to proceed with the Wilburton Vision Implementation workplan, the City conducted study sessions with the Planning Commission to discuss refinements to the vision, growth alternatives to be studied during the environmental review process, and updates to the Wilburton/NE 8th Street and BelRed Subarea Plans. Concurrent with these Planning Commission touchpoints, the City conducted a robust multi-phase engagement effort to expand community participation in the planning process and provide opportunities for community members to provide feedback on the vision and major policy moves for the Wilburton TOD area.

The Planning Commission held a Final Review public hearing on May 1 this year. The Planning Commission received several comment letters on the proposed CPA prior to the public hearing, and 13 members of the public gave oral testimony during the public hearing. After thorough consideration of inputs (community feedback, earlier CAC work, environmental review, and additional analyses) through several study sessions and during the public hearing, the Planning Commission passed a resolution recommending the adoption of the Wilburton Vision Implementation CPA, which included edits to a few proposed policies. The CPA satisfies all Land Use Code decision criteria for Final Review of a CPA (LUC 20.30I.150). See Attachment A for the resolution to recommend the adoption of Wilburton Vision Implementation CPA, which the Planning Commission approved with 6-0 votes on May 1. Subsequent to the Planning Commission recommendation, City staff corrected a minor technical error to update the order and numbering of policies.

Community Engagement

The engagement process included the following phases:

- Phase 1a Onboarding and Re-Engagement (Spring & Summer 2022): Re-engage stakeholders involved in the development of the 2018 Wilburton Commercial Area Study and Eastrail Framework Plan and expand the list of community members wishing to participate.
- Phase 1b Re-affirm and Enhance Vision (Summer & Fall 2022): Collect input to refine the 2018 Wilburton CAC vision, considering changed conditions within the area since 2018. Develop and refine growth alternatives for environmental review.
- Phase 2 Evaluate Action Alternatives and Proposed Subarea Plan updates (2022-2024): Collect input on proposed land use map and subarea plan amendments as part of the formal CPA process and identify a preferred strategy for growth in the Wilburton TOD area.

Each phase used a diverse set of in-person and virtual participation tools to engage the community:

- **Community events** to facilitate broad participation and input gathering across the community, such as an Open House on August 15, 2023, providing opportunity for community members to provide feedback on key policy moves.
- **Board updates** to engage subject matter experts on topical issues and priorities, including Youth Link, Bellevue Network on Aging (BNOA), Bellevue Diversity Advisory Network (BDAN), and Parks & Community Services Board.
- **Community conversations, presentations, and tabling** to facilitate conversations with specific communities, including those staff had not heard from as frequently during earlier engagement phases, including youth, seniors, employees, and communities of color.

The opportunities and concerns shared in these engagement activities informed the growth alternatives studied during environmental review and the draft policies to be included in an updated Wilburton/N.E. 8th Street Subarea Plan. Engagement reports for <u>Phase 1</u> and <u>Phase 2</u> are available on Engaging Bellevue, which summarizes activities and input received that have informed the CPA process.

Phase 3 is currently underway that will evaluate proposed zoning, development standards, and design guidelines as part of the formal LUCA process, and test proposed development standards and design guidelines with stakeholders. The City published a public review draft Wilburton Vision Implementation LUCA on May 31, and the City is in the process of engaging stakeholder groups for their feedback. This work on the LUCA will be processed through the Planning Commission over the Summer/Fall, with an anticipated date for Planning Commission transmittal of LUCA recommendations to the City Council later in 2024.

Subarea Plan Updates

The Wilburton/N.E. 8th Street Subarea Plan, which is located in Volume 2 of the Comprehensive Plan, provides narrative and policies that guide regulations, projects, programs, and other planning efforts for the Subarea. The proposed amendments related to the Wilburton TOD area in the Wilburton/N.E. 8th Street Subarea Plan can be found in Attachment B as formatted in the plan layout and Attachment C as a strike-underline version. The proposed amendments shape the overall vision, goals, and policy direction for this smaller planning area within the larger Wilburton/N.E. 8th Street Subarea.

Wilburton/NE 8th Street Subarea Plan (Attachment B and C)

- 1. **Modification** to the existing Goals and Overview narrative of the Wilburton/NE 8th Street Subarea Plan to reflect the relationship between the Wilburton TOD area and the larger subarea;
- Modification to some existing Wilburton/NE 8th Street Subarea policies to delete outdated discussion and density provisions no longer consistent with state House Bill 1110 (Middle Housing) legislation;
- 3. **Addition** of a vision statement and goals that serves as the framework for goals and policies related to the Wilburton TOD area;
- Addition and modification of policies to realize the Wilburton TOD area vision, organized into nine topic areas: 1) Land Use, 2) Economic Development, 3) Environment, 4) Housing, 5) Parks, Recreation, and Open Space, 6) Transportation, 7) Urban Design, 8) Arts and Culture, and 9) Implementation; and
- 5. Modification to figures at the end of the Wilburton/NE 8th Street Subarea Plan to reflect

proposed future land use, subarea boundary adjustments, and policy amendments.

BelRed Subarea Plan (Attachment D)

- 1. **Modification** to figures at the end of the BelRed Subarea Plan to reflect the proposed subarea boundary adjustment; and
- 2. **Modification** to three existing policies in the BelRed Subarea Plan that would now be part of the Wilburton/NE 8th Street Subarea because of the proposed subarea boundary adjustment.

The amendments described above would result in amendments to the Glossary in Volume 1 to include updated Land Use Designations proposed for the Wilburton TOD area (Attachment E), and the Comprehensive Land Use Plan Map to update the Citywide Comprehensive Land Use Plan map (Attachment F) and Citywide Subareas map with updated boundaries (Attachment G).

Future Land Use Map Update

The proposed Future Land Use Map (Attachment H) is consistent with proposed land use policy amendments in the Wilburton/NE 8th Street Subarea Plan that provide general direction on desired densities, use mix, and building height transitions. All changes to the map are within the maximum development analyzed in the EIS for one or more of the action alternatives and generally align with the Preferred Alternative analyzed in the FEIS, with some modifications.

Four new land use designations are proposed for the Wilburton TOD area and added to the Glossary in Volume 1, including:

- **Urban Core:** The purpose is to provide an area for a mix of housing, retail, service, and office, and complementary uses at the highest scale and density, close to Downtown and light rail stations.
- **Highrise Mixed Use:** The purpose is to provide an area for a mix of housing, retail, service, office, and complementary uses at a high scale and density.
- **Midrise Mixed Use:** The purpose is to provide an area for a mix of housing, retail, service, office, and complementary uses at a middle scale and density.
- **Midrise Residential Mixed Use:** The purpose is to provide primarily housing with a mix of retail, services, office, and complementary uses with a focus on housing at middle scale and density.

The Planning Commission approved a recommendation for the Future Land Use Map establishing an Urban Core bounded by I-405, Eastrail, NE 4th Street, and NE 8th Street. The Urban Core area includes parcels along the Grand Connection alignment and planned for the highest density of activities and people with its proximity to Wilburton Station, the Grand Connection, and the Eastrail. Highrise Mixed Use is designated along 116th Avenue NE, NE 8th Street, and the east side of 120th Avenue NE, providing for higher-density development next to high-capacity transit and multiple light rail stations (Spring District, Wilburton, Bellevue Downtown and East Main). Midrise Mixed Use is designated along the west side of 116th Avenue NE north of a designated wetland on Main Street to provide for a scale development responding to the nearby wetland. Finally, Midrise Residential Mixed Use is designated toward the east and southeast edges of the Wilburton TOD area and around Lake Bellevue to provide for a transition in scale and use toward residential areas to the east and provide more walkable retail, services, and amenities from these neighborhoods.

POLICY & FISCAL IMPACTS

Policy Impact

Comprehensive Plan

These policy changes will amend the existing Wilburton/NE 8th Street Subarea Plan and BelRed Subarea Plans in Volume 2 of the Comprehensive Plan, as well as the Comprehensive Plan Map and Subarea Plan Map.

State Environmental Policy Act

The EIS prepared for the Bellevue 2024-2044 Comprehensive Plan Periodic Update and Wilburton Vision Implementation CPA and LUCA is the most detailed form of environmental review under SEPA and is required when an agency determines that a proposed action is likely to result in significant adverse environmental impacts. The EIS prepared for the Periodic Update and Wilburton Vision Implementation CPA and LUCA identifies and analyzes growth alternatives, potential unavoidable or adverse environmental impacts, and mitigation measures identified for and associated with the proposed actions. The City released the DEIS on April 27, 2023 and the FEIS on February 1, 2024.

Fiscal Impact

There is no direct fiscal impact associated with implementing these policy changes. However, future development anticipated for the Wilburton TOD area as a result of the proposed amendments is expected to lead to substantial new residential and commercial development with related capital investment in parks, open space, transportation facilities, and increases in public services.

OPTIONS

- 1. Direct staff to return with an Ordinance adopting the proposed 2024 Wilburton Vision Implementation CPA as recommended by the Planning Commission.
- 2. Direct staff to return with an Ordinance adopting the proposed 2024 Wilburton Vision Implementation CPA, with modifications.
- 3. Provide alternative direction to staff.

ATTACHMENTS

- A. Resolution of the Planning Commission
- B. Proposed Wilburton/NE 8th Street Subarea Plan (plan layout)
- C. Proposed Wilburton/NE 8th Street Subarea Plan (strike-underline)
- D. Proposed BelRed Subarea Plan
- E. Proposed Glossary
- F. Proposed Comprehensive Land Use Plan Map
- G. Proposed Subareas Map
- H. Proposed Future Land Use Map for Wilburton TOD Area

AVAILABLE IN COUNCIL LIBRARY

N/A