

CITY OF BELLEVUE
BELLEVUE PLANNING COMMISSION
STUDY SESSION MINUTES

January 11, 2023
6:30 p.m.

Bellevue City Hall
Room 1E-113

COMMISSIONERS PRESENT: Chair Ferris, Commissioners Brown, Goepple, Malakoutian, Morisseau

COMMISSIONERS ABSENT: Vice Chair Bhargava, Commissioner Cálad

STAFF PRESENT: Thara Johnson, Emil King, Department of Community Development; Matthew McFarland, City Attorney's Office

COUNCIL LIAISON: Councilmember Robertson

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 Chair Ferris who presided.

Chair Ferris stated that the meeting and future meetings would be held via hybrid format with both in-person and virtual options via Zoom.

Owing to technical issues with Zoom, the meeting was delayed for a few minutes.

2. ROLL CALL
(6:48 p.m.)

Upon the call of the roll, all Commissioners were present with the exception of Vice Chair Bhargava and Commissioner Cálad.

3. APPROVAL OF AGENDA
(6:49 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
(6:49 p.m.)

5. STAFF REPORTS
(6:49 p.m.)

A. Planning Commission Meeting Schedule

Comprehensive Planning Manager Thara Johnson took a few minutes to review the Commission's schedule of upcoming meeting dates and agenda items.

Noting the need for additional meetings some months during the coming year, and the fact that some meetings only seem to have a single agenda item, Commissioner Malakoutian asked if staff felt confident the Commission would be able to complete all of its work without significant challenges. Thara Johnson said the anticipation is that the Commission will need about eight study sessions on the Comprehensive Plan periodic update: two sessions in each of the months of November, December and January. A potential date for the periodic update public hearing is in February. If based on community input the Commission asks for additional briefings and meetings, the schedule will need to be adjusted, possibly by adding more meetings. The schedule calls for completing the periodic update and having it adopted by the end of May by City Council. Therefore, in order for transmittal of the Commission recommendation to the City Council in March to allow the Council adequate time to do its work. There is a significant amount of work ahead for the Commission in the latter part of the year. The environmental impact statement process calls for policy work to inform the preferred alternative that will get defined in the final environmental impact statement. Commissioner Malakoutian highlighted the likelihood of needing to add meetings to the schedule. Everyone should place holds on their calendars accordingly. Thara Johnson agreed the Commissioners should keep that possibility in mind.

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Commissioner Goepple suggested that to the extent possible, work planned for later in the year should be pulled forward, freeing up meeting time in the out months of the year. Thara Johnson said staff is already looking at doing some of the LUCA work, including the tree canopy and C-1 Phase 2 work, earlier in the year. Wilburton is also dependent on the EIS but it will be coming to the Commission sooner than the Comprehensive Plan periodic update.

Thara Johnson reminded the Commissioners about the need to complete their required Open Public Meetings Act training.

6. ORAL AND WRITTEN COMMUNICATIONS (7:00 p.m.)

Thara Johnson noted that a number of written communications had been included in the Commission packets related to various topics, including the housing needs assessment, the tree code update, and overall process issues. The staff responses were also included in the packets. Provided to the Commissioners directly were two communications, one related to the housing needs assessment, and one relating to how to improve access to the Commission.

7. PUBLIC HEARING – None (7:02 p.m.)

8. STUDY SESSION

A. Puget Sound Regional Council (PSRC) Regional Housing Strategy and Implementation Efforts (7:02 p.m.)

Laura Benjamin, principal planner for the Puget Sound Regional Council, explained that the PSRC covers the central Puget Sound region in King, Pierce, Snohomish and Kitsap counties, home to more than four million people. The PSRC coordinates planning and decision making

with 82 cities and towns that are both urban and rural. The Growth Management Act exists as a planning document at the state level. The individual cities each of their own comprehensive plans, and between the two are the regional Vision 2050 and Multicounty Planning Policies and the Countywide Planning Policies. Growth is what drives the planning work done by the PSRC. The forecast is that the region will have nearly 5.8 million people and nearly 3.4 million jobs by the year 2050, triggering the need to be strategic in thinking about current and future residents.

Vision 2050, the region's long-term plan for growth, was adopted by the general assembly of the PSRC in October 2020. In many ways it is similar to a comprehensive plan with chapters focused on things like transportation, housing and climate change. The key themes in updating from 2040 to 2050 were housing, climate change and equity.

The housing policies in Vision 2050 set the regional housing direction. They help to inform the Countywide Planning Policies as well as local comprehensive plans. The policies center around the three key themes of housing as a regional issues, housing access and affordability and the tie to transportation, the economy, transportation and the overall quality of life, and the jobs/housing balance.

Vision 2050 includes actions for the PSRC to develop a regional housing strategy as well as a regional housing needs assessment. Vision 2050 provides the overall policy direction and the regional housing strategy is below it and provides a playbook of coordinated tools and actions for local jurisdictions to use to inform housing issues, including zoning and development regulations. As the regional housing strategy was being developed, three key things were kept at the top of the list: the policy direction in Vision 2050, the data and findings from the regional housing needs assessment, and input garnered from talking to a wide range of people.

Laura Benjamin said it is clear that more housing is needed now. The PSRC looked at housing construction over the past decades and found that there is a backlog of about 45,000 units. There has been a recent uptick in housing construction, but the need remains great. The ratio of population growth to housing production remained fairly steady from the 1980s to the 2000s, but population increased and housing construction decreased beginning in the 2010s. For every three new people moving to the region, only a single housing unit was added. The estimate is that for the period between 2020 and 2050, about 800,000 additional housing units are needed to accommodate the population growth, and that the majority of them will be in King County. The analysis also shows that many of the units need to be affordable to low- and moderate-income households, with 34 percent available to zero to 80 percent of area median income, a level which often requires some degree of public intervention or incentives.

The tools and actions included in the regional housing strategy are centered around supply, stability and subsidy. On the supply side, the focus is on building more housing of different types. More housing is needed near transit; more middle density housing is needed; and more housing choices within single family zones are also needed. Reducing the costs to build housing also need to be considered through means such as parking and landscaping requirements. The goal relative to stability is to provide opportunities for residents to live in housing that meets their needs. The strategies include information on how to support renters through tenant assistance and protections; increasing access to home ownership; increasing services and amenities to provide access to opportunities in low-opportunity areas; and incentivizing and/or requiring the creation and preservation of long-term affordable housing. With regard to subsidy, the focus is on advocating for substantial federal and state funding; encouraging major employers to finance construction and preservation; and expanding local funding options and their use across the region.

Laura Benjamin said plans and strategies are only as good as their ability to be implemented. Accordingly, there is a section included that addresses implementation. The individual actions highlighted for the region are broken down by the categories of capacity, resources and funding. PSRC will use its convening role to bring stakeholders to the table to share best practices; will continue to provide technical assistance; and will explore financial incentives for housing actions. At the subregional and local levels, PSRC is encouraging jurisdictions to join sub-regional agencies such as ARCH, SKIP, AHA and SHAPE. The organization will also be asking local jurisdictions to think about rezones and upzones, auditing existing revenue sources, and considering the array of things that can be done in the future.

The regional housing strategy calls for an annual monitoring report, the first of which was published in December 2022. It provides a snapshot of key housing measures which over time will identify a baseline as well as changes and longer-term trends. The key findings in the report include the fact that housing remains very expensive, particularly for first-time buyers. More housing units are needed, especially near transit. There continue to be racial disparities in home ownership, and partnerships are critical for funding affordable housing and moving the work forward.

The PSRC partnered with the Department of Commerce to conduct a statistically valid public opinion poll to better understand the public sentiment. The key findings included the fact that the cost of housing is a top issue across the state. Housing remains hard to find and discrimination continues. Housing can strengthen communities by providing more housing options and different affordability levels. Also heard was general support for middle housing such as duplexes and triplexes that fill the gap between single family and multifamily.

Laura Benjamin said housing opportunities by place is something the PSRC is developing in response to things heard from a lot of planners. The idea is to develop a typology of different kinds of places, and then for each identifying a handful of strategies, tools and actions that have the greatest potential impact. The work is under way and more information will be available in the coming months. The PSRC surveyed local jurisdictions to better understand what the cities and towns are doing in terms of supporting housing; the survey was conducted in 2010 and again in 2019 and in both instances it looked at things like tools and incentives, tenant protections, displacement mitigation and local revenue sources.

Commissioner Brown asked if there are any bills that PSRC is looking at in the current legislative session. Laura Benjamin said the executive board of the PSRC adopted a legislative agenda in late 2022. The top issues on the agenda are how to increase the supply of housing, how to promote stability, and how to increase subsidies.

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Commissioner Morisseau asked if the PSRC has considered keeping builders, developers and the public on the list of people to talk to during the various phases of the implementation process. While the work of ARCH is appreciated, the true experts when it comes to building market-rate and affordable housing are the builders and the developers. It is one thing for bodies like the Commission to discuss what might work for them, but it is another to actually sit and listen to those actually doing the work on the ground. The city of Bellevue has in the past created several incentives for the builders and developers to take advantage of in creating more affordable housing, but the hoped-for results have not been realized. Those doing the work are best suited to comment on what needs to be done. Laura Benjamin allowed that while it is early in the process, the PSRC does plan to have a convening with developers and non-profits along with local jurisdictions to hear about what would be helpful to include in comprehensive plans to help with

housing production.

Commissioner Malakoutian commented that the three focus areas for actions and tools exist at a very high policy level. The well-written document is clear about the coming crisis and is also clear about the need for all jurisdictions to step up. What is needed is more real action right away, not more high-level policies.

Commissioner Goeppele referred to the backlog of 45,000 housing units and asked if there is a breakdown for the individual cities. Laura Benjamin said if there is some refinement of those numbers, it would be held at the county level. The general methodology used to get to the backlog number likely could be applied to smaller geographies.

Commissioner Goeppele said Bellevue is looking at adding a specific number of housing units, 35,000, pursuant to the Comprehensive Plan update. That figure is based on a 2:1 ratio of jobs to housing units. That figure is also focused on future growth and does not address the identified backlog. The concern is whether or not the city is being ambitious enough.

Commissioner Goeppele asked if any high-level thoughts relating to the housing incentives and tools survey about what is actually working and what might work for Bellevue. Laura Benjamin said the forthcoming housing opportunities by place typology will be very helpful even down to the census tract level. There are obviously some opportunities and challenges associated with high-capacity transit.

Chair Ferris referenced the different ranges of affordability and the need to have subsidies to achieve housing in the zero to 30 percent of area median income range. The approach does not even come close to meeting the need. Multifamily tax credits do not offer nearly enough to fund projects and they burn off after 12 years, which means the units could become market rate at that point. There are also tax credits available that are incredibly competitive to get. Developers having suitable properties may or may not get the needed funding. Even if all falls into place, there still is a huge funding gap to build, maintain and provide services. When talking about that type of housing, the PSRC should be very clear about how difficult it is to achieve.

Chair Ferris said nothing was said in the presentation about units large enough for families. Currently the lease expensing way to build housing is to create micro apartments or small studio or one-bedroom units, which does not address the issue of wanting families in the neighborhoods. There should be a focus on family housing units.

Continuing, Chair Ferris stated that affordable housing simply will not get built unless there is a requirement to build it. All of the cities need to take a very strong look at any kind of upzoning or the ability to expand the opportunity to provide greater capacity that is tied to affordability.

Finally, Chair Ferris said the notion of housing opportunities by place sounds great. The concern, however, is that just one or two solutions may not actually move the needle. It will take a suite of solutions identified by working directly with developers with knowledge of what actually works in terms of incentives.

Commissioner Malakoutian asked for some elaboration of the tax credits and why they do not fill the gaps. Chair Ferris said there are programs developers can apply for that offer tax credits. The result is funding that brings projects to a certain level. For a \$10 million project, tax credits might yield \$2 million, leaving the developer to seek funding for the balance.

Commissioner Brown commented that housing is a top issue for Bellevue. There is a clear desire to make the communities affordable for current and future residents. The region is already one of the least affordable nationally for housing. Bellevue's planning efforts need to be informed by the best practices of other jurisdictions. High-speed transit is coming to the Eastside and Bellevue and with the opportunity come new opportunities for transit oriented development that is both affordable and accessible.

Commissioner Morisseau voiced a desire to be kept updated as to the progress made by the PSRC going forward. The city should track the data as a way of staying informed about what works and what does not work.

B. Planning Commission Survey Results and Discussion
(7:36 p.m.)

Thara Johnson noted having received three responses to the survey from Commissioners, and responses from most of the support staff. The survey had only five questions, beginning with areas where the Commission is functioning well. The feedback revealed that on the whole, the Commission is functioning at a very high level. The discussions are good, the feedback is good, there are good interactions among the members and the staff, the chair and vice chair are doing a great job of facilitating the meetings, and attendance at the meetings has been very good.

The second question focused on what can be done better in terms of Commission dynamics. Some Commissioners felt that the Commissioners could be more concise and clear in their responses. It was also noted that the Chair could provide clarity about Commission asks, whether they are for information only or direction and action. The suggestion was made that there should be one formal round of feedback from each Commissioner and then instead of going around again determining which Commissioners have additional feedback or comments. It was also stated that there could be a better understanding of the role of the Commission as an advisory body to the Council. Another suggestion made was that there could be some improvement relating to applying the Comprehensive Plan amendment and code amendment decision criteria, and more discussion of the nuances of policy recommendations.

****BREAK**** Due to another technical audio issue.
(7:48 p.m.)

Commissioner Goepple asked if staff planned a detailed study session focused on the plan and code amendment decision criteria. Thara Johnson said a lot of the information is contained in the Commission's resource handbook but added that staff would be happy to walk through the details in a study session or individually.

Commissioner Malakoutian agreed with the need for the Commission to better understand its role as an advisory body to the Council. Thara Johnson said staff would also be happy to make that the subject of a future study session, possibly with the Assistant City Attorney.

Thara Johnson noted that the third survey question was focused on how the staff can more effectively support the Commission. The survey responses included development of a public bulletin board featuring questions raised by the public and the staff responses; the need for a better understanding of the overall legislative process relating to plan and code amendments; ensuring that the Commission has the opportunity to provide its own balanced perspectives on ongoing policy discussions; ensuring a balanced workflow throughout the year of topics coming before the Commission; and the need for staff to remind the Commissioners about their role as

members of an advisory body to the Council.

The fourth question dealt with improving interaction with the community. The Commission has repeatedly asked about getting a more diverse representation through community engagement. The feedback included proposals to use social media more as well as potentially using online surveys, both of which are being used as part of the Comprehensive Plan update and Wilburton. The notion of creating a public bulletin board was raised as a suggestion. One interesting suggestion was to create a high school intern program for high school students to provide the Commission with their perspectives. An attempt to do that with the Comprehensive Plan update is under way working with the Bellevue School District. The school district is represented on the strategy team.

Chair Ferris said the approach could be tied to student classwork. Beyond merely showing up at Commission meetings, the students could participate in a civics class with planning issues as the focus. Commissioner Brown added that getting the students involved in spreading the word via social media would be a win-win.

Thara Johnson said there also was a suggestion made regarding better understanding the Commission's role relative to guiding community outreach as a forum for receiving public comment. Commission meetings are an opportunity for the public to provide feedback and comment, but the staff get direction from the City Manager's Office and the department directors regarding the framework for community engagement.

The fifth question on the survey related to areas for improvement relating to the overall Commission functions and interactions. The survey responses made it clear that the Commission is functioning at a very high level, with each Commissioner cognizant and respectful of the perspectives and viewpoints of others. There was feedback about encouraging the Commissioners to use some of the onboarding materials and training opportunities available to them as time permits. Also highlighted was the need to make sure Commissioners participating remotely are provided with the same opportunities for participation in the discussions, and the need for the Commission to have a good understanding of the policy issues tied to the work of the Commission.

Commissioner Morisseau said over the years there have been some recurring themes in the responses to the survey questions. Often that is not because there are new Commissioners but rather because following up on and following through with the survey recommendations is lacking. The Commission should check itself on a regular basis, particular in regard to those items flagged as areas where a better job could be done, in order to simply repeat the same mistakes over and over again. Additionally, it would be helpful to ask the members of the public who attend Commission meetings to also fill out the survey to get a sense of how they feel the Commission operates.

Commissioner Malakoutian asked which issues previously raised have not been improved on over the years. Commissioner Morisseau suggested the need to more clearly understand the policy implications and legislative aspects has come up before. The Commission at times has forgotten that the policies within the Comprehensive Plan must be followed very carefully. Another issue that keeps coming back is how the Commission can do a better job reaching out to and connecting with the community. Several years back staff took an entire meeting to explain the Commission's role as a body and that was very helpful. The Commission could benefit from having another session like that.

9. OTHER BUSINESS

A. Remote Participation Approval

(8:03 p.m.)

A motion to approve remote participation for Commissioner Morisseau on January 25 was made by Commissioner Brown. The motion was seconded by Commissioner Goeppele and the motion carried unanimously.

10. APPROVAL OF MINUTES

A. December 14, 2022

(8:04 p.m.)

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

11. CONTINUED ORAL COMMUNICATIONS

(8:04 p.m.)

Jonathan Lu noted that much of the presentation of the PSRC was based around net new housing being built and asked if consideration has been given to the conversion of existing housing units to fit the affordable housing requirements. There are a number of rental units in the city, particular older units on the outskirts of the Downtown, that could fit the bill for affordable housing. Buying up those units, or incentivizing someone to convert them to affordable housing, could increase the overall affordable housing stock. With regard to the high school internship idea, it was noted that Interlake High School offers a senior year internship, which is a great idea.

Chair Ferris took a moment to clarify that what Jonathan Lu called conversion of units is actually called preservation of units.

12. EXECUTIVE SESSION – None

(8:06 p.m.)

13. ADJOURNMENT

(8:06 p.m.)

A motion to adjourn was made by Commissioner Brown. The motion was seconded by Commissioner Goeppele and the motion carried unanimously.

Chair Ferris adjourned the meeting at 8:06 p.m.