CITY OF BELLEVUE CITY COUNCIL

Summary Minutes of Study Session

May 18, 2015 6:00 p.m.

Council Conference Room Bellevue, Washington

<u>PRESENT</u>: Mayor Balducci, Deputy Mayor Wallace, and Councilmembers Chelminiak, Lee,

Robertson and Stokes

ABSENT: Councilmember Robinson

1. Executive Session

Deputy Mayor Wallace opened the meeting at 6:00 p.m., and declared recess to Executive Session for approximately 20 minutes to discuss one item of property acquisition/disposition.

The meeting resumed at 6:33 p.m., with Mayor Balducci presiding.

2. Study Session

(a) Report on the Development of the 2015-2016 Human Services Needs Update

City Manager Brad Miyake said the Human Services Needs Update is conducted every two years. At this point in the process, staff is seeking Council feedback about whether they are heading in the right direction.

Patrick Foran, Parks and Community Services Director, said the purpose of the agenda item was to introduce the 2015-2016 Human Services Needs Update. He said staff would like input from the Council about areas to explore and consider.

Alex O'Reilly, Human Services Planning Coordinator, said staff is initiating the next needs update, which establishes the basis for the Human Services Commission's areas of focus for considering funding recommendations. Staff is currently gathering input from residents via phone calls and online and through faith-based, nonprofit, and other community organizations. Data collection will continue through early summer and the 2015-2016 Update will be written this summer. The Commission will review the report in the fall and its findings will be presented to the Council in January 2016.

Mayor Balducci observed that there tend to be recurring themes and needs in recent years, especially related to affordable housing and transportation options for older adults and individuals with physical challenges.

Deputy Mayor Wallace expressed strong support for the City's process which focuses on the right things. He looks forward to the next needs update report.

Councilmember Lee said it is an important and challenging effort to keep up with the needs of the community. He hopes that local human services organizations address critical needs, especially for those who tend to be less visible in the community. He commended staff and the Human Services Commission for their ongoing work, noting that the Council is here to help as well.

Councilmember Stokes said this is a good process and the needs update report provides valuable guidance. He would like to use the assessment in an additional way to develop broader strategies beyond the process of awarding funding grants. He observed that it could serve as a tool for identifying how others address needs, including the school district. He suggested maximizing the use of the information that is collected.

Councilmember Chelminiak commended staff and the Commission on their work. He noted language in the Council vision statement about achieving human potential. He would like to have a Council discussion after the needs update is completed to address the question of how the City can help citizens achieve their full human potential.

Mayor Balducci said she is happy to see the continued focus on working with The Bellevue Network on Aging. She likes the collective impact model involving different strategies for addressing needs because it has become apparent, in general, that government direct services are not adequate. She shared a recent discussion with a group of individuals, mostly young adults, who talked about how hard it is to get a start in Bellevue. She would be interested in more information on trends in this regard.

Mayor Balducci said she has had increasing contact with adult immigrants who are linguistically isolated. She is curious to see whether the needs update process will identify the extent of this need.

Ms. Balducci thanked staff and said the Council looks forward to the report later in the year.

(b) Transmittal of Downtown Livability Citizen Advisory Committee (CAC) Recommendations Part 2

Mr. Miyake recalled that the Downtown Livability Initiative was launched in 2013, and the Citizen Advisory Committee (CAC) was appointed to develop recommendations to build on the City's successes and to further the Great Place strategy. On January 20, the Council discussed the CAC's recommendations on a number of topics: public open space, Pedestrian Corridor,

design guidelines, amenity incentive system, and light rail station area planning. Tonight's discussion will focus on building height and form and on Downtown parking.

Planning Director Dan Stroh said staff is looking for Council direction on how to move this work forward. He described an aerial view of the Downtown Livability Initiative study area. He said Code updates are part of a broader livability effort for Downtown addressing safety and security, pedestrian comfort, character, mobility, parks and open space, entertainment, affordable housing, cultural facilities and neighborhood services. He noted the Council put funding in place for the initial siting of a Downtown fire station.

Mr. Stroh said the Council has provided \$5 million for pedestrian improvements to the new light rail stations. Other items are to enhance the crossing at 108th Avenue NE and NE 40th Street, complete improvements to the Pedestrian Corridor, upgrade sidewalks, and early planning for a pedestrian crossing of I-405.

Ms. Stroh commented further on livability factors including schools, character (e.g., Old Bellevue, Grand Connection from Meydenbauer waterfront to Wilburton), public transit, and multi-modal mobility. He commented on initiatives to enhance bike safety and wayfinding and to work with Pronto on bike sharing opportunities. He said vehicle mobility is critical, including completion of the I-405 Master Plan, improved Downtown access, added on-street parking in Old Bellevue, signal improvements and electric vehicle charging stations.

Mr. Stroh described aspects of parks and open space livability including the completion of Downtown Park and its Inspiration Playground, the first phase of Meydenbauer Bay Park, and the Ashwood Park Master Plan. Cultural facilities include KidsQuest Children's Museum opening in 2016 in the former doll museum, the renovation of Meydenbauer Center, and efforts to develop the Tateuchi Center. Entertainment and events include the Downtown Farmers Market, lunch concerts, food trucks, and a number of festivals.

Mr. Stroh noted the opening of the Low Income Housing Institute (LIHI) August Wilson Place in Downtown Bellevue. Neighborhood services include the addition of a large Asian specialty grocery store and a growing mix of retail, restaurants, coffee shops, and entertainment.

Mr. Stroh said a major focus of the Downtown Livability Initiative CAC was the Downtown Land Use Code, which was last updated in 1981. This effort provides the opportunity to leverage significant private investments to achieve the desired community outcomes.

The CAC conducted a targeted review to determine how and where the Code is working and also reviewed the Downtown Transportation Plan Update. Mr. Stroh recalled that the Council originally set 12 principles to guide the CAC's work.

Patti Wilma, Project Development Manager, highlighted topics from the January 20 discussion with the Council. She said tonight's discussion focuses on building height and form and on Downtown parking.

Emil King, Strategic Planning Manager, presented on building height and form. Reasons for considering increased building heights or floor-area ratio (FAR) include the opportunity to create a more distinctive skyline, opportunity for more light between buildings and ground-level open space, ability to promote variability in building heights, ability to reinforce district identity, potential to add density around light rail transit investment, and the potential for including height and density in the incentive system. Mr. King highlighted the principles followed by the CAC for determining the appropriate Code changes.

Mr. King presented a comparison of the existing height and density framework with the framework recommended by the CAC. He described a map showing zones within the downtown based on building heights. Currently, the tallest buildings (450 feet) are focused in the center of Downtown. Office development in that area can go up to 8.0 FAR, and residential density has unlimited FAR. Approximately 40 percent of the Downtown, including Bellevue Square, is in the Mixed Use (MU) district. In the MU zone, 200-foot residential towers and 100-foot office towers are allowed, and FAR is within the 3.0 to 5.0 range. On the edges of Downtown, there are A and B perimeter overlays that were put in place a few decades ago to transition to the surrounding residential district.

Mr. King said the CAC recommendations affect FAR (density) in three areas: 1) OLB district adjacent to I-405 (increased density), 2) MU district (increase non-residential FAR to 5.0 to equalize with residential), and 3) O-1 district (allow up to 600 foot building heights with no FAR increase).

Mr. King described the CAC's recommendations for Perimeter A, DT-OLB district, Deep B district, MU district, O-2 district and O-1 district. For Perimeter A, residential building heights could go up to 70 feet with no increase in FAR.

In the DT-OLB district between 112th Avenue NE and the freeway, the CAC recommends building heights up to 350 feet and 6.0 FAR between NE 8th and NE 4th Streets, and heights up to 200 feet and 5.0 FAR between NE 4th Street and Main Street.

Mr. King recalled that, during the January 20 meeting, the Council expressed interest in a modeling of different scenarios for the DT-OLB district. He commented on anticipated outcomes, effects on density, views of Downtown and Mt. Rainier, and potential elements related to the Grand Connection. All of these factors would be included in further analysis. Mr. King noted the potential to add more density around light rail nodes and to maintain views of Mt. Rainier and/or between the Wilburton area and Downtown. Increased building heights and FAR could also be linked to the amenity system.

In the Deep B district, residential building heights of 160-240 feet are recommended with no FAR increase. Anticipated outcomes include increased opportunities for ground-level open space, the potential for increased tower spacing for light and air, and the potential to use the incentive system for additional public amenities.

For the MU district, residential building heights of 300 feet and non-residential heights of 200 feet are recommended. The CAC recommends an increase in the non-residential FAR to 5.0 to equalize with residential development.

The CAC recommends building heights up to 300 feet in the O-2 district with no FAR increase and heights up to 600 feet in the O-1 district (Downtown core) with no FAR increase. The CAC addressed how to facilitate a more memorable skyline. The CAC determined that allowing a 600-foot height for at least some buildings would contribute to that goal. Mr. King said this change does not allow more development but provides the opportunity for a more urban form with taller buildings.

Deputy Mayor Wallace observed that floor size (12,000 square feet) limits the FAR. Mr. King concurred.

Moving on, Ms. Wilma presented the CAC's recommendations on Downtown Parking. The CAC recommended: 1) a comprehensive parking study for Downtown to include on-street parking, the potential for public garages, opportunities for the coordinated management of the parking supply, and other issues; 2) a review of the Parking Code to respond to changing needs when East Link light rail nears completion; and 3) ensuring that Old Bellevue's parking requirements are clear and consistently applied and enforced.

Ms. Wilma said a non-Code recommendation is to explore a potential shared public parking facility for short-term use to serve Old Bellevue businesses. She said the City added 25 new onstreet parking spaces in Old Bellevue, and some businesses are increasing their use of valet parking, shared parking and other techniques. She said the Land Use Division has clarified that the parking exemption for uses with 1,500 square feet or less applies to uses constructed before 1998.

Responding to Mayor Balducci, Ms. Wilma said the Land Use Division is ensuring that new businesses in Old Bellevue understand the parking exemption. Mr. Stroh said there have been developments in recent years that were able to receive a parking exemption before the Code language was clarified. Ms. Balducci suggested that the parking exemption be removed from the Code if it is no longer relevant.

Councilmember Robertson noted the memo from Liz Stead dated January 7, 2015, communicating to a particular tenant about how the Land Use Code is interpreted. However, existing tenants who incorrectly believe they qualify for the parking exemption are not being asked to provide parking. Ms. Robertson suggested moving a Code amendment forward as soon as possible.

Ms. Robertson spoke in favor of conducting the Downtown parking study. She said there have been contacts with Old Bellevue merchants to request that they help fund a parking study. She wants to ensure that the Land Use Code and desired development is not hindered by not having the right mix of parking. She would like the City to initiate a parking study. She noted that this issue is not slated to come before the Council for one year. She suggested initiating a study within the next one to two quarters. Ms. Robertson said the City Manager has suggested

addressing this during the Mid-Biennium Budget process, and if that is the Council's preference, she is okay with that as well.

Mayor Balducci noted the need for funding and staff resources to conduct the study. If the Council wishes to expedite the parking study, it would need to look at the overall work program and priorities to determine how the study could be accommodated.

Councilmember Robertson suggested that staff provide information and/or a proposal for a Downtown parking study for Council consideration and action before the Council takes its August break. She would like to see a proposal for funding and staffing to conduct a study. Councilmember Stokes concurred.

Deputy Mayor Wallace observed that there is a need for further definition of Old Bellevue parking issues. He said the concept of a parking study is tied to housing affordability in the Downtown. He said changes in technology and uses drive the need to conduct the study. He noted that 425 magazine had an article on Inrix which uses its technology to make parking more efficient.

Mr. Stroh said staff is requesting Council direction on the overall CAC recommendations. He questioned whether there are any items the Council does not want to move forward or that it would like to refine before forwarding to the Planning Commission. He said staff supports moving the CAC's recommendations forward with one modification.

Mr. Stroh noted that, when the CAC discussed building height in the Downtown core, it did not address the limited FAR in that area. Staff recommends that a FAR limit be placed on residential development in the core that takes advantage of increased building height, commensurate with what is likely to be achieved today under the current height maximum. The intent is for taller and more slender urban forms.

Councilmember Robertson concurred. She asked whether the Planning Commission would have the flexibility to study additional issues (e.g., the issue raised by residents of Bellevue Towers regarding the preservation of views and light). She observed that Downtown property values will be higher if most of the offices and residents are exposed to as much light and view as possible.

Mayor Balducci restated the interest in requesting that the Planning Commission address view corridors in its review.

Councilmember Chelminiak expressed support for staff's recommended modification. He suggested that incentives need to be addressed to properly facilitate urban form. He questioned whether the current incentive system stays in place and whether it produces the desired outcomes. He believes this is a critical issue to be addressed first by the Planning Commission. He questioned what the City wants to incentivize (e.g., affordable housing, Pedestrian Corridor, Grand Connection).

Mr. Chelminiak said he wants the Planning Commission's recommendations to be realistic and feasible. He suggested not addressing the Perimeter A proposal because he cannot see the

suggested building heights next to single-family neighborhoods. Mr. Chelminiak said Councilmember Robinson asked that he pass that on from her as well.

Mayor Balducci noted general Council support regarding the principles of view and light corridors and for staff's suggested modification to the CAC's recommendations. With regard to incentives, she suggested determining the desired outcomes and tailoring the incentives to achieve those objectives. Ms. Balducci said she does not want to hold on to old incentives if they do not address updated goals.

Regarding Perimeter A, Deputy Mayor Wallace said he would like to have a discussion about the CAC's recommendation. He noted this might be a good development opportunity for workforce housing. However, he would like staff and the Planning Commission to consider whether there could be a transition that would allow taller buildings while creating more open space.

Councilmember Chelminiak said he has heard concerns from Downtown residents that they were not included in the CAC process. He noted two vacancies on the Planning Commission and said it would be great to have a Downtown representative.

Mayor Balducci indicated that more time is needed for discussion. With regard to some of the proposed changes, she did not expect the increased densities reflected in the CAC's recommendations for some parts of the Downtown. She expressed concern regarding traffic impacts and the ability to accommodate increased demand on the transportation system. She believes this warrants further discussion.

Councilmember Lee concurred with the Mayor that more time is needed to discuss certain recommendations, including incentives. He suggested that more specific direction is needed from the Council to the Planning Commission about the objectives related to addressing view corridors.

Councilmember Stokes would like a focused discussion on specific issues, rather than a presentation recapping past discussions. He said there is a need to clarify, for the Council and the public, the function of the Planning Commission in this process. He questioned why the Council is reviewing the CAC's recommendations before forwarding the matter to the Commission instead of allowing them to do their usual review.

Mayor Balducci said she feels the Council has narrowed its concerns and questions down to a few issues. As policy issues, she said it is appropriate for the Council to resolve them before sending to the Planning Commission. She would not want the Commission and staff to engage in an extensive effort only to come back and have the Council not support the work.

Councilmember Stokes said there needs to be plenty of time for all Councilmembers to comment and ask questions. He observed that the next meeting will be more efficient if everyone has read the materials in advance and are prepared to discuss and ask questions.

Mayor Balducci summarized the Council's interest in a focused, in-depth discussion during the next meeting on this topic. She reiterated her interest in discussing increased density and

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transportation impacts as well as how the City makes sure it achieves the benefits of increased building height.

At 8:03 p.m., Mayor Balducci declared recess to the Regular Session.

Myrna L. Basich, MMC City Clerk

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