

CITY OF BELLEVUE
BELLEVUE PLANNING COMMISSION
STUDY SESSION MINUTES

July 26, 2017
6:30 p.m.

Bellevue City Hall
City Council Conference Room 1E-113

COMMISSIONERS PRESENT: Chair deVadoss, Commissioners Carlson, Barksdale, Morisseau, Walter

COMMISSIONERS ABSENT: Commissioner Laing

STAFF PRESENT: Terry Cullen, Bradley Calvert, Janet Lewine, Mike Kattermann, Department of Planning and Community Development

COUNCIL LIAISON: Mayor Stokes

GUEST SPEAKERS: None

RECORDING SECRETARY: Gerry Lindsay

1. CALL TO ORDER
(6:37 p.m.)

The meeting was called to order at 6:37 p.m. by Chair deVadoss who presided.

2. ROLL CALL
(6:37 p.m.)

Upon the call of the roll, all Commissioners were present with the exception of Commissioner Laing who was excused.

3. APPROVAL OF AGENDA
(6:37 p.m.)

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

4. REPORTS OF CITY COUNCIL, BOARDS AND COMMISSIONS – None
(6:37 p.m.)

5. STAFF REPORTS
(6:37 p.m.)

Commissioner Carlson presented commendations to outgoing Chair John deVadoss and Vice-Chair Stephanie Walter on behalf of the Planning Commission. Commissioner Carlson commented that every one of the Commissioners would make a fine Chair or Vice Chair. He said Chair deVadoss has been one of the Commission's best chairs to date, having served with distinction, asking the questions that needed to be asked, and steered a skillful course through the very contentious downtown issue. He thanked Chair deVadoss for his stellar tenure as both Vice

Chair and Chair of the Commission.

Commissioner Carlson noted that Commissioner Walter would be stepping up to serve as Chair. He said she is a good example of the kind of volunteer needed on rule-making bodies like the Commission. She came to the role as a concerned citizen who believed the city needed to pay closer attention to the impacts on neighborhoods by current land use standards and codes.

Chair deVadoss thanked Commissioner Carlson for his kind words. He said the work done by the Commission is a reflection of the Commission as a whole, and he acknowledged the efforts of Mr. Cullen as staff liaison and said he could not have fulfilled his role as Chair without the strong support of the staff.

A. Quarterly Check-In Q2Y17
(6:41 p.m.)

Mr. Cullen said he along with Chair deVadoss and Commissioner Walter met with Mayor Stokes on July 7 to discuss the Commission's progress and status for the second quarter of the year. He noted that the packet included the details of what took place during the quarter. He pointed out that the Commission transmitted its Eastgate Land Use Code amendment recommendations to the Council in the second quarter of 2016 along with the low-impact development standards. The Commission had a slate a plan amendments for which public hearings were held in October, then held its annual retreat in November. The real landmark of the past year, however, was the Commission's work on downtown livability; the Commission was tasked with getting the issue wrapped up by the end of May and [the Commission](#) delivered on that direction. The public hearing on the [Bellevue Technology Center](#) plan amendment was held in June.

B. Upcoming Planning Commission Meeting Schedule
(6:45 p.m.)

Mr. Cullen said the schedule for the remainder of the year appears quieter than usual. He said he would be taking advantage of that to address follow-up issues from the last retreat, including the guiding principles which will be on the agenda for the September 13 meeting. The Commission will also be working to update its bylaws, which the City Attorney wants to see completed by the end of September. The plan amendments that are heading into final review will also be on the Commission's calendar starting in late September. The Commission's annual retreat has been scheduled for November 15.

Commissioner Barksdale said he would like to see scheduled a discussion of the Comprehensive Plan amendment process. Mr. Cullen said he would find a date.

Mr. Cullen urged the Commissioners' to update their iPads with the latest security patch. He reiterated that in the upcoming months the Commission's desk packet correspondence with be switched over to an all-digital format. He also noted that very soon he would cease sending emails to the Commissioners' personal addressed in favor of using only the city email addresses.

6. ORAL AND WRITTEN COMMUNICATIONS – None
(6:52 p.m.)

7. PUBLIC HEARING - None
(6:52 p.m.)

8. STUDY SESSION

A. Grand Connection Phase 1 (6:52 p.m.)

Community Development Program Manager Bradley Calvert noted that his presentation to the Commission in the fall of 2016 centered on the visioning process for the first sequence of the Grand Connection, which deals with the existing infrastructure from Meydenbauer Bay to City Hall. That work has been wrapped into a framework plan for [adoption by Bellevue City Council](#)~~which adoption will be pursued~~. The Wilburton commercial area study is continuing, and the findings from it will inform the second sequence of the Grand Connection project, which involves crossing the freeway.

Mr. Calvert said the primary spine of the Grand Connection connects Meydenbauer Bay to Old Bellevue, Downtown Park, the heart of the downtown to City Hall, and crosses over I-405 at approximately NE 6th Street, and ultimately interfacing with the Wilburton commercial area and the Eastside Rail Corridor. An alternative route for cyclists and alternative transportation options ~~have~~[has](#) been identified as well.

The first step of the visioning process was to define the route. That work was followed by characterizing the identity of the route, identifying cohesive design strategies, and identifying placemaking improvements to major public spaces, including the entrance to Downtown Park, Compass Plaza, the transit center, and the I-405 crossing itself.

Mr. Calvert said all of the work to date on Sequence One has been put together into the Grand Connection framework plan. There are eleven total chapters to the document, which is available in downloadable format from the project website. He noted that the chapter on art and culture is actually an appendix to the overarching framework plan. Given that one of the key goals of the Grand Connection project is to turn it into a cultural corridor, a sub-consultant artist team was brought in to make recommendations. Art and culture is intended as an essential element of the Grand Connection. It will serve as a defining element of the route and will be supportive of the design strategies and gateways. The artistic touches are intended to elevate the role of the arts and culture in Bellevue and to encourage new concepts in support of Bellevue's creative economy. The intent is to include whimsy and discovery while speaking to cultural diversity, technology, performance and sustainability. The art and culture appendix has been released to the public along with the framework plan and is open to public comment.

The framework plan has been released to the public. ~~The~~[The](#) staff are making the rounds to the city's boards and commissions to make presentations on it and to receive feedback. The document will be open to public comment all the way through September, ~~and~~[and](#) following ~~that~~[which](#) refinements will be made as necessary to the document. Adoption of the Sequence One body of work will be sought from the City Council in the fall.

Mr. Calvert said there are a lot of recommendations under consideration for creating new public spaces and enhancing existing public spaces along the Grand Connection route. The question, however, is how to get people to go to those spaces. The public engagement process that included a giant map of the route in the City Hall concourse generated a number of comments about what people want to see along the route, and most of the comments were related to programming. The interviews done in person with people in Compass Plaza and Downtown Park highlighted a desire to see physical changes, including more seating and weather protection. Programming is included as a chapter in the framework plan. It focuses on finding ways to

activate public spaces, inspire the community, engage local businesses and residents, and to showcase innovation, technology and the creativity of Bellevue.

Mr. Calvert said the game Simon, a one-person game involving memorizing color sequencing, came out in the 1970s. He said in talking about how to incorporate gaming and technology into programming the spaces along the Grand Connection, staff had conversations with local companies from which the concept arose of creating a giant version of the game that would set a world record. The idea was to fabricate a large Simon game board, incorporating other elements of technology, and to bring residents, Bellevue workers and visitors out to engage in a new way. The game is being built, with the steel fabrication being done by a 17-year-old girl; the coding is being done by a 17-year-old boy; and an event showcasing the game has been scheduled for September 28 and 29 in which teams will compete against each other tournament style.

With regard to the I-405 crossing connecting the Wilburton commercial area with the downtown, Mr. Calvert said the goals include creating a safe and comfortable connection for pedestrians and cyclists; looking for opportunities for public space; integrating with future development of the Wilburton commercial area and the Eastside Rail Corridor; and looking for a signature form and design. The consultant has identified three alternatives for a crossing somewhere between NE 4th Street and NE 6th Street. The fact that the city owns the Lincoln Center property makes it easier to interface with the Wilburton commercial area. The three alternatives were identified in the fall of 2016 and have been refined since then for incorporation in the Wilburton SEPA process.

The first alternative involves a sculptural serpentine bridge utilizing new technologies and new materials. It emerges off of NE 6th Street and crosses under the light rail line. A grand ~~descending descent~~ staircase brings pedestrians to a public space on the Lincoln Center site, while the bridge remains elevated over 116th Avenue NE to connect with the Eastside Rail Corridor. The alternative explores the possibility of using cross-laminated timber (CLT) for both sustainability and a signature form and design. The incorporation of lights into the structure could make it a glowing sculptural object.

The second alternative is more utilitarian and provides a more direct connection. While simpler, it is designed to have buildings embrace it and provide access directly to it. The routes coming off of NE 4th Street and NE 6th Street would lead to a small public space and also continue straight across to connect with the Eastside Rail Corridor. Both the first and second alternatives include pursuing the daylighting of the creek that runs through the area and turning it into an asset. Vegetation would be used to screen the crossing from the sights and sounds of the interstate, and the bridge would include a bike lane and accommodation for potential transportation alternative options.

The third alternative is far broader in scale and anticipates covering much of the freeway between NE 4th Street and NE 6th Street. Consideration was given first to barrel vaulting over the ramps entirely, increasing the total surface area, but the approach offered a number of challenges that resulted in the space being unusable. The design evolved to peel back somewhat and berm up on the sides next to the ramps with sculpted forms to screen from the freeway, allowing for access from NE 4th Street, NE 6th Street and future private development on the west and east sides of the interstate. As currently envisioned, the covered area is comparable in size to ~~KlydeClyde~~ Warren Park in Dallas, Texas, and the berms would be usable and programmable.

Mr. Calvert said the three alternatives will be incorporated into the SEPA process for the Wilburton commercial area. There are consequences associated with each alternative, but all of

the elements will be factored into the environmental process. The designs will be the subject of open house events so the public can weigh in on them.

Commissioner Carlson asked what impact the designs might have on vehicular traffic on 112th Avenue NE and 116th Avenue NE. Mr. Calvert said there would be none, nor would any of the designs preclude adding an additional lane to I-405.

Mr. Calvert said Commissioner Barksdale is serving as co-chair of the Wilburton commercial area CAC. The study takes in the entire 320-acre area. The CAC has been working for the past seven months. One survey has already been launched and a second one will be coming out shortly. What the public has said is that the area should be different from the downtown in character; should be home to community oriented businesses; should include moderate and affordable income housing; should accommodate incubator and tech startups; should include parks and open space; should accommodate transit and trail oriented development as well as art housing and workspace; and should be diverse. Public and open space has been highlighted by the public as the most important issue, and the public has identified the Eastside Rail Corridor as a unique and defining feature serving as a spine through the study area. The survey responses relative to transportation highlighted needed improvements to 116th Avenue NE, connections to the west, and breaking up the blocks to enhance permeability.

Asked to identify the areas of greatest density and intensity, the CAC pointed to the area around the Grand Connection and the Eastside Rail Corridor. Mr. Calvert said that element of the work remains at a high level and will be subject to more in-depth analysis as the process moves forward. The CAC has looked to other areas to study appropriate massing and mix of uses, including Atlantic Station in Atlanta, Georgia; the South Waterfront Eco District in Portland, Oregon; Clyde Warren Park in Dallas, Texas; Olympic Village in Vancouver, B.C.; Town Center in Woodstock, Georgia; Gateway Village in Charlotte, North Carolina; ~~and Reston, Virginia;~~ and Renton, Washington. ~~in Virginia.~~

Commissioner Barksdale stressed the need not to lose sight of the need to accommodate night life in the area.

Mr. Calvert urged the Commissioners to check out the new survey that was launched earlier in the day. He said the survey includes questions regarding preferences relative to density and building type, public space and connectivity. The draft EIS will be released in September after which the CAC will work to refine and select a preferred alternative for land use and transportation. The CAC's next few meetings will be focused on urban design, open space and character, as well as implementation.

Commissioner Carlson noted that the Wilburton commercial area used to house Bellevue's auto row; now there are several auto rows. Then the area was seen as a potential location for a civic arena, but the towel was thrown in on that when locations in Seattle and Renton seemed to make more sense. He said he lives in Wilburton and likes the vision portrayed. It should be kept in mind that Bellevue's status as a retail magnet presents some challenges for areas to the west of Bellevue Square. The Spring District is also planned as a mixed use area with retail, business and housing. He asked if the CAC is being unduly optimistic about the chances for a vibrant retail environment occurring in the Wilburton commercial area. Mr. Calvert said the question came up very early on at the CAC level. A market study was done and it has tempered expectations for retail in the area. There are things that could happen that would activate the street level without including retail uses, including community event spaces and arts elements. Some streets could even be activated with residential at street level.

Commissioner Carlson added that if the Grand Connection bridge across the freeway takes on an additional identity as a park, it will be necessary to factor in the noise issue. I-405 is very noisy and it is hard to relax in a noisy place. A visit to Freeway Park in Seattle proves the fact. Mr. Calvert said part of the visioning process has included looking at precedence to learn from other areas. There are certainly challenges involved with freeway parks, but Clyde Warren in Dallas and the Fishery Crossing in Atlanta have both been very successful at mitigating noise. Regardless of the crossing option selected, it will need to be a comfortable experience.

Commissioner Morisseau asked if the community engagement exercises have included reaching out to the heritage centers in the area about having rotating art works. She noted that the Eastside Heritage Center has a number of artworks that people can interact with. Mr. Calvert said the artist consultant interviewed key stakeholders in the area. The art and culture plan includes a number of opportunities to include more than just static installations. One of the main recommendations of the artist consultant involved having the Grand Connection as home to constantly rotating curated art exhibitions. The Bellgate sculpture at Compass Plaza has faded into the background over time, and the idea is to keep things fresh and interesting. The consultant identified working with local organizations and groups to either create or bring in new pieces.

Commissioner Barksdale said the CAC has considered having rotating art. He said during the upcoming tactical urbanism events the intent is to find a way to test the type of artwork people would like to see. Commissioner Morisseau said that would be a good approach, but stressed that people unaware of the history of the area may not know what they might be interested in.

Commissioner Morisseau pointed out that current freeway traffic is a nightmare, even at 10:00 a.m. She asked if those working on the Grand Connection have considered accommodating an elevated highway. Mr. Calvert allowed that that option has not been considered. The focus has been on projects involving the freeway that are under consideration.

B. Affordable Housing Update
(7:31 p.m.)

Senior Planner Mike Kattermann said the affordable housing strategy, which took a year and a half to develop, was approved by the Council on June 5. He said the work was undertaken to align with existing policy direction in the city's economic development strategy and in the Comprehensive Plan, as well as with the adopted list of Council proprietiespriorities. In directing the development of an affordable housing strategy, the Council was clear that it was not seeking a plan, rather they wanted to identify specific actions the city could take to address the issue of affordable housing in Bellevue. The Council recognizes that the problem is a regional issue and is not unique to Bellevue, but also recognizes that there are things that can be done locally.

Mr. Kattermann explained that the Council wanted the affordable housing strategy to focus on certain segments of the population, specifically low- and moderate-income workers in the city; those just entering the workforce, such as students and recent graduates; first-time homebuyers; seniors, especially those on fixed incomes; and families with children in the Bellevue School District.

The need for affordable housing in Bellevue is clear. About 17 percent of Bellevue households earn less than 50 percent of area median income; about nine percent fall into the 50 to 80 percent range, while 74 percent make more than 80 percent of area median income. Currently, the area median income for King County is \$96,000 for a family of four; for individuals it is about

\$67,000. Only about six percent of Bellevue's housing supply is affordable to about 17 percent of the population, which translates into a deficit of about 6000 units. There are people who work in Bellevue who would like to also live in Bellevue. Countywide, about a quarter of the population earns less than half of the area median income.

The human services needs update document is updated every two years. In the most recent survey, 77 percent of the respondents rated affordable housing as the number one community problem. Four years ago affordable housing was rated as the top problem by only about half of the respondents.

Affordable housing is also an economic issue for the city. In the business survey conducted a couple of years ago, every business sector surveyed rated Bellevue low on affordable housing solutions. The tourism and retail industry in particular reported having difficulty recruiting and retaining employees because they either cannot afford to live in Bellevue or would have to live elsewhere and commute a long distance. The executive director for human resources for the Bellevue School District informed the affordable housing technical advisory group (TAG) that the district annually loses about a quarter of its first-year teachers, and the top reason cited is that the teachers cannot afford to live in Bellevue on a salary of about \$48,000 per year. The teachers thus choose to live in Covington or Kent and commute to Bellevue, and after a year of doing that they seek employment at one of the school districts in the South King County area.

Commissioner Carlson commented that many workers are seeing their salaries level off while watching rising housing costs. Many landlords have switched to month-to-month rental agreements given that the market is accelerating so rapidly. The cost of housing is a real problem even for people with decent jobs.

Commissioner Barksdale asked if consideration has been given to imposing rent control. Mr. Kattermann explained that rent control is not legal in Washington state. Commissioner Carlson added that Seattle in 1979 came very close to enacting rent control, but in the early 1980s the legislature responded by passing legislation that makes rent control illegal.

Mr. Kattermann said the study included a look at how much of their incomes people pay for housing, including rent/mortgage payments and utilities. Nationally, it is assumed a household can afford to pay up to 30 percent of their gross income for housing costs. The statistics show that those paying more than 30 percent have to make difficult choices. Households paying 30 percent are considered to be cost burdened. More than a third of all Bellevue households are spending more than 30 percent of their incomes for housing. Even more dramatic is the fact that 16 percent of all renters, and a third of all senior renters, spend more than 50 percent of their incomes on housing and are considered to be severely cost burdened.

Commissioner Morisseau asked for clarification of the terms "very low income," and "low income." Mr. Kattermann said low income is anything under 50 percent of area median income. Very low income is anything under 30 percent of area median income. The minimum wage in Washington state is \$11.00 per hour, which at full time works out to a little less than \$23,000 per year. Baristas average just over minimum wage. A person with a full time job making less than \$15 per hour, or \$31,000 per year, can afford a monthly rent of less than \$800. Workers earning \$20 per hour, or \$42,000 annually, can afford rents of about \$1000 per month. Median rents in parts of Bellevue currently exceed \$2000 per month for a basic one-bedroom apartment.

Mr. Kattermann noted that the rise in housing costs have been on the minds of many in the region. The Seattle metropolitan area for the ninth month in a row has seen the highest percent

increase of housing costs of all major metropolitan areas in the nation. The increase in the past year has been about 13 percent, which is more than double the average of the other metropolitan areas. The median sales price for a single family house in Bellevue is over a million dollars, and that is pushing up the cost for everyone else. Median rent in Bellevue currently stands at more than \$2700.

The affordable housing TAG was handed a set of guiding principles developed by the Council. The 11 principles included recognizing the need, and that kicked off a housing needs assessment. The principles also directed focusing on actions rather than a plan, and setting ambitious goals, which the TAG certainly did. Building on what is already in place was one of the principles, as was direction to draw upon knowledgeable resources, which is the reason the TAG was formed. The TAG was comprised of 15 members from different aspects of the housing industry ranging from market-rate developers to affordable housing developers, human services providers, architects, legal advisors, finance specialists, realtors and rental housing association representatives. The TAG process kicked off with an educational forum that featured five different speakers. A great deal of community outreach was conducted during the process, including a couple of online open houses and surveys, listening posts, and meetings with stakeholder groups. Work done in other places was reviewed, including the ~~Halo~~ HALA process in Seattle. A potential action list was created and the TAG worked through it and narrowed it down to focus on what was most realistic and would work best in Bellevue. The list was taken to the Council in September 2016 for ~~a blessing~~ their concurrence to ~~before moving on, and approval was given in September 2016~~ move forward with analysis.

The TAG then reviewed and analyzed the potential actions. Testing was done on several of the items, and a pro forma analysis was done on different types of development. Developers were then tasked with looking at the assumptions to make sure the numbers were right. All of the data was used to inform a draft recommendation which was reviewed by the TAG and the public in the spring of 2017. The Council was kept in the loop and provided direction in terms of the fiscal aspects. The effort is intended to inform the Council what can be done in the coming two or three years to generate additional affordable housing in the city over the next ten years. Going forward, monitoring will be done to determine what works and what does not, and adjustments will be made as needed.

Commissioner Walter asked if the city is doing any inventorying of vacant houses. Mr. Kattermann said the city is in fact working on how to track that. The current focus is on how to get a handle on information that is largely anecdotal. Commissioner Walter commented that within a mile of her home there are three vacant houses, two of which are uninhabitable, and one of which was also uninhabitable but turned into a squatters type of thing with gang tags. Code enforcement was called in, as were the police, and now the house is being remodeled and will see new life. She said it is possible that there are vacant homes in the city that could be put to good use in providing housing for those who need it. Mr. Kattermann said the city is working to determine just how widespread the vacant house issue is in Bellevue. Some cities have enacted fees or taxes for homes that are not inhabited. Commissioner Walter suggested that outreach to local neighborhood associations would be one way of getting a handle on the situation.

Commissioner Morisseau said she works in real estate and sees foreign persons coming in buying up properties with cash ~~and who~~ are willing to pay far more than the asking price. She asked how far the vacant house conversation went at the TAG level. Mr. Kattermann said the TAG did discuss the issue. Planning staff are working with IT staff and the city demographer to get a handle on the topic. ~~After that is completed, the attention will turn, after which attention will be turned~~ to what if anything can be done about it. The issue has been raised with the

Council, but no specific direction has been given to date.

Mr. Kattermann said the TAG concluded that there is no single answer to the issue of affordable housing, and that nibbling around the edges will not be enough. Bold action will be required, and the ~~TAGTAGA~~ identified several.

Chair deVadoss said he is a big believer in the free market, but what currently exists is lopsided. Foreign citizens are allowed to purchase properties in the United States, but the reverse is not necessarily true. Mr. Cullen said many cities around the world are experiencing the same thing, ~~a particularly the~~ phenomenon of Chinese investment going out of China buying homes worldwide. ~~in the form of houses being bought up.~~

Commissioner Carlson commented that the housing boom in the Puget Sound region is largely being driven by foreign investment, primarily from China. Vancouver, B.C. was for many years a prized location for foreign investment before a 15 percent tax on foreign investment in housing was levied, the consequence of which has been foreign investment coming south to the Puget Sound region. The foreign investors are looking to park their money where they can get a good rate of return, and the Bellevue real estate market is better than the stock market and better than precious metals.

Commissioner Morisseau said Chinese millionaires are looking to invest overseas ~~ases~~ because they fear devaluation of their money. The United States is their second most popular nation in which to invest, and Seattle is the second most popular city within the United States for foreign investment in real estate. Mr. Kattermann said King County recently formed a regional affordable housing task force, and Bellevue's Mayor Stokes serves on it representing the Sound Cities Association. He said he and Associate Planner Janet Lewine serve as part of the staff working group for the task force. The issue of foreign investment is affecting ~~city's cities~~ other than just Bellevue in the region. If state legislation is ~~going to be~~ needed, it will take many folks lobbying for the right kinds of tools. Currently, there is no authority, at least at the local level, to levy the type of tax on foreign investment in real estate that is in place in Vancouver, B.C. Affordable housing is a complicated creature that will require a concerted and sustained effort over time to address.

Ms. Lewine said the affordable housing strategy approved by the Council is made up of five interrelated strategies, each having a set of related actions. Each strategy addresses a specific aspect of the complex affordable housing problem. The first strategy is to help people stay in affordable housing. The first related action is to work with partners to acquire and preserve existing affordable housing, which has always been a priority. Equally important is the need to help those who are struggling to keep up with housing costs in the housing they are already in, which is addressed in part through the city's home repair and utility and tax relief programs.

Ms. Lewine said the second strategy is to create a variety of housing choices. Bellevue is becoming a more diverse community and needs more diverse housing types, including a larger range of affordability. Implementing the strategy will involve the Commission ~~witharound~~ micro apartments in walkable neighborhoods near transit and jobs. Code changes around required parking may also need to be addressed. Additionally, the Commission will be involved in addressing detached accessory dwelling units in self-selected neighborhoods.

Commissioner Walter asked if the Eastgate area would be home to micro apartments given that the area is served by transit. Ms. Lewine said the intent is to zero in on a quarter mile range from light rail stations, which would not include the Eastgate area. Mr. Kattermann said once light rail

serves the Eastgate area, the focus could change.

Commissioner Morisseau noted that there is a trend across the nation that favors tiny houses. She asked if it was the parking issue that would limit micro apartments to the areas around light rail stations. She also pointed out that Bellevue's demographics are changing and she asked if consideration has been given to multi-generational housing. Ms. Lewine said there is a clear need for housing that fits the needs of the changing diversity, including multi-generational housing. Mr. Kattermann added that the research done relative to micro apartments indicates that the key to their success is reduced parking. The units appeal to those just entering the workforce who do not need a lot of space and often do not have a car. Housing is the single largest expense in a household budget, and transportation is the second. Where housing can be provided in areas that do not require the occupants to have a car, the overall living expenses for the occupant are lowered.

Ms. Lewine said the third strategy is to create more affordable housing. She said the non-profit housing partners all talk about the difficulties they have operating in Bellevue because of the land prices. One action associated with the strategy is to look at acquiring land in Bellevue at less than market rates by focusing on public surplus properties and properties owned by faith-based communities and existing non-profits. One of the best opportunities upcoming is developing affordable housing on surplus construction staging sites owned by Sound Transit. The Commission may play a role in considering increased density on such sites, as well as by considering inclusionary zoning and ways of reducing development costs specifically for affordable housing units.

The fourth strategy is focused on unlocking housing supply by making it easier to build in the overall housing market. The actions include reducing the costs of development and expanding the use of FAR in multifamily zones.

Mr. Kattermann pointed out that while the amount of vacant land in the city is not substantial, there is still a great deal of building capacity left in the city. In the Bel-Red corridor, land has been taken out of commercial and industrial uses and rezoned for housing, retail and office uses, creating more capacity. Wilburton is being eyed similarly for adding capacity.

Commissioner Carlson commented that the issue of property taxes and how they impact housing cost needs to be addressed. Bellevue makes much of the fact that it has one of the lowest property tax rates in King County, but the rates are low because the property values keep skyrocketing. Property taxes, particularly for seniors on fixed incomes who do not necessarily meet the thresholds to qualify as low income, present a challenge for keeping them in their own homes. Mr. Kattermann said that is one reason for looking at things like accessory dwelling units, because they offer a way for seniors to stay in their homes by giving them another source of income. There is in place a property tax exemption for seniors, but the threshold has not been raised in something like 20 years; taking a look at that issue is another way of tackling the affordability issue.

Commissioner Walter said allowing accessory dwelling units will not necessarily benefit seniors given that they would then have to become landlords, which is not for the faint of heart given all that is required. A number of support factors would need to be put in place. Mr. Kattermann said the point was well made and allowed that none of the solutions are simple.

Ms. Lewine said the development community was vocal about the fact that measuring density by FAR gives them a lot more flexibility to respond to the market relative to unit size and mix

within a building.

Ms. Lewine said the fifth strategy is to prioritize state, county and local funding for affordable housing. The list of actions include tapping into additional local funding sources; pursuing other funding partnerships; and advocating for additional tools.

Ms. Lewine said the intent of the affordable housing strategy work was to turn over every stone looking for new tools. The tools used by other cities were investigated and it was discovered that there really is a limited suite of available tools. There is a clear need to enlist local partners in the effort, including the development community, major employers, faith-based organizations and non-profit providers. Bellevue has always been good at working with regional partners, and that effort will need to continue going forward, including ARCH, Sound Transit, the King County Housing Authority and the new King County Regional Affordable Housing Task Force.

The next steps will include checking in with the Council regarding the implementation program. The intent is to start with updating the multifamily tax exemption to encourage developer participation in the program, and conducting a rezone analysis specifically for land that might be available from non-profits, faith-based organizations and public entities. Also on the agenda are finalizing code updates for the downtown and Eastgate; future code amendments relative to East Main, Wilburton and other areas; developing community and stakeholder outreach; and setting up a monitoring program for regularly reporting to and feedback from the Council.

Commissioner Barksdale asked what is planned for community and stakeholder outreach. Ms. Lewine said the different strategies are being put into separate buckets and consideration is being given to specific ways to gain input for each one. Some will require working at the neighborhood level, while others will require a broader approach.

Commissioner Barksdale asked if the homeless population is part of the affordable housing study. Mr. Kattermann said the issue of homeless is moving along on its own track and was not part of the study. The report recognizes the link between housing affordability and homelessness, however. Those paying more than 50 percent of their incomes for housing are most likely to move into homelessness for some period of time. The best solution to homelessness is to prevent it from happening in the first place.

9. OTHER BUSINESS
(8:43 p.m.)

Mr. Cullen said the Commissioner recruitment notice closed on June 22. The clerk's office received 17 applications that are currently before the Mayor to determine which should be interviewed before making a recommendation to the Council.

10. APPROVAL OF MINUTES
(8:46 p.m.)

A. June 14, 2017

A motion to approve the minutes as submitted was made by Commissioner Barksdale. The motion was seconded by Commissioner Walter and the motion carried unanimously.

11. CONTINUED ORAL COMMUNICATIONS – None
(8:46 p.m.)

12. EXECUTIVE SESSION – None
(8:46 p.m.)

13. ADJOURNMENT
(8:46 p.m.)

A motion to adjourn was made by Commissioner Barksdale. The motion was seconded by Commissioner Walter and the motion carried unanimously.

Chair deVadoss adjourned the meeting at 8:46 p.m.