

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Study Session

October 2, 2017
6:00 p.m.

Council Conference Room
Bellevue, Washington

PRESENT: Mayor Stokes, Deputy Mayor Chelminiak, and Councilmembers Lee, Robertson, Robinson, and Simas

ABSENT: Councilmember Wallace

1. Executive Session

Deputy Mayor Chelminiak called the meeting to order at 6:04 p.m., and declared recess to Executive Session for approximately 15 minutes to discuss one item of pending litigation. He noted there were technical difficulties with the meeting's broadcast.

The meeting resumed at 6:25 p.m., with Mayor Stokes presiding. Mr. Chelminiak said the video production team was working to resolve technical issues, and there would be only one camera in the room.

2. Study Session

- (a) Continued consideration of the Downtown Livability Initiative Land Use Code Amendments, Land Use Code Part 20.25A

City Manager Brad Miyake introduced the sixth discussion regarding the Downtown Livability Initiative Land Use Code Amendments [Land Use Code Part 20.25A]. He said the topic was last before the Council on September 18.

Mac Cummins, Director of Planning and Community Development (PCD), noted four remaining Land Use Code items pending Council direction: 1) floor plate reduction when nonresidential buildings exceed the trigger height (maximum building height) in the Downtown Office Limited Business (DT-OLB) and Downtown Mixed Use (DT-MU) districts, 2) trigger height in the DT-OLB Central and DT-OLB South districts, 3) Downtown boundary linear buffer, and 4) residential tower setback from interior property lines. He suggested handling questions and discussion individually following staff's comments on each item.

Mr. Cummins noted the Council meeting schedule on this topic since the Planning Commission's recommendation was transmitted to the Council and discussed on June 26. Staff anticipates Council action on October 16.

Emil King, Strategic Planning Manager, described the first issue regarding the floor plate reduction for nonresidential development in the DT-MU and DT-OLB districts. The floor plate reduction occurs when a developer chooses to exceed the allowed building height, which is known as the trigger height.

Mr. King described the three options for the floor plate reduction code. Staff recommends a 10-percent reduction above the trigger height. This is consistent with the Planning Commission's recommended range for Council consideration of 10 percent to 25 percent. The second option is a safe harbor that would not require a reduction below 20,000 square foot floor plates in the DT-MU, DT-MU Civic Center, DT-OLB Central, and DT-OLB South districts. The third option provides the opportunity for an administrative departure from the reduction requirement in exchange for an exemplary building design that better meets the goals in the current code version [LUC 20.25A.140].

Mr. King presented photos of floor plate examples for three buildings in Seattle and one in Austin. He said there are viable office developments with floor plates below 20,000 square feet. The range is typically 18,000 square feet to 24,000 square feet for Downtown office projects.

Councilmember Robertson noted an email from Vulcan that the Council received shortly before the meeting. She said the email provides examples of buildings with 24,000 square foot floor plates, which Vulcan indicates is the minimum size needed for technology companies. Ms. Robertson recalled that she requested the safe harbor due to input she was receiving from developers. She recalled that three Councilmembers were open to the concept of a safe harbor for nonresidential buildings during the previous discussion. She said she has heard from technology companies that 20,000 square feet is on the small side and below that is too small.

Deputy Mayor Chelminiak said developers have the option of larger floor plates if they do not exceed the allowed building height. He expressed support for staff's recommendation, which is consistent with the Planning Commission's recommended range for Council consideration.

Councilmember Simas said the third option referring to building design is too subjective, and developers like certainty. He opined that the safe harbor for a minimum floor plate size of 20,000 square feet might not necessarily achieve the City's goals for building design. He believes that developers, especially those who live and work in the community, want to build attractive projects. However, he noted that outside investors might be less interested in the building designs and more interested in financial returns.

Responding to Deputy Mayor Chelminiak, Mr. Simas said he favors the safe harbor option that provides a minimum floor plate size of 20,000 square feet above the trigger height.

Councilmember Robinson expressed confidence that staff and developers would be able to work with the third option, which is intended to provide a desirable building design. She expressed support for the combination of options 1 and 3. She said the Vulcan email provides great examples of what can be accomplished in building designs.

Responding to Ms. Robinson, Ms. Robertson reiterated her support for option 2.

Councilmember Lee expressed support for option 2, which ensures a minimum floor plate size of 20,000 square feet. He said development will not occur if it is not economically viable.

Mayor Stokes said it is important to remember what the City is trying to achieve, which includes avoiding boxy buildings. He observed that Bellevue has a number of attractive buildings. He said the difference between 18,000 square feet and 20,000 square feet seems somewhat arbitrary in terms of the building designs that can be achieved.

Councilmember Simas recalled that the Downtown Livability Initiative Citizen Advisory Committee (CAC) wrestled with how to describe the desired development outcomes without being too prescriptive.

Mr. King said the Planning Commission did extensive work to update the design guidelines for Downtown development, regardless of whether buildings exceed the trigger height. He believes the City will continue to see good Downtown development. He said both the CAC and the Planning Commission determined that floor plate reductions and ground-level open space would help to achieve the desired development.

Mr. Simas questioned how a developer or architect would know what the City considers to be interesting architecture. Carol Helland, Code and Policy Director, said the design guidelines include examples and address the base, middle and top design of buildings. She said additional examples are provided in separate information materials provided to developers.

Responding to Mr. Simas, Ms. Helland said a simple rectangular building can be attractive, depending on the materials used. She said the design guidelines focus more on building materials and the way the building is skinned than on the metrics of the building.

Mr. Chelminiak observed that the minimum floor plate size of 20,000 square feet could result in a rectangular building design.

Responding to Councilmember Robinson regarding the Vulcan email, Mr. King provided examples of design guidelines in Bellevue's Land Use Code that could inspire something similar to the design of the Two Union Square building in Seattle: Design towers to provide visual interest and articulation, create attractive building silhouettes and rooflines, and use architectural and landscape elements to emphasize gateways.

Deputy Mayor Chelminiak said he finds it interesting that the Midtown 21 and Madison Centre buildings in Seattle have larger floor plates. He said a 10 percent reduction in the 22,000 square foot floor plates of the Madison Centre building would result in 20,000 square foot floor plates.

Mr. Chelminiak suggested combining options 1 and 3, along with a provision that there can be a way for a developer to maintain 20,000 square foot floor plates in exchange for exceedingly interesting architecture.

Councilmember Robinson spoke in favor of options 1 and 3 as well. Mr. Chelminiak said he is agreeable to that approach, without providing the safe harbor of a minimum 20,000 square foot floor plate size. He noted that floor plate reductions at higher floors are important in allowing access to light and space.

Mayor Stokes said Vulcan is advocating for a minimum floor plate size of 24,000 square feet.

Mr. Simas said he is not opposed to a combination of options 1 and 3. However, he reiterated his concern that option 3 might create a hurdle. He said the City wants every building to have outstanding architecture, and it would be difficult to define what constitutes a building that is truly iconic. He expressed concern that option 3, without a clear definition of the desirable building design, could potentially discourage development.

Councilmember Robertson said that, under option 2, there would still be a necking in of the building tower at the first trigger height. The building would also be subject to floor-area ratio (FAR) limitations and all of the existing design guidelines. While Vulcan is advocating for larger floor plates, the email also provided examples of how some of the larger, beautiful buildings meet Bellevue's design guidelines.

Ms. Robertson concurred with Councilmember Simas' concerns regarding certainty for developers. She expressed support for the intent of option 3, but noted she believes the City's existing design guidelines discourage boxy, unattractive buildings.

Councilmember Robertson recalled that Councilmember Wallace was an advocate for a minimum floor plate reduction to 20,000 square feet above the trigger height. She suggested that Mr. Wallace could participate in voting on this one issue. Ms. Robertson suggested moving forward with the 10-percent reduction in the draft code and the safe harbor option.

Deputy Mayor Chelminiak noted that Councilmember Wallace removed himself from this discussion and the related decisions.

Councilmember Robinson clarified that her goal for option 3 is to give developers more freedom in what they can design. She questioned whether option 2 would provide more freedom.

Mr. Cummins said certain developers are more creative by nature, while others are interested in the base minimum they are required to build to and want their permits as quickly as possible. He said the philosophical question for the Council is how much discretion it wants to provide in the

code. Mr. Cummins said the City has excellent staff who can review and determine excellent design. However, it will add some level of uncertainty to the process.

Noting the inability to reach a majority decision, Deputy Mayor Chelminiak suggested moving to the other three items.

Councilmember Robertson suggested that the ordinance to be presented for future Council action include two options for Council consideration.

Mr. Chelminiak recalled that in the past, if a majority vote of the Council could not be reached, the practice has been that the Planning Commission's recommendation prevails. He spoke in favor of staff providing two options for Council consideration: option 2 (safe harbor) versus a combination of options 1 and 3.

Ms. Robertson said the Planning Commission recommended that the Council consider a floor plate reduction ranging between 10 percent and 25 percent. She reiterated that she would like to see two ordinance options on this issue for final discussion and action on October 16. She said three Councilmembers are in favor of the safe harbor.

Mr. Chelminiak said he thought he heard a majority of the Council, during a previous discussion, in favor of a maximum reduction of 10 percent. Mayor Stokes concurred.

Responding to Councilmember Lee, Mr. King said the Planning Commission considered a reduction above 10 percent in certain districts, until the Council indicated an interest in a maximum reduction of 10 percent.

Mayor Stokes suggested moving on to the remaining issues.

Mr. King said the second issue is the trigger height for buildings in the DT-OLB Central and DT-OLB South districts. The two options for Council consideration are: 1) staff's recommendation for a trigger height of 115 feet, which is consistent with the Planning Commission's recommendation, or 2) increase the nonresidential trigger height to 150 feet, as suggested by Councilmember Robertson.

Mr. King said the Planning Commission increased the trigger height from 87 feet to 115 feet in the DT-OLB districts to achieve economic parity with the DT-MU district. The trigger height was the tool employed by the Planning Commission to achieve a public benefit (e.g., open space and taller, more slender buildings) in exchange for allowing an increased building height.

Mr. King presented examples comparing potential buildings and open space under the 115-foot limit and the 150-foot height limit.

Mayor Stokes recalled that the majority of the Council previously agreed with the Planning Commission's recommendation of the 115-foot building and trigger height. One Councilmember

requested the option for the 150-foot height limit. He noted that the latter does not include a requirement for open space.

Councilmember Simas spoke in favor of the staff/Planning Commission recommendation of the 115-foot trigger height.

Responding to Councilmember Robinson, Ms. Helland said it is possible to request a fee in lieu for affordable housing if a developer wants to increase the nonresidential trigger height. Ms. Helland said staff calibrated the affordable housing provision to allow a FAR exemption. She recalled that staff and the Council previously discussed that the City will continue its work on the affordable housing strategy and can refine the recommendation in the future.

Deputy Mayor Chelminiak expressed support for option 1, the staff/Planning Commission recommendation. He serves on the Bellevue Convention Center Authority (BCCA) Board, which is interested in a possible hotel project connecting to Meydenbauer Convention Center. He would be willing to consider some adjustments for a project that achieved that outcome. However, he does not want a wall of buildings along I-405 that blocks the Downtown.

Councilmember Robertson thanked staff for the information and graphics to compare her suggested 150-foot trigger height. However, she noted she will support her colleagues in favor of the 115-foot trigger height.

Moving on, Ms. Helland said the topic of the Downtown boundary linear buffer was raised on September 18. She said staff's review following that discussion identified a potential unintended consequence in the way the Planning Commission recommendation was drafted for the Council's consideration. The current code version measures the Downtown boundary setback from the back of the curb in Perimeter Overlay A-2. However, it measures from the back of the sidewalk in Perimeter Overlay A-1. She said the problem of measuring from the back of the curb relates to a conflict with a hardscape limitation. Once the sidewalk is located within the linear buffer, it exceeds the hardscape limitation. As a result, staff recommends a modification to achieve the Planning Commission's intended outcome. The modification eliminates the hardscape provision from the segments of the linear buffer that are measured from the back of the curb.

Mr. Chelminiak said he raised this issue and discussed it with Ms. Helland. He expressed support for option 2, staff's recommended modification.

Councilmember Robertson concurred.

Mayor Stokes noted a Council consensus in favor of option 2.

Responding to Councilmember Simas, Ms. Helland said the issue was raised at the end of the Planning Commission's process.

Moving on, Ms. Helland described the issue of residential tower setbacks between projects above 80 feet. Option 1, as recommended by the Planning Commission, is a 20-foot setback from

interior property lines above 80 feet for residential and nonresidential towers. Option 2 is a 30-foot setback with the ability to reduce to a minimum of 20 feet if certain departure criteria are met.

Councilmember Robinson recalled that she previously requested further discussion of option 2. She said there are many developers who will do the right thing in terms of building design and tower separation. However, she noted there is significant foreign investment in the Downtown, which might lend itself to projects that can be built for the least amount of money and with less consideration for building design. She wants to create desirable living situations for individuals moving to the Downtown. Ms. Robinson said option 2 provides the flexibility to reduce tower separation if a 30-foot setback is not viable on a specific property.

Councilmember Lee said he does not believe one can differentiate between local and foreign investment in terms of their respect for the quality of life in Bellevue. Mr. Chelminiak concurred, noting that the key factor is the investor and not necessarily the source of the investment.

Mayor Stokes concurred that it is hard to make those judgments. He noted a current attractive project underway by a Canadian group. He said it is important for the City to provide regulations and guidelines for desired outcomes.

Mayor Stokes questioned how option 2 would be handled by the City. Ms. Helland said the intent is to begin with a 30-foot setback from the interior property line for a residential building, given Councilmember Robinson's previous comments about privacy and light. Ms. Helland said a desirable building design that provides privacy and light can be achieved in a number of ways, including different orientations for adjacent buildings and/or creating a curvilinear building. Responding to Mayor Stokes, Ms. Helland confirmed that the option would be more prescriptive in terms of the criteria that would allow the 20-foot setback departure. Mayor Stokes said that privacy is a subjective factor.

Deputy Mayor Chelminiak recalled that, during previous discussions, there were four Councilmembers in favor of maintaining the 20-foot setback from interior property lines. He expressed an interest in Councilmember Robinson's proposal. However, he is willing to support the Planning Commission's recommendation for the 20-foot setback if desired by a majority of the Council.

Councilmember Robertson thanked Councilmember Robinson for bringing the idea forward for Council consideration. However, Ms. Robertson said she supports the Planning Commission's recommendation.

Councilmember Lee concurred with support for option 1, the Planning Commission's recommendation.

Councilmember Simas said he can support option 1. However, he said option 2 is an intriguing concept and he fully supports privacy for residential buildings. He suggested design guidelines that will encourage atypical building forms and orientations.

Mayor Stokes said there are currently different building forms in Bellevue, and the City can continue to work with developers to encourage creativity. He expressed support for option 1.

Ms. Helland noted final Council decisions on items 2, 3 and 4. She questioned what the Council expects to see with regard to the floor plate reduction issue when the ordinance is presented for action on October 16.

Mayor Stokes commented that having two versions of the ordinance might be the best way to reach a Council decision on October 16. Councilmember Robertson concurred.

Deputy Mayor Chelminiak said he would prefer to see an ordinance incorporating the Planning Commission's recommendation, with the opportunity for Councilmembers to offer amendments. However, he is open to staff presenting two versions of the ordinance.

Responding to Councilmember Simas, Mr. Chelminiak said one version of the ordinance would include the 10-percent floor plate reduction and the second version would reflect the safe harbor of maintaining a minimum floor plate size of 20,000 square feet. Mr. Chelminiak expressed concern that presenting one ordinance for Council action could result in a Councilmember voting against the ordinance based on a dissenting opinion on this issue only.

Councilmember Robertson suggested that, if one ordinance is presented, it could include language regarding the safe harbor which could be removed by Council action.

Mayor Stokes said there have been occasions in which the Council was presented with two versions of legislation for final action. He suggested moving forward with that approach. Councilmembers Lee and Robertson concurred.

Councilmember Simas said he is comfortable with the safe harbor option, but the question is how to make that work. He is open to exploring options during the next week.

Mayor Stokes observed that it would be premature to adopt option 3 at this point. He said that would require establishing criteria to determine what qualifies as "exemplary design."

Responding to Councilmember Robinson, Mr. Cummins said that, if the Council would like to see an option that attempts to be as specific as possible in defining "exemplary design," staff could bring back alternative language for consideration. Ms. Robinson said she would support that course of action.

Ms. Helland summarized that staff can present two alternative ordinances, or one ordinance with language regarding the safe harbor, which could be removed if desired by a Council majority. She noted that the Planning Commission discussed making sure that the City monitors whether the codes are producing the desired development and refines the codes as needed.

Deputy Mayor Chelminiak suggested that staff provide one ordinance reflecting the areas of Council agreement and omitting language regarding floor plate reduction. The Council could then vote on the three floor plate reduction options currently under consideration and incorporate the one with majority support. Councilmember Robertson agreed to that approach.

Mayor Stokes thanked staff for their work.

At 7:51 p.m., Mayor Stokes declared recess to the Regular Session.

Kyle Stannert, CMC
City Clerk

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