

November 6, 2017

## CITY COUNCIL STUDY SESSION ITEM

### **SUBJECT**

Proposed amendments to the “centers framework” that is used to inform regional transportation funding decisions and to implement the growth strategy in the Puget Sound Regional Council’s Vision 2040 plan.

### **STAFF CONTACTS**

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### **POLICY ISSUES**

Bellevue’s plan for accommodating future population and employment growth is built on the principles and policies of the Puget Sound Regional Council’s (PSRC) plan, Vision 2040, as noted in the *Bellevue Comprehensive Plan* policies listed below. Downtown Bellevue is one of 29 regionally designated growth centers intended to accommodate significant population and employment growth. These centers are a cornerstone of the region’s strategy for accommodating growth in accordance with the Growth Management Act (GMA). A key incentive for obtaining and maintaining the center designation is eligibility to compete for federal transportation funds through the PSRC. Downtown Bellevue is one of the most successful centers in terms of accommodating growth in a compact, mixed-use center served by high-capacity transit.

LU-4. Support a land use vision that is consistent with the GMA goals, the regional Vision 2040, and the King County Countywide Planning Policies.

LU-9. Work with regional partners to achieve a mix of jobs and housing that makes it possible for people to live closer to where they work.

### **DIRECTION NEEDED FROM COUNCIL**

**ACTION**



**DIRECTION**



**INFORMATION ONLY**



Staff is seeking Council approval on the draft Interest Statement (Attachment A) regarding proposed amendments to the regional growth centers framework of Vision 2040 (Attachment B). Council has received written summaries of the discussion by the Growth Management Policy Board (GMPB) on this issue in the last several monthly briefing memos and included in regional issues study session packets. The GMPB is seeking comments on the draft proposal, including responses to specific “key review

questions,” before making a recommendation to the PSRC Executive Board in late November.

**Comments are due to the PSRC by 5 p.m. on November 8.**

### **BACKGROUND/ANALYSIS**

Bellevue’s continued growth and prosperity is tied in part to its role as a regionally designated center and as a recipient of regional transportation investments. Requirements for designation that are easy to achieve will result in a proliferation of centers, dilute the value of the designation and increase the number of places vying for limited regional transportation funds through the PSRC. The region’s interests and Bellevue’s interests are best served by clear and measurable criteria and requirements that establish a reasonably high standard to achieve and to maintain the regional designation.

The GMPB is considering several amendments to revise the centers framework and is expected to make a recommendation to the PSRC Executive Board in late November 2017. The revised centers framework will inform amendments to the regional growth strategy in the update of Vision 2040 scheduled to begin in 2018. The attached draft interest statement and draft comment letter (Attachment C) respond to “key review questions” requested by the GMPB (see page 1 of Attachment B) as well as comments on other proposed amendments to the centers framework that could have implications for Bellevue. There are potentially broader implications for Bellevue due to the number of regional growth centers on the Eastside (e.g. Totem Lake in Kirkland, central core in Issaquah, Redmond Overlake and Redmond Downtown).

Vision 2040 is the overarching regional plan for accommodating the anticipated increase of about one million people and 800,000 jobs in the four-county region (King, Kitsap, Pierce and Snohomish) by 2040. A foundational principle of Vision 2040 is the regional growth strategy; a system of regionally designated centers that can accommodate a significant portion of the population and employment growth. Two kinds of regionally designated centers are currently defined in Vision 2040:

- *Regional Growth Centers* are focal points of compact, higher density urban development with a mix of residential population and employment served by efficient multi-modal transportation facilities and linked to other centers by the regional transportation network. Downtown Bellevue is one of 29 designated regional growth centers.
- *Manufacturing-Industrial Centers (MIC)* are employment areas with intensive, concentrated manufacturing and industrial uses intended to accommodate a significant amount of regional employment in those sectors. These centers typically are served by major regional transportation systems including rail, roads and port facilities. There are currently nine designated MIC in the four-county region – none existing or planned in Bellevue.

PSRC administers several types of federal transportation funds that are awarded on a competitive basis about every two years. In the latest round, approximately \$50 million was allocated to projects within or serving the two types of regionally designated centers described above. Over the past decade, Bellevue has received over \$8 million of these regional funds. An additional \$200 million was allocated among the four counties based on population and awarded through a competitive process based on criteria established by each county. Over the past decade, Bellevue has received over \$22 million from the countywide fund.

The draft proposal creates two types of regional growth centers that would retain the current activity level (i.e. population + jobs) requirements for one type (urban) and create another type (metro) with higher activity levels. There would also be additional requirements for planning prior to designation, including a market study to determine whether the center is likely to achieve the planning targets. Existing centers would have until 2025 to comply with the new requirements. Downtown Bellevue already exceeds the higher (metro) activity levels and would only need additional planning for growth targets, social equity and related policies. The BelRed area would likely qualify for designation at the lower (urban) activity level. For Downtown Bellevue and most other existing regional growth centers, the new criteria could be met through the next required major update of the cities' comprehensive plans in 2023.

MIC are also split into two types: 1) employment centers meeting current minimum existing employment and minimum planned employment levels; and 2) industrial lands with lower minimum employment levels and a minimum acreage. The first type is a recognition of existing centers and the second type is intended to recognize the MIC that have not yet achieved the minimum employment levels but are important to preserve for future industrial growth. Bellevue does not have any areas that would qualify for the MIC designation; however, these centers also compete for the same regional transportation funds as Downtown Bellevue.

Countywide centers are a new designation proposed to serve similar purposes as the regional growth centers and MIC but at a smaller scale with lower activity thresholds and fewer requirements for designation. The draft framework proposal would establish common, minimum requirements that would apply to all four counties and each county could determine the process and any additional criteria for designation by the county. There are currently no criteria in Vision 2040 or in the King County Countywide Planning Policies for designation of these types of centers. Bellevue would likely have a few areas that qualify for countywide center designation (e.g. Factoria, Crossroads). These centers would compete for the PSRC transportation funds allocated to and awarded by each county rather than the regional transportation funds for regional growth centers and MIC.

Major Military Installations operate according to federal policies and actions that are not necessarily consistent with or supportive of the goals and policies of local plans, Vision 2040 or the GMA. These facilities can have a substantial number of military and civilian personnel that impact the local economy and transportation systems. The draft framework proposal would recognize the four major military installations (i.e. JBLM, Bangor, Bremerton, and Everett) and make them eligible to compete for the same regional transportation funds as Downtown Bellevue. They could only apply jointly with a local jurisdiction and the funds could not be spent for projects on the base, but to address impacts to the surrounding network. Currently, military installations are only eligible to compete for the county funds.

The attached draft interest statement and draft comment letter include specific comments about each of these four categories of centers and statements supporting a set of clear and measurable criteria and requirements that establish a reasonably high standard to achieve and maintain the regional designation. It is in the region's interest and in Bellevue's interest to ensure that there are a limited number of centers to make the most effective use of the limited regional transportation funds available to support the centers that are doing what is necessary to achieve the goals of Vision 2040.

### **OPTIONS**

1. Approve the attached interest statement and direct staff to prepare a letter to the GMPB based on the interest statement for signature by the Mayor and Deputy Mayor prior to November 8.
2. Provide alternative direction to staff.

### **RECOMMENDATION**

Option 1

### **MOTION**

Move approval of the Vision 2040 Centers Framework Update Interest Statement and direct staff to prepare a letter to the GMPB based on the interest statement for signature by the Mayor and Deputy Mayor prior to November 8.

### **ATTACHMENTS**

- A. Draft Interest Statement
- B. Regional Centers Framework Update – Draft Board Proposal
- C. Draft comment letter

### **AVAILABLE IN COUNCIL DOCUMENT LIBRARY**

N/A