CITY OF BELLEVUE BELLEVUE PLANNING COMMISSION STUDY SESSION MINUTES

April 12, 2023 6:30 p.m.	Bellevue City Hall Room 1E-113
COMMISSIONERS PRESENT:	Chair Ferris, Commissioners Brown, Cálad, Goeppele, Malakoutian
COMMISSIONERS REMOTE:	None
COMMISSIONERS ABSENT:	None Vice Chair Bhargava, Commissioner Morisseau
STAFF PRESENT:	Thara Johnson, Emil King, Department of Community Development; Nick Whipple, Kristina Gallant, Department of Development Services; Matt McFarland, City Attorney's Office
COUNCIL LIAISON:	Not Present
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.

2. ROLL CALL (6:30 p.m.)

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

3. APPROVAL OF AGENDA (6:31 p.m.)

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

4. REPORTS OF CITY COUNCIL, BOARDS AND COMMISSIONS – None (6:31 p.m.)

5. STAFF REPORTS (6:31 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.

6. ORAL AND WRITTEN COMMUNICATIONS

A. Oral Communications (6:33 p.m.)

Alex Tsimerman allowed it would not be possible to change who the Commissioners are, with brains closed because they do not care and they are garbage rats that by definition all have the same business philosophy. The Council did not hold a meeting last Monday and ahead of elections they are scared. They used to have 20 people speak to 30 minutes. Any others were turned away. Five or six years ago they set that limit because Alex Tsimerman spoke number one for many years. They changed the rules to not allow Alex Tsimerman to speak. They are freaking idiots and cowards. The same is true for the Commissioners who are more dangerous than Nazis or communists because by definition they only have a personal interest. The Council changed the rules only because of one man, an absolutely idiotic situation. Bellevue is the number one city of white minority. That is critical. It looks like the holocaust about culture. People are hired that come with totally different mentalities, philosophies and cultures. That is a problem.

B. Written Communications (6:38 p.m.)

Comprehensive Planning Manager Thara Johnson noted the receipt of several emails relating to the ADU LUCA that were subsequently included in the Commission packet. There was also a detailed survey submitted by a community member. A public comment relating to the C-1 LUCA was received too late to include in the packet but the email was forwarded to the Commissioners.

7. PUBLIC HEARING (6:39 p.m.)

A. Land Use Code Amendment (LUCA) for Affordable Housing Strategy Action C-1 Phase 2

A motion to open the public hearing was made by Commissioner Brown. The motion was seconded by Commissioner Cálad and the motion carried unanimously.

Planning Manager Nick Whipple noted the Commission had to date held two study sessions on the topic and gave staff direction to set a public hearing.

Senior Planner Kristina Gallant stated that during the previous study sessions the proposed LUCA was divided into four topics: the affordable housing suffix concept; the eligibility criteria; the affordable housing suffix designation criteria; and the applicable procedures.

The affordable housing suffix concept involves rezoning the eligible properties to add the suffix for the purpose of pointing to the alternative multifamily district available when building one hundred percent permanent affordable housing. The approach allows for adding affordable housing as an option for the eligible properties without taking anything away from their current ability to develop as single family. The four suffixes AH-1 to AH-4 correspond to the multifamily land use districts R-10 through R-30.

In order to be eligible for the rezone, properties must be owned or controlled by a religious organization. The question of ownership or control comes up at two points, first in considering eligibility for the rezone, and second in determining eligibility for the 50 percent density bonus already established in the code. The sites must be located in a single family land use district, and once developed all units must be permanent affordable housing units. Eligible sites must be located with frequent transit service, within 500 feet of a multifamily or commercial land use district, and on an arterial street.

The Planning Commission is asked to decide between two options for determining the alternate multifamily land use district available for a property. The first option is the staff recommendation and that is to go with the adjacent or closest land use district. The second option is to go with the highest density land use district within 500 feet. Both options involve the concept of a reference district within the surrounding area of eligible sites and allowing a similar density or scale of development. Under Option A, properties having a multifamily land use district immediately adjacent to them, the district that shares the longest boundary with the eligible property. For those sites that do not have multifamily or commercial immediately adjacent, the closest land use district would be looked to. As drafted the proposed LUCA allows the Director to determine which is the closest when it is not clear. Under Option B, the highest density land use district within 500 feet of the eligible site would be selected.

With regard to the impact, Option B would create capacity for approximately 500 housing units across all sites, based on the assumption that all sites would develop to their full capacity. It would increase the density allowed for ten of the thirty eligible sites, with most of them bumping up by only one level. Two of the sites would see a more dramatic increase with one increasing by two levels and one increasing by three. One of the two sites, the Cross of Christ site on 156th Avenue NE, is not immediately adjacent to either multifamily or commercial. The closes district is R-15, so under the initial proposal the site could be rezoned to that density, which is the AH-2 level. However, within 500 feet of the site there is Community Business zoning, which would bump up the site to R-30 or the AH-4 level. The second site is the LDS church property on Northup Way would go from R-10, AH-1 under Option A, to R-30, AH-4 under Option B.

With regard to applicable procedures, Kristina Gallant noted that under the current code religious facilities are conditional uses. Should a religious facility be rebuilt, the applicant might in some cases be required to obtain a new conditional use permit, which can be a lengthy process. As proposed, religious facilities to be rebuilt without exceeding the size of the existing facility could go through the administrative condition use permit process instead, a much simpler and straightforward process.

Kristina Gallant said a question was asked in the Commission's second study session about flexibility for sites that might only be missing one of the criteria. Policy HO-36 establishes that sites must meet all of the location criteria. However, in the Comprehensive Plan the definition of those location criteria is broader than the way it is applied in the Land Use Code. There is room for flexibility within the definitions of "near high-capacity transportation infrastructure and services and "near other multifamily residential or commercial use districts." The proposal interprets the first definition as meaning sites must have both access to an arterial and access to frequent transit service as an indicator of high-capacity transportation infrastructure and services. One option would be to say sites must either have arterial access or frequent transit service. With regard to the second definition, the proposal uses a 500-foot radius, which could be expanded except that the Council's consensus was around that number. There already is flexibility in the way arterial access is established in the proposed LUCA.

A question was also raised by the Commission about whether the presence of a property with an AH suffix could meet the definition of significantly changed conditions, which is one of the Comprehensive Plan amendment decision criteria. The term generally refers to evidence of change, such as unanticipated consequences of an adopted policy, or changed conditions on the subject property or its surrounding area, or changes related to the pertinent plan map or text where such change has implications of a magnitude that needs to be addressed for the Comprehensive Plan to function as an integrated whole. Staff have concluded that one rezoned property alone is likely not sufficient to clear that bar by itself.

Kristina Gallant briefly reviewed with the Commission the LUCA process steps taken to date leading up to the public hearing. Following the forwarding of a recommendation to the Council, the Council will consider the matter in a study session before taking action.

The specific decision criteria for a LUCA are: the amendment is consistent with the Comprehensive Plan; the amendment enhances the public health, safety or welfare; and the amendment is not contrary to the best interest of the citizens and property owners of the City of Bellevue.

Cliff Cawthon, co-chair of the Eastside Affordable Housing Coalition, and the advocacy and policy manager for Habitat for Humanity of Seattle/King County, strongly supported the C-1 Phase 2 update and Option B in regard to Topic 3 to allow as many affordable homes on eligible properties as possible. The proposed LUCA will provide opportunity for a multifamily rezone which would facilitate more affordable housing projects on faith-owned properties. The update will also encourage the development of affordable housing on faith-owned and non-profit lands by providing density bonuses and a simplified permitting process, all leading toward meeting Bellevue's goal of providing more housing overall. The action is just one tool and more work will need to be done in order to implement high-impact strategies that will create affordable housing.

Jessica Roe with Jubilee Reach, an organization with a long history of community service in Bellevue, noted being excited about the initiative that hopefully will lead to the development of affordable housing on the organization's property. The Commissioners and staff were thanked for their work to date. The Jubilee Reach property is 1.9 acres in size and the organization is excited about being able to develop affordable housing on the site. The Commission was asked to consider a friendly amendment to the proposed legislation to allow building height on the property to be 30 feet, allowing for an additional story and a smaller overall footprint. The specifics of the request were spelled out in the letter forwarded to the Commission.

Troy Drawz, director of real estate development for Imagine Housing, an affordable housing developer and provider on the Eastside for more than 35 years, voiced support for the proposed C-1 LUCA. The Commission and the staff were commended for moving the issue forward. The progressive step will hopefully serve as an example for other communities in the area. Density is always an important issue when it comes to developing affordable housing in that it helps to control the cost efficiencies which are limited by many funding sources. The tool is needed to develop projects of a scale that can be cost efficient.

Cathy Relyea, chair of the St. Peter's building committee, said St. Peter's is delighted to be one of the congregations eligible for the density bonus. The congregation owns nearly five acres adjacent to multifamily housing zoned R-15 a mile to the east of Crossroads on NE 8th Street. It is an extraordinary site for affordable housing. The Commission was encouraged to recommend the LUCA Phase 2 to the Council. The Council will also be urged to adopt the rezone.

Conceptual plans for affordable housing on the site that assumes the density bonus have already been drawn. The Commission's recommendation will move the church's plans one step closer to building urgently needed housing.

Heidi Dean, a Newport Hills resident, noted not having a strong opinion either way in regard to the proposed LUCA. After watching the legislative session over the last three months, it is clear that the LUCA represents the only way affordable housing will get built. Under the Growth Management Act there are concurrency mandates for traffic. When talking about building more units and giving density bonuses, care should be given to making sure the impacts to surrounding neighborhoods will be minimized. All developers should address traffic impacts. Low-income residents also drive cars and as such there is a need for adequate parking.

Alex Tsimerman began with a Nazi salute and called the Commissioners dirty Nazi rats from an animal farm. The Commission is not qualified to make such decisions. Every new plan the city has makes conditions worse than before. For the last 20 years the city has grown bigger and bigger and the problems have grown bigger and bigger and no one wants to fix them. For 30 years testimony has been given to the City Council about senior citizens and low-income residents paying for electricity. Seattle has 50 percent. Nothing in Bellevue has changed, no five percent or ten percent. Bellevue has pure fascism operated by democratic Nazis. A hundred billion dollars has been spent for Sound Transit and it is all money for nothing. For that much money housing could be built for everyone to live in for free. With the banditos democratic mafia in control, nothing will change.

A motion to close the public hearing was made by Commissioner Goeppele. The motion was seconded by Commissioner Cálad and the motion carried unanimously.

(7:11 p.m.)

Commissioner Cálad asked for clarification regarding the building height requirements in regard to the comments made by Jubilee Reach. Kristina Gallant explained that under the existing density bonus an additional story of height is established for properties using the affordable housing density bonus. However, the additional story is not available in the portions of properties located in transition areas, which is addressed in a separate section of the code. Transition areas occur where a multifamily property is immediately adjacent to a lower-density property. The transition area standards apply to portions of multifamily property within 300 feet of a single family land use district and they include a hard cap on height limited to the maximum zoned height. With respect to the R-20 Jubilee Reach site, the maximum height in a transition area is 40 feet. That issue is not addressed by the proposed LUCA.

Commissioner Goeppele asked if it would be possible at some point to receive an update on how recent actions by the state legislature will be affecting the city's overall Comprehensive Plan refresh effort. Thara Johnson allowed that the timing is not ideal given the pending release of the draft Environmental Impact Statement. The staff are analyzing several aspects of the bills in their current form, but the exact outcome remains unknown. The intent is to evaluate what additional EIS analysis will be needed, if any, once there is firm legislation in place.

Commissioner Goeppele asked how many more sites might become eligible under Option B of the affordable housing suffix designation criteria should the eligibility criteria for transit be changed. Kristina Gallant said the change would make an additional seven sites eligible, bringing the total to 37. Commissioner Goeppele voiced support for the objectives on the table for advancement but expressed an interest in loosening the criteria to allow for the seven additional

sites. Option A, however, is the better option in terms of the impacts the neighboring property owners will experience under Option B. Stability for neighborhoods is a value that should be considered. It would be better to expand the number of sites by loosening the selection criteria relative to transit and arterial access.

Commissioner Brown assumed the seven additional sites tend to have AH-1 designations. Kristina Gallant allowed that the higher densities tend to be correlated with cases where there is both access to transit and arterial access.

Commissioner Brown voiced alignment with the staff recommendation on the suffix designation criteria, and with using "or" instead of "and" relative to transit and arterial access.

Commissioner Malakoutian suggested the 500-foot limit is arbitrary, as is the longest boundary, when it comes to determining which AH suffix should apply. The code should be written to go with whatever approach yields the maximum number of units, which would be Option B.

Commissioner Malakoutian indicated that the most subjective issue the Commission has to deal with is the notion of significantly changed conditions. When it comes to housing affordability, the changed conditions criteria should not come into play at all.

Chair Ferris commented that it is clear that all involved from the staff to the Commission to the Council are pushing to see more affordable housing built. Of all the things discussed to date, the proposed LUCA will move the needle the most, thus getting it right is crucial. It is time to pull out all the stops, including going with Option B, in full recognition that not all of the sites will be built on. As the sites are developed, care needs to be taken to make sure there will be adequate parking. Flexibility should be built in by changing "and" to "or" relative to access to transit and arterial access, which will broaden the list of available sites in a responsible way.

Chair Ferris agreed that the issue of significantly changed conditions has been sticky for a long time, but added the fact is the city must go through significant change given that it is no longer a bedroom community to Seattle. As an urban environment, Bellevue must move itself forward in a responsible manner. Over time the city is likely to have less and less single family, though it will not happen immediately.

By a show of hands, the majority of the Commissioners favored the approach that will allow for the most density, and for replacing "and" with "or" relative to access to transit and arterial access.

Commissioner Brown asked if significantly changed conditions will result simply by virtue of HB-1110 and the ADU legislation at the state level. Kristina Gallant said significantly changed conditions is a very specific term as outlined by Assistant City Attorney Matt McFarland in the agenda memo. It is true that a lot of rezones resulting from state legislation could be deemed to be demonstrative of significantly changed conditions.

A motion for the Planning Commission to recommend to the City Council that the proposed Affordable Housing Strategy Action C-1 Phase 2 LUCA be adopted as amended, since the amendment is consistent with all of the decision criteria in LUC 20.30J.135 was made by Commissioner Brown. The motion was seconded by Commissioner Cálad and the motion carried unanimously.

8. STUDY SESSION – None

(7:32 p.m.)

9. OTHER BUSINESS

A. Remote Participation Approval (7:32 p.m.)

Thara Johnson noted that remote participation at the April 26 meeting had previously been approved for Chair Ferris and Commissioners Brown and Morisseau.

10. APPROVAL OF MINUTES (7:33 p.m.)

A. March 8, 2023

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

B. March 22, 2023

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

11. CONTINUED ORAL COMMUNICATION (7:34 p.m.)

Lee Sargent, 16246 NE 24th Street in Sherwood Forest, voiced appreciation for the work of the Commission, especially in terms of affordable housing, and for being tolerant of free speech. It is sad to hear people like Alex Tsimerman speak without actually communicating anything. That is a problem in place for a lot of people. It is good to see the Commission can choose to remain calm for three minutes.

12. EXECUTIVE SESSION – None (7:36 p.m.)

13. ADJOURNMENT (7:36 p.m.)

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

Chair Ferris adjourned the meeting at 7:36 p.m.

Johnson

Thara Johnson Staff to the Planning Commission <u>May 11, 2023</u> Date

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Carolynn Ferris Chair of the Planning Commission <u>May 11, 2023</u> Date