

CITY OF BELLEVUE
BELLEVUE PLANNING COMMISSION
STUDY SESSION MINUTES

June 21, 2023
6:30 p.m.

Bellevue City Hall
Room 1E-113

COMMISSIONERS PRESENT: Chair Ferris, Vice Chair Bhargava, Commissioners Cálad, Goeppele, Khanloo, Malakoutian

COMMISSIONERS ABSENT: Commissioner Brown

STAFF PRESENT: Thara Johnson, Emil King, Kate Nesse, Janet Shull, Department of Community Development; 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 Commissioner Brown.

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

A motion to approve the agenda was made by Commissioner Goeppele. The motion was seconded by Commissioner Cálad 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

(6:34 p.m.)

Thara Johnson outlined for the Commissioners the written comments received that were either included in the packet or forwarded to the Commissioners.

Joe Coolidge, a Bellevue resident since 1961 and a Downtown resident for the past five years, commented that unacceptable environmental impacts from highrise construction are already happening in Downtown Bellevue. They include noise, smoke, dust, detours and lane closures, sidewalk closures, traffic backups, convoys of huge noisy smoky trucks and debris on the roads. Noise levels from jackhammers, backup beepers and the crashing of steel girder has frequently been so loud that hearing protection has been required in order to sit outside. The Environmental Impact Statement and the planning process needs to be clear about the extent of the environmental impacts and the fact that they are happening currently, and that they are unacceptable for Downtown residents. Additionally, the job growth estimates have not been validated, and Downtown office space is already being overbuilt. The 20-year planning study is based on an a projected 70,000 additional jobs. The DEIS has no explanation of the underlying assumptions and factors that went into the forecast. There is evidence that Downtown Bellevue may already be overbuilt. Working at home is a long-term trend that will continue to reduce the demand for office space, especially in tech. There is a development that has three highrise office buildings totaling a million square feet of office space that sits empty. Amazon, the principal tenant, is still considering the usage of the space. Microsoft is not renewing its leases for one a million square feet of office space in Bellevue. Other companies have announced their intent to sublease their office spaces. Other cities like San Francisco and Seattle are seeing vacant buildings, increased crime, and residents leaving. Excess office space is a major factor. The Comprehensive Plan should prevent that from happening in Bellevue.

Christopher Friend with Swire Coca Cola expressed appreciation for the work of city staff on a thoughtful first draft on the alternatives. The company, however, disagrees with the proposed map designation of BR-RC-H1 for the Coca Cola site, which would allow only 16 stories. The site needs 25 stories of height to allow for an appropriate redevelopment density, which either BR-OR-H2 or BR-RC-H2 would allow. The site is uniquely suited for those designations. The current use as a bottling plant and potential redevelopment would not result in residential or retail displacement given that may be more optimal to operate the business from another location in the region. At 20 acres, the site is the largest undeveloped parcel in the BelRed district and the size lends itself to a master plan development. Nearly the entire site is within a half mile of either the Spring District 120th or the BelRed 130th light rail station. The site grade slopes downward from west to east, so the heights will be compatible with the heights in the Spring District. The site is bounded by arterials, a future city park, and light industrial areas. There are no immediately adjacent sensitive uses such as single family homes.

Heidi Dean said it is very difficult to distinguish what is what on the map of future land uses relative to neighborhood centers because it contains no streets. The new zoning designation Mixed Use-Midrise (MU-M), which allows seven to eleven stories of mostly residential with office, medical, hotel and some activated ground floor retail, has no minimum square footage for retail and commercial space. The zoning designation was previously Neighborhood Mixed Use (NMU) and was created in 2017 during the Eastgate and I-90 update. It was created to be a companion to transit oriented development. The map shows multiple neighborhood centers upzoned to MU-M, and that is a huge upzone and appears to be an end run around the Comprehensive Plan amendment process from 2016-2018, particularly for the Bellevue Technology Center property and the Newport Hills Shopping Center that have been multiple rezoned attempts stopped at the Commission level because the applications did not meet the

significantly changed conditions criteria. If the intent is to support small businesses at neighborhood centers by allowing for more density, the better approach would be to considering changing the uses allowed at neighborhood centers in terms of retail and commercial, not residential. Both Newport Hills Shopping Center and Lakemont Shopping Center have very limited ingress and egress. Allowing developments of seven to eleven stories on those properties would be insane.

Steve Kramer with KG Investment Properties spoke in support of Alternative 3 in the Wilburton Vision. Given the infrastructure, the possibilities in Wilburton are unique. The intent is to accentuate Eastrail in creating a walkable and bikeable community in Wilburton. The NE 6th Street HOV off-ramp should terminate at 116th Avenue NE rather than 120th Avenue NE to avoid traffic crossing Eastrail. The Grand Connection is the lynchpin to it all. The county is projecting 1.5 million riders and walkers the first year Eastrail opens and connecting the Downtown with Eastrail via the Grand Connection is a unique opportunity that should be emphasized.

Andrew Coats, also with KG Investment Properties, noted having studied and worked with city staff for a decade on the Wilburton rezone. It is exciting to see it moving forward. Support was voiced for Alternative 3 though it was stressed that there must be flexibility of land uses within the alternative. The neighborhood will be dynamic and dense and it is difficult to predict which uses will want to be where given the demand.

Adam Rosen, owner of a property in the Wilburton area, agreed with the comment of Andrew Coats in support of a range of potential uses without being overly prescriptive. The market should be allowed to decide what will be built within the context of zoning scale and designation the Council will ultimately decide on.

Pearl Leung spoke on behalf of Amazon in thanking the Commissioners for their service and hard work on the Comprehensive Plan Periodic Update. Amazon supports the city's effort to chart a bold vision for growth in housing and jobs, and for making investments in transportation, utilities, and parks, recreation and open space. Amazon is committed to partnering with the city and the community on the important planning effort. More than 300 stakeholders provided comments during the EIS review period and the staff did a good job of encapsulating the comments into themes. Amazon also supports Alternative 3 and allowing for more flexibility in focusing growth in BelRed, Wilburton and Downtown, as well as the existing mixed use centers. Amazon also supports more housing overall and affordable housing in particular. It would be instructive to study how various affordable housing programs, particularly the calibrations for those programs, might yield different outputs before making policy decisions. The city should show analysis that compares estimated market-rate and affordable housing unit output broken down by area and income affordability levels. The analysis should also compare the different affordable housing policy goals under consideration such as but not limited to incentive zoning, mandatory inclusionary, with and with fee in-lieu options. The analysis should account for how the different policy tools affect overall residential development decisions, and it should take into consideration the role of other affordable housing funding and financing goals. Such an analysis would help the city select affordable housing policy approaches that are informed by data and modeling. Amazon also supports the NE 6th Street extension to 116th Avenue NE for local east-west access, not limited to HOV access to I-405. Extending NE 6th Street to 120th Avenue NE and having an at-grade crossing at 116th Avenue NE and Eastrail would greatly impact the experience for Eastrail users.

Cliff Cawthon with Habitat for Humanity spoke in support of Alternative 3. The organization appreciates the work of the staff and the comments of stakeholders and community members

who have contributed to the vision. Increased heights, increased capacity and the leveraging of mixed use spaces, both highrise and midrise, will give way to more support for building affordable housing. Affordable housing is absolutely critical as the city continues to grow. When it comes to environmental sustainability, the increased heights and opportunities to create increased residential density and affordable housing near jobs will be critical. The city is facing a massive housing crisis, one in which 89 percent of the people who work in Bellevue are on the freeways commuting out of the city at the end of the day. By leveraging all of the various opportunities Alternative 3 represents, the city will be able to come up with a plan to create affordable housing in Bellevue in high opportunity areas in sustainable ways.

Chad Vaculin with the Housing Development Consortium also expressed appreciation for the work of the Commission and the staff to date, and for the engagement and collaboration that has taken place. The city is to be commended for setting an ambitious timeline given the need to progress without unnecessary delays. Bellevue is facing a pressing housing crisis that leaves hardworking families struggling to find housing that is affordable to them. Amidst the challenge, there is an opportunity to tackle the housing crisis head on and position Bellevue as a regional leader in finding sustainable solutions. It will be critical to build homes that are affordable to Bellevue's essential workers, including restaurant and service employees, teachers, nurses and countless others that form the backbone of the community and the economy. Alternative 3 with its combination of high housing capacity and mandatory inclusionary zoning goes the furthest toward increasing a future of abundant affordable housing across Bellevue. The city must explore the implementation of residential and commercial inclusionary zoning throughout the city where incentives alone are not likely to work. The concerns raised by community partners regarding environmental justice issues near highways in implementing mitigation measures in those critical areas. The upzoning of high-opportunity areas near transit should be considered, along with the critical factors that are essential to creating a truly equitable and sustainable housing landscape. The areas in West Bellevue that were historically covered by racially restrictive covenants must be zoned in accord with the requirements of HB-1110.

Barbara Braun spoke on behalf of People for Climate Action and noted that the city has committed to reducing greenhouse gases emissions by 50 percent by 2030, and 80 percent by 2050. The city has reaffirmed the commitment on numerous occasions, including in the adoption of the 2023-2024 legislative priorities. People for Climate Action have assessed that the DEIS is quite light when it comes to addressing the city's commitment to cutting greenhouse gases emissions and meeting the targets. The 20-year Comprehensive Plan needs to be detailed and aggressive in order to meet the commitments. The final Comprehensive Plan should not be adopted until unless there is a full confidence in being able to meet the climate goals. The Washington Department of Commerce Climate Review Group has been working on an optional climate element section with guidelines for comprehensive plans that should be included in the final EIS for Bellevue. The guidelines are supposed to be released during the month of June, though the release may be delayed. Bellevue should adopt the guidelines into the Comprehensive Plan even if it requires Bellevue to be a pilot city. The preferred alternative should be analyzed on the ability to meet the climate goals using the guidelines and the final EIS should use numerical estimates of future greenhouse gases emissions along with key actions and mitigations required to enable meeting the measurable targets. Bellevue needs to stand out as a large municipality that is taking climate action seriously.

Paul Etsekson, owner of the Ford site at NE 4th Street and 116th Avenue NE, voiced support for the work of the Commission and the staff and Alternative 3. The Ford site is unique in that it will serve as a focal point for whatever happens in Wilburton given its location. The city will need maximum flexibility over the next 20 years in deciding what will be built in the area. Bellevue is

uniquely positioned as the headquarters of Amazon, and Microsoft is nearby. The residential portion of the Comprehensive Plan update is very important. No one who will be working in Bellevue should be left stranded in Seattle; they should be able to live in Bellevue.

7. PUBLIC HEARING – None
(7:05 p.m.)

8. STUDY SESSION
(7:05 p.m.)

A. Comprehensive Plan Periodic Update and Wilburton Vision Implementation Draft Environmental Impact Statement Update

Assistant Director Emil King said the Comprehensive Plan Periodic Update work began in February 2022, and the Wilburton work started in April 2022. The city determined that an Environmental Impact Statement was needed given likely adverse environmental impacts. The EIS process allows for studying both the benefits and impacts of the actions along with potential mitigation strategies. The DEIS was issued on April 27 and the comment period ran through June 12. Over 350 different commentors responded and all of the comments are posted to the city's website. There has also been a lot of outreach since the two initiatives started so in addition to the comments on the EIS there have been comments made through that discreet effort. From the outset, the timeline for the work has been aggressive at the direction of the City Council. A commitment made was to the Council and the stakeholder community to have the Wilburton CPA done by the end of the 2023 calendar year and all is on track to get that accomplished. The work on the overall Comprehensive Plan Periodic Update is being done in tandem with the Wilburton work so the EIS covers both areas.

Early on in the environmental review process there were discussions with the Commission about a host of different growth concepts, including adding different housing typologies to single family neighborhoods and having retail occur in mixed use areas. The growth concepts were also informed by scoping them with the community. The concepts were bundled into growth alternatives which were then also subjected to a scoping process, allowing the community to weigh in. The DEIS has been completed and it has been discussed by the Commission along with the economic analysis and the Racially Disparate Impact Analysis. The next step in the environmental review process is to think about what alternative on which more analysis should be done.

The preferred alternative is the alternative that will move into the final EIS to determine how the combination of different growth ideas embedded in it work together, what the benefits and impacts are, and what type of additional mitigation should be considered. The full EIS document ultimately will be made up of the DEIS and the FEIS documents together. The growth strategy will be determined by the Commission after concluding the final EIS. It might be the preferred alternative, but it could have elements from earlier alternatives considered. At the Comprehensive Plan and policy updates level, the Commission will begin looking at specific ideas for sites and what their future land use might be, and will hone in on the actual Comprehensive Plan policies. There will be continued public engagement, including a public hearing, before the Commission forms a recommendation to be sent to the Council for Wilburton by the end of the year, and a recommendation in the spring of 2024 for the overall Comprehensive Plan.

Commissioner Khanloo asked how many persons typically participated in the community

feedback efforts. Senior Planner Dr. Kate Nesse said staff engaged with around 5000 people in the community through surveys and workshops. The engagement in Phases 1 through 2a was done before the growth alternatives were developed, and all of it went into the development of the growth alternatives.

Commissioner Goepple noted comments from the public about specific parcels and areas and asked if staff was seeking a high-level direction from the Commission with respect to the alternatives, or if the direction provided would dictate outcomes for the land use maps. Emil King allowed that a number of comments had been made in regard to specific properties. The Commission's annual Comprehensive Plan amendment process does address specific sites. It is beneficial for a property owner wanting to have something allowed on their property in the future to have it analyzed as part of the environmental review process. There is some flexibility built in should the Commission ultimately come up with an idea that is in the ballpark of what was analyzed, though it clearly cannot be wildly different from what has been analyzed; the latter would trigger a need to go back and redo the environmental analysis. There was a fairly robust scoping comment period during which several specific ideas were suggested, and the staff looked them over and included almost all of them in the DEIS. There have been suggestions made that go beyond what was analyzed in Alternative 3.

Answering a question asked by Commissioner Cálad, Emil King explained that if the Commission wanted to hear the opinions of staff regarding the recommendation for any specific property, staff would be happy to respond. Emil King added that going forward staff would be producing maps with a little more detail.

Emil King said the intent of the preferred alternative is to look at the four alternatives in the DEIS and to determine which alternatives, or which refined alternative, should be moved into the FEIS. In the agenda materials staff recommended a hybrid alternative that is largely based on Alternative 3. The FEIS work will allow for further analysis. The FEIS will also need to respond to all of the comments received in the DEIS. The work in the FEIS is helpful in forming goals, objectives and policies for the Comprehensive Plan.

The three main values have been identified from listening to the public and other city boards and commissions. The first is equity and centers on making Bellevue welcoming to everyone, affordable to those wanting to live in the city, and accessibility to opportunities. The second value is sustainability. There is a sustainability plan in place and there are goals at the state and county levels. And the third value involves having abundant housing opportunities affordable at various levels.

Dr. Kate Nesse took a moment to explain that mixed use centers are the major employment centers. The urban core, which is the Downtown, BelRed and in the future Wilburton, is called out separately. Neighborhood centers are the commercial nodes that are separate from the big commercial centers. Neighborhood residential takes up the areas outside the commercial geographies. Transit nodes or transit proximate areas are called out in the alternatives, as are areas of opportunity, which are the areas that are around and overlapped with the mixed use and neighborhood centers.

By way of the specific alternatives, Dr. Kate Nesse noted that Alternative 0, the No Action alternative, makes no changes to current policies. Under the alternative, all commercial growth and almost all housing growth will occur in the urban core. There are incentives for affordable housing in Downtown and BelRed and they would continue. Alternative 0 would not provide for a full range of housing types. It does not align with the Growth Management Act, Vision 2050 or

the Countywide Planning Policies. It dispersed growth in a pattern that could result in adverse impacts on water and natural resources.

Alternative 1 seeks to expand housing growth to include all of the mixed use centers. Under the alternative, most of the housing growth would occur in Downtown, BelRed and Wilburton, but to a lesser degree in Crossroads, Factoria and Eastgate. Middle housing types would be allowed in all areas across the city. Affordable housing would be mandatory in the mixed use centers.

Alternative 2 builds on Alternative 1. Commercial growth would happen in the mixed use centers, but while most of the housing growth would occur in the mixed use centers, it would also be allowed in the neighborhood centers, primarily as infill with middle housing types. Neighborhood centers currently only allow commercial uses. Housing density along the frequent transit corridor would be allowed to be higher than other places in the city in the form of townhomes and apartments. Middle housing types would be allowed in neighborhood residential. Affordable housing would be voluntary across the city.

Alternative 3 would concentrate commercial growth in the mixed use centers, and most of the housing growth would occur in those centers as well, especially in the Downtown, Wilburton and BelRed. Housing would be allowed both in and around the neighborhood centers. The alternative adds areas of opportunity around the Downtown and in the neighborhood centers, and it allows middle housing types everywhere at higher density levels. Affordable housing would be mandatory in the mixed use centers and voluntary in the neighborhood centers.

The capacity for housing and commercial increases across the alternatives. The same 2044 target was used for each of the alternatives, which is 35,000 housing units and 70,000 jobs. The alternatives simply disperse the housing units and jobs differently around the city. All of the alternatives have significant impacts, many of which can be mitigated as identified in the DEIS. Additional analysis as part of the FEIS may identify additional strategies for addressing the impacts. Application of any mitigation strategies will occur beyond the FEIS when the focus turns to the growth strategy and the policies. Certain unavoidable impacts were identified in the DEIS, including air quality and traffic volumes and speeds, which are relative to the amount of growth that occurs.

Dr. Kate Nesse noted that to date there has been a lot said by the Commission about balancing the environment and growth across the city when looking at the future. The Commission has stressed that BelRed is a priority, as is having an arts district in BelRed. There has also been a clear call to match housing and job growth when looking at the preferred alternative.

Dr. Kate Nesse said the preferred alternative recommended by staff is based on Alternative 3 but it reimagines the transit proximate areas, reforming them into areas of opportunity. As stated by the Commission and others in the community, a single bus stop is not the best reason to increase density. The alternative increases density around the neighborhood centers and around the mixed use centers based on multiple draws. The recommendation includes analyzing the requirements of HB-1110 and HB-1337 in the neighborhood residential areas to assure compliance with those regulations.

Equity is clearly important to the community, the Commission and the City Council. The recommended preferred alternative makes sure investments will be made in places beyond just the Downtown and BelRed. It maximizes housing opportunities for middle- and low-income households, and preserves naturally occurring affordable housing and affordable office space where feasible. With regard to sustainability, development is focused in nodes with transit

service and walkable access to goods and services. The preferred alternative aims for a two-to-one jobs to housing capacity ratio. The housing value is addressed by adding capacity for a wide variety of housing types, maximizing middle housing opportunities, and maximizing affordable housing opportunities.

Dr. Kate Nesse said the staff were recommending further analysis in the FEIS of mandatory affordable housing in the mixed use centers, and voluntary incentives in the neighborhood centers.

Commissioner Malakoutian asked why that decision was made, given the comments received about mandatory affordable housing not working and the difficulties in calibrating the voluntary incentives. Dr. Kate Nesse said the staff have had conversations with both for-profit and non-profit developers about the incentive systems. It is true that making sure the calibrations are correct is critical. For-profit developers say the mandatory system is not their preference. Other cities that have mandatory programs have not seen the approach halt development overall, and they have seen the development of more affordable housing. Recognizing that mandating affordable housing is not the best approach for all areas of the city, the recommendation was made to limit it only to the mixed use centers, and creating a voluntary system in neighborhood centers and other places that face major changes in land use. Staff are working to develop an estimate for the number of units that would be created under the mandated approach using the state's methodology.

Commissioner Cálad asked why the developers were opposed to mandatory affordable housing. Dr. Kate Nesse said for-profit developers claim it is difficult to make affordable units pencil out, and to make developments that include affordable units work. Requirements for units to be affordable at and below 60 percent of area median income is claimed to be particularly difficult. The FEIS analysis will not look at the details of the program, only the concept.

Thara Johnson added that staff also met with a number of non-profit developers who provided different feedback and guidance. Their opinion was that if additional affordable housing is to be achieved, a mandatory approach is the way to go.

Answering a question asked by Commissioner Khanloo, Dr. Kate Nesse explained that neighborhood centers are areas of commercial development surrounded by residential, such as the Kelsey Creek Shopping Center and the Newport Hills Shopping Center. Commissioner Khanloo said it would be helpful to see the projected numbers for the voluntary and mandatory affordable housing approaches.

Commissioner Goepple asked for background on how a mandatory approach came to be recommended for the mixed use centers and voluntary incentives for the neighborhood centers. Dr. Kate Nesse said the mixed use centers are the areas facing the most land use change in terms of increased density. They offer the largest opportunity to capture some of the increase in value in the form of affordable housing. The neighborhood centers are facing less of an increase in density and the voluntary system might work better in those areas.

Vice Chair Bhargava asked if there are studies of other cities having mandatory affordable housing requirements versus a voluntary approach that show how the approaches have worked out, and if there are impacts associated with either promoting or limiting the development of affordable housing. Dr. Kate Nesse said the details of the various programs impact how they play out on the ground and how they impact development. Kirkland and Redmond both have mandatory programs that have been reviewed. The main takeaway is that overall development

continues to happen in those cities and they have been able to achieve more affordable housing.

Vice Chair Bhargava asked if there are specific percent of area median income targets in mind. Dr. Kate Nesse said the process has not gotten to that level of detail. Emil King explained that the city defines affordable housing as 80 percent of area median income or below so that will be the starting point. The city's planning targets for lower percent of area median income levels will be reviewed. The Council has been briefed on both the mandatory and voluntary approaches.

Chair Ferris noted that previous presentations to the Commission showed the 35,000 new housing units broken down by area median income levels. Of the total number of new units, 27,000 was marked for area median income levels of zero to 50. Thirty-five percent would go to between zero and 30 percent of area median income. It would be good to reach those levels, but it would be very difficult to do so, particularly the lower area median income units. Chair Ferris added that along with mandatory inclusionary zoning comes increased density and building height. The trick is getting to a balance between what is expected to be produced for affordable housing and/or a fee in-lieu or a deed-in-lieu and still make the development pencil out.

Chair Ferris recalled that no changes were planned to the zoning in the Downtown. Dr. Kate Nesse said the suggestion is to change policies that favor housing more, but there is no recommendation to change any land use designations. Emil King said FAR increases are part of the Next Right work. There is an interim official control in place currently, and for the permanent regulations consideration will be given to increasing the FAR in the Downtown zones.

Chair Ferris voiced opposition to having any area zoned exclusively for office or exclusively for residential. It would be better to allow mixed use in all areas where it makes sense to do so.

Chair Ferris asked what staff envisioned relative to incentivized affordable housing in the neighborhood centers. Dr. Kate Nesse said there are details yet to be worked on relative to an incentive system. It could be something like what is in place in BelRed where development advantages are associated with the creation of affordable housing. Chair Ferris said it was hard to visualize enough upzoning to create affordable housing in the neighborhood centers. It would be worthwhile to see how creative the city can be in other areas. There should be an overlay for the faith-based properties where affordable housing is likely to occur with the neighborhood centers. Those areas could potentially become opportunity areas to further development. Mixed use gives the most flexibility and what the city needs is zoning that is as flexible as possible.

Commissioner Malakoutian said it is clear that the goal is to achieve more affordable housing, but it is not yet clear which approach will produce the most. Some study should be put into the options of all mandatory, all voluntary, or a mix of the two to see which produces the most. The city's incentive system clearly has not worked, and if a mandatory approach cannot be made to pencil out for developers, there will be issues.

Commissioner Malakoutian asked if Alternative 0 was even an option given all the state and regional regulations. Dr. Kate Nesse allowed it that it would be very difficult for the city to attempt moving forward without making any changes and be in compliance with state law.

Answering a question asked by Commissioner Goepple about the goal of achieving 35,000 new housing units, Dr. Kate Nesse said it is common for cities to have more capacity for housing than can be achieved in 20 years. Most cities in fact have substantial excess capacity beyond what is on the ground. The growth projections were developed by the state, and the Puget Sound

Regional Council took the share for the three-county area and divided them up among the various cities. Creating capacity is not an assurance that the development will occur. Commissioner Goepple suggested that reaching the housing goal is far more likely where there is sufficient capacity. Dr. Kate Nesse agreed and added that having more options for housing style and commercial development ushers in more ways to meet the market demand over time.

Chair Ferris called for more research on the Coca Cola site, specifically in regard to the zoning requested by the property owner. Going with their request would for sure call for imposing mandatory affordable housing requirements, either production or deed-in-lieu.

Moving on to the mixed use centers, Dr. Kate Nesse said staff was proposing further analysis with the centers taking all of the new job capacity, streamlining the land use categories, using a mixed use land use that favors housing, and focusing the highest density around light rail stops and mobility. The approach is in line with Alternative 3.

Strategic Planning Manager Janet Shull said with regard to the Wilburton Study Area, the staff recommendation is to conduct further analysis of the increased job and housing capacity, including a diversity of highrise and midrise development. In all of the alternatives studied in the DEIS, and also in the preferred alternative, the dominance is highrise and midrise developments throughout the study area, with higher density and intensity of development closer to I-405. The preferred alternative is primarily based on Alternative 3 but includes some elements from Alternative 2.

For the area immediately east of I-405, the staff-recommended preferred alternative calls for predominantly highrise development of office and residential uses, though the assumption is for slightly more office than residential. The tallest buildings would occur in the area.

The area between 116th Avenue NE and the Eastrail trail largely anticipated mixed use development with close to a 50-50 mix of jobs and housing, with the exception of the area just south of NE 12th Street and east of 116th Avenue NE which is designated for medical offices.

The area on the east and southeast edge of the study area is envisioned for mixed use with an emphasis on residential. There is provision for highrise development next to where the Grand Connection would interface with Eastrail and in the area proximate to the Spring District.

Finally, the area around Lake Bellevue is recommended for mixed use with a residential emphasis, all on a midrise scale. Lake Bellevue is a designated wetland and the critical areas ordinance applies to adjacent development.

Answering a question asked by Commissioner Cálad, Janet Shull said ultimately there will be conversations about the best fit for the geographic areas. For the context of the preferred alternative, three levels of highrise intensity are considered. H-1 would allow up to about 16 stories; H-2 would allow up to about 25 stories; and H-3 would allow heights of up to about 45 stories. The midrise category allows heights of up to approximately 10 stories.

Commissioner Cálad asked what criteria or rationale was used to limit building height where there is the opportunity to go higher rather than wider in light of the desire to offer as much opportunity as possible to develop housing and office. Commissioner Cálad also asked about the medical use designation and asked if it includes housing for people needing to use the medical facilities in the area. Dr. Kate Nesse said housing is under consideration for the medical area in BelRed. Janet Shull said the alternatives looked at for the DEIS had different configurations of

medical office. The scoping and DEIS comments expressed an interest in having more flexibility and more potential for residential to take place in the Wilburton Study Area near the hospital district. That is why the preferred alternative looks at a smaller area.

Commissioner Goepple referred to the notion of allowing mixed use with a residential emphasis at the midrise scale around Lake Bellevue and noted that previous discussions have called for having access to natural water features in the area. It would be an opportunity missed to not have more public access to Lake Bellevue. Janet Shull answered that there are draft policies that entail the opportunity to have further public access to the Lake Bellevue area. For the purposes of the FEIS, however, the focus is on potential land uses and it does not get into the finer details of how each parcel might develop and how public access might be achieved. Emil King added that in 2018 Lake Bellevue was studied and no redevelopment was anticipated. The preferred alternative does envision redevelopment, which could facilitate public access.

Chair Ferris asked about the Office/Limited Business designation shown in Area 1. Janet Shull said the site has a wetland on it and there is no anticipation of redevelopment. Dr. Kate Nesse added that there are three OLB designations, and OLB-O involves open space.

A motion to extend the meeting to 10:00 p.m. was made by Commissioner Malakoutian. The motion was seconded by Commissioner Cálad and the motion carried unanimously.

Vice Chair Bhargava asked if the development opportunities are anticipated to be maximized on the parcels nearest the light rail stations. Janet Shull explained that within the realm of the three alternatives studied in the DEIS, consideration is given to some levels of higher intensity than what is proposed for the preferred alternative. The reason for the recommended MU-H-1 to the south of Lake Bellevue is that the proximity could trigger some challenges relative to both the wetlands and the soil conditions. The proposal is within the realm of the alternatives that were analyzed. Vice Chair Bhargava voiced a desire be very careful about the choices made for areas within a quarter mile of a light rail station.

****BREAK****

(8:26 p.m. to 8:30 p.m.)

Turning to the BelRed neighborhood center, Dr. Kate Nesse said under Alternative 3 the tallest buildings are around the light rail stations, and more residential is allowed throughout the area, including in the medical office area to the east of 116th Avenue NE. Staff is recommending analyzing Alternative 3 in the BelRed mixed use area.

Commissioner Malakoutian asked what tool is to be used in making an informed decision between the alternatives. Dr. Kate Nesse said the important thing to keep in mind in choosing a preferred alternative is how it represents the values of Bellevue moving forward. The environmental analysis is not complete and much of the information to be gained is in the mitigation strategies and the different policies that can be put into effect to lessen the various impacts. When it comes to developing the growth strategy and specific policies, the knowledge developed through the environmental process can be called into play. There will be impacts relative to the increases in houses and jobs. The specific locations that will be impacted vary to some degree. The strategies that can be used to address traffic or air quality impacts are essentially the same in all of the alternatives. Commissioner Malakoutian questioned how the same mitigations can be applied to Alternatives 1, 2 and 3 to achieve the same outcomes in the end.

Commissioner Khanloo also questioned how the mitigation efforts for the three alternatives could all be the same. Not having a solid mitigation plan would be a mistake. All the development currently under way in the Downtown is impacting livability, and fewer elderly people are being seen on the streets given how difficult it is to get around.

Commissioner Cálad said transportation issues continue to be a concern, particularly outside the transportation nodes. The alternatives under consideration will all trigger additional transportation impacts. More houses and more jobs will bring more people to the streets, while at the same time developments are being incentivized to offer less parking. A better understanding is needed of what life will look like in ten or twenty years. Emil King said the FEIS does look at mitigation measures. Comments were made about a desire for more detailed mitigation measures. Once the preferred alternative is in hand, it will be possible to dig a bit deeper into more specific mitigation measures. Work is also going on at the staff and consultant level to know what things will be like in 2044, which is the 20-year planning horizon, in addition to the full buildout of the preferred alternative.

Commissioner Malakoutian said it is true that taller buildings and more housing near transit and shops will require fewer cars and will result in reduced greenhouse gas emissions. There are, however, other environmental considerations that are being ignored. Those considerations will also need to be addressed at some point, including whether or not all new construction will be green, water conservation, the tree canopy and heat islands. Emil King said staff could focus more on the public comments and staff thoughts concerning greenhouse gases emissions at the next Commission meeting.

Commissioner Goepple voiced struggling with the transition to greater density. Even in light of the pain shared by the public about construction detours and closed sidewalks, the fact is most are incredibly car dependent. In the short term, there is no way around that. The question asked was how the transition, the most painful part, works from a mitigation standpoint. Dr. Kate Nesse said some of those issues will be addressed in the FEIS, including construction impacts. The larger transition, the how to get from here to there, is the path the Commission is charting for the next 20 years. Commissioner Goepple noted not being afraid of the end state, only about the process of getting there. It will need to be planned extremely well to mitigate the impacts associated with the transition.

Emil King agreed to provide the Commission at an upcoming meeting with more information about the request made regarding the Coca Cola site.

Commissioner Khanloo indicated some uncertainty in regard to Alternative 3 in terms of livability and Bellevue turning into the city on the other side of the lake.

Commissioner Malakoutian asked why the BelRed area has specific land use designations. Emil King said the "BR" designations were developed in 2009 as new designations. It may make sense to modify some of those designations in the coming months to make things clearer.

Turning to Crossroads, Dr. Kate Nesse said the recommendation is similar to Alternative 3 but with some modifications. The area is one in which naturally occurring affordable housing could be preserved. The higher density residential is retained around the Mixed Use-High area, which is around Crossroads Mall and the associated parking lot. Mixed Use-Medium is designated along the edges. There are several King County Housing Authority parcels in the area and they have been marked with the higher density residential given that redevelopment of those sites likely would be for affordable housing.

Commissioner Cálad noted that Crossroads has more transportation options for local residents and asked what the difference would be for mixed use buildings in Crossroads compared to Wilburton. Dr. Kate Nesse said Crossroads is much more of a residential-focused mixed use center. It does have bus rapid transit access and other amenities. It is about a mile from the Overlake light rail station.

Emil King added that Crossroads is centered around the existing shopping center. That is where the park is, the community center, and the youth theater. It does not have nearly the same level of office development as other mixed use centers like Downtown and BelRed, nor like what Wilburton is likely to see. It has a strong retail component and there is some office, but the primary focus is on residential, including a great deal of affordable housing.

Commissioner Cálad stressed the need to keep in mind public safety and fire safety. Emil King said the Comprehensive Plan is an important document for the city as a whole and it has a strong emphasis on public safety.

Commissioner Goepple voiced support for the balance evident in the recommendation for the Crossroads area.

Commissioner Goepple left the meeting at 9:00 p.m.

Vice Chair Bhargava noted being confused by the logic of the distribution of medium- and high-density residential uses and asked specifically about having medium density residential adjacent to mixed use. Dr. Kate Nesse said that site is developed with lower-cost apartments. Increasing the density will bring with it an incentive to redevelop, something that could remove some of the naturally occurring affordable housing.

Commissioner Malakoutian suggested that three years out should the owner of the parcel in question come to the Commission with a request for a higher zoning, approval likely would be given based on the threshold criteria and the surrounding designations. Dr. Kate Nesse said one of the threshold review criteria is the need to show significantly changed conditions. If the vision outlined in the recommendation is approved, and if there are no other changes in the immediate future, it could be concluded that there are no significantly changed conditions associated with the site. The proposal involves having the high-density residential closer to the current mall site. It extends out from there to incorporate some the sites under the control of the King County Housing Authority. Medium-density residential is earmarked for the edges.

Chair Ferris voiced concern about making land use decisions based on existing buildings. The question asked was if there were another way to seek to preserve affordable housing, such as adding caveats against the development of market-rate housing.

Commissioner Malakoutian questioned the authority of the Commission to tell a landowner that their medium-density designation can be increased to high-density but only if they develop affordable housing on the site.

Vice Chair Bhargava said it feels arbitrary to make planning decisions based either on existing uses or on the need for affordable housing.

Emil King agreed to spend a little more time focusing on what is on the ground and on understanding the methodologies employed.

With regard to Factoria, Dr. Kate Nesse said the preferred alternative was also based on Alternative 3. The main difference related to a site near I-90 that was MU-L in Alternative 3 and OC-H-1 in the preferred alternative. The change increases the office potential in the area. Also different from Alternative 3 is changing the designation on the site immediately to the east to MU-M to allow for more opportunity for office near T-Mobile.

Answering a question asked by Chair Ferris about the possibility of a mixed use zoning on the site proposed for OC-H-1, Dr. Kate Nesse said that was discussed by staff and the conclusion reached was that there likely is more of a demand for office in that area. Given the site's location near the crossing of two freeways, air quality there is not the best.

Commissioner Malakoutian asked about air quality during commute times and at night. Dr. Kate Nesse said there are a couple of things to take into account. Most people spend most of their time at home, thus their homes have a much greater impact in terms of air quality than their work environments. Additionally, it is easier to control air quality in an office building because the systems are generally enclosed and controlled. Commissioner Malakoutian suggested housing could also be built that has more control over the air quality. The preferred alternative is largely based on what is happening now, but things change over time. There is a clear need for flexibility. If office is the hot thing, the market will see that it happens.

Emil King agreed to come to the next Commission meeting with options having more flexibility.

Vice Chair Bhargava said it has been proven by land use economic studies that the most viable option always tends to be office.

Commissioner Khanloo suggested it would be helpful to have two maps, one showing current conditions and one showing future conditions under the preferred alternative. Vice Chair Bhargava added that aerial images would help to clarify.

With regard to Eastgate, Dr. Kate Nesse said the preferred alternative for the area around Bellevue College is very similar to Alternative 3. The only changes involve the walkshed for Bellevue College and the area outside the mixed use centers in terms of residential. To the east a site that was marked for mixed use was turned back to OLB as a way of preserving some of the naturally occurring affordable office space in the area.

Commissioner Malakoutian voiced support for the concept of retaining uses and not displacing people, but that runs against the notion of flexibility. Dr. Kate Nesse said all of the work involves a balancing act. The land uses are changing in a lot of the city and there are some places where the staff are not recommending making changes. Those recommendations have been made strategically, not arbitrarily.

Commissioner Khanloo stressed the need for the Commission to hear what the public has said about the area, and indeed about the area in Crossroads. Dr. Kate Nesse said comments have been made generally by the public about retaining affordable commercial space for small businesses. Emil King said staff would provide the Commission with a summary of the public comments about preserving office.

Chair Ferris also came down on the side of flexibility in regard to the site in question. The area is close to transit and close to Bellevue College. A lot of opportunity could be missed by simply forcing office on the site.

Turning to the Downtown, Dr. Kate Nesse said the primary change involved policies to encourage more residential in the area.

Chair Ferris said the clear desire was to see business thrive and to see more housing in the Downtown. Dr. Kate Nesse said the intent is to effect that through policies rather than by LUC changes.

Dr. Kate Nesse reminded the Commissioners that the outcome of the economic analysis involved the different neighborhood centers. The staff recommendation involved changes based on Alternative 3, with amendments to the neighborhood centers based on increasing density in the shopping centers; low-density mixed use in the weigh stations; no changes to the office centers; and increasing density in the areas to the north of the Bellevue Technology Center. Housing benefits from being next to commercial uses but not so much by being next to office.

Dr. Kate Nesse said there are two office centers in Bridle Trails. Yarrowood is in a wedge between two freeways and there is a little bit of housing around it. The proposal is to make no changes to that area. The other one is Pine View and is located in the Southeast corner of BelRed. It is primarily office but does have some retail. No changes are suggested for that area either.

Chair Ferris voiced a preference for seeing more flexibility allowed in those areas.

Commissioner Khanloo asked how much of the office space in those areas is actually being used currently. Dr. Kate Nesse agreed to collect and share additional data in that regard at the next Commission meeting.

Commissioner Malakoutian said it would be helpful to know how much more affordable the office space is in those areas as compared to other parts of the city.

Dr. Kate Nesse said there are seven regional shopping centers. The suggestion is to change the central area, which is generally where grocery stores are located, from MU-L in Alternative 3 to MU-M in the preferred alternative. That additional density would allow for retail and active uses on the first floor, and four stories or so of residential above.

Commissioner Malakoutian pointed out that the general consensus of Commissioners was that more density and more housing is needed. The questions asked were why MU-H was not chosen, and what impacts might result from the higher density. Dr. Kate Nesse said development on the site would impact the surrounding neighborhood where there is some higher density multifamily but also a lot of middle and low density around it. MU-M was selected as the most appropriate designation to serve the neighborhood uses. MU-H allows for tower developments that would be out of character for the neighborhood.

There was consensus to go with the staff recommendation in the FEIS.

Dr. Kate Nesse said weigh stations are generally anchored by a gas station. Sometimes they have other social uses nearby. The recommendation of staff was to go with MU-L, a density similar to what is on the ground currently but an approach that would allow for some housing infill.

The Commissioners concurred with the proposal for the FEIS.

Dr. Kate Nesse said the undefined area around the Bellevue Technology Center. The Bellevue Technology Center currently has an office use and the staff suggestion is to change the designation to MU-L, which is a similar density to an office use but allows for more flexibility in how the space is used. It would allow for the preservation of open space, and for mixing housing in with office uses. For all of the area to the north, the proposal is to go with Multifamily-Medium in the FEIS. The area lies about a quarter of a mile from the Overlake light rail station.

Chair Ferris asked if the undefined area should be considered for MU-H. Dr. Kate Nesse looking at the site from the Redmond direction it would make sense to have taller buildings, but looking at it from the Northeast Bellevue perspective, it makes sense to have lower buildings. The site serves as a transition area and MU-M splits the difference. The Commission could choose to study MU-H in the DEIS but still ultimately decide to go with a lower density on the site.

Commissioner Cálad stressed that simply allowing for more density and height does not mean that is what will actually get developed. There will be taller buildings on the Redmond side of the line and that should be considered.

Emil King agreed the higher MU-H could be studied for the site.

Dr. Kate Nesse addressed the transit proximate areas and the areas of opportunity together. The recommendation of staff was to study in the FEIS transit oriented development land use types around light rail and bus rapid transit, and not increasing density based solely on proximity to a bus stop. For the high opportunity areas, the thinking is to allow higher density housing close to mixed use and neighborhood centers. Fixed rail transit will not change, nor will bus rapid transit, but bus stops do change over time. The focus is on areas with more than just frequent transit. The neighborhood centers and the weigh stations tend to be in the Frequent Transit Network and the attention is on how to add capacity for housing around the areas of opportunity rather than just around the frequent transit. That is a change from Alternative 3.

With regard to low-density residential, Dr. Kate Nesse noted that an increase in density was studied across the city in all three alternatives, which the most increase in density being in Alternative 3. The suggestion made was to study changes in land use designations consistent with HB-1110 and HB-1337 in all of the low-density residential areas.

Dr. Kate Nesse said the discussion would continue on June 28.

9. OTHER BUSINESS (9:37 p.m.)

A. Remote Participation Approval

A motion to approve remote participation for Chair Ferris and Commissioner Khanloo was made by Commissioner Malakoutian. The motion was seconded by Vice Chair Bhargava and the motion carried unanimously.

10. APPROVAL OF MINUTES – None (9:38 p.m.)

11. CONTINUED ORAL COMMUNICATIONS (9:38 p.m.)

Alex Tsimerman began with a Nazi salute and called the Commissioners dirty garbage rats and human garbage and noted being an expert in housing. Dirty government, together with the City Council who represents damn Nazi fascists and the Amazon banditos, will bring 30,000 people to Bellevue. When that happens the price of everything will go through the roof. Over the last ten years housing costs in Bellevue have doubled. Everything the Commission has been talking about is pure BS. So a hundred thousand people will be moved out and the aristocrats will make more money. More and more money. It is not understandable why the Commissioners can sit and decide what will happen with 150,000 people. They will sell and rent houses and make money. Fifty percent of those in Bellevue do not have the money to pay for rent. When Amazon brings 30,000 additional people, 90 percent will pay for everything. The Commissioners are being idiotic. The city must stop Amazon from bringing in 30,000 people.

John Hogan with Mission Healthcare at 2424 NE 156th Avenue NE, applauded the staff for the preferred alternative. The property borders 156th Avenue NE, Bel-Red Road and NE 24th Street, and directly to the west is the demarcation line with the Crossroads neighborhood. Directly to the west is where the highrise buildings would be. Going from low-rise to mid-rise in the preferred alternative is a step in the right direction because of the shadowing the site would otherwise face. With regard to the Bellevue Technology Center, consideration should be given to lowrise properties that abut highrise properties where shadowing and noise can be issues. Mission Healthcare has been in Bellevue for 25 years and would like to continue for another 25 years focusing on seniors on fixed incomes. Housing opportunities for middle- and low-income learners is important, but housing is also important for seniors. Midrise allows for assisted living or an active adult community, or apartments with a voluntary affordability component. Midrise also allows for spreading out the costs over more units, making the units more affordable. Midrise is also greener than lowrise given a more favorable wood to concrete ratio. MU-M is the right designation for the Bellevue Technology Center.

Todd Woosley spoke representing the ownership of Brierwood Center which lies in the center between two light rail stations and Rapid Ride. The property is also in the center of the city's major Complete Streets investment program called the BelRed Transformation in which the city is investing \$300,000. The city should consider allowing up to 25 stories on the Brierwood Center site, which would be consistent with policies about being in proximity to major transit infrastructure and services, and in light of the city's investments in the area. Zoning represents the outmost limits of a development; actual developments must fit within that box, but they do not generally fill the box. At the same time, the impacts identified by the SEPA process are somewhat overstated by virtue that they are based on full development buildout of every parcel.

Jesse Clawson with the Plush Committee of the Bellevue Chamber of Commerce stressed the need to study incentive zoning in the mixed use centers. Having actual housing unit data in terms of incentive affordable housing and mandatory affordable housing will be very important.

Pamela Johnson said it did not appear to get all of the work on the Comprehensive Plan completed by next June. Public comments are needed for the DEIS, but after the DEIS work is done, public comments do not count for much because they cannot be legally enforced. Several neighborhood associations have no combined effort to work as part of the process. People see a very large document and they do not know what to do, and they are only given 45 days to comment. It should be made clear that a neighborhood agreement is in place relative to the Bellevue Technology Center. The site was zoned residential and an agreement was reached with the neighborhood to keep the open space open to the public, and to retain the trees and the transition functions without increasing the footprint. Three times suggestions for use of the site have been the subject of Comprehensive Plan amendments, and each time the suggestions have

been dismissed because of the agreement in place with the neighborhood. Nothing should be brought up and discussed that simply cannot be done. The Newport Hills Shopping Center tenants have to pay for their own heating and air conditioning systems. There needs to be talk of economic mitigations and green incentives.

Commissioner Malakoutian took a moment to welcome new Commissioner Khanloo to the Commission.

Commissioner Malakoutian asked if there were a way for those making public comments to know where they stand in the queue. Thara Johnson said there is a timestamp for those who sign in online, but not for those who sign in in person.

Given the increased number of speakers at each meeting, Commissioner Malakoutian asked if the Commission could limit the number of persons speaking on a given topic. Thara Johnson said that could be done.

Chair Ferris added that it might be good to give precedence to those who have not spoken earlier.

Commissioner Malakoutian also asked about telling everyone submitting written materials to the Commission that the Commissioners may not have time to review materials if they are sent late in the day. Thara Johnson said that message is already posted to the Commission's webpage.

12. EXECUTIVE SESSION – None
(9:58 p.m.)

13. ADJOURNMENT
(9:58 p.m.)

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

Chair Ferris adjourned the meeting at 9:58 p.m.



Thara Johnson
Staff to the Planning Commission

July 14, 2023
Date



Carolynn Ferris
Chair of the Planning Commission

July 14, 2023
Date

